

Life

— HOTEL —

19 WEST 31 ST | NEW YORK | NY 10001

October 31, 2016

Dear Partner,

I do hope this letter finds you well.

Please find below a summary update about what is happening at our hotel. All referenced attachments can be found by clicking the following link:

1. I have enclosed some photos of the work that is being done as we embark on our major construction. Our goal is to finish all construction by March. Please see our Phasing Plan for Phase I.
2. We are planning on closing the hotel for 45 days at the beginning of the year (mid-January), in order to maximize the time and efficiency of our work.
3. Please find the Management reports and financials for the most recent period.
4. I have also included a report from NYC & Company on important drivers in the past year that affect the hotel industry.
5. As you may know, Governor Cuomo last week signed a bill restricting Airbnb in New York City. This is a large and important victory for the Hotel Industry in New York. I have included an article and a summary of the bill in this package.
6. Lastly, we have added two members to our team, whose resumes you will find enclosed:
 - Erin Pepper will handle all Public Relations, Sales, and Guest Experience and will oversee all Social Media, Website, and Guest Retention. Erin has a long, successful working relationship with Steve Hanson.
 - Michael Racanella will be our on site project manager during construction.

I look forward to reporting soon on the transformation of the Herald Square Hotel to the Life Hotel in the next few months.

Thank you again for your trust and confidence.



David J. Mitchell

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