

# around self storage

## W.P. Carey Acquires Nine Properties

Investment firm W. P. Carey & Co. LLC announced recently that CPA(R): 17-Global, one of its publicly held non-traded REIT affiliates, has acquired nine self storage facilities from A-American Self Storage. The properties comprise a total of approximately 623,000 square feet and the total purchase price was approximately \$31 million.

The five California properties will be managed by Extra Space Storage, and the four Illinois properties will be managed by SecurCare Self Storage. Together with W. P. Carey's previously announced acquisitions of 33 self storage properties from A-American Self Storage, the portfolio acquired to-date comprises 42 properties totaling approximately 2.9 million square feet.

Commenting on the investment, W. P. Carey president and CEO Trevor Bond noted, "With the completion of these transactions with A-American, we have assembled a diverse portfolio of stable self storage assets with the objective of providing consistent long-term income and diversification to our managed funds."

Anne Coolidge Taylor, managing director and head of W. P. Carey's self storage team, commented, "The A-American portfolio transactions have allowed us to build on our self storage experience and provide a solid base for additional transactions. The combination of our established relationships with seasoned players and our capabilities in structuring transactions and overseeing the day to day management of our portfolio should allow us to continue to identify, purchase and manage good assets."

Reed Smith LLP represented CPA(R):17-Global as general real estate and transaction counsel in connection with the acquisition and financing of the portfolio.

W. P. Carey & Co. is an investment management company that oversees a global investment portfolio of approximately \$11.8 billion. W. P. Carey provides companies worldwide with long term sale leaseback and build-to-suit financing and engages in other types of real estate-related investment. Publicly traded on the New York Stock Exchange (WPC), W. P. Carey and its CPA(R) series of income-generating, non-traded REITs help companies and private equity firms unlock capital tied up in real estate assets. The W. P. Carey Group's investments are highly diversified, comprising contractual agreements with approximately 284 long term corporate tenants spanning 28 industries and 18 countries. For more information, please visit [WWW.WPCAREY.COM](http://WWW.WPCAREY.COM).

## Talonvest Negotiates \$12.4 Million of Loans

Talonvest Capital, Inc., a boutique real estate advisor serving clients throughout the U.S., recently successfully negotiated and closed fixed and floating rate, non-recourse loans secured by self storage properties in Southern California, Chicago and Philadelphia. These recently funded loans collectively totaled about \$12.4 million.

Talonvest procured \$4 million of permanent debt for Enterprise Self Storage on an approximate 53,000 square foot facility in Glendale, California. The volatile lending market made this assignment challenging as some lenders have been changing loan terms or backing out of loans because of the turbulence in the capital market. Brandon Varone of Enterprise Self Storage commented, "When one lender backed out of my loan at the last minute, Talonvest put their capital market relationships and knowledge to work and found a lender that would close."

In another assignment, Talonvest arranged a \$5.5 million floating rate loan secured by Devon Belmont Self Storage, a 103,000 square foot self storage property located in Philadelphia. Talonvest was able to deliver a non-recourse loan with interest-only payments and prepayment flexibility even though the property is in lease-up. Ken Nitzberg, president of Devon Self Storage, commented, "Even in this volatile market, Talonvest delivered on an interest-only, non-recourse loan at 4.75%."

Most recently, Talonvest negotiated a \$2.85 million loan secured by an 110,000 square foot self storage facility in south suburban Chicago. Brian Shniderson of RTI Properties commented that the new loan "resulted in a large decrease in their loan rate" and that Talonvest "provided a very creative solution" for their financing need. Eric Snyder and Jim Davies, long time leaders in the self storage finance industry and principals of Talonvest Capital, structured and negotiated all of these financings.

For more information, contact Tom Sherlock at Talonvest Capital, Inc., (714) 556-5085 or [tsherlock@talonvest.com](mailto:tsherlock@talonvest.com).

## Argus Brokers Kentucky Transaction

Grisanti Group Commercial Real Estate's Mike Helline and Paul Grisanti, Kentucky self storage specialists, recently completed a unique deal in Radcliff, Kentucky. The owner of a self storage facility near Fort Knox had 100% capacity but, due to the facility's limited size, it was generating minimal profits. With plenty of demand due to the proximity of the Fort Knox military base, the owner needed an infusion of cash to expand his self storage business. Helline and Grisanti found an investor who provided the owner with the money he needed to expand the facility from 10,000 square feet to 30,000 square feet. They plan to double the size to 60,000 square feet in the future.

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This type of creative business strategy sets Grisanti Group apart in the Louisville commercial real estate market. In this instance they did not facilitate the buying, selling, or leasing a property in the traditional sense, but made a successful transaction take place by finding what their customer needed most.

Based in Denver, Colorado, the Argus Self Storage Sales Network (ASSSN) was formed in 1994 to assist owners and investors of self storage. Through the years, Argus has assembled a network of real estate brokers experienced in self storage and income property investments. For more information visit [WWW.ARGUS-SELFSTORAGE.COM](http://WWW.ARGUS-SELFSTORAGE.COM).

## Morgan Wins SmartStop Contest

Brent Morgan just spent two weeks knocking on doors, handing out flyers and imploring his friends, family and fans on Facebook to vote for his video jingle in the SmartStop™ Self Storage “Sing It Smart!” contest. His efforts paid off recently as SmartStop announced that the 23-year-old Athens, Alabama, resident would receive the grand prize of \$5,000 for obtaining the highest number of votes on Facebook with his catchy guitar solo *Goodbye Clutter, Hello Floors*.

“You have no idea how happy this makes me,” said Morgan, who is the youth music leader/teacher at Good Shepard United Methodist Church in Madison, Alabama. “I’m getting married in April and just put an offer on a house, so the best time ever to win a contest is right now.”

A local radio station was so impressed by his enthusiasm that the DJ invited him to play his jingle on air and ask for votes from listeners. And on the last day of voting, Morgan’s boss ordered him to take the day off to keep promoting his jingle to the end.

The two runners up were Jeff Brasher, 26, of Denton, Texas, and Shirley Franklin, 44, of Lexington, Oklahoma, who will each receive either an Apple® iPad®2 or \$500 cash. Brasher performed with his fiancé as they despaired about the hopeless state of clutter in their home. Shirley accompanied herself on the piano with a song about being new in town, tight on money and need a place to store her things where it’s “safe and dry.”

The original videos of all 15 finalists can be viewed on the wall of the SmartStop Facebook page at [WWW.FACEBOOK.COM/SMARTSTOPSS](http://WWW.FACEBOOK.COM/SMARTSTOPSS).

“All of the entries to our Sing It Smart! contest were so impressive and extremely diverse—we had gospel choirs, electric guitar and kitchen pots and pans,” said H. Michael Schwartz, CEO and chairman of Strategic Storage Trust, Inc. (SSTI), the publicly registered corporation that brands its properties under the SmartStop™ Self Storage brand

name. “Not a day went by that I didn’t check our Facebook page, and my wife and I watched every video multiple times. Thanks to everyone who participated in the contest, both entrants and voters. We really appreciate the time and effort you put in to make this contest a success.”

For more information on the winners, contest and judges, visit our Facebook page or the SmartStop™ Self Storage website at [WWW.SMARTSTOPSELFSTORAGE.COM/SINGITSMART](http://WWW.SMARTSTOPSELFSTORAGE.COM/SINGITSMART).

## Stor-Guard Now Distributor of AccessEzy

Stor-Guard LLC has been appointed the USA and Canadian exclusive distributor of AccessEzy, the leading Digital Access Control and security system from Australia.

Developed by Centreforce Technology over 10 years, AccessEzy security systems have been installed in hundreds of self storage sites around Australia and New Zealand.

“We are very pleased to have John Wollam and his team represent our AccessEzy products,” said Dallas Dogger, managing director of Centreforce Technology. “John is no stranger to self storage and his experience dates back to 1980 with the Mini Storage Alarm company, working with no less than Buzz Victor and Bryce Grefe (Sentinel Systems) providing revolutionary software and security products.”

Centreforce Technology have been at the forefront of security and software technology for 11 years in Australia and Dogger started selling PTI Access Systems back in 1994, the first to do so in Australia. Centreforce was appointed the South East Asian representatives for SiteLink Web Edition and Dogger has grown SiteLink Web Edition to be the fastest growing software in the region with major groups like National Storage making the switch.

“AccessEzy integrates with SiteLink Web Edition and StorMan,” said Dogger. “More brands will be added as the need arises. With our manufacturer we are able to make new innovation available quickly and our very first owners of AccessEzy can stay up to date. We regularly review our product line and add to it to deliver the best access controls available.” For more information, visit [WWW.STOR-GUARD.COM](http://WWW.STOR-GUARD.COM) or [WWW.ACESSEZY.BIZ](http://WWW.ACESSEZY.BIZ).

## IRE Helps Sell Syracuse Facility

Autumn Acres Self Storage located in Syracuse (Baldwinsville), NY was recently sold for \$330,000 to an individual real estate investor. The facility currently contains 10,800 SF in 96 units of self storage and 66 outside storage spaces. The total lot size is 11.31 acres. The property was in financial distress, as the store was 60% physically occupied and

35% financially occupied at the time of sale. A local bank financed the transaction, utilizing an SBA loan.

John H. Gilliland of Investment Real Estate represented both the buyer and seller in the transaction. Visit [WWW.IRELLC.COM](http://WWW.IRELLC.COM) to view current properties for sale.

## SiteLink Updates Mobile Reporting

SiteLink recently announced the latest version of its SiteLink Mobile Reporting module. The new feature shows reports on virtually any browser to SiteLink users on their computer, smartphone or tablet at [WEBREPORTS.SMDSOFTWARE.COM](http://WEBREPORTS.SMDSOFTWARE.COM).

“Clients demand instant, real-time information on handheld devices and PCs,” said Jim Ferguson, SiteLink’s marketing manager. “Owners and managers can view reports in a browser and make more timely decisions.”

Using any smartphone, tablet, MAC™ or PC, SiteLink users access reports by store or as consolidated documents. The Mobile reporting module runs not just on iPhones™ and iPads™ but all smart mobile devices including Android™ tablets and Android™ phones. SiteLink’s Mobile Reporting system delivers all historical and current corporate reports, not just high level documents, on one portal.

“SiteLink’s Mobile Reporting module serves the many operators requiring information on-the-go,” said Markus Hecker, SiteLink’s COO.

## Pogoda Gives Back to Communities

Pogoda Companies and National Storage Centers enjoyed giving back to the community this past fall and holiday season, helping to raise over \$100,000 dollars in two charity events while teaming with Toys for Tots by adding toy drop off boxes at their self storage facilities and manufactured housing communities.

Pogoda Companies did its part to help the American Diabetes Association raise awareness and Stomp Out Diabetes during the 5th Annual Wine Tasting Benefit hosted at The Reserve at Big Rock Restaurant, near downtown Birmingham, Michigan on November 3. The event featured an evening of delectable foods, wines from around the world and an auction of gifts and prizes. Besides being one of the major sponsors, Pogoda Companies and National Storage Centers donated a 10x20 foot self storage unit for the silent auction. Maurice Pogoda and his wife, Lori, also donated their time and efforts to help bring about this event by sitting on the Stomp Out planning committee.

In Ann Arbor, Michigan, National Storage Centers helped raise awareness for yet another great cause. The 2011 Take Steps for Crohn’s and Colitis Walk at Gallup Park took

place on October 22. The event featured music, and a kids corral complete with crafts, face painting and prizes. There was also a midway area, where sponsors set up informational booths. National Storage Center of Ann Arbor on Jackson Road manned one of the booths and gave out free waters and candies to all attendees at the event.

For more information, please contact Nathaniel DiDomenico at [creativestoragemarketing@gmail.com](mailto:creativestoragemarketing@gmail.com) or Maurice Pogoda at [mpogoda@pogodaco.com](mailto:mpogoda@pogodaco.com).

## HFF Closes on Sixteen Properties

Holliday Fenoglio Fowler, LP announced recently that it has closed the sale of a 16-property self storage portfolio in Connecticut, New York and Pennsylvania. HFF and Louis Perfetto, Esq. of the law firm Cohen & Perfetto LLP, represented the seller, Storage Deluxe. CubeSmart purchased the entire portfolio for \$357.31 million.

Under the terms of the contract, this was the first of two closings involving CubeSmart and Storage Deluxe. The second closing, with a purchase price of approximately \$202.7 million, will consist of six assets encumbered with \$88 million of secured debt to be assumed by CubeSmart. This closing will take place immediately following the completion of the loan-assumption process and should occur in the first quarter of 2012. The second closing is subject to customary closing conditions, including lender consent with respect to the debt that will be assumed.

The HFF investment sales team representing Storage Deluxe was led by senior managing director Aaron Swerdlin.

“This transaction validates once again the opportunity to create value when well-designed, state-of-the-art buildings are developed in strategic locations and are coupled with top quality property management. We believe we have capitalized on a unique opportunity to monetize the value of the majority of our portfolio and this transaction will be a win-win for both CubeSmart and Storage Deluxe,” said Nick Coslov, CEO of Storage Deluxe.

Steve Novenstein, president of Storage Deluxe Realty stated, “This transaction will allow us to reinvest our capital into future deals. We are working hard to identify the best locations for sites and are intent upon re-investing our capital to continue to develop and expand our storage and real estate portfolio.”

CubeSmart (NYSE: CUBE) is a self-administered and self-managed real estate company focused on the ownership, operation, acquisition and development of self storage facilities in the United States.

Holliday Fenoglio Fowler, LP and HFF Securities LP are owned by HFF, Inc. (NYSE: HF). For more information about HFF, please go to [WWW.HFFLP.COM](http://WWW.HFFLP.COM). ❖