

Transforming Urgency into Opportunity: \$8M Refinance in 36 Days

A Case Study on Speed, Certainty, and Strategic Relationships

Executive Summary

When a regional hotel developer faced an urgent CMBS loan maturity deadline for a Holiday Inn Express & Suites, they needed a financing partner who could deliver certainty and speed.

The challenge was intensified by the asset's historical performance. Greysteel stepped in to secure an \$8 million refinance loan in just 36 days.

By leveraging deep lender relationships and highlighting the borrower's strengths, we secured a loan commitment in three weeks and delivered competitive terms, including a 70% Loan-to-Value (LTV) and a 1.10x Debt Service Coverage Ratio (DSCR), saving the client from costly extension fees.

Deal Overview

ABOUT THE CLIENT

The client is an established regional developer with a portfolio of properties in the southeastern United States. While experienced in building and managing hotel assets, they faced a critical challenge with one of their properties located in Atlanta, GA.

THE CHALLENGE: AN URGENT DEADLINE AND A TROUBLED ASSET

The developer's existing loan on the Holiday Inn Express & Suites Atlanta was maturing. Missing the financing deadline would have resulted in significant financial penalties.

This time-sensitive situation was made more complex by the property's past performance. The property's past performance added complexity to the time-sensitive situation.

The client required a financial advisor who could act swiftly and navigate the complexities of securing a loan for an underperforming asset in a tough capital market. They needed a partner who could provide a clear path to closing without the uncertainty that often accompanies such deals.



THE SOLUTION:

A STRATEGY BUILT ON RELATIONSHIPS AND BORROWER STRENGTH

Greysteel developed a targeted strategy to overcome the twin challenges of time and performance history.

Our approach was centered on three key pillars:

1. Leveraging Existing Lender Relationships:

We immediately engaged a trusted capital partner from our extensive network. Our proven track record with this lender established instant credibility and simplified the underwriting process. This relationship was foundational to securing an accelerated timeline.

2. Highlighting Borrower Strengths:

Acknowledging the property's cash flow challenges, we redirected the lender's focus to the borrower's key strengths. We crafted a compelling case highlighting the developer's solid financial standing and proven success as an operator.

3. Prioritized Execution:

With the tight deadline, we concentrated our team's efforts entirely on this transaction. We managed the process with constant communication and proactive problem-solving, ensuring every milestone was met without delay. **This proactive approach enabled us to secure a formal loan commitment within three weeks.**

THE RESULTS:

CERTAINTY AND FAVORABLE TERMS DELIVERED

Our strategic approach produced a successful closing in 36 days, allowing the client to avoid costly penalties and stabilize their asset. The deal showcases Greysteel's ability to perform under pressure and uncover solutions where others see obstacles.

Key outcomes included:

- **\$8,000,000 Conventional Loan:** A substantial refinance package that met the client's needs.
- **36-Day Closing:** Executed from commitment to finish in well under the industry average.
- **70% Loan-to-Value (LTV):** A competitive leverage point achieved despite the property's performance history.
- **1.10x Debt Service Coverage Ratio (DSCR):** Secured a highly favorable DSCR, significantly lower than the typical 1.30x required by most lenders for conventional loans.

Conclusion

This transaction showcases Greysteel's unique value proposition: combining deep market knowledge, strong lender relationships, and creative problem-solving to deliver results.

For hotel owners and developers facing complex financing scenarios—whether it's an urgent deadline, performance issues, or other challenges—we provide the expertise and certainty needed to achieve their financial goals. **We don't just secure financing; we create tailored solutions that leverage our clients' strengths and drive long-term success.**