

REAL ESTATE WEEKLY

Mission Capital secures finance for Bridgeton Holdings ‘hotel of the future’

April 27, 2016

Mission Capital Advisors has arranged \$35.9 million of financing for the renovation and conversion of 396 Broadway, a 10-story commercial property in Lower Manhattan.



The borrower, Bridgeton Holdings, is converting the vacant office property into the Walker Hotel Tribeca, a 171-key upscale, boutique hotel.

The Mission Capital team of Jordan Ray, Alex Draganiuk, and David Behmoaras secured the loan from a commercial bank.

“As with all construction financing, this was a challenging loan given the state of the debt markets. Mission’s support and Bridgeton’s strong track record and experience in New York City hotel operations was key in making this is a successful close,” said Draganiuk.

After acquiring the property all cash in 2014, Bridgeton developed a business plan that includes converting nine floors into 171 guestrooms and suites. Ground-floor and rooftop space will be mostly dedicated to multiple food and beverage vendors, with some of the space already leased to Blue Bottle Coffee.

The Walker Hotel Tribeca will provide panoramic views of New York City in perpetuity on floors 7-10, as it is one of the taller structures in a historic district that has height restrictions.

“Technology has changed the face of the lodging industry in recent years, as certain demographics have gravitated towards alternative room types and shared options, such as Airbnb rentals instead of traditional accommodations,” said Atit Jariwala of Bridgeton Holdings.

“Reflective of this trend, the Walker Hotel Tribeca will feature rooms with iPads that will control all in-room features, including the window shades, lighting and HVAC. In addition, the hotel will feature other newer technologies that very few, if any, other hotels have.

“With the ambiance we’re creating, and several on-site dining options, the Walker will serve as a template for the hotel of the future: a well-located, technology savvy, highly amenitized facility that caters to all.”

Broker Jordan Ray said, “This location really needed a cool, new product. The existing historic building is beautiful as is, and Bridgeton is bringing it back to life.

“We were also able to negotiate the ability to allow the sponsor to sell historic tax credits post-closing. We work on a lot of highly structured transactions and this is a pretty rare feature even for us.”

Based in New York, Bridgeton’s holdings include 60 properties in 12 states across the country.