

From the Sacramento Business Journal:

<https://www.bizjournals.com/sacramento/news/2017/09/01/potter-taylor-goes-to-arizona-for-real-estate.html>

Potter-Taylor goes to Arizona for real estate investment

🔑 **SUBSCRIBER CONTENT:**

Sep 1, 2017, 7:11am PDT

Sacramento real estate development and investment firm Potter-Taylor & Co. had to go outside the state to keep investing in self-storage properties.

The firm closed escrow in late August on a portfolio of such properties in the Phoenix metropolitan area, totaling nearly 87,000 square feet of rentable space.

Tim Taylor, Potter-Taylor's president, said the properties had the right price to have the potential for value-add, an increasingly difficult proposition in California.

"The pricing and returns have gotten so high that I can't maintain investors' expectations," he said. "In Phoenix, you find a good return and a good property."

Potter-Taylor paid \$3.8 million for the properties. The purchase includes 608 self-storage units across two properties: Ironwood Self Storage & Business Park and Apache Trails Self Storage & Business Park. The properties also include an RV and boat storage facility and 20 commercial business spaces, and are within a mile of one another in the Phoenix suburb of Apache Junction.

Taylor said he plans on at least one property to convert some of the space to climate-controlled storage.

The deal might not be Potter-Taylor's last purchase outside Northern California. Taylor said he's scouting other self-storage investment possibilities in cities including Boise, Idaho, and Dallas.

Self-storage is a sought-after investment in real estate these days, Taylor said. But that's made prices rise for such properties in California, and state building codes make it that much more expensive to add value to them, he said.

They're also not being built as much, because they produce relatively little tax revenue for cities, and few jobs. But that has the effect of making existing properties more valuable, Taylor said.



COURTESY OF POTTER-TAYLOR & CO.

Potter-Taylor & Co. has gone out of state with an investment for the first time, in self-storage properties in the Phoenix area.

Ben van der Meer

Staff Writer

Sacramento Business Journal

