

Thorofare Upsizes Loan Against Fort Collins, Colo., Apartments

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Thorofare Capital has provided \$44.69 million of financing against the recently completed Willow Street Residences, with 197 units in Fort Collins, Colo.

The loan allowed the property's developer, CA Ventures of Chicago to retire a [\\$34.54 million construction loan](#) that the Los Angeles alternative lender had provided last year and a \$9 million mezzanine loan from Peninsula Investments Group.

It also allows CA Ventures to take the property through its stabilization, which should happen within the next few months. At that point, the property should be eligible for permanent financing.

When Thorofare had provided its initial loan, the property, on a two-acre site at 281 Willow St., was roughly 90 percent complete. Its construction initially had been funded with a loan from Associated Bank of Green Bay, Wis.

Thorofare's loan had been structured so it could be increased in size, and its coupon reduced, after the property had received its certificate of occupancy and its value had been recalculated. That's exactly what happened.

The Fort Collins market remains relatively strong, with vacancy at 6 percent as of the end of September, putting it near historic lows, and a 6.4 percent increase in rents from

the previous year, according to Unique Properties of Denver. Fort Collins is nearly 60 miles north of Denver and 45 miles south of Cheyenne, Wyo. Its apartment sector is heavily influenced by Colorado State University, which has some 32,000 students, most of whom live off campus.

The monthly rents, which average \$1,815/unit, that CA Ventures has been able to command at the Willow Street Residences are nearly 9 percent higher than levels that Thorofare initially had underwritten.

CA Ventures had acquired the property's site in 2019 for \$3.5 million. It previously had housed a truck storage facility run by Schrader Oil Co.

Willow Street Residences is just east of Fort Collins' downtown area and north of the city's Old Town neighborhood in an area called the River District, a former industrial section that now is chock full of art galleries, music venues and theaters. It sits along the Cache la Poudre River and is also just more than a mile from Colorado State's campus.

The property has a mix of studio, one- and two-bedroom units with an average of 581 square feet that are outfitted with nine-foot or vaulted ceilings, patios or balconies, wood-style flooring, washers and dryers and quartz countertops. The property includes a rooftop deck, residents' lounge, spa with outdoor grill and fitness center.

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