



Gross of GFI Development and Blum of GB Lodging secure \$350m in financing for The Beekman; includes a \$195 million construction loan made by a syndicate led by HSBC and M&T Bank

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GFI Development Co. and GB Lodging, affiliates of GFI Capital Resources Group, in a joint venture with Elliott Management Corp., have secured \$350 million of financing for The Beekman, the landmark building located at 5 Beekman St. that will be conjoined with a new 46-story condominium tower. This financing will be used to convert the 165,000 s/f building into a lifestyle hotel operated by Thompson Hotels, The Beekman Hotel, as well as to complete the construction of the adjacent condominium tower, The Beekman Residences. The financing consists of debt and equity, including a \$195 million construction loan made by a syndicate led by HSBC and M&T Bank. In 2012, a GFI Capital affiliate purchased 5 Beekman St., a ten-story landmark that was built in 1883, one of the first high-rise buildings in the city, as well as the adjacent lot at 115 Nassau St., where the residential tower will reside. In 2013, GFI Development and GB Lodging commenced the redevelopment of 5 Beekman into a hotel, as well as the ground-up construction of the tower. When complete, the mixed-use development is anticipated to consist of 287 hotel rooms and 68 residences.

"The Beekman is one of the most exciting developments in N.Y.C. and will be a cornerstone of Lower Manhattan's new downtown," said Allen Gross, CEO of GFI Development and co-founder of GB Lodging.

"We are privileged to restore the grandeur of 5 Beekman St. to become one of the great, iconic hotels in N.Y.C.," said Bruce Blum, president and co-founder of GB Lodging.

The loans were secured by Gross and Blum.

The project is anticipated to total 340,000 s/f, and will continue to redefine Lower Manhattan in the neighborhood surrounding the World Trade Center, South St. Seaport, City Hall Park and the Brooklyn Bridge. Sales for The Beekman Residences are expected to commence in the fall.

Tim Mackey, portfolio manager at Elliott Management, said "Elliott is pleased to be part of the revitalization of this historically prominent section of N.Y.C. GFI Development and GB Lodging are each staffed with top-notch and dedicated professionals committed to the successful renovation, development and integration of the project into the fabric of Lower Manhattan."

The hotel is scheduled for completion in Q3 2015, followed by the completion of the residential tower.