



## FOR IMMEDIATE RELEASE

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### **Ritz-Carlton MXD Project Gets \$112M Seed Money.**

PARADISE VALLEY, AZ-A \$112-million loan has paved the way to close on 123 acres and develop infrastructure for the world's first \$1.5-billion Ritz-Carlton Hotel-anchored mixed-use resort. If the entitlement process stays on track, Five Star Development could begin site work as early as first quarter 2008.

The 225-room Ritz-Carlton Hotel is scheduled to break ground in summer 2008. As previously reported by GlobeSt.com, Five Star Development acquired the site for \$100 million in May. The acreage is located on the west side of Scottsdale Road between Lincoln Drive and Indian Bend Road on the Paradise Valley-Scottsdale border. The developer plans to build the hotel and one-acre estate lots on 103 acres in Paradise Valley. The 20-acre balance, fronting Scottsdale Road, will be used for complementary mixed-use projects.

David Schmid, vice president of development for the Scottsdale-based developer, says the team is awaiting a special-use permit from Paradise Valley and site plan approval. Once that's in hand, work will begin on roads, utilities and landscaping to support the hotel and single-family lots.

The Ritz-Carlton Hotel will be first to go vertical. Schmid tells GlobeSt.com that the Paradise Valley portion should be completed within three years of the groundbreaking. At this

Spa, Fitness Center

time, there is no construction date to begin the mixed-use component.

Chicago-based Aries Capital arranged the \$112-million, two-year construction loan through iStar Financial Inc. The New York City-based lender provided the funds based on a 75% loan-to-cost ratio at an interest rate of 350 basis points over Libor.

Jeff Bucaro, the Aries' vice president who originated the loan, says the developer's first priority is getting the hotel up to encourage demand for the remainder of the project. "It's a beautiful piece of property and one of the last infill sites in the area" he says. He adds that the lender's team is working on financing for the hotel development, but declined to discuss when the loan would close.

HKS Hill Glazier Studio of Palo Alto, CA, is the hotel's architect while Peterson Architecture & Associates of Scottsdale is working on the residential component. Another local company, DFD CornoyerHedrick, is the designer of record for the mixed-use portion.

Information from the press release above was obtained from GlobeSt.com

The PAA team includes Erik Peterson, AIA, NCARB, President; Nikal Conti, Principal, Jeff Innis, AIA, Director Residential; Claudio Munoz-Whiting, Architect, Sr. Designer.

### **About Peterson Architecture & Associates LLC**

Founded in 2002, and located in Scottsdale, AZ, Peterson Architecture & Associates specializes in high end residential, commercial, and resort and clubhouse architectural design and planning services. The firm offers master planning, feasibility and site selection services, site planning, architecture, architectural interiors, construction administration and other integrated services.

For more information please visit: [www.peterson-architecture.com](http://www.peterson-architecture.com)  
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