

AJ Capital Partners Nabs \$44M Loan to Buy and Rebrand Rhode Island Hotel

BY MATT GROSSMAN OCTOBER 30, 2017 11:58 AM



THE PROVIDENCE BILTMORE HOTEL. PHOTO: KENNETH ZIRKEL/WIKICOMMONS



ACORE Capital has lent **AJ Capital Partners** \$44.3 million to acquire and refurbish the historic **Providence Biltmore** hotel in Providence, R.I., Commercial Observer can first report.

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The five-year, floating-rate mortgage loan was brokered by **JLL**. Representatives from JLL were not immediately available for comment.

After construction, during which the hotel will remain open, AJ Capital will rebrand the property as part of its **Graduate Hotels** chain, christening the building the **Graduate Providence**. The Graduate brand runs chic lodgings in college towns across the country. Existing offshoots include hotels in Madison, Wis., Berkeley, Calif. and Charlottesville, Va.

Built in 1922, the 18-story Biltmore is the 10th-tallest building in Providence. The hotel has 294 guestrooms and over 18,000 square feet of meeting space. Its address at **11 Dorrance Street** places the Biltmore a few blocks from the **Rhode Island Convention Center** and the **Dunkin' Donuts Center**, a concert arena.

Along College Street, pedestrian bridges allow guests to walk across the Providence River to **Brown University** and the **Rhode Island School of Design**.

Stuart Silberberg, an ACORE managing director, said that a variety of the venerable building's attributes attracted his firm to the deal.

"The Biltmore is right downtown—so it's walkable to a bunch of things—it's iconic, and it's tall, so there are good views," Silberberg explained. "The building is older, but it has a fair amount of charm. The idea for the Graduate [rebranding] is to bring out that charm."

The property will join a nearby **Marriott** as the second Providence-area hotel that ACORE has financed. Silberberg, who grew up in Boston, said that hotel lending is a good fit for ACORE's strategy of medium-term, floating-rate lending.

"Every five to seven years...[hotels] generally need an overhaul and refresh," Silberberg said. "You're refacing the hotel in a much more consistent way than you would an office building." With hotels, he said, "you have to spend real money."

AJ Capital did not respond to requests for comment.

KEYWORDS: [11 Dorrance Street](#), [ACORE Capital](#), [AJ Capital](#), [Brown University](#), [Dunkin' Donuts Center](#), [Graduate Hotels](#), [Graduate Providence](#), [JLL](#), [Marriott](#), [Providence Biltmore](#), [Rhode Island Convention Center](#), [Rhode Island School of Design](#), [Stuart Silberberg](#)

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