

Silver Sands Motel Sold; New Owner To Spend \$4m On Upgrades

Maura McDermott | April 17, 2022



The motel, located on Peconic Bay in Greenport, opened in 1957. Credit: Randee Daddona

The waterfront Silver Sands Motel in Greenport is under new ownership, after its founding family ended a decadelong fight to retain control of the property.

The new owners have said they plan to spend millions upgrading the roughly 30-acre property while retaining its quirky, 1950s-era feel.

The sale took place on Wednesday, said Judi Desiderio, CEO of Town & Country Real Estate, based in East Hampton. Town & Country agent Lori Feilen was the listing and selling agent.

Desiderio said the transaction was the “most intricate” sale she has seen in her 37 years in real estate, with multiple sellers, mortgages and liens. “I think everybody walked away happy, but it was a very difficult transaction,” she said.

Desiderio declined to specify the price. However, she said, so far this year, “it is the number one commercial transaction on the North Fork.”

The buyer, Silver Sands Holdings I LLC, had been scheduled to complete the purchase on April 6, but the closing was rescheduled because one of the sellers, 74-year-old Jean Burden, was ill, according to court documents. The documents were submitted earlier this month in a lawsuit filed last July by Silver Sands Holdings against Burden and her son Terry Keefe, the daughter and grandson of the couple who founded the hotel in 1957. In the lawsuit, the company asked a judge to force Burden and Keefe to produce the hotel's financial records.

Southold resident Alexander Perros, who is a member and manager of Silver Sands Holdings according to court records, did not respond to requests for comment.

Keefe and Burden declined to comment on Thursday, citing a confidentiality agreement. Their attorney, John Balestriere, said there was “a transaction involving Silver Sands Motel,” but he declined to comment further.



The new owners have said in court papers they plan to upgrade the 30-acre property while retaining its quirky, 1950s-era feel. Credit: Randee Daddona

The new owners plan to spend about \$4 million to renovate the motel and more than a dozen cottages; open a new restaurant, luncheonette and bar facilities; launch a series of events such as clam bakes and outdoor movie nights; and develop a beach club open to non-hotel guests, a business plan filed this month in connection with the lawsuit shows.

After the overhaul, prices are expected to range from \$385 to \$875 a night, the business plan shows. The nearly 65-year-old hotel previously charged up to \$200 a night. The property includes a crescent-shaped beach on the Peconic Bay, located steps from the motel and cottages.

"It is like no other piece of real estate on the North Fork," Desiderio said. "It is a piece of history ... it's an amazing property."

Silver Sands Holdings has spent a year acquiring the property. The company purchased a partial interest in the hotel a year ago from Darline Duffy, the widow of Edward Jurzenia, Burden's brother, who died in 2019, court records show.

The company filed its lawsuit against Burden and Keefe three months later. In the lawsuit, Silver Sands Holdings alleged Burden and Keefe had "mismanaged" the motel's finances "by spending profits on expenses not related to ordinary business operating costs," court documents show. Keefe responded in court papers that Silver Sands Holdings' allegations were "completely fabricated and speculative claims."

Keefe and Burden's attorney filed court papers on Wednesday seeking to have Silver Sands Holdings' lawsuit against them discontinued "without costs or fees to or against any party." An attorney for the company, Peter McGreevy, declined to comment on Thursday.

The sale came after Burden and Keefe fought in court for roughly 12 years to retain control of the property, said to have been the oldest family-run hotel in Greenport. The long-running court battles, which included a 2010 foreclosure lawsuit by a lender, began before Perros and Silver Sands Holdings got involved.

As they have fought for more than a decade to retain ownership of the property, Burden and her son have said in court filings that Burden was a victim of financial fraud. The allegations were not directed at Perros or Silver Sands Holdings.

Their lenders have disputed the fraud allegations, and one argued in court papers that they "got over their skis" in debt to save the business.

The family's debt ballooned over the years to about \$3 million, including interest and penalties, court documents show.

Last year, before signing the confidentiality agreement, Burden recalled in an interview what it was like growing up on the property, where she would help her parents run the hotel and spend her free time fishing, boating and water skiing with visiting children or riding the free-roaming horse her family kept on the property.

Over the years, she said, the family gradually acquired more and more property from neighbors, adding one small cottage after another to their holdings. "Growing up it was wonderful living here," she said, though "you were always working to pay off the next piece of property."