

# Real Estate Journal

THE LARGEST WEEKLY COMMERCIAL/INVESTMENT NEWSPAPER IN THE WORLD

## Swerdlin of HFF and Perfetto of Cohen & Perfetto rep seller in \$357.31 million sale of a self-storage portfolio



Louis Perfetto, HFF



Aaron Swerdlin, HFF

HFF 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 \$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 said, "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."

Storage Deluxe (SD) is a Manhattan-based owner, developer and manager of self-storage and art storage facilities. The company was founded in 1998 by its Chairman, Steven Guttman, formerly Chairman and CEO of Federal Realty Investment Trust (NYSE:FRT). During the past 13 years, the company's portfolio grew to include 32 storage facilities with over 2 million rentable square feet, 30,000 storage units and over 150 employees - making it the largest owner of storage facilities in the NYC metro area.

Following the transaction, SD will continue to own and operate four storage facilities in the New York metro area. The company will open two additional properties in the first quarter of 2012 and has an extensive development pipeline that will grow the portfolio further during 2012 and 2013. In addition to the six storage facilities, Storage Deluxe will be keeping its brand as well as its current art storage business, SD Fine Art Services.

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.

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