

# Tower 16 Secures Refi for Western Portfolio

By Richard Berger July 22, 2024



Southwest Finance & Investment News West

The financing backs assets in Arizona and California.

Tower 16 Capital Partners has closed a \$128 million refinancing for a four-property multifamily portfolio comprising nearly 1,000 units across California and Arizona. The new fixed-rate Fannie Mae loans feature five-year terms, are uncrossed and are full-term interest-only at a rate of 5.69 percent.

The portfolio comprises Ardella on Chagall, a 384-unit property in Moreno Valley, Calif.; Ardella on 67th, a 276-unit property in Glendale, Ariz.; Ardella at Reche Canyon, a 104-unit property in Colton, Calif., and Ardella at Reche Ridge, a 110-unit property also in Colton.

Tyler Pruett, co-founder of Tower 16 Capital, expressed his faith in the Arizona and California markets in an interview with *Multi-Housing News*, noting that absorption has been at or near record levels in the first half of 2024.



Ardella on Chagall is located in Moreno Valley, Calif. Image courtesy of Tower 16

## Strong southwest market

“We have seen occupancy improve and stabilize at most of our properties which has enabled us to increase rents marginally in some cases,” Pruett told *MHN*. “The percentage increases vary widely across the portfolio and is highly dependent on our occupancy rates and leasing velocities, both of which have seen improvement since Q1 this year.”

The Fannie Mae loans were originated by Newmark’s Peter Griesinger and Chris Kramer. Pruett observed that apartment demand fundamentals have been firming up in these California and Arizona markets. Absorption in those markets has reportedly been at or near record levels in the first half of 2024.

Capital markets have been turbulent the past two years given the volatility in interest rates and the corresponding difficulty to acquire, sell, or finance properties in that environment, Tower 16 Co-Founder Mike Farley said in an interview with *MHN*. “Our hope is that volatility will improve when the Federal Reserve begins to lower rates but we’re unsure as to that timeline.”

Tower 16 has been active in various southwestern markets. Earlier this year, the firm [acquired The Deco at Victorian Square](#), a 209-unit community in Sparks, Nev., from Silverwing Development.

Newmark, Tower 16

## You May Also Like



Minneapolis Tops RentCafe’s 6-Month Rental Activity Report

July 25, 2024



RangeWater Sells San Antonio SFR Asset

July 25, 2024



Vesper JV Pays \$53M for Kentucky Student Community

July 25, 2024



Kane Realty Obtains \$85M in Financing for Raleigh Development

July 24, 2024



Northmarq Arranges \$50M for Long Island Development

July 25, 2024



Improving Profitability Through Property Management

July 24, 2024

CHASE  
MULTIFAMILY LENDING

Choose the nation’s #1 multifamily lender¹

Grow. Plan ahead. Secure investments.

Secure financing

¹#1 claim based on 2023 FDIC data.

©2023 JPMorgan Chase & Co. All rights reserved. JPMorgan Chase Bank, N.A. Member FDIC. Visit jpmorganchase.com/disclosures for disclosures and disclaimers related to this content.

The latest multifamily news, delivered every morning.

Email address

Subscribe

## Most Popular

Top 10 Emerging Multifamily Markets in 2024

Top 12 Multifamily Predictions for 2024

2023 Top Multifamily Developers

Top 10 Markets for Multifamily Rent Growth

More Distress Looms in Multifamily Finance. Here’s Why.

Where Are Office-to-Apartment Conversions Happening—and Why?

Point2	Yardi
PropertyShark	Yardi Matrix
RentCafe	Yardi Marketplace
CommercialCafe	YES Energy Management
CommercialEdge	Commercial Property Executive
Yardi Corom	VendorCafe
Yardi Kube	CondoCafe
StorageCafe	Breeze

