

Relationship Overview				
Relationship:	Arizona Self-Storage at Craycroft and River LLC		Date:	6/5/2025
Headquarters City and State:	Tucson, AZ		Risk Rating:	4
NAICS:	493100		New Request Amount:	\$11,000,000 Full Amount \$7,000,000 Max NDFCU exposure
Nature of Business:	Storage Facility		Total Exposure:	\$10.5M NDFCU exposure
Date Biz. Est. / Member Since:	2022	2020	Current Deposits:	\$3.2M
Loan Officer / Analyst:	Livacari	Rountree	6 mo. Average Deposits:	\$2.9M

Commercial Loan Officer:

Date:

Matt Verhamme, DCC:

Date:

Suzanne Kost, CCO:

Date:

Thomas J. Gryp, CEO:

Date:

Board of Directors: *(see electronic file for OnBoard voting results)*

Date:

Request Summary: *New commercial mortgage loan to refinance their current construction loan at Academy Bank (~\$8M) and the remaining amount of the loan to be used to buy out borrowers' two existing partners in the real estate holding entity LLC. Includes a 12 month interest only period because the project is newly stabilized and management reports that they are in the process of a gradual lift of rents at the subject; the I/O period provides operational cash flow cushion.*

The loan will be participated out. NDFCU plans to hold on to between \$5M to \$7M of the loan (showing \$7M as the maximum NDFCU exposure).

Opportunity Source: Current NDFCU client.

Facility #1	
Borrower(s):	Arizona Self-Storage at Craycroft and River LLC
Max Loan Amount:	\$11,000,000 (full amount) \$7,000,000 maximum amount to be held by NDFCU
Loan Amount Limitations: <i>(LTC/LTV)</i>	Request is 56% LTV.
Use of Proceeds:	Refinance debt on subject property, finance buyout of partners in the borrowing entity, and provide general working capital.
Facility Type: <i>(CML, Construction, Term Loan, RLOC, etc.)</i>	Commercial Mortgage Loan
Term:	<ul style="list-style-type: none"> Option 1: 5 year term Option 2: 7 year term

Amortization:	30 years	
Repayment Type / Indicative Payment:	I/O for 12 months, then converting to monthly P&I on a 30 year amortization for the life of the loan	Option 1: \$69,022/mo Option 2: \$70,543/mo
Rate and Index:	<ul style="list-style-type: none"> Option 1: 5 year UST + 250 bps, fixed at closing (6.43% as of 6/4/25) Option 2: 7 year UST + 250 bps, fixed at closing (6.64% as of 6/4/25) 	
Rate Floor:	6.25%	
Fees:	0.25% loan origination fee plus 3 rd party fees	
Collateral: <i>(Section D)</i>	<ul style="list-style-type: none"> 1st DOT/AOR 5650 E River Rd, Tucson, AZ 85750 All Business Assets 	
Unlimited Guarantor(s) & Credit Score(s): <i>(Section E)</i>	<ul style="list-style-type: none"> Borrower 1 (husband) Borrower 2 (wife) The Aberdeen Group LLC Elena Maria Investments LLP The _____ Family Trust Trust Trust 	839 741
Debt Service Coverage Ratio: <i>(Section C)</i>	Historic (assuming 6.8% rate): YE 2023: 0.67x YE 2024: 1.02x Rolling 12 mo 5/31/25: 1.13x Pro Forma (assuming 6.8% rate): Rolling 5 mo 5/31/25 annualized: 1.21x Proj YE 2025: 1.16x Appraisal Proforma: 1.19x	
Proposed LTV: <i>(Section D)</i>	56% LTV (discounting the property value by \$3M still results in 67% LTV)	
Lexis Nexis Material Findings: <i>(Y/N – Section F)</i>	Y – bankruptcy from 2010 – <i>borrowers are established members at NDFCU whose commercial accounts have been serviced as agreed. Their reputation in the community is known to the CLO and AZ Market President.</i>	
Periodic Review Satisfied Y/N; Next Review Date	Required	12 months from closing
Pre-Closing Condition(s):	None	
Post-Closing Condition(s):	None	

Covenants:		<ul style="list-style-type: none"> Borrower shall maintain all operating and savings accounts at NDFCU for the duration of the loan and/or any future indebtedness of NDFCU. No additional indebtedness for Borrower without NDFCU consent.
10% Approval: (Y/N)	Cumulative appv under 10%	No
Appraisal Requirements:		Required – Received dated 4/23/2025
Appraisal Review:		Required
Environmental Requirements:		Required – Phase I received 3/19/2020
Policy Exceptions:		No

Risks:

- DSC coverage negative in 2023 and break-even in 2024; projections and annualized past 5 months show improvement but still under 1.25x.

Mitigates:

- Personal guarantees of borrowers along with their personal trusts show \$1.4M in cash and \$6.1M adjusted net worth.
- Personal guarantor credit scores of 839 and 741; personal debt for primary residence with minimal revolving debt.
- Have corporate guarantees of the Aberdeen Group and Elena Maria Investments, which is the parent entity to all the Monson's commercial real estate entities.
- Historically NDFCU has approved loans with this relationship that totaled original loan amounts of \$11.3M (including the portions that have been participated out) and the Monsons have paid as agreed on all current loans.
- 56% LTV position

Officer Recommendation: Approve as proposed.

Property Details: Subject property is a 678-unit self-storage facility with 91,650 rentable square feet (total building size is 12,289 square feet). The subject, Rio Verde Self-Storage, consists of a single, 3 level building plus basement. The improvements were constructed in 2021 and are situated on a 2.23 acre site. Facility amenities include surveillance cameras, individual locks, 100% climate control units, keypad entry, and on site management. The facility includes a bedroom and bathroom on site for the manager.







