

## Owners of the Scottsdale McCormick Ranch Resort secure refinancing as it completes multimillion-dollar renovation



Image: Driftwood Capital

Rendering up the updated courtyard at the Scottsdale McCormick Ranch Resort.

DRIFTWOOD CAPITAL



By [Brandon Brown](#) – Reporter, Phoenix Business Journal  
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Driftwood Capital, the commercial real estate firm that owns the Scottsdale McCormick Ranch Resort, announced Oct. 18 it has secured \$115 million through refinancing the 47-year-old resort in Scottsdale.

The refinancing news comes as a \$40 million renovation to the Scottsdale McCormick Ranch, which is located at 7700 E. McCormick Parkway in Scottsdale, has nearly been completed. Driftwood [acquired the resort in February 2022 for \\$113 million](#).

Driftwood refinanced the property with MetLife Investment Management, which is the

institutional asset management business of MetLife Inc. The new loan replaces existing debt with more favorable terms and will help the “\$40 million transformational renovation and revitalization” of the resort, said Carlos Rodriguez Sr., chairman and CEO of Driftwood Capital.

“We are renewing the hotel's beauty to position it as a leading property in the area,” Rodriguez said in a statement. “Historically, the resort has been a prominent choice for large conventions, and we expect it to capitalize on leisure demand in the Scottsdale market. At the same time, it continues to lead as a group and convention destination as well as a lifestyle resort.”

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The \$40 million renovation includes a complete redesign of all guest rooms, expanded food and beverage offerings - including a new high-end speakeasy - the introduction of 12 five-bedroom villas and the addition of a full-service luxury spa. The renovations changed the hotel's room count from 326 to 278 keys.



Rendering of a new speakeasy venue at the renovated Scottsdale McCormick Ranch Resort.  
DRIFTWOOD CAPITAL

Once the renovations are complete, the resort will be part of the Hilton Hotels and Resorts Curio Collection soft brand within the Hilton Worldwide portfolio of properties. The Curio Collection gives guests all the Hilton benefits but has the property retain its character and local independent positioning.

“The resort has a strong foundation and exceptional location, yet it lacked certain components required to compete effectively in the luxury hospitality sector,” Rodriguez said in a statement. “With the value-add repositioning and renovation, the resort will be positioned to regain its title as one of the preeminent resorts in this market.”

The resort is adjacent to two 18-hole championship golf courses and it has 90,000 square feet of indoor-outdoor meeting and event space. It has two outdoor swimming pools, a spa and fitness center, and several food and beverage outlets.

Because of the location of the Scottsdale McCormick Ranch Resort and its new offerings,

Driftwood expects its investments in the property to pay off.

"The Scottsdale market has seen significant growth with upper-priced hotel [revenue per available room] increasing 25% over 2019 levels. With our extensive multimillion-dollar renovation, we expect the Scottsdale McCormick Ranch Resort to be one of the top competing resorts in the area," Glenn Wasserman, the chief financial officer of Driftwood Capital, said in a statement. "We project the resort to leverage this repositioning and association with Hilton's soft-brand Curio Collection, along with its optimal location within McCormick Ranch, to capture unrealized premium leisure demand."

Revenue per available room in the Scottsdale/Paradise Valley area was \$186.68 in 2023 through August, according to data from Experience Scottsdale. Statewide, revenue per available room was \$109.67 through August, according to the Arizona Office of Tourism.