

Aztec Group Secures \$20M Loan for FL Boutique Hotel

The firm worked on behalf of Newgard Development Group. The financing will be used for the construction of The Gale Boutique Hotel, a 96-key lodging project in Fort Lauderdale.

by Laura Calugar | Jan 05, 2018

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Aztec Group has secured a \$19.2 million construction loan for The Gale Boutique Hotel in Fort Lauderdale, Fla. The company represented developer Harvey Hernandez of Newgard Development Group. The 96-key hotel is the second component of the Gale Fort Lauderdale mixed-use project, a joint venture between Newgard and Merrimac Ventures led by Dev Motwani. The property also includes a 129-unit condo tower.



Rendering of The Gale Boutique Hotel in Fort Lauderdale, Fla.

Located at 2900 Riomar St. in the city center, The Gale Hotel is being renovated from a two-story historic building originally known as the Escape Hotel. The property is one block east of the Intracoastal Waterway and one block west of Fort Lauderdale Beach. The new hotel will feature a restaurant, a bar, a fitness center, a rooftop cabana bar with outdoor dining, as well as a rooftop pool and lounge. The boutique lodging destination originally opened in 1949 as the first hotel in Fort Lauderdale Beach to offer guests a pool.

Currently under construction, phase one of Gale Fort Lauderdale consists of a 12-story luxury condominium tower—known as Gale Residences—which is completely sold out.

SECOND PROJECT LOAN

The Aztec team has arranged the financing, marking the second construction loan the firm facilitates on behalf of this client for the two-phase development, following the \$35.6 million package secured for the residential component.

“Our team was able to source a loan in this ever challenging market for the redevelopment of the historic hotel that will become a premier boutique hotel with upscale amenities for hotel guests, condo residents and area visitors to enjoy,” said Aztec Group Senior Managing Director Howard Taft, in a prepared statement.

A Texas-based finance company provided the loan. Ricardo Fraga of Greenberg Traurig led the closing process on behalf of the borrower. Taft and Executive Vice President Charles Penan were part of the team involved in this deal. The same team recently arranged \$6.7 million in financing for Holiday Centre, a 67,360-square-foot [shopping center in Tampa](#), Fla.