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HFF arranges \$140m financing for Aloft and Element hotels

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Boston, MA Holliday Fenoglio Fowler, L.P. (HFF) completed the \$140 million financing of the 330-room Aloft Hotel and the 180-room Element Hotel adjacent to the Boston Convention and Exhibition Center (BCEC) in the Seaport District.

The HFF team worked on behalf of the borrower, a venture between a fund managed by an affiliate of Ares Management and CV Properties LLC, to secure the loan through Starwood Property Trust.

HFF arranged construction financing for the properties in 2014.

The HFF debt placement team representing the borrower included managing director Anthony Cutone and director Matthew Enright.

Anthony Cutone, HFF

Matthew Enright, HFF

The Aloft Hotel is a 13-story hotel with 330 guestrooms. Hotel amenities include a grab and go gourmet eatery, fitness center, pool, outdoor entertainment area, Aloft's signature w xyz bar, and 12,000 s/f of function space.

The Element Hotel was designed for longer-stay travelers and features 180 guestrooms with fully-equipped kitchens, flexible work space and spa-inspired bathrooms. The six-story hotel has studio suites, one-bedroom suites, standard king rooms and eight conference suites. Hotel amenities include a pool and fitness center, Restore: Gourmet Pantry, a bike sharing program and meeting space.

"The hotels opened for business in early 2016 and have enjoyed a strong reception due in part to the phenomenal growth of the Seaport area, the quality of the development and the strong demand generated from the BCEC," said Cutone.

Ares Management, L.P. is a publicly traded, leading global alternative asset manager with approximately \$104 billion of assets under management as of June 30, 2017 and more than 15 offices in the United States, Europe and Asia. Since its inception in 1997, Ares has adhered to a disciplined investment philosophy that focuses on delivering strong risk-adjusted investment returns throughout market cycles. Ares believes each of its three distinct but complementary investment groups in Credit, Private Equity and Real Estate is a market leader based on assets under management and investment performance. Ares was built upon the fundamental principle that each group benefits from being part of the greater whole.

CV Properties, LLC is a Boston-based commercial real estate company focusing on development and investment opportunities throughout New England. Founded in 2003, CV Properties was formed to identify, develop, and manage commercial real estate projects that provide superior risk-adjusted returns. Its partners are large, institutional investors with broad-based experience in the development, redevelopment and acquisition of commercial real estate. Since 2003, CV Properties has developed and acquired more than 2.6 million s/f of office and residential projects valued at almost \$1 billion.

Starwood Property Trust, an affiliate of global private investment firm Starwood Capital Group, is the largest commercial mortgage real estate investment trust in the United States. The company's core business focuses on originating, acquiring, financing and managing commercial mortgage loans and other commercial real estate debt and equity investments. Through its subsidiary LNR Property, LLC, Starwood Property Trust also operates as the largest commercial mortgage special servicer in the United States. With total capital deployed since inception of over \$35 billion, Starwood Property Trust continues to solidify its position as one of the premier real estate finance companies in the country.

HFF and its affiliates operate out of 24 offices and are a leading provider of commercial real estate and capital markets services to the global commercial real estate industry. HFF, together with its affiliates, offers clients a fully integrated capital markets platform, including debt placement, investment advisory, equity placement, funds marketing, M&A and corporate advisory, loan sales and loan servicing. HFF, HFF Real Estate Limited, HFF Securities L.P. and HFF Securities Limited are owned by HFF, Inc.

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