

MORE ▾ (/MORE/)

Mission Capital Secures First Mortgage and Mezzanine Financing for Chelsea Hotel

BY DAMIAN GHIGLIOTTY (/AUTHOR/DAMIAN-GHIGLIOTTY/) MARCH 11, 2014, 8 A.M.



THE GEM HOTEL CHELSEA

Mission Capital Advisors' debt & equity finance group has arranged \$33 million in permanent first mortgage and mezzanine financing on behalf of **Icon Realty Management** to refinance existing debt on **The GEM Hotel Chelsea**, *Mortgage Observer* has exclusively learned.

The financing, provided by **Ladder Capital**, was divided between a CMBS loan with 30-year amortization and an interest-only mezzanine loan, a person familiar with the negotiations said on the condition of anonymity.

The new debt replaces a \$22 million first mortgage from **Natixis Real Estate Capital**, which closed in January 2012, and a \$5 million mezzanine loan from an unnamed lender. Mission Capital also negotiated those deals.

The brokerage firm's managing directors **Jordan Ray** and **Jason Cohen** and director **Ari Hirt** led negotiations on the latest round of refinancing, which carries a five-year term. The new debt closed on Feb. 28.

“By leveraging Mission Capital’s vast network of relationships with lenders around the country, we were able to secure this low-cost financing,” Mr. Ray said. “In 2012, Mission Capital arranged \$27 million in senior and mezzanine financing for the project. Now, less than two years later, we were able to arrange a \$33 million loan.”

The GEM, an 81-key boutique hotel managed by **Gemini Real Estate Advisors**, opened in 2008 after New York-based Icon completed a gut renovation and repositioning of the property.

In addition to the 81 guest rooms, the five-story building located at **300 West 22nd Street** includes retail space leased to the restaurant and grocery market **Foragers City Table** and **Foragers City Grocer**. The hotel property, located near the **High Line** and **Chelsea Piers**, has seen vast improvements in its occupancy and average daily rate since it opened, Mr. Ray noted.

“The heightened interest in the project is reflective of the value that Icon has added over the years and Mission Capital’s successful marketing efforts,” he said.

Buildings in this story

Gem Hotel

300 W 22nd St, New York, NY, 10...

(/realgraph/buildings/300-w-22nd-st-new-york-ny)

The Gem Hotel Chelsea

231 8th Ave, New York, NY, 10011

(/realgraph/buildings/231-8th-ave-new-york-ny)

KEYWORDS: Gemini Real Estate Advisors (/tag/gemini-real-estate-advisors/), 300 West 22nd Street (/tag/300-west-22nd-street/), Ladder Capital (/tag/ladder-capital/), The GEM Hotel Chelsea (/tag/the-gem-hotel-chelsea/), Icon Realty Management (/tag/icon-realty-management/), Jordan Ray (/tag/jordan-ray/), Natixis Real Estate Capital (/tag/natixis-real-estate-capital/)

FINANCE

Old New York: The History of 375 Park Avenue

BY THE EDITORS

(/2014/02/from-the-vault-375-park-avenue/)

TRENDING STORIES

(/2016/04/brooklyn-navy-yard-revamp-effects-are-being-felt-all-along-brooklyns-flushing-avenue/)

Brooklyn Navy Yard Revamp Effects Are Being Felt All Along Brooklyn's Flushing Avenue

(/2016/04/is-demand-for-midtown-south-office-space-slowing-down/)

Is Demand For Midtown South Office Space Slowing?

(/2016/04/rosa-mexicano-moving-corporate-hq-west-in-midtown/)

Rosa Mexicano Moving Corporate HQ West in Midtown

(/2016/04/shorewood-head-banks-on-combining-crowdfunding-with-coworking/)

Shorewood Head Banks on Combining Crowdfunding With Coworking

LEASES (/LEASES/)

Retail (/leases/retail/)

Office (/leases/office/)

FINANCE (/FINANCE/)

Acquisition (/finance/acquisition/)

Construction (/finance/construction/)

CMBS (/finance/cmbs/)

Refinance (/finance/refinance/)

SALES (/SALES/)

Residential (/sales/residential/)

Commercial (/sales/commercial/)

Mixed Use (/sales/mixed-use/)

Land (/sales/land/)

Hotels (/sales/hotels/)

DESIGN + CONSTRUCTION (/DESIGN-CONSTRUCTION/)

- [Architecture \(/design-construction/architecture/\)](/design-construction/architecture/)
- [Construction \(/design-construction/construction/\)](/design-construction/construction/)
- [Infrastructure \(/design-construction/infrastructure/\)](/design-construction/infrastructure/)
- [Wired City \(/design-construction/wired-city/\)](/design-construction/wired-city/)
- [Policy \(/design-construction/policy/\)](/design-construction/policy/)
- [Urban Planning \(/design-construction/urban-planning/\)](/design-construction/urban-planning/)
- [Neighborhoods \(/design-construction/neighborhoods/\)](/design-construction/neighborhoods/)

MORE (/MORE/)

- [Features \(/more/features/\)](/more/features/)
- [Columnists \(/more/columnists/\)](/more/columnists/)
- [Analysis \(/more/analysis/\)](/more/analysis/)
- [Research \(/more/research/\)](/more/research/)
- [Industry \(/more/industry/\)](/more/industry/)
- [Legal \(/more/legal/\)](/more/legal/)
- [Players \(/more/players/\)](/more/players/)

ABOUT (/ABOUT/)

- [Realgraph \(/realgraph/about\)](/realgraph/about)
- [Subscribe \(/subscribe/\)](/subscribe/)
- [Advertise \(/advertise/\)](/advertise/)
- [Contact \(/contact/\)](/contact/)

E-Newsletter signup:

Enter your email address

SIGN UP

[Daily News](#)

[Finance Weekly](#)

[Twitter](https://twitter.com/commercialobserver) (<https://twitter.com/commercialobserver>) [Facebook](https://www.facebook.com/commercialobserver) (<https://www.facebook.com/commercialobserver>) [LinkedIn](https://www.linkedin.com/company/commercial-observer) (<https://www.linkedin.com/company/commercial-observer>)