

Hotel Development in NYC

New York City Briefing Sheet – Year End Update

Hotel Development in NYC¹

The end of 2011 brings to a close the most vibrant and active period in new hotel development the city has seen. Between January 2006 and December 2011, the city experienced the most rapid and successful hotel building boom on record. In the two decades preceding this period, the average annual increase in net inventory was a mere 1.1%. The year over year net gains over the past few years were +2.7% (2008 vs. 2007), +5.8% (2009 vs. 2008), and +5.0% (2010 vs. 2009). In 2011, the net increase in room inventory averaged over 5%.

With the developments outlined in this report, the city is expected to reach almost 90,000 rooms in active inventory by the end of 2011, a 24% increase in accommodations since 2006. Through October 2011 the city's hotels averaged occupancy rates well above the national average and should finish the year with an annual occupancy rate of 85%. Room demand has remained extremely strong, averaging 2.2 million room nights sold per month.

Since our last update in September, we have seen the opening of the boutique Williamsburg Hotel in Brooklyn adding opportunities for visitors to the city to truly experience the lively development growth in the city's diverse neighborhood. Earlier in 2011, notable hotel openings included the Mondrian SoHo in February and the Four Points by Sheraton and Z NYC Hotel in Long Island City. The latest properties to open include *aloft* New York Brooklyn, Yotel New York Times Square West, The Nolitan, Hyatt 48Lex, Dream Downtown, Fairfield Inn & Suites New York Brooklyn, Flatiron Hotel Toshi, and Hotel Americano. These eight hotels add almost 1,600 rooms to the City's inventory. Demand has also encouraged many hotels to upgrade their rooms and services. Staying in a NYC hotel gets better and better.

Before year-end, both the Conrad New York (463 rooms) and TRYP New York City (173 rooms) are opening. Likewise, progress continues on major renovations and redesign at the Sheraton New York, The Roosevelt, The Moderne, the Grand Hyatt and others, while the renovations at the Fitzgerald hotels are now complete. Looking forward the historic Algonquin Hotel is slated for renovations in 2012.

Even as the pipeline of new developments has slowed, we are tracking approximately 40 projects with openings slated for the next 30 months. Over the past few months there have been a number of encouraging announcements of proposed new hotel developments for NYC, including new buildings, repurposed landmark and iconic facilities and the renovation of a number of properties throughout the city. Lodging investment analysts have announced a number of new feasibility studies which could bring the city's property inventory up to over 600 hotels over the next 5 to 7 years. Looking forward Hyatt, Marriott, Starwood and Cambria Suites are just some of the brands announcing plans for new and established brands in the city. Many of these are likely to be new build properties in developing and revitalized neighborhoods in all five boroughs.

Currently on the horizon are new projects for Chelsea/Meatpacking District, Lower Manhattan, Madison Square Park, near the United Nations, and along the piers in Brooklyn. Included in this future we will be watching for Ian Schrager's return to NYC development with the Public Hotel. Additionally a number of projects that were put on hold during the downturn are being reactivated. The Starwood Capital Group LLC has taken over the development contract for a new hotel on West 53rd Street across from MoMA. A project to bring a Hampton Inn on Pearl Street in lower Manhattan has restarted and other mid-scale and upscale properties are being developed in mid-town. Marriott International also has a number of projects in development for late 2013. In addition to new buildings, the company is looking a landmark sites for the new Edition lifestyle brand.

Recent analyses by NYC & Company and STR highlight a key dynamic in the new development: the expansion of hotel properties throughout the five boroughs of the city. On average over the period 2006-2011, 42% of the new properties have been built in neighborhoods and business districts outside Manhattan, this represents approximately 7,200 additional hotel rooms in Queens, Brooklyn, the Bronx, and Staten Island.

Editor's Note: This report is prepared for the travel trade to aid in planning and product development. It is for reference only. Many of the City's new and proposed hotel projects are provided below. It is not intended as a complete list and as plans continue to change frequently, please contact hotels directly for additional information. Phone numbers have been provided wherever possible.

¹ General sources: NYC & Company member hotels; PKF Consulting; PWC Lodging Research Network; Ernst& Young Lodging Investment Advisors Manhattan Report; VMS International; HVS International; Smith Travel Research; The RealDeal.com; *The New York Times*; *Travel Weekly*; *Condé Nast Traveler*; *Business Travel News* among others.

Under Development for 2011 and beyond (listed in chronological order of expected opening)

At the time of publication, the list of hotel properties currently under construction were still expected to open on or near their scheduled or projected completion dates. The vagaries of construction permitting and the pressures of securing financing throughout the construction cycle may have an effect on the actual dates; however, the properties listed here were already permitted, and in most cases demolition and/or excavation had begun. **NEW** additions to the list are indicated. Unless otherwise indicated properties are in Manhattan. Hotels marked with an asterisk (*) are new build.

Conrad New York—463 rooms
102 North End Avenue
Projected opening: December 2011

Conrad Hotels & Resorts, Hilton Worldwide's global luxury brand, will raise its flag in New York's Financial District. Located on the site of the former Embassy Suites New York, the hotel will offer luxury accommodations, upscale dining and more than 17,000 square feet of meeting space. The Conrad New York will be the brand's fifth property to open in the United States and the first Conrad hotel in New York City.

TRYP New York City by Wyndham – 173 rooms*
345 W. 35th Street
Projected opening: December 2011

Hotel 718—128 rooms*
231 Duffield Street
Brooklyn
Projected opening: February 2012

V3 Hotels is developing a new stylish 128 room hotel in downtown Brooklyn.

Wyndham Garden Long Island City/Manhattan View—128 rooms
44-29 9th St., Queens
Projected opening: December 2011

Wyndham Garden Hotel—108 rooms*
93 Bowery at Hester Street
Projected opening: early 2012

A new 18 story modern property is going up in Lower Manhattan close to a newly developing art district with the New Museum, art galleries and boutiques.

NoMad Hotel—160 rooms
1170 Broadway at 28th Street
Projected opening: early 2012

A twelve-story French Renaissance building will be converted to a luxury hotel and will be the first LEED certified renovated hotel in New York City. This property will be operated by GFI Hotels.

SpringHill Suites by Marriott—230 rooms*
112-01 Northern Boulevard
Queens
Projected opening: early 2012

Hyatt—175 rooms*
132 Fourth Avenue (at E. 13th Street)
Projected opening: early 2012

Hyatt Hotels Corporation announced that a Hyatt subsidiary and Hersha Development Corporation have signed a franchise agreement for this development in the Union Square neighborhood. With a restaurant and lounge it will be located in the historic ground floors on the corner, with new floors above.

The Out NYC—127 rooms*
510 W. 42nd Street
Projected opening: early 2012

Courtyard by Marriott—168 rooms

960 Sixth Avenue

Projected opening: 2012

Located in Manhattan's Fashion District, this is a redeveloped office building in a mixed-use neighborhood.

Hyatt Place—188 rooms*

52 W. 36th Street

Projected opening: early 2012

McSam Hotel Group LLC is developing this property just off Fifth Avenue in midtown.

Clarion Brooklyn—65 rooms*

1120 36th Street

Brooklyn

Projected opening: mid 2012

New build will be managed by Marshall Hotels & Resorts

Unnamed—56 rooms*

308 W. 40th Street

Projected opening: mid 2012

McSam Hotel Group LLC is developing this property.

Days Inn—120 rooms*

548 W. 48th Street

Projected opening: mid 2012

McSam Hotel Group LLC is developing this property.

Best Western Staten Island—111 rooms*

290 Wild Avenue

Staten Island

Projected opening: mid 2012

Hampton Inn—62 rooms

32 Pearl Street

Projected opening: mid 2012

McSam Hotel Group LLC is developing this property in Lower Manhattan.

Unnamed Hotel—73 rooms*

Wythe Avenue & N. 11 Street

Williamsburg, Brooklyn

Projected opening: mid 2012

Two Trees management will build a new hotel in one of the City's up and coming neighborhoods, with a design in keeping with the area's history and architecture.

The GEM Hotel Union Square—114 rooms*

54 W. 13th Street (between Fifth and Sixth Avenues)

Projected opening: late 2012

This property will be owned and operated by Gemini Real Estate Advisors LLC.

Holiday Inn—132 rooms*

150 Delancey Street

Projected opening: late 2012

McSam Hotel Group LLC is developing this property on the dynamic Lower East Side near galleries, clubs, restaurants and shopping.

Holiday Inn Express—175 rooms*
538 W. 48th Street
Projected opening: late 2012

McSam Hotel Group LLC is developing this property in midtown.

Park Hyatt—210 rooms*
157 W. 57th Street
Projected opening: late 2012

This new build project is a joint venture between Hyatt Hotels Corporation and Extell Development Corp. It will be a mixed use building with a luxury hotel, indoor pool and roof top amenities as well as condominium apartments.

Hyatt Place—219 rooms*
206 E. 52nd Street
Projected opening: late 2012

McSam Hotel Group LLC is developing this property.

SpringHill Suites by Marriott—173 rooms*
25 W. 37th Street
Projected opening: late 2012

Comfort Inn—48 rooms*
3070 Webster Avenue
The Bronx
Projected opening: late 2012

Another new small hotel slated for the Bronx adds convenience to travelers to NYC.

Unnamed—172 rooms*
237 Duffield Street
Brooklyn
Projected opening: 2013

V3 Hotels is slated to open this new property in downtown Brooklyn.

aloft Chelsea—170 rooms*
815 Sixth Avenue
Projected opening: 2013

Cambria Suites Times Square—194 suites
30 W. 46th Street
Projected opening: early 2013

Cambria Suites Chelsea—140 suites
123-125 W. 28th Street
Projected opening: early 2013

Unnamed Hotel—400 rooms*
237 W. 54th Street
Projected opening: early 2013

Willow Hotel—250 rooms
120 W. 57th Street
Projected opening: early 2013

Four Points by Sheraton—Rooms TBA
Jamaica, New York
Projected opening: mid 2013

This property will be managed by Marshall Hotels & Resorts.

Four Points by Sheraton Financial District—264 rooms and suites
6 Platt Street
Projected opening: summer 2013

In April 2011, Starwood announced the fourth Four Points by Sheraton to be built in NYC. Developed by The Lam Group, the property will have suites and rooms, a restaurant and conference space.

Unnamed Hotel—114 rooms*
218-222 W. 50th Street
Projected opening: 2013

With construction to begin in Q1-2011, this new hostelry will be developed by Brack Capital Real Estate, the team behind the recently opened James New York SoHo Hotel.

NEW Hyatt Times Square—487 rooms*
135 W. 45th Street
Projected opening: late 2013

Extell Development Co. has started construction of this 54-story project which will have a long-term management agreement with an affiliate of Hyatt Hotels Corp.

NEW Courtyard by Marriott—378 rooms*
NEW Residence Inn by Marriott—261 rooms*
1717 Broadway at 54th Street
Projected opening: late 2013

Marriott International, Inc. and ownership group Granite Broadway Development announced a signed franchise agreement to develop this 68-story, multi-hotel property to be managed by Interstate Hotels and Resorts.

Four Seasons Downtown—175 rooms*
99 Church Street
Projected opening: 2014

The hotel will occupy 22 stories of this 80-story residential condominium tower being developed by Larry Silverstein on the site of the former Moody's building in TriBeCa.

2011 Openings to Date (listed in reverse chronological order)

NEW Hotel Williamsburg—64 rooms*
160 North 12th Street, Brooklyn
Open: November 1, 2011

Newly built, stylish boutique hotel managed by Graves World Hospitality opened in November in the Williamsburg area of Brooklyn.

HotelAmericano— 56 rooms*
518 W. 27th Street
Open September 2011

The Enrique Norten designed hotel is under construction in the Chelsea area with views of the Hudson River and High Line. It will bring the Habita hotel brand to NYC. The hotel will have a rooftop pool, two restaurant bars and other boutique amenities.

Flatiron Hotel—64 rooms
1141 Broadway
Open: August 2011

Converted historic building. Managed by Desires Hotel Group.

Hyatt 48Lex—116 rooms*
517 Lexington Avenue at 48th Street
Open August 2011

Hyatt Hotels Corporation announced that a Hyatt subsidiary and Hersha Development Corporation have signed a franchise agreement for this new build for business and leisure travelers. The new contemporary hotel will have glass curtain walls and in-room technology.

NEW Z NYC Hotel—100 rooms*
11-01 43rd Avenue
Long Island City, Queens
Open July 2011

The latest addition to the thriving cultural district in LIC, close to airports and with multiple public transportation options, this boutique property is well located for business and leisure visitors to NYC.

Fairfield Inn & Suites New York Brooklyn—135 rooms
181 3rd Avenue
Brooklyn, New York
Open July 2011

Newly built property is managed by Marshall Hotels & Resorts.

Dream Downtown—316 rooms
346 W. 17th Street
Open June 2011

Vikram Chatwal Hotels Group opens the second Dream hotel in Manhattan, located in the former Covenant House building in the Meatpacking District.

The Nolitan—55 rooms*
30 Kenmare Street
Open June 2011

This new luxury boutique hotel is independently owned and operated and located in one of Manhattan's exciting neighborhoods near galleries, museums, restaurants and shopping.

Yotel New York Times Square West—669 rooms*
42nd Street and 10th Avenue
Open June 2011

This popular UK brand of sleeping cabins opens their first North American property near Times Square. The hotel also features a restaurant, bar and large outdoor terrace.

aloft New York Brooklyn—176 rooms*
216 Duffield Street
Brooklyn
Open June 2011

The Lam Group developed this property which is managed by Real Hospitality.

Four Points by Sheraton Long Island City—91 rooms
27-05 39th Avenue
Queens
Open May 2011

The Union Hotel
611 Degraw Street
Brooklyn
646 535 5190
Open May 2011

A member of the Ascend Collection of hotels this brings a new Choice hotel to Brooklyn.

Sanctuary Hotel—115 rooms
132 W. 47th Street
Open Spring 2011
212-382-0600

A multi-million dollar renovation of the former Portland Square Hotel unveils a fully renovated cutting-edge, deluxe hotel and with 115 larger rooms.

Mondrian SoHo—253 rooms
9 Crosby Street
Open February 2011

Morgans Hotel Group, along with New York-based developer Cape Advisors Inc., converted an existing building into a boutique hotel in the popular SoHo neighborhood. The hotel features Imperial No. 9, a bar and seafood restaurant, with celebrity chef Sam Talbot at the helm.

2010 Openings (listed in reverse chronological order)

Holiday Inn Jamaica Queens/JFK Airport—195 rooms
Rockaway Blvd and Brookville Blvd
Queens
Open December 2010

aloft Harlem—128 rooms*
2296 Frederick Douglass Boulevard near 125th Street
Open December 2010

Best Western Plus Prospect Park—99 rooms*
764 4th Avenue
Brooklyn
Open December 2010

New build is managed by Marshall Hotels & Resorts.

Courtyard New York Manhattan/SoHo—120 rooms*
181 Varick Street
Open December 2010

Doubletree NYC Financial District—399 rooms*
8 Stone Street
Open December 2010

This new property, managed by Magna Hospitality Group, is located in Lower Manhattan and includes a restaurant (8 Stone), bar and board room for meetings.

Fairfield Inn & Suites Manhattan/Chelsea—112 rooms*
116 W. 28th Street
Opened December 2010

New build is managed by Marshall Hotels & Resorts.

Element New York Times Square West—410 rooms*
311 W. 39th Street
Open November 2010

Starwood Hotels & Resorts will bring its first Element brand hotel to New York City. This newly created brand, inspired by Westin, features open-flow guest rooms and environmentally-friendly design and will be managed by Magna Hospitality Group.

The Jewel Hotel—139 rooms
11 W. 51st Street at Fifth Avenue
212 863-0550
Open November 2010

A new full service boutique hotel with access to the adjacent Terrace Club, at Rockefeller Center.

The Setai New York—157 rooms and 57 suites*
400 Fifth Avenue
Open November 2010

Bizzi Partners LLC and The Setai Group developed this luxury mixed-use property which includes 190 residential units. Property managed by Capella Hotels & Resorts features a Michael White restaurant (Ai Fiori), the Bar on Fifth, a spa & salon, and meeting facilities.

Sheraton TriBeCa New York Hotel—360 rooms*
370 Canal Street
Open October 2010

Developed by FC Canal, LLC this newly built property is near Chinatown, SoHo and TriBeCa.

The Gotham Hotel—66 rooms*
16 E. 46th Street
Open October 2010

Built on the site of the historic Gotham Book Mart, this 22 story new build in midtown adds to the city's boutique inventory.

The Pearl Hotel—94 rooms
233 W. 49th Street
Open October 2010

Comfort Inn—32 rooms*
136 Ludlow Street near E. Houston
(212) 260-4141
Open September 2010

Located on the Lower East Side, this new build hotel opened in the heart of the food, arts and shopping destination neighborhood.

The Condor—35 rooms
56 Franklin Avenue
Williamsburg, Brooklyn
Open September 2010

This stylish, mid-price hotel in a repurposed building is providing design features, services and amenities that will cater to the Orthodox Jewish visitor to New York City. There is also a 3000 sq. ft. ballroom for Kosher catered parties and events.

The James New York Hotel—114 rooms*
27 Grand Street at Thompson Street
Open September 2010

This boutique hotel in the SoHo neighborhood was developed by Brack Capital Real Estate. The James New York, designed by the Office for Design and Architecture (ODA) in collaboration with Perkins Eastman and The James Design team, blends elements of artistry and community. Features include an urban garden and a rooftop pool deck and bar, complete with 360-degree views of the Manhattan skyline.

The Chatwal—88 rooms
130 W. 44th Street
Open: August 2010

Conversion of the landmark 1904 Stanford White-designed Lamb's Club recreates the iconic glamour and style of the 1930's.

Cassa Hotel—166 rooms*
70 West 45th Street
Open August 2010

This is a mixed-use 50 story property with hotel and residential units. It is the third property in New York City managed by Desires Hotels, which also operates Hotel Mela and The Mave Hotel.

W New York Downtown—217 rooms and suites*

123 Washington Street

Open August 2010

The Moinian Group developed this 57 story mixed-use property—which includes residential units and meeting space near the World Trade Center site. The Gwathmey Siegel designed building is Starwood Hotels & Resorts' fourth W in New York City.

Holiday Inn Express Staten Island West—95 rooms*

300 Wild Avenue

Staten Island

Open August 2010

Gansevoort Park Avenue Hotel—220 rooms*

420 Park Avenue South

Open August 2010

Gansevoort Hotel Group has expanded their brand with a new property in the Madison Square/Flatiron district.

Comfort Inn—77 rooms*

349 38th Street (between Third and Fourth Aves.)

Brooklyn

Open August 2010

Andaz 5th Avenue—184 rooms*

485 Fifth Avenue (at 41st Street)

Open July 2010

Global Hyatt's second Andaz property in New York City, this upscale hotel is located in Midtown Manhattan across from the New York Public Library with a new lounge and amenities.

InterContinental New York Times Square—607 rooms*

300 W. 44th Street (at Eighth Avenue)

Open July 2010

Tishman Hotel & Realty developed the second InterContinental Hotel for New York City. This upscale, full-service property features a duplex presidential suite, meeting facilities, signature restaurant and retail spaces.

Holiday Inn Express NYC Wall Street—112 rooms*

126 Water Street

Open July 2010

McSam Hotel Group LLC developed this newly built property close to Wall Street and South Street Seaport.

Hotel Eventi—287 rooms*

839 Sixth Avenue (W. 29th and W. 30th Sts)

Open June 2010

San Francisco-based Kimpton Hotel and Restaurant Group LLC developed this luxury full-service hotel in a new glass-exterior tower. This hotel includes a multi-level bar and restaurant, over 15,000 square feet of meeting space including three outdoor terraces, a gym and separate spa along with an outdoor public plaza.

Sheraton Hotel Brooklyn—321 rooms*

228 Duffield Street

Brooklyn

Open June 2010

The Lam's Group developed and manages this full-service property in downtown Brooklyn. The property features meeting rooms, restaurants, and a swimming pool.

Staybridge Suites Times Square—310 rooms*
340 W. 40th Street
Open May 2010

This is the first Staybridge Suites for New York City, a brand under the InterContinental Hotel Group. The property features studio accommodations including kitchens with full-size appliances.

Red Roof Inn Flushing—33 rooms*
36-31 Prince Street
Queens
Open May 2010

Hilton NY Fashion District—280 rooms*
152 W. 26th Street
Open April 2010

Recently reflagged this boutique property has meeting space and the Rare Bar & Grill on the 22nd floor roof lounge. It is fifth property with the Hilton brand in NYC.

Trump SoHo—391 rooms*
246 Spring Street (between Varick Street and Sixth Avenue)
Open April 2010
212-842-5500

A luxury hotel with ownership opportunities for each of the hotel rooms, the property has an outdoor pool, a screening room, restaurant and cocktail lounge, library and event space.

World Center Hotel—171 rooms*
144 Washington Street
Open February 2010

Located on the southern edge of the World Trade Center site overlooking the rising One World Trade Center Tower, the hotel features a year-round indoor/outdoor dining venue on the top floor.

Andaz Wall Street—253 rooms/suites
75 Wall Street
Open February 2010

The Hakimian Organization transformed the former JPMorgan headquarters in Lower Manhattan into a 42-story upscale hotel and residential condominium designed by the Rockwell Group. Global Hyatt will manage the hotel as the city's first Andaz, a new lifestyle brand. The hotel includes a new bar and restaurant (Wall and Water) and an outdoor Farmer's Market and outdoor gathering spots.

Distrikt Hotel New York City—155 rooms*
342 W 40th Street
Open January 2010

This newly built property is 32 stories tall, offering views of the cityscape and Hudson River.

Also opening in 2010 we had a Fairfield Inn (135 rooms), a Best Western Arena (56 rooms), a Super 8 (55 rooms), a Sleep Inn (72 rooms) in Brooklyn, a new Holiday Inn at JFK (195 rooms), a Quality Inn in Woodside (72 rooms), a Comfort Inn (40 rooms) in Queens, and a Comfort Inn on Staten Island (93 rooms). In Manhattan the city gained a Fairfield Inn on Fifth Avenue with 171 rooms and a boutique downtown (Hotel Mulberry with 34 rooms).

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