



For immediate release
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MBA Hotel Brokers Arranges Sale of the Luquillo Sunrise Beach Inn, Puerto Rico

October 27, 2016 – MBA Hotel Brokers, Inc. announces the successful sale of the Luquillo Sunrise Beach Inn, located in Luquillo, Puerto Rico. Charlie Fritsch, President of MBA Hotel Brokers, represented the Pennsylvania based seller, Costa Azul Enterprises. MBA Hotel Brokers also procured the buyer, Sunrise Investment Group, a longtime subscriber to mbahotels.com.



The Luquillo Sunrise Beach Inn is oceanfront on one of the most popular beaches in Puerto Rico, La Pared/ Luquillo Beach. Other perks of its location are that it is twenty-six miles from the San Juan International Airport and 7 miles from El Yunque National Forest. The hotel has 17 keys, 3 stories, exterior corridors and was built in 2005 and renovated in 2012.

This was a unique sale because, in its current configuration, it has just 17 keys and is smaller than what most hoteliers are looking for. Additionally, it is not affiliated with any franchise. However, the hotel has great strengths, as it operates with high occupancy and excellent ADR and has over \$36,000 revenue per room. The hotel maintains its strong performance thanks to its very positive guest reviews and online ratings. The property ranks very highly on TripAdvisor among all hotels in Puerto Rico, fluctuating between #1 and #7 currently.

The buyer has plans to expand the hotel by adding guest rooms in the adjacent house, included in the sale. In addition, there is a future possibility of expanding the hotel with a fourth floor, with up to 7 additional keys which have already been

roughed-in to the existing building, and in the near-future, possibly adding the adjacent oceanfront house also owned by the seller. The buyer plans to improve the guest experience with upgrades to the FF&E.

A major challenge in this deal were the many inquiries and delays by the SBA 504 office. Charlie Fritsch said,

“The seller and buyer maintained professional patience through these delays which included multiple re-submissions and another delay while the SBA server was down. Despite these delays, both buyer and seller were motivated to complete the deal. In the end, we got it done. Both buyer and seller were a pleasure to work with and focused on getting to the transaction closing”.

MBA Capital Funding arranged the SBA 504 loan and the first mortgage on the hotel. The bank loan officer and the SBA CDC loan officer were both very appreciative of the hard work put in by Lynda Drehmer of MBA Capital Funding. The Banco Popular loan officer sent Lynda a thank you card, noting:

“I want to express my gratitude towards the great effort and support from you and the MBA team to complete the deal on Sunrise Investment Group. The client was very pleased with the results and the integration of all teams was key to our success. It was a pleasure working with you. At Popular at your service!”

The buyer group was also appreciative of both MBA Hotel Brokers and MBA Capital Funding, saying,

“We would like to thank both Charlie and Lynda for the exceptional service you both provided, it is not a stretch to say that the deal would never have been completed without your tireless perseverance under difficult circumstances!”.

MBA Hotel Brokers Inc. has been advising on hotel transactions for over 20 years. MBA Hotel Brokers has a corporate office headquartered in Maryland and five additional branch locations. MBA Hotel Brokers Inc. has closed hundreds of hotel sales, in 27 states throughout the USA. For more information, contact Charlie Fritsch at Charlie@mbahotels.com or go to www.mbahotels.com.

MBA Capital Funding has over 30 years of experience and deep knowledge in securing commercial financing from banks, non-bank Lenders, and government secured Lenders. MBA Capital Funding Inc. has experience in various programs including the government-sponsored SBA 7A, SBA 504, and USDA B&I loans, plus Commercial Mortgage Backed Securities (CMBS) "conduit" loans, recourse and non-recourse loans. We have experience structuring financing with a mixture of conventional loans and unconventional creative financing. Contact Lynda Drehmer, Capital Markets Advisor, at Lynda@mbacapitalfunding.com.