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**MAYOR BLOOMBERG ANNOUNCES SELECTION OF TOLL
BROTHERS|STARWOOD CAPITAL GROUP JOINT VENTURE TO DEVELOP
HOTEL AND RESIDENTIAL COMPLEX AT PIER 1 IN BROOKLYN BRIDGE PARK**

*Development Is Projected to Contribute Nearly \$120 Million to Park Maintenance and Create
510 Jobs*

*High-Resolution Renderings Are Available on the Mayor's Office Flickr Page at
<http://www.flickr.com/nycmayorsoffice>*

Mayor Bloomberg announced today that the board of Brooklyn Bridge Park has voted to designate a joint venture between Toll Brothers City Living and Starwood Capital Group as the developer of an approximately 550,000-square-foot development complex that will include a 200-room luxury hotel and 159-residential units adjacent to Pier 1. The hotel is to be called 1 Hotel, and the proposed building plan will feature nearly 16,000 square feet of restaurant space, 16,000 square feet of banquet and meeting space, 2,000 square feet of retail space, a 6,000-square-foot spa and fitness center and 300 parking spaces. It also includes park restrooms as well as maintenance space for park operations. The development is expected to generate approximately 210 permanent jobs and 300 construction jobs. The project, which is located immediately south of Old Fulton Street and the Brooklyn Bridge adjacent to the park's major entrance at Pier 1, will benefit from its high visibility and proximity to the Brooklyn Bridge Park East River Ferry landing. The joint venture will enter into two 97-year ground leases of the site. Over the course of the lease term, the development is projected to result in \$119.7 million in net present value of revenue from a variety of sources for the City, which will help fund the maintenance and operations of sections of the park that are built or underway. Upon completion, the project will generate a projected total of \$3.3 million annually in rent and payments in lieu of taxes from residential unit owners and the hotel operator to maintain the park.

“Brooklyn Bridge Park has quickly become one of the most loved public spaces along our city’s waterfront,” said Mayor Bloomberg. “This project will ensure that the thousands of New Yorkers and tourists who visit Brooklyn Bridge Park will be able to enjoy a beautifully maintained space. The major private investment is a vote of confidence in Brooklyn and its future as a great place to live, work and visit.”

“Today's board action is a major step forward for the long-term financial stability of Brooklyn Bridge Park that will help ensure it remains one of the jewels of the City's waterfront for generations to come,” said Deputy Mayor for Economic Development and Brooklyn Bridge Park Corporation Chairman Robert K. Steel. “The investment by our development partners will strengthen the public-private partnership that has made this park so successful already.”

The ten-story hotel and residential complex and five-story residential building are designed by Rogers Marvel Architects, and feature a stepped façade of stone and metal, sculpted to embrace the unparalleled views of the New York harbor and the park. They feature green roofs, a variety of walkways to access the park and a newly activated Furman Street sidewalk. The development is also projected to achieve LEED Silver Certification. Rogers Marvel is a New York City-based firm, responsible for a number of highly-regarded projects, including the State Street Townhouses in Brooklyn, Studio Museum in Harlem, McCarren Pool and Bathhouse, and several schools and libraries in New York and other municipalities. Rogers Marvel was named the 2011 Firm of the Year by the New York State American Institute of Architects New York Chapter, among other awards.

“The prospect of working with both Starwood Capital and Brooklyn Bridge Park to continue the development of the Brooklyn waterfront is very exciting,” said Robert I. Toll, Executive Chairman of Toll Brothers, Inc. “Toll Brothers has been a very active developer, big believer and supporter of New York City, and Brooklyn, for many years now and we are honored to have been designated to develop this fabulous site.”

“Brooklyn Bridge Park, which itself represents a unique combination of sustainable preservation amid a vibrant urban environment, is the perfect location for the 1 Hotel, the world’s first luxury, eco-friendly global hotel brand, and beautiful residential condominiums,” said Barry S. Sternlicht, Chairman and CEO of Starwood Capital Group. “We are extremely excited to be partnering with Toll Brothers, Brooklyn Bridge Park and New York City on this innovative project, which will serve as the perfect backdrop to the urban oasis for years to come.”

“The Toll Brothers/Starwood Capital Group venture is truly a win-win for Brooklyn and Brooklyn Bridge Park,” said Borough President Marty Markowitz. “Not only is the Park a perfect location for Brooklyn’s newest hotel—with some of the most amazing views anywhere—but Park users will also benefit from the addition of comfort stations, a restaurant, retail and other amenities. And, of course, let’s not forget the creation of more than 500 jobs and the income this development will generate to help achieve the goal of a self-financing park. Bravo to Park Board Chair Robert Steel, President Regina Myer, Brooklyn Bridge Park Conservancy Executive Director Nancy Webster and John Dew, her fellow co-chair of the Brooklyn Bridge Park Community Advisory Council, for these exciting new additions to the world-class Brooklyn Bridge Park, our very own ‘Eden on the East River’ and a crown jewel—an ‘urban emerald’—in our city’s park system.”

“Today’s announcement is an important achievement and will ensure the long-term sustainability of Brooklyn Bridge Park,” said New York City Economic Development Corporation President Seth W. Pinsky. “Not only will this project create a new hotel and residential complex along Brooklyn’s emerging waterfront, it will also provide a large portion of the necessary funding for the maintenance and operations for what has already become one of the City’s most desirable open spaces.”

“Today’s vote helps to ensure Brooklyn Bridge Park’s future,” NYC Parks Commissioner Adrian Benepe said. “Thanks to everyone involved for securing this public private partnership,

benefitting New Yorkers and tourists alike by creating a multi-use development that will not only provide housing, lodging and entertainment facilities, but will provide a solid financial foundation to care for this spectacular new waterfront park for the next century.”

“I’m gratified by the level of private investment that Brooklyn Bridge Park has catalyzed and believe today’s vote is a critical step in funding park maintenance and operations,” said Regina Myer, President of Brooklyn Bridge Park. “This public-private partnership will sustain this great public park for decades to come.”

“The Brooklyn Bridge Park Conservancy has been a long-time supporter of the park's self-sustaining economic model, and today's announcement is an important step in ensuring a beautiful and welcoming future for the park we have worked for these many years,” said Nancy Webster, Executive Director of the Conservancy. “Congratulations to Brooklyn Bridge Park Corporation for their leadership. We look forward to welcoming Toll Brothers and Starwood Capital to New York City's greatest new park.”

The Pier 1 site represents a signature development opportunity in one of the most exciting waterfront projects in New York in decades and home to a new ferry landing served by the City’s pilot East River Ferry service. Known for its jaw-dropping views, award-winning landscape design and ground-breaking sustainability measures, Brooklyn Bridge Park is a major public investment in one of the most scenic locations in New York City and is adjacent to the historic Brooklyn Heights and DUMBO, a vibrant and trendy mixed use district with a strong art gallery and restaurant scene. Following today’s vote, the development team expects to break ground on the development by summer 2013 and open the hotel and residential building in fall 2015.

The Pier 1 Hotel and Residential Development will fund critical park maintenance as part of a milestone 2002 agreement which catalyzed the transformation of this site from vacant piers to world-class park after decades of inaction. The necessary public approvals for the Pier 1 Development site were granted in the original 2005 Brooklyn Bridge Park General Project Plan, allowing the project to move forward expeditiously.

Starwood Capital Group is a private, U.S.-based investment firm with a core focus on global real estate. Since the group’s inception in 1991, the firm has raised over \$14 billion of equity capital and, through its various funds, has invested \$12 billion representing over \$32 billion in assets. Starwood Capital Group currently has over \$19 billion of assets under management. Starwood Capital Group maintains offices in Greenwich, Atlanta, San Francisco, Washington, D.C. and Los Angeles, and affiliated offices in London, Luxembourg, Paris, Mumbai and Sao Paulo. Starwood Capital Group has invested in nearly every class of real estate on a global basis, including office, retail, residential, senior housing, golf, hotels, resorts and industrial assets. Starwood Capital Group and its affiliates have successfully executed an investment strategy that includes building enterprises around core real estate portfolios in both the private and public markets.

Toll Brothers City Living® is the urban development division of Toll Brothers, Inc. (NYSE:TOL), the nation’s premier builder of luxury homes. Toll Brothers City Living is

bringing the same quality, value and service familiar to luxury home buyers throughout the country, to some of the most dynamic urban markets including Manhattan, Brooklyn and Queens in New York City; Hoboken and Jersey City, New Jersey; and Philadelphia, Pennsylvania. Since entering the urban metro New York City market in 2003, Toll Brothers has completed 13 buildings of approximately 2,800 units, approximately 2,700 of which have been sold; and is currently in construction on four buildings of 734 units with seven more buildings of approximately 1,100 units in planning. Toll Brothers City Living communities combine the energy of an urban lifestyle with unparalleled amenities, spectacular architecture, energy-efficient home design, and the expertise of the nation's leading builder of luxury homes. Toll Brothers proudly supports the communities in which it builds; among other philanthropic pursuits, the Company sponsors the Toll Brothers - Metropolitan Opera International Radio Network, bringing The Met opera to neighborhoods throughout the world.

Brooklyn Bridge Park Corporation, known as Brooklyn Bridge Park, is the not-for-profit entity responsible for the planning, construction, maintenance and operation of Brooklyn Bridge Park, an 85-acre sustainable waterfront park stretching 1.3 miles along Brooklyn's East River shoreline. The park was designed by the award-winning firm of Michael Van Valkenburgh Associates, Inc.

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