

Tower 16 Capital Partners Secures \$128 Million Refinancing on Four-Property Portfolio

*Commercial Real Estate Investment Firm
Tower 16 Takes Proactive Approach
During Challenging Capital Markets
Environment*

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/EINPresswire.com/ -- San Diego-based [Tower 16 Capital Partners](#) has successfully closed on a \$128 million refinancing of a four-property multifamily portfolio comprising nearly 1,000 units across California and Arizona. The new fixed-rate agency loans feature five-year terms, are uncrossed and are full-term interest-only at a rate of 5.69%.



Ardella at Reche Ridge, a 110-unit property in Colton, California.

“We have been spending a lot of time figuring out ways to enhance value and drive performance across our portfolio despite the challenging market conditions. This refinancing will further de-risk our portfolio by extending our maturity schedule, reducing debt service payments, and fixing our interest rate for five years,” said Tower 16 Co-Founder [Mike Farley](#). “Given the turbulent capital markets landscape, it was incredibly important for us to secure fixed rate financing with enough term to weather the volatility we are all experiencing today.”

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Tower 16 Co-Founder Mike Farley

The Fannie Mae agency loans were originated by Newmark's Peter Griesinger and Chris Kramer. The portfolio included: Ardella on Chagall, a 384-unit property

in Moreno Valley, California; Ardella on 67th, a 276-unit property in Glendale, Arizona; Ardella at Reche Canyon, a 104-unit property in Colton, California; and Ardella at Reche Ridge, a 110-unit

property in Colton, California.

“We have been starting to see apartment demand fundamentals firm up across our entire portfolio,” said Tower 16 Co-Founder [Tyler Pruett](#).

“These are markets that we have a lot of conviction in. Absorption has been at or near record levels in the first half of 2024. We have been able to start pushing rents and manage occupancy at a healthy level, which is great to see. In this capital markets climate, we felt that it was prudent to hold and continue focusing on the operations that we can control to further drive NOI growth and value.”

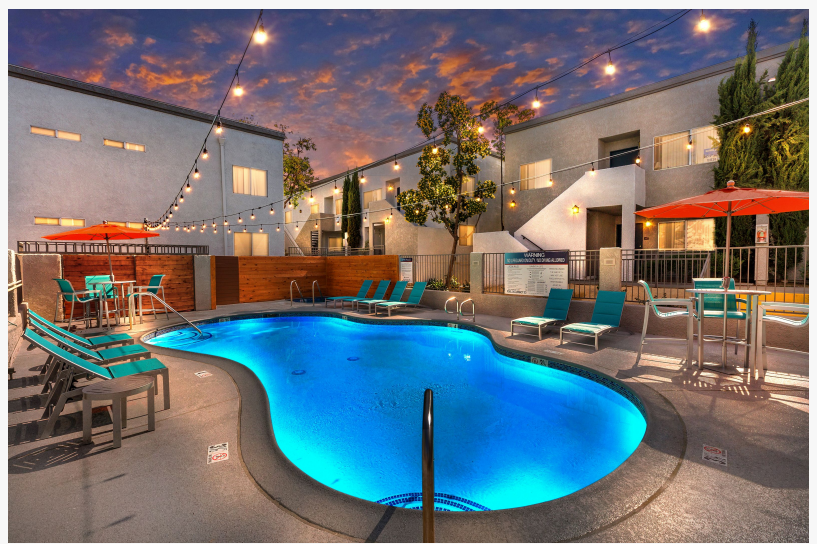
Since its founding in 2017, Tower 16 has continued to grow its portfolio throughout the West, having acquired nearly 7,000 units in Southern California, Las Vegas, Phoenix, Tucson, Albuquerque and Denver. The company seeks markets that exhibit strong rental housing fundamentals including employment growth, immigration and limited new supply in relation to household formation.

According to company executives, Tower 16 is continuing to pursue new construction assets in varying stages of completion/lease-up as well as value-add opportunities in the Southwest.

About Tower 16 Capital Partners LLC

Tower 16 Capital Partners, LLC is a commercial real estate investment and management company focused on acquiring and managing value-add investments throughout the Western United States. Headquartered in Encinitas, Calif., Tower 16 was founded in 2017 by principals Mike Farley and Tyler Pruett who have over 45 years of combined institutional real estate experience with an emphasis on value-add investing. Since 2017, the Company has acquired approximately 7,000 units representing over \$1 billion of assets under management.

Laura Borgschatz



Ardella at Reche Canyon, a 104-unit property in Colton, California



Ardella on Chagall, a 384-unit property in Moreno Valley, California

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