



CONSTRUCTION UPDATE

MONTHLY CONSTRUCTION UPDATE | OCTOBER 2017

Dear Investor,

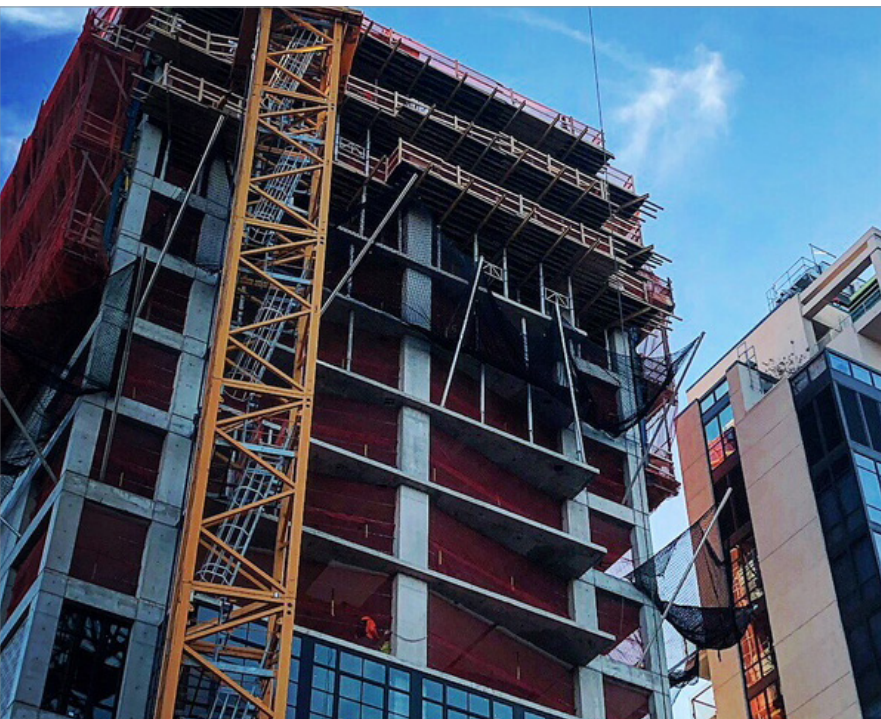
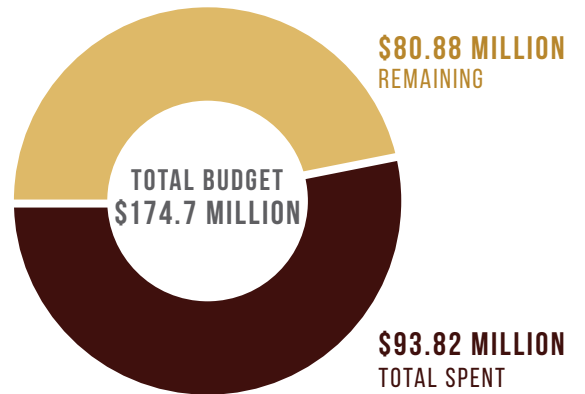
Lightstone is pleased to update you on the status of Empire State Marriott. The average number of men on-site increased to 180 per day this month.

To date, Lightstone has spent \$93.82 million on construction and acquiring the land. We estimate that over 460 jobs have already been created.

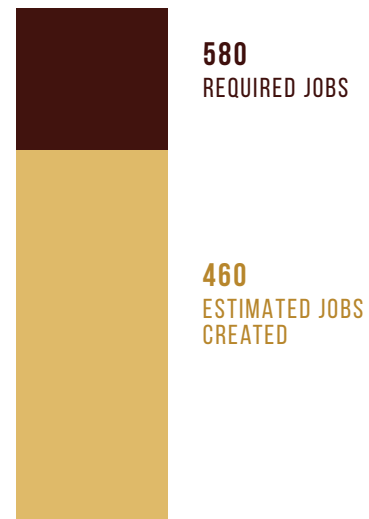
Sincerely,

Jonathan Rabinow
Chief Investment Officer, Lightstone Investments

PROJECT BUDGET



JOB CREATION



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CONSTRUCTION

MILESTONES

Nearly Completed as of October 2017:

- The concrete superstructure has been built up to the 29th floor. This level of completion allows the construction workers to work on interiors up to that floor.
- Drywall has been installed on the interior from the first floor up to the 9th floor. The drywall makes the interior walls and ceilings.
- The tubing that will contain the heating, ventilation, air conditioning, plumbing, and electrical elements are complete up to the 22nd floor.
- Windows have been installed up to the 23rd floor.
- Metal studs that will soon be covered in drywall for the interior walls and ceilings have been installed up to the 19th floor.
- 90% of the mechanical equipment has been installed on the 3rd floor mechanical room.
- Heat pumps have been installed up to the 20th floors – heat pumps are electrical systems that offer an energy efficient alternative to traditional furnaces and air conditioners.