

The Clyde Hotel set for Ace team transformation

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A landmark west end hotel will get a hip new outlook under new owners this summer.

The Clyde Hotel, 1022 S.W. Stark St., was purchased by Clyde Hotel TIC from Adam Patel for \$3.3 million. The 1912-built hotel will close in June for a cosmetic upgrade, and will re-emerge within a few months as a stylishly uncluttered urban hotel modeled after its new sister, the Seattle Ace Hotel.

The Ace team will own and operate the hotel. The building will be owned by The Clyde TIC, a tenant-in-common exchange group led by Robert Sacks and his nephew, Dave Schrott.

Operator Alex Calderwood, with partner Wade Weigel, opened Ace to serve a hip clientele looking for low-frills accommodations. Portland will be the growing company's second location. The new owners haven't settled on a name, but contenders include either the Ace Hotel or the Ace Clyde Hotel, which would honor the property's history and the fact that it is already engraved in tile in the entryway.

Seattle-based Calderwood described Portland as a second home for both him and his partner and a natural outlet to expand. The partners also own the Ruby's Barbershop chain, and are interested in exporting the Ace concept to other cultural hot spots, including Montreal, Amsterdam, Berlin, Antwerp and San Francisco.

Updating The Clyde will bring a light, airy feel to the hotel, but won't significantly alter its overall ambiance. Calderwood said the "Ace" look generally favors clean lines. The Clyde's existing 93 rooms will likely be combined into approximately 50 suites, he said.

In Seattle, the Ace Hotel commanded an average room rate of \$110 last year. Calderwood expects The Clyde, with its close proximity to the Brewery Blocks, to run between \$100 and \$110 a night.

Sacks and Schrott are developers who have owned and operated numerous historic properties as A & R Development.

Their notable projects include the Saint Honore Boulangerie property at Northwest 23rd Avenue and Thurman Street and the redevelopment of a corner of Southwest 13th Avenue and Stark Street.

Sacks said the investors were attracted by The Clyde's full-block exposure to Southwest Stark and its location just outside the Pearl District.

"It's as close to the Pearl as you can be without being in the Pearl," Sacks said. Nearby neighbors include Powell's Books, Whole Foods and The Henry condominium building.

Sacks said The Clyde is in excellent shape. Mechanically, the most extensive change will be the addition of air conditioning.

"We're really keeping the hotel structure as it is," he said.

The 38,536-square-foot building includes about 7,500 square feet of retail. The Portland Streetcar tracks run along both sides of the building and stops are nearby. Existing tenants include a drycleaner and a bar.

Sacks said the new owners are negotiating with a restaurant to relocate in one of the street-level spaces. Scandals, the bar, will move to a nearby location in September -- at its own instigation, Sacks said.

Matching The Clyde to the right buyer was a challenge for Darren Duke, a broker with Colliers International who also matched the buyer with the Ace Hotel group.

While The Clyde is well-located and well-maintained, the retail element baffled potential buyers.

"The retailers didn't want the hotel and the hotel didn't want the retailer," he said.

He thought The Clyde might be a candidate for conversion into a condominiums, but the market for hotel investment has changed in the past year, paving the way for a more traditional sale.

"There's institutional money out there for hotels now," he said.

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