

# COMMERCIAL OBSERVER

## Stonehill Originates \$44M Bridge Loan for Arizona Hotel Recap

BY ANDREW COEN MAY 24, 2022



[ESI Ventures](#) has secured \$43.5 million of bridge financing for the recapitalization and renovation of a 213-key hotel property in Scottsdale, Ariz., Commercial Observer can first report.

[Stonehill](#) originated the three-year, floating-rate loan for **Hotel Adeline**, a 1970-built property that ESI acquired in 2016 and renovated in 2018.

“It’s a great location and we really like the Scottsdale market,” said [Keegan Bisch](#), a vice president at Stonehill. “It’s also a very strong sponsorship and a repeat borrower for us.”

Bisch noted that the hotel has held up well during the COVID-19 pandemic with numbers very strong so far in 2022 and Arizona tourism numbers on an upward trajectory. He said Stonehill has a favorable outlook for the hospitality industry despite looming economic volatility and will remain active with hotel bridge and construction loans in the near future.

The Scottsdale loan marked the second large hospitality bridge loan for Stonehill in less than two months, and follows a \$73.8 million debt package it [originated](#) for a joint venture of **BLVD Hospitality** and ESI Ventures to refinance their historic **Georgian Hotel** property in Santa Monica, Calif. Stonehill also [deployed](#) a \$58.1 million bridge loan in mid-February for the **ASAP International Hotel** to acquire the **Maui Seaside Hotel** in Kahului, Hawaii.

Officials for ESI did not immediately return a request for comment.

Atlanta-based Stonehill is a direct lender on commercial real estate and is affiliated with the **Peachtree Hotel Group**. Stonehill recently expanded its lending business across all sectors with four senior executive hires in **Daniel Siegel**, **Greg Koenig**, **Nisu Mehta** and **Taylor Pike**, all of whom arrived from **The Ardent Companies**.

“The company as a whole is looking to grow on all fronts,” Bisch said.  
“This is a big piece in expanding our footprint.”