



Stonehill Commercial Real Estate Group Sees Strong Lending Market

Expects to originate \$300 Million of financing in 2022

ATLANTA (Oct. 17, 2022) – Stonehill’s commercial real estate group, Stonehill CRE, has deployed approximately \$200 million of capital through the origination and purchase of first mortgage loans since being launched in the second quarter of 2022. The company expects its commercial real estate group to deploy an additional \$100 million in loan originations and other transactions by year’s end based upon deals in its pipeline. Stonehill CRE is targeting over \$500 million in transactions for 2023.

Stonehill, an affiliate of Peachtree Group, has historically been one of the most active hotel commercial real estate lenders in the U.S., ranking as the tenth-largest U.S. hotel lender by the Mortgage Bankers Association in 2021. In May, Stonehill expanded its commercial lending business to include all real estate sectors through the formation of Stonehill CRE, with Daniel Siegel serving as its president.

Ongoing market volatility has seen traditional lenders and the syndicated market pull back on all forms of real estate lending, causing major dislocation in the capital markets. Stonehill CRE is originating loans allowing real estate owners to execute their business plans.

“Stonehill CRE’s formation came at a fortuitous time as market conditions have created a dislocated lending environment for commercial real estate,” said Siegel. “Traditional lenders have not only slowed commercial real estate lending but also tightened underwriting standards, which allows us to provide needed liquidity for maturing loans, new acquisitions and construction projects.”

Stonehill CRE’s transactions that have closed include:

- Mixed-use development - Opus Atlanta in Atlanta, Georgia
- Retail centers in New Jersey and Kentucky
- Land development loans on growing markets in Southeast
- Purchase of a non-performing office loan in Washington DC

“Opus Atlanta is a prime example of how Stonehill can originate and close a complex transaction of a mixed-use development site that traditional lenders generally would not consider executing,” said Siegel. “With our downside protected by one of the best remaining sites in a highly coveted submarket of Midtown Atlanta, we were able to provide a degree of certainty to the borrower that we could close this transaction on their timetable.”

Stonehill CRE is also finalizing transactions on projects in multifamily, office, build-for-rent development and an additional retail project.

“All of our commercial real estate originations and transactions are consistent with our investment philosophy of deploying capital in a disciplined manner while providing ownership groups thoughtful capital solutions and certainty of execution,” said Siegel.

About Stonehill

Stonehill, a direct lender, is actively providing permanent loans, bridge loans, mezzanine loans and preferred equity investments secured primarily by hotel assets. Founded in 2013, Stonehill provides creative finance solutions for acquisitions, recapitalizations, refinancings and renovations and has completed more than 400 transactions totaling over \$4.5 billion. The principals of Stonehill have combined to originate, structure or purchase over \$10.0 billion of debt. For additional information, please visit www.stonehillsc.com.

About Peachtree Group

Peachtree is a private equity investment, asset and fund management firm focusing on opportunistically deploying capital across its distinct operating and real estate divisions, including hospitality, commercial real estate lending, residential development, capital markets and media. Since its founding in 2008, the company has completed hundreds of real estate investments valued at more than \$7.8 billion in total market capitalization and currently has more than \$2.0 billion in equity under management. For more information, visit www.peachtreegroup.com.

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