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Newmark represents Storage Pros in a 16-property portfolio sale

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Boston, MA Newmark's Self Storage Group has completed the sale of a 16-property New England self-storage portfolio on behalf of its client, Michigan-based Storage Pros Management LLC. This transaction represents Newmark's fourth large portfolio sale with Storage Pros' industry veterans and leaders, David Levenfeld, Ian Burnstein and John Price. The portfolio was accumulated through single and multi-property acquisitions over the last several years, each carefully re-positioned through property improvements and institutional management, adding significant value to the portfolio. The sale price was not disclosed.

The subject portfolio consists of more than 850,000 s/f across three states, offering significant geographic scale in the highly sought-after New England region. The portfolio was purchased by vertically integrated private equity real estate investment firm, SROA Capital, which is based in West Palm Beach, Florida. This acquisition will kick off its first investment into SROA's 8th dedicated self-storage fund SROA Capital Fund VIII, LP and will be managed under its brand Storage Rentals of America (SROA).

"This transaction not only provides SROA a foothold into the Northeast and gives SROA the opportunity to add value through building several expansions on the existing properties, but it also allows SROA to further accumulate single- and multi-property owners looking for liquidity in a market that is seeing positive growth due to COVID-19-related housing disruptions," said SROA Capital CEO Benjamin Shibe Macfarland III.

Storage Pros was represented by Newmark vice chairman Aaron Swerdlin and executive managing director Kenneth Cox, in cooperation with local representation in Connecticut, Massachusetts and Rhode Island.

"This transaction presented a rare opportunity to establish mass in the New England self storage market in one transaction," said Cox. "When combined with heightened interest in the storage sector as it fundamentally outperforms other real estate sectors, the sale garnered significant interest from all types of capital deploying into the space and resulted in a successful outcome for our client."

Swerdlin and Cox head Newmark's Self Storage Group. The team has completed nearly \$500 million in transaction volume year-to-date.

and more than \$1 billion in the last 18 months. The group provides clients with a single-source solution for every phase of a self-storage transaction, from strategic planning, value enhancement, pre-marketing consulting and operations analysis to dispositions, debt placement, proprietary lending and equity assignments.

“As we’ve seen throughout the challenges of the pandemic, the self storage industry has been extremely resilient both operationally and from a transaction perspective. This transaction further endorses that sentiment. I suspect we’ll continue to see elevated transaction activity given the amount, and diversity, of the capital pool trying to deploy into the space. I also suspect we’ll continue to see very strong operational performance from the sector which will prolong the positive storage bias,” said Swerdlin.

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