



Cushman & Wakefield Sonnenblick Goldman and Starwood Property Trust complete \$36 million in financing

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According to Cushman & Wakefield Sonnenblick Goldman and Starwood Property Trust, they have jointly completed a \$23 million refinancing and arrangement of up to \$13 million in construction financing for the City Club Hotel in Midtown. The loan will allow for the construction of up to 66 additional rooms to be built above the existing small hotel on 44th St. between Fifth and Sixth Aves. Jared Kelso and Ernest Lee of Cushman & Wakefield Sonnenblick Goldman's U.S Hospitality Group represented the owners, City Club Hotel LLC, in arranging the financing. The refinancing was completed in less than 30 days.

"The availability of creative capital for the hospitality sector continues to increase with each passing month," said Jared Kelso, a Cushman & Wakefield Sonnenblick Goldman senior director. "We were pleased to secure financing in an incredibly short time frame from a lender who has a deep understanding of the New York City hotel market and recognized the demand for additional rooms at this exceptional hotel. Their ability to structure a non-recourse construction financing component speaks volumes about the outlook and availability of capital for high quality hospitality assets, particularly in major markets."

"This transaction is a great example of maximizing Starwood's capabilities. We were able to complete a highly structured, flexible deal on a transitional asset within a very short time period," said Boyd Fellows, president of Starwood Property Trust. "In New York, as in several of the nation's major metropolitan markets, hotel values have been buoyed by the strength of tourism and a rebound in corporate travel, which is driving high occupancy and rates."

In recent months, Cushman & Wakefield Sonnenblick Goldman's U.S Hospitality Group has been involved in several of the nation's premier hotel transactions, including the sales of the Hilton Long Island/Huntington, JW Marriott San Francisco and the Hilton Rye Town in Rye Brook, New York, and the \$170 million financing of two Times Square hotels, a 9-hotel, \$212 million portfolio for Felcor Lodging Trust and the Four Seasons Austin, among others. In 2011, CWSG has closed, or is currently in the market with over \$1 billion of hospitality financing.

Since its inception in 2009, Starwood Property Trust's experienced team of professionals have been providing commercial real estate operators with uniquely tailored, competitively priced and flexible financing solutions. In regards to the hospitality industry, Starwood Property Trust recently originated a \$165.5 million first mortgage loan, mezzanine loan and corporate loan on a portfolio of six full service hotels located throughout California. In addition, the company originated a \$30 million mezzanine loan on a luxury hotel located on the Upper East Side of Manhattan.