



## **Outside the Region: Cronheim Mortgage secures \$12.125 million bridge loan**

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Detroit, MI Cronheim Mortgage secured a bridge loan for a self-storage facility, which is to be fully renovated. The subject is a shopping center with a vacant Kroger grocery store and a Dunham's Sporting Goods store on 13.63 acres. There is also a Logan's Roadhouse on a ground lease as well as a 1.85 acre retail pad site. The Kroger and some of the surrounding land will be converted to a self-storage facility with 1,338 units (1,112 climate-controlled and 226 exterior, non-climate-controlled units). Upon completion of renovation, the facility will be operated by CubeSmart.

The loan carries a two-year term with three one-year extensions, and interest rate decreases by 1.5% once properties achieve a 7% debt yield. This financing will provide trajectory for construction through to stabilization with a step down in interest rate as the property leases up and cash flow improves over time.

Dealpoint Merrill is a national self-storage developer. The company and its construction and development affiliates are managed by a long-term seasoned cohesive team of real estate and investment professionals, with expertise in deal structure, finance, acquisition and management.

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