

Gale Boutique Hotel developer obtains \$19M for renovations



The Gale Residences and the Gale Boutique Hotel in Fort Lauderdale Beach.



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Newgard Development Group and **Merrimac Ventures** obtained a \$19.5 million construction loan for major renovations to the Gale Boutique Hotel in Fort Lauderdale beach.

This is the second phase of the Miami-based developer's Gale project, which already has the Gale Residences condominium under construction.

Aztec Group's Howard Taft and **Charles Penan**, and Greenberg Traurig attorney **Ricardo Fraga** assisted Tiffany Hotel LP, a joint venture between Newgard led by **Harvey Hernandez** and Merrimac Ventures led by **Dev Motwani**, obtain the construction loan for the 96-room hotel at 2900 Riomar St. The lender was Hall Ft. Lauderdale GH, an affiliate of Dallas-based financier **Hall Group**. **Barbara Salk** of BSmart Development also helped with the negotiations with the lender.

The site is one block west of the ocean and one block east of the Intracoastal Waterway.

“The loan will facilitate the renovation of the boutique hotel that will complete this mixed-use project in the heart of Fort Lauderdale Beach,” Taft said. “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.”

The property, originally developed in 1950, was previously the 77-room Escape Hotel. The renovated Gate Boutique Hotel will feature a full-service restaurant and bar, fitness center, rooftop cabana bar, and rooftop pool and lounge. The hotel should be completed in 16 months.

“The successful closing of this loan marks the second construction loan Aztec Group has secured on behalf of the client for this two-phase development project, following the \$35.6 million loan secured for the residential component,” Penan said.

Aztec Group said the 129-unit Gale Residences is completely sold out.