

Make Them an Offer They Can't Refuse

Don Tolva and son Michael love to buy and sell

By John Dunlap

Don Vito Corleone and Michael Corleone they are not. Unlike the characters in *The Godfather*, Don Tolva and his son Michael are peace-loving self storage professionals. But they do share a devotion to family and enjoy making a deal. Go ahead, make them an offer they can't refuse.

The Tolvas, who own and operate The Store House Company, is based in Chicago, Illinois, take great pride in finding properties to buy and improve, then sell. In some cases, they buy and hold on to what they bought. In all cases, their love of self storage runs deep.

Don Tolva founded what would be the predecessor to The Storage House Company in 1977 as a real estate investment firm. He developed, operated and sold a number of property types, including rental apartments, condos, single-family homes and commercial office space.

"In 1988, with some leftover land near one of his apartment complexes in Macon, Georgia, he put up, as he

called it 'one of those mini-storage things,'" says Michael Tolver. "A short number of years later, when the property was re-financed and the banks loved it, that was it. Self storage from then on!"

"The Store House Company has always been in the business of developing and operating our storage properties," Michael adds. "Over the years we have owned and operated many facilities—at one time as many as seven properties in multiple states, with our corporate office always being in the Chicagoland area (Oak Brook). After selling a number of properties in late '07 and early '08, we now own and operate three facilities in two states, Indiana and Georgia."

"As my father always says, 'Everything is for sale at the right price...including my son.' We will continue to look at the opportunities for buying and selling, as well as special purchasing opportunities that come out of a market like it is today. We are certainly looking for the next facilities as we work through these new market conditions. We



Michael (left) and Don Tolva focus on their best talents and strengths to make The Store House Company a success.

believe in the current strength and the lasting strength of the industry, so we aren't going anywhere."

The Producer

As is the case with so many sons and daughters in their teens and twenties, involvement with the family business is not exactly a high priority. Michael attended the University of Iowa, where he majored in film. His specialty was being a producer and pulling all aspects of a film production together.

"When you are doing the work of a producer, your main concern is making sure that everyone is happy and creative," Michael says. "You have to be well-organized. When it comes to self storage, the same qualities apply if you want to run a successful business."

In getting to self storage and working with his father, Michael went from the working with media to leading a sales and business department for a software company based in Ft. Lauderdale, Florida. The company specialized in property management software for high-rise condos and gated communities.

"That job took me all around the country and introduced me to a lot of the skills I use today," adds Tolver. "It is where I learned to lead a team, the operations involved in running a property and the opportunities that lay in real estate. It was those experiences, plus a desire not to travel as much, that led me back to my father's company. As it turned out, he was looking for someone to do what I wanted to do for him at the same time."

And then there was the issue of working for dear old dad. Would it work, would the chemistry be good? In the case of Michael and Don Tolver, it was a matter of accentuating their individual strengths.

"I focus on the operations of all the properties and the employees and he focuses on the financing and negotiations of new and current deals," Michael says. "We work together on what the new deals should be and how we can achieve the goals of getting those new deals. The dynamic is fun, for the most part."

Old Versus the New

Of course, the two sometimes run into conflicts of management style and decisions from time to time and do their best to accept generational differences.

"We have different management styles that reflect our generations," adds Michael. "Dad is fine sitting in meetings all day and I hate meetings. I'm all about making use of the computer age—with things like Twitter and iPhones, things which I'll tell him about while he has a quizzical look on his face. But my father is not a stagnant man, he's happy with anything, old or new, that works to help the business."

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Michael admits that there are plenty of old-fashioned marketing approaches that do have validity, the most basic of all being location.

“It really does start with being in a good location with a lot of drive-by business,” he says. “Since self storage is a need-based industry, it is imperative that you be seen. You really need to have the potential of 25,000 cars going by the store each day. And it really isn’t bad at all to have competition. I’d much rather have a site near a Public Storage facility than further away.”

“I think we’re getting to the point where the Yellow Pages are really not that necessary anymore for self storage owner/operators. Instead, you definitely need a good website for your facility and you need to tap into the web’s different forms of communications. Combine that with a good location with lots of drive-by, and you can do quite well in this business.”

Speaking of doing quite well, Michael was elected to the Illinois Self Storage Association board of directors this year, something he has relished.

“I’ve had a great time serving, even though it has only been for about six months,” he says. “It was exciting to be nominated and elected by my peers to this position.”

“One of the great things about the self storage industry is its size. While we are large in terms of footprint and we do have a lot of individual operators, the large players are not that many and they are very accessible. It was always a focus of mine to meet and become friends with managers, regional managers, and executives of all those people in the Large Operators Council. Many of them have become friends and sounding boards. I wanted to help out at the ISSA to continue bringing the ideas from ‘above’ me to the smaller operators that make up the largest percentage of owners for Illinois as well as the nation. The more unified in general practice the industry becomes the better it will be for all operators to operate and compete in an even better way than we have in the past.”

What is the most positive thing about self storage in Michael Tolva’s eyes?

“The people in our industry!” he says. “Rarely have I seen an industry so open to discussing the particulars of its own operations. The knowledge sharing is what has inspired so many to do well and it has certainly helped many of us get through these last two years as we reached a new normal in our industry. Rarely do you find someone in the industry that does specialize in one area of expertise or service that doesn’t involve themselves in other areas of the industry.”

Self storage professionals could take some lessons from Don and Michael Tolva and combine the best of the old with the best of the new to keep things vibrant and forward-moving. ❖