



Hotel Durant Gets New Bridge and Brand

By [Lisa Brown](#) | San Francisco



BERKELEY, CA— Thanks to a \$31.5 million capital infusion, the existing **Hotel Durant** will be repositioned as the 144-room **Graduate Hotel**. With the implementation of the capital improvements through the bridge loan, AJ Capital will bring the university-oriented hotel collection to the heart of UC Berkeley's main campus.

Graduate is the first hotel brand to cater exclusively to college and university-anchored markets. Targeted toward alumni and other college visitors, each hotel includes unique vignettes reflective of the university and host community, including local art as well as food and beverage options associated with the region. Launched in 2014, the Graduate portfolio currently consists of 1,355 hotel rooms in nine university-anchored markets across the country.

Mission Capital Advisors arranged the financing on behalf of real estate investment and development firm, AJ Capital, for the acquisition and repositioning of the hospitality asset. The Mission Capital debt and equity finance team consisted of **Jordan Ray**, **Ari Hirt**, **Steven Buchwald** and **David Behmoaras**, who secured the non-recourse loan.

Ray tells GlobeSt.com: "Most college towns right now are limited to the same tired, flagged, limited service hotel options. Alumni, students and others who are visiting or coming to town for the big game want a different and fresh hospitality experience similar to one they would find in a major city. Graduate is the perfect alternative."

The property is located in downtown Berkeley and is the closest hotel to the **Greek Theatre** and recently refurbished 62,000-seat **California Memorial Stadium**.

"The Durant is already a quality hotel that has undergone several million dollars of renovations over the past few years," said Buchwald. "With AJ Capital's additional property improvements, a greatly enhanced food and beverage program and integration into the Graduate umbrella, the Graduate Berkeley will be a best-in-class facility that will attract campus visitors, students and local residents alike."

Mission Capital Advisors secures debt and equity financing for properties across the country. Recent California transactions include arranging the sale and financing of a 191,000-square-foot office and R&D portfolio in Pleasanton, CA and refinancing a 23-asset portfolio of multifamily, retail, industrial, flex and office properties located in Los Angeles, San Francisco and Orange County.

“We’ve worked with AJ Capital on several hospitality financings, and, once again, we were able to source extremely favorable financing in a very short timeframe,” said Ray. “Due to the asset quality and strength of the sponsorship and brand, we were able to secure non-recourse financing at a very favorable rate.”

As **previously reported**, **Gemstone** acquired the Durant in 2013.