



Cronheim Hotel Capital secures \$11.8m for hotel acquisition and repositioning

June 14, 2022 - Long Island



Southampton, NY Cronheim Hotel Capital (CHC) has secured \$11.8 million for the acquisition and repositioning of The Atlantic, a 62-key boutique hotel. The non-recourse interest-only loan is 70% LTC with a floating interest rate priced at SOFR + 4.80%.

The property will undergo a transformative renovation into an upscale boutique, privately branded under the sponsor's, Stomp Capital proprietary brand, Edgecamp Sporting Club. The hotel's strong performance throughout COVID, but untapped potential, made it an attractive acquisition opportunity. Renovations will focus on major room upgrades and activating the entirety of the five-acre property, providing guests with higher-end amenities onsite.

According to David Turley, president of CHC, "We are extremely pleased to facilitate a low-cost bridge option for this acquisition in one of NYC's most esteemed leisure markets. We were able to convince lenders that this older property can be dramatically reimaged by the sponsor as an upper midscale lodging option of choice vs the way it's always been run as the lodging option of last resort. We're very happy with the result."

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540