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O'Connell Hospitality Group sells 132-room Waterville Holiday Inn sold by Upper Main St. Holdings, LLC to Giri Hotels; to convert to LaQuinta Inn

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As an example of increased hotel transaction activity throughout New England, Jim O'Connell of O'Connell Hospitality Group, LLC exclusively represented the owners in the December 1st sale of the 132-room Waterville Holiday Inn. Total project cost for acquisition and upgrades exceeds \$6 million or \$45,500 per room. The seller, Upper Main Street Holdings, LLC of Washington, DC acquired the hotel via foreclosure in July 2010. The new owner, Giri Hotels, intends to complete an extensive renovation of the hotel and convert the franchise to a LaQuinta Inn. Giri also owns the Augusta Holiday Inn, which will be converted to a Best Western in 2011.

"Upon completion of the proposed renovations and with a reinvigorated management team, the hotel is poised to regain lost market share that had eroded over the years due to the poor quality of the product and guest experience," said Jim O'Connell, principal of OHG.

"The sale of the Waterville property adds to a growing list of transactions occurring around New England. Many submarkets within the region have experienced increased occupancy levels compared to 2009. It is expected that these increases will be followed by healthy increases in average daily room rates across all hotel segments, both for leisure and corporate business. In addition, local and regional banks are focused on providing new sources of debt, previously impossible to obtain. These two factors will combine for a very active hotel transaction market in 2011 and beyond," said O'Connell.

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