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Ares Management and CV Properties secure \$97 million construction loan

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HFF has secured a \$97 million construction loan for the development of a 330-room Aloft Hotel and a 180-room Element Hotel adjacent to the Boston Convention and Exhibition Center (BCEC) in the city's Seaport District.

Working on behalf of a venture between Ares Management LLC and CV Properties LLC, HFF placed the 42-month construction loan with RBS Citizens and Santander Bank, N.A.

The two hotels will be situated on a 3.1 acre site at 371-401 D St. leased from the Massachusetts Convention Center Authority (MCAA) in Boston's Seaport District. The Aloft Hotel will be a 13-story hotel with 325 guestrooms and five one-bedroom suites. Hotel amenities will 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 will be designed for longer-stay travelers and will feature 180 guestrooms with fully-equipped kitchens, flexible work space and spa-inspired bathrooms. The six-story hotel will have studio suites, one-bedroom suites, standard king rooms and eight conference suites. Hotel amenities will include a pool and fitness center, Restore: Gourmet Pantry, a bike sharing program and meeting space.

The HFF debt placement team representing the borrower was led by managing director Anthony Cutone and senior real estate analyst Alan Suzuki. The Citizens team was led by Kevin Boyle, Chris Robie and John Fahy. The Santander team was led by George Brockman, director of commercial real estate, and Pete Olivier, senior commercial real estate banker.

"The development of the Aloft and Element Hotels will add more than 500 hotel rooms to the immediate BCEC area, providing a degree of relief to the undersupplied Boston hotel market and allowing the Boston Exhibition and Convention Center to more effectively compete for convention business," said Cutone.

"We are excited to be able to play a continuing role in the growth of Boston's Seaport District. We have partnered with developers to finance other projects in the area including 100 Northern Avenue and Waterside Place and are very pleased to be able to work on the projects that are changing the face of this part of Boston," said Gary Magnuson, Head of Commercial Real Estate for RBS Citizens. "With so many visitors coming to Boston to enjoy all that the city has to offer, we wish the Aloft and Element hotels success."