

Self-Storage Bridge Advantage

Fund an eligible storage acquisition or stabilization plan.

STORAGE BRIDGE | MAXIMUM 70% LTC / LTV

Who it is for

Investors seeking bridge financing for an eligible existing self-storage property while pursuing moderate value-add or stabilization. The source excludes ground-up construction and heavy rehabilitation; those needs require a different financing review.

Ideal properties and transactions

An existing facility with a practical plan to improve occupancy, collections or operations. Explain which changes are physical and which depend on management or demand. Build a monthly timeline that connects spending and leasing assumptions to the anticipated sale or permanent refinance.

Credit, experience and liquidity

The flyer lists a maximum 70% LTC/LTV reference, an indicated 650 credit screen and tailored capacity. Qualification considers storage operations, stabilization and exit. Confirm the cost and value bases; the percentage is not a published ARV allowance or a guaranteed combined advance. Explain sponsor and management experience, other obligations and cash available after closing. Separate transaction funds, required reserves and your own operating cushion. Ask which verification requirements apply to the selected route.

BRING THE COMPLETE COMMERCIAL SCENARIO

Property + operations + value + requested loan + financing purpose

Subject to underwriting. Not a commitment to lend. Images are AI-generated and illustrative.

Self-Storage Bridge Advantage | Planning guide

Leverage and valuation framework

Separate accepted cost, as-is value and any prospective value supported by the approved structure. LTV compares debt with the lender's accepted value; LTC uses eligible transaction or project costs. Purchase, refinance and cash-out can have different limits. Account for existing liens, closing costs, holdbacks and reserves before estimating usable proceeds. Ask which constraint governs and how property use, condition and cash flow affect the final advance. Headline capacity is not a cash-to-close calculation. Request a sources-and-uses worksheet that separates the closing advance, any future funding and funds retained for reserves. For a refinance, distinguish the gross loan amount from cash remaining after payoffs and all transaction expenses.

Income and operating review

Present current occupancy and cash collections alongside the stabilized case. Identify discounts, delinquency, expenses and any operating deficit during the transition. Confirm what performance is needed for the intended permanent loan and whether the existing loan can be repaid at that level.

Program structure and execution

Ask whether approved improvement funds are reserved and how draws, inspections, reimbursements and changes are handled. The project must fit the permitted moderate scope. Model slower lease-up and identify capital available if reserves or the original schedule prove insufficient.

Property and location considerations

Confirm the legal property use, zoning, access, occupancy and insurance suitability. Identify tenant or operator concentration, deferred maintenance, major systems and any environmental or specialized-use concerns before ordering reports. The relevant property and operating approvals must be checked independently. Ask which conditions must be resolved before funding and verify state availability. A property's marketing category alone does not establish an eligible loan purpose or approved collateral. Identify who is responsible for maintenance, repairs and compliance under each lease or operating agreement. A tenant or operator obligation should still be reviewed for its practical effect on the collateral and the owner's cash needs.

Holding period, exits and stress tests

Set a holding period and compare the proposed loan with any planned sale, refinance or change in ownership. Model weaker income, a vacancy or operating disruption, higher expenses and an unexpected repair. Include financing and transaction costs when estimating the final outcome. Ask about maturity, prepayment, adjustment or extension provisions and guarantees. Future refinancing depends on then-current operations, condition, valuation and available lending terms, and is not guaranteed. If repayment depends on another lender, identify the performance and property conditions that takeout requires. Keep a contingency plan for additional holding time rather than treating a projected sale or refinance date as committed cash.

Documentation to prepare

Provide current and projected unit/occupancy schedules, collections, operating data, the improvement budget, management plan and exit assumptions. Flag any heavy work or construction at the beginning rather than classifying it as routine stabilization. Add ownership/entity records and the property, title and insurance information specified in the approved checklist. Provide sensitive identity and financial records through Karpata's secure process rather than in a public quote request. Explain unusual conditions and identify documents still pending.

Limitations and questions to resolve

All terms require borrower, credit, property and program approval and may not apply together. Confirm pricing, fees, reserves, guarantees, permitted use of proceeds and funding conditions in writing. Program descriptions and document alternatives are starting points for review rather than loan commitments. Educational preparation questions do not add undisclosed lender policy. This is eligible business-purpose real estate financing, not a consumer home mortgage. Final approved documents govern the transaction.

LET'S REVIEW YOUR NEXT COMMERCIAL PROPERTY

Request a quote | KarpataFinance.com | 480-846-1001

Subject to underwriting. Not a commitment to lend. Images are AI-generated and illustrative.