

CASE STUDY: HOTEL INDIGO

Petros PACE Finance Funds Hospitality Refinance in Vancouver, WA

Project Highlights



**Hotel Indigo
Vancouver, WA**

138-key Boutique Hotel

THE CLIENT

Kirkland Development LLC is a Vancouver, WA based full-service commercial real estate development company that was founded in 2003. To date, the firm has developed over 75 assets valued over \$650 million across the multi-family, medical office, retail, hospitality, industrial, mixed-use, and residential asset classes. The family-owned company handles the entitlements, design renditions, architectural plans, permitting and financing for each project that it completes. Utilizing an in-house general contractor, Kirkland Construction Group, promotes efficiency and a greater degree of control over each project it pursues.

THE CHALLENGE

The PACE transaction partially funded the refinance of the 138-key, upscale hotel, Hotel Indigo, under Intercontinental Hotels Group (IHG), in Vancouver, WA. The project will feature parking, retail and restaurants, and is part of the greater Vancouver Waterfront 20-block master plan.

THE NEEDS

- Building Envelope
- HVAC
- Lighting
- Plumbing

THE SOLUTION

C-PACE was used to refinance \$46 million of energy efficiency measures installed in the project and, together with a \$31 million mortgage loan from a senior lender, refinanced the existing debt on the property.

THE RESULTS

- Private capital incentivized forward thinking, sustainable building designs.
- Efficient building design minimized future utility expenses, boosting NOI and property values for the owner.
- The energy efficient measures make it more attractive to investors and guests, while minimizing the carbon footprint of the development.
- Developer secured lower-cost, non-recourse capital to finance the project.
- Developer secured a more efficient capital stack and long-term interest rate hedge, ensuring long-term stability.

THE PARTNERS

Kirkland Construction Group
Hotel Indigo
Miracle K Management
Bernhard





BENEFITS OF PETROS C-PACE FINANCING



100% financing of hard and soft costs with no out-of-pocket



Promotes economic development and urban revitalization



Fixed-rate financing with up to 30-year terms



Ability to recover as an operating expense



Facilitates sustainable building design



Displaces higher cost mezzanine and equity capital

WHO WE WORK WITH

Multi-Family, Mixed-Use, Office, Hospitality, Industrial, Retail, Non-Profit, Healthcare, Manufacturing, Education

WHAT IS ELIGIBLE?

Energy efficiency and water efficiency, renewable energy, and broad resiliency coverage for seismic, indoor air quality, wind/fire resistance, heat/climate change

WHY PETROS PACE FINANCE?

Expertise

Our leadership team's 100+ years of combined experience in C-PACE, monetizing tax credits, and commercial lending means certainty of close for our clients.

Execution

We've earned the trust of our clients because we break barriers and execute efficiently. We're defining the future of C-PACE every day.

Scalability

We're growing quickly and we're taking our clients with us. With billions in committed capital, we can provide C-PACE financing ranging from \$500,000 to \$200 million or more.

Sustainability

We use private funds from committed institutional investors to promote environmental sustainability and economic development.

For more information on our projects, visit our website at www.petros-pace.com

PHONE: 512.599.9038 | EMAIL: info@petrospartners.com