The future of luxury new development in New York

Leaving $1 billion on the table

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Key Topics

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The author would like to thank **onefinestay** for providing access to their proprietary data for this research. Mr. Miller serves as an advisor to the firm.

The future of luxury residential development in New York

Leaving $1 Billion on the Table

From the onset of the 2008 global financial crisis, the stage was set for one of the largest luxury development booms in New York City history. Low mortgage rates, tight credit conditions by large U.S. commercial banks and a surge in wealth creation worldwide provided the underpinnings for a new wave of residential development of both luxury condominium units and luxury rental units. The rapid slowdown in contract volume after a five year boom presents unique challenges to market participants. Luxury market price levels may have corrected 10%-20% since 2014. There is no expectation of a significant uptick in demand that would reduce the oversupply of newly developed luxury condo and luxury rental listings. Simply put, too much product was and is being built within a narrowly defined price range skewed towards the high end of the market. A curated longer-term stay housing solution created by onefinestay enables market participants to diversify exposure and defray holding costs in order to weather the long grind of absorption over the current cycle. This new housing classification provides new revenue opportunities, perhaps as much as $1 billion market wide. It also has the potential to create additional property value regardless of future market conditions and can be used within virtually any luxury real estate location.

Executive Summary

Luxury condos and rentals are everywhere

Historically tight U.S. residential bank mortgage lending conditions have prevailed since the financial crisis. This dovetailed well with cash buyers of luxury real estate. A rising U.S. stock market provided abundant liquidity to wealthy domestic purchasers. Capital flight by affluent international investors was significant, acquiring assets in safe havens and taking advantage of currency imbalances created by a weak U.S. dollar. High land prices combined with heavy capital flows to construction lending outside of the commercial banking sector in a low interest rate world skewed development prices towards high end product. The result? **The construction of approximately 10,000 luxury condominium units beyond current levels of demand, representing at least 5.4 years of excess supply.**

The future of new development

The oversupply of large luxury condominium units severely reduced the economic viability of switching from condo to interim rental use. The majority of investor purchases in the luxury condominium market have offered to rent them immediately after closing, pressing luxury rental price levels downward. There is no expectation of a significant uptick in demand that would reduce the oversupply of newly developed luxury condo and luxury rental listings.

Diversification of income streams

With declining luxury rents, there is another option available to developers. Curated longer-term stays is a new housing category created by onefinestay that reduces dependency on the traditional rental option as well as future upside by providing:

- **Potential for a three fold rental price per square foot increase**
- **Seasonality patterns that fill a void seen in traditional rentals**
- **Significant international demand despite their reduced interest in condo sales**
- **Further forecasting of advanced bookings**
- **Potential for higher yields**
- **Leveraging the use of pied-à-terres to generate additional revenue**

Leaving $1 billion on the table

There is more than five years of new luxury condo inventory oversupply. The heavy volume of luxury condo closings in the pipeline anticipated well into 2017 will provide excess rental inventory above the market capacity to absorb them. Instead of developers finding relief by moving from one weak housing category to another, I was intrigued with the idea of utilizing the housing category onefinestay created. Using their proprietary booking data, the Manhattan development community has the potential to realize additional revenues of more than $1 billion if only one fourth of the projected excess luxury condo shadow inventory was repurposed as curated longer-term stay units.

1

Shifting conditions for luxury new development in New York

From the onset of the 2008 global financial crisis, the stage was set for one of the largest luxury[1] development booms in New York City history. Low mortgage rates, tight credit conditions by large U.S. commercial banks and a surge in wealth creation worldwide were the underpinnings of a new wave of residential development for both luxury condominium and luxury rental units. The current Manhattan development boom is historically unique for its narrow priced bandwidth of listings targeted at the luxury market. The entry threshold for the Manhattan luxury sales market currently begins at well above $4 million and the entry threshold for luxury rentals begins at above $6,000 per month. Now that price growth in the luxury condo and luxury rental markets has effectively ended, concern should not be focused on the surplus number of all newly developed units, but rather on the surplus number of newly developed units within the luxury market.

How did we get here?

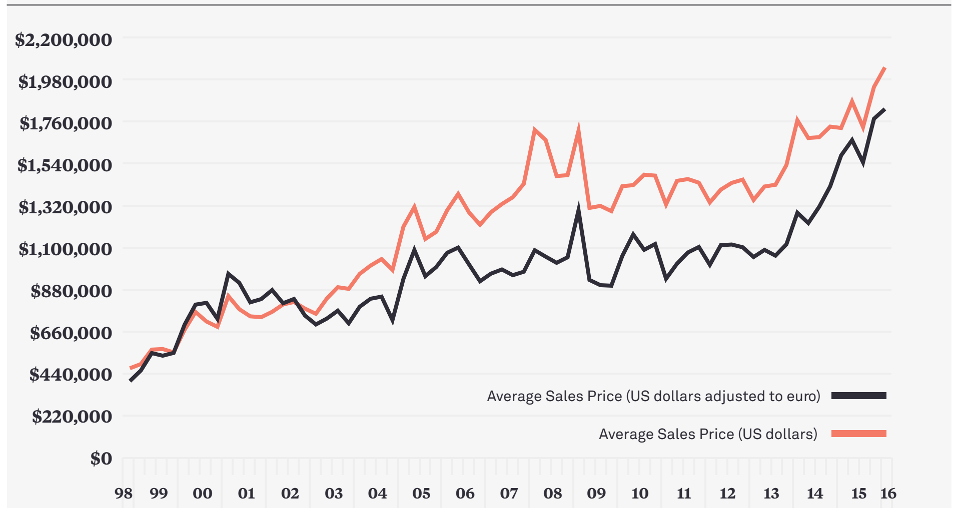
Nearly all forms of credit have normalized since the beginning of the financial crisis except those related to residential end-loan and construction mortgages. Other classifications such as credit cards and auto loans have eased considerably, and some would say they have eased too much. Large U.S. commercial banks are still grappling with the legacy of poor lending decisions during the housing bubble a decade ago for a number of reasons. But tight residential mortgage lending standards, similar to conditions that existed in the days that followed the collapse of Lehman Brothers, dovetailed well with cash buyers of luxury real estate in this recent development boom. Roughly half of all Manhattan purchases over the past several years were all cash, bypassing the tight lending standards of commercial banks. The probability of a cash transaction rises considerably with higher priced units, especially those within newly developed projects.

Commercial lenders continue to be subjected to large fines by various federal government entities, forced to buy back mortgages from the former government sponsored entities (GSEs) and subjected to a low mortgage rate environment that fosters risk averse behavior from the narrow spread to work with. Exploiting this tight lending environment came in the form of alternative financing outside of commercial banking. This new source of capital spurred rapid development growth circa 2011 as investors around the globe were chasing higher returns in a low interest rate world. These alternative financing sources tended to be from Wall Street, including hedge funds, as well as private capital and sovereign wealth funds. These sources were not subject to the same level of regulatory overlay introduced to commercial banks after the '08 financial crisis through financial reform. Only recently these alternative lenders have become alarmed over the excess inventory created within the luxury new development space.

In recent months the U.S. treasury has created a new six-month disclosure process for cash buyers to test the existence of money laundering. The rule applies to cash sales above $3 million in Manhattan, New York and cash sales above $1 million in Miami-Dade County, Florida. This temporary program may be extended later this year. With luxury sales volume down sharply before the rule was introduced, it will be difficult for the agency to determine its impact after the six-month period ends.

[1] For the purposes of this analysis, the luxury market is defined as the top ten percent of sales or rentals during a given period.

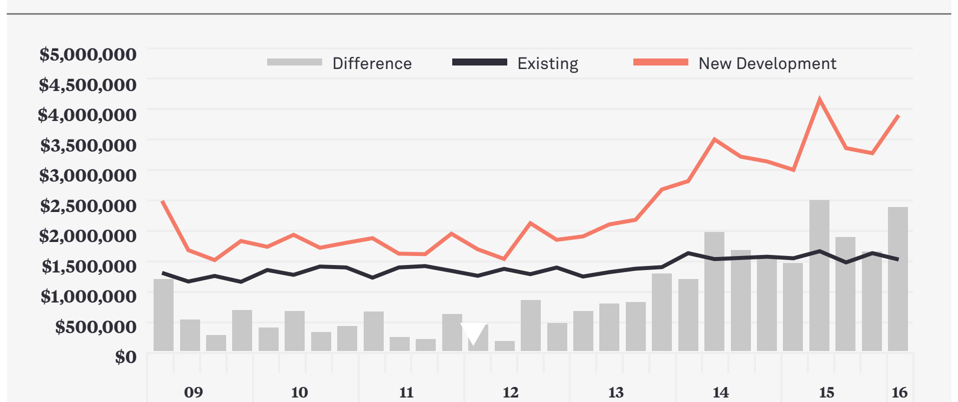
MANHATTAN AVERAGE SALES PRICE – U.S. DOLLARS
VS. U.S. DOLLARS ADJUSTED FOR EURO
[How Manhattan real estate looks to European Investors]



"Over the past three years, the highest priced Manhattan sales for each respective year were taken from newly developed condominium projects."

2013	2014	2015
18 GRAMERCY PARK Penthouse 12 **$42,000,000**	ONE57 Penthouse **$100,471,452**	ONE57 Floor 75 **$91,541,052**

MANHATTAN CO-OP/CONDO AVERAGE SALES PRICE BY TYPE



...Midtown properties, i.e. "Billionaires' Row" were dominated by international buyers, yet domestic purchasers dominated downtown Manhattan.

Luxury condos are everywhere

While the numbers are not readily available, it is reasonable to assume that international investors comprised a large number of units purchased over the new development boom. Anecdotally, we estimate that roughly half of Manhattan new development sales came from international sources, but their purchase locations were often different from their domestic counterparts. For example, Midtown properties i.e. "Billionaires' Row" were dominated by international buyers, yet domestic purchasers dominated downtown Manhattan. The driver of international demand was a combination of capital flight looking for a safe haven as well as a currency play to take advantage of the then weaker U.S. dollar.

The decline in the pace of new development condo contract signings began in the second half of 2014. This was caused by a combination of the stronger U.S. dollar and the growing economic erosion in many of the source regions for U.S. property demand such as China, Brazil and much of Europe. The stronger U.S. dollar removed the sense of urgency from investors.

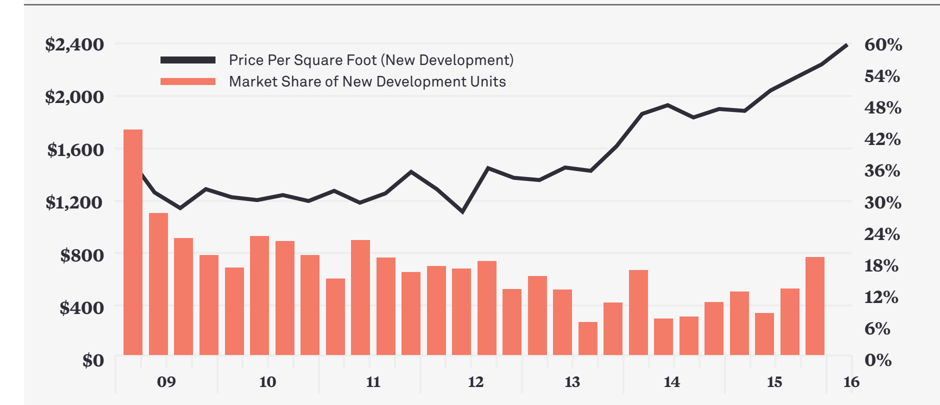
In addition, the visceral image of construction activity across the Manhattan skyline observed by investors in late 2014 caused them to pause after three years of frenetic activity. This pause was a tangible sign that the significant influx of additional inventory would become competition with the unit they were about to purchase. The crowded skyline was something not readily apparent to investors only a few years prior when the majority of them were "buying off of floor plans" and many of the nearby development sites were still holes in the ground.

Much of these new projects coming out of the ground were skewed sharply towards the high end and beyond, breaking all price records. Over the past three years, the highest priced Manhattan sales for each respective year were taken from newly developed condominium projects.

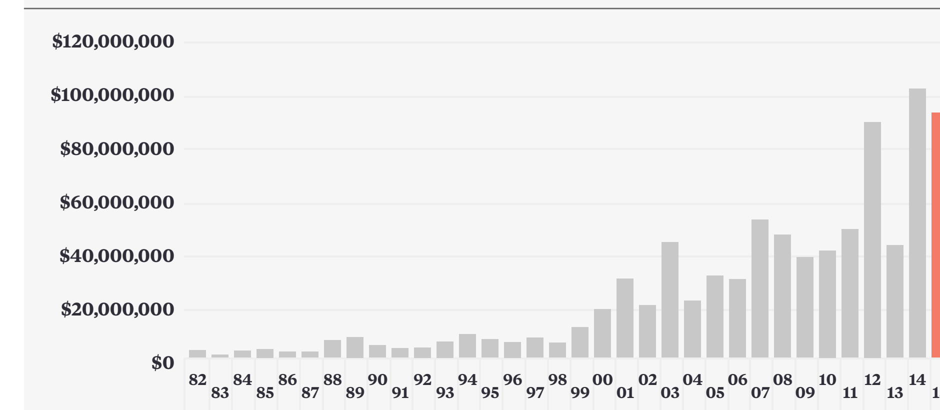
The market-wide rise in prices has been the combination of modest re-sale price gains and a surge in the number of new luxury condo developments entering the market.

In the 2003 to 2008 development cycle, a blended $1,500 per square foot average was the standard threshold for new development projects in the east, west and downtown regions of Manhattan. In the current cycle, pricing was set much higher due to record land prices and rapidly rising construction costs. Emphasis was placed on the view amenity

MANHATTAN CO-OP/CONDO NEW DEVELOPMENT
PPSF Closed, Market Share by Unit



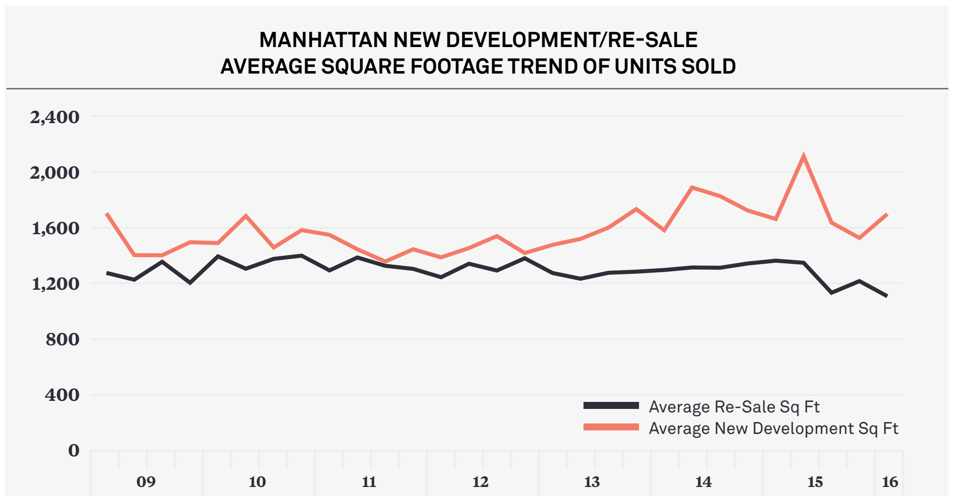
HIGHEST MANHATTAN CONDO SALE TO CLOSE EACH YEAR

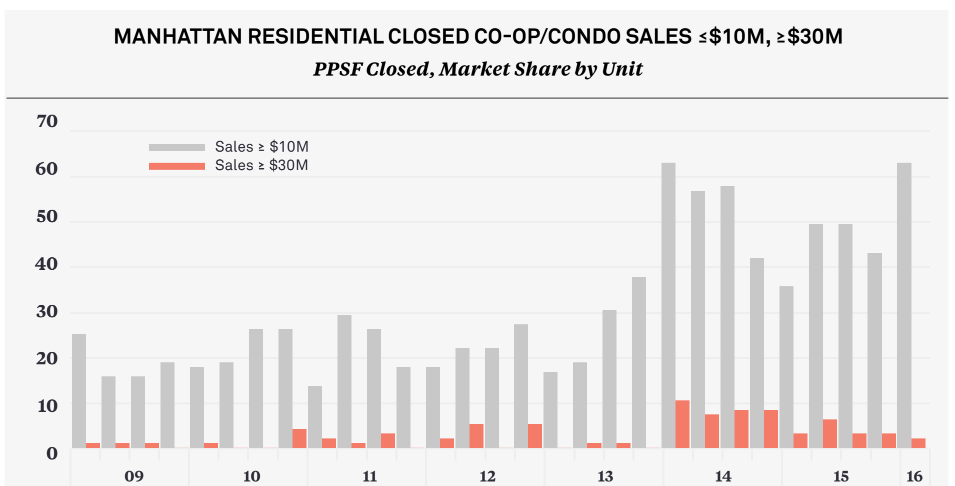


and with the recent ability to build significantly higher on a smaller footprint, material and engineering costs soared. Projects entering the market later in this cycle often needed unit sales to average more than $3,000 per square foot to justify the going in costs. I have been referring to the current development period, as "$3,000 is the new $1,500." Average pricing seen in the new development condo product has nearly doubled on a per square foot basis, due to the shift in product type, rather than a doubling of underlying value.

...$3,000 is the new $1,500..." Average pricing seen in the new development condo product has nearly doubled on a per square foot basis, due to the shift in product type, rather than a doubling of underlying value.

Below are a series of charts reflecting the change in the housing market as influenced by the current new luxury condo development boom.





In a typical condo development cycle, a number of units are placed into active inventory, made available to the real estate brokerage community for sale. Developers rarely introduce all but a few units to the market at the same time, using the number of actives to promote scarcity of product. As these listings in public view are sold off, the developer draws from shadow inventory, units that will enter the market eventually but are not formally listed. This shadow is used to replenish supply in order to continue selling units and keep the perception of "scarcity" in play.

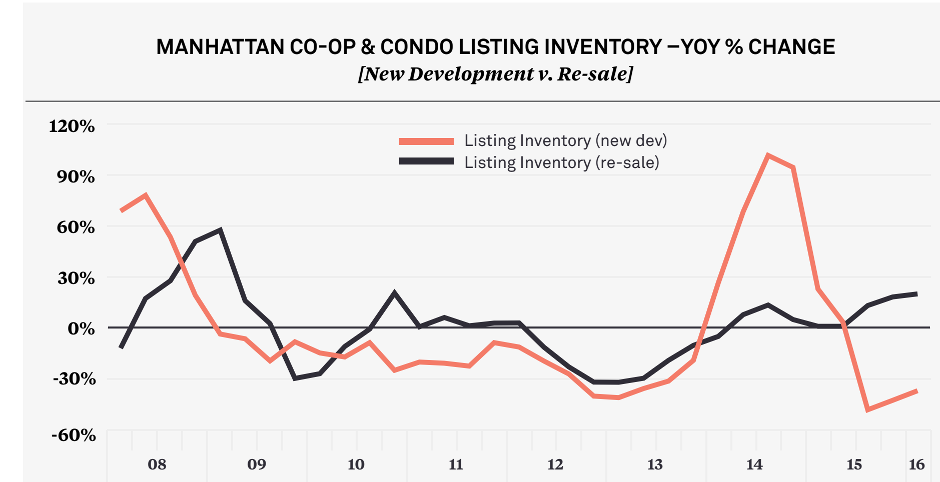
When contract volume of the new development condo market slowed significantly in early 2015, the marketing time of active inventory expanded, suggesting to the public that sales were slowing. However after the rapid growth of active inventory throughout 2014, developers began to pull listings from the market by mid-2015 to manage consumer perceptions about the health of the new development market.

Since condo sales volume is not accessible to the public until closed and recorded, tracking a sudden change in active inventory, coupled with a general understanding of the growing amount of shadow inventory culled from land sales, media announcements and word of mouth, suggested that new development contract volume dropped sharply in early 2015.

In a scenario where a developer constructed a 100 unit building, they typically might place 10 units on the market and dip into shadow inventory as those initial units are sold off.

After last year's slowdown, the developer in this scenario opted to keep 5 units on the market instead of 10, either by removing 5 from inventory or being slower to replenish them once sold, this would represent a 50% drop in the supply of active inventory. Given the sharp drop in active inventory last year, I suspect much of the decline was due to the former and occurred in early 2015. Regardless, the level of active new development inventory is not a reliable metric to assess the ongoing pace of the new development condo sales market because it is readily manipulated. However, it clearly can provide a one-time indicator of a sudden market slowdown in contract absorption. We estimate that 5,500 Manhattan new development condo units were added to the market in 2015. These are largely shadow units rather than active inventory. It is anticipated that at least 6,000 more condo units will be added during 2016 and perhaps another 3,000 will enter the market in 2017.

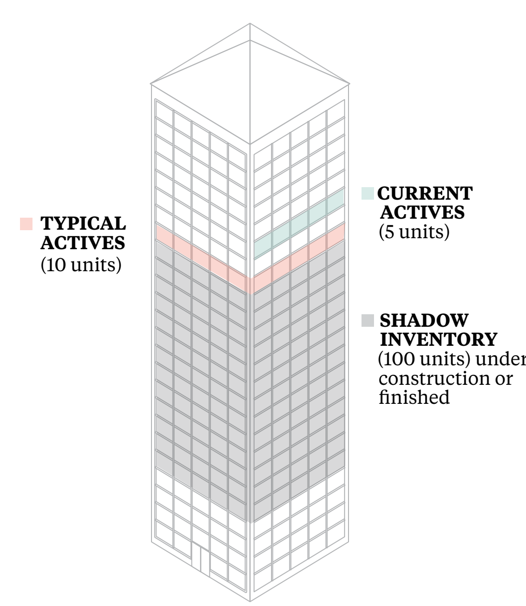
For context, approximately 5,000 condo units were sold and closed in each of the past three years. They included re-sale and new development units as well as luxury and non-luxury units. Over the last three years, an average of 1,133 of newly developed condo closings occurred each year but jumped to an annualized rate of 1,848 in the second half of 2015. A large portion



of those sales likely went to contract 12-24 months before construction was completed, substantially lagging current market conditions. Using the annualized closing pace of new development of the latter half of 2015 against the projected supply shows an excess of nearly 10,000 luxury condo units by 2017. Assuming the current pace of new development closings is sustained, it would take about 5.4 years to absorb the excess supply beyond 2017 as presented in the following table.

It is anticipated that at least 6,000 more condo units will be added during 2016 and perhaps another 3,000 will enter the market in 2017.

SHADOW INVENTORY

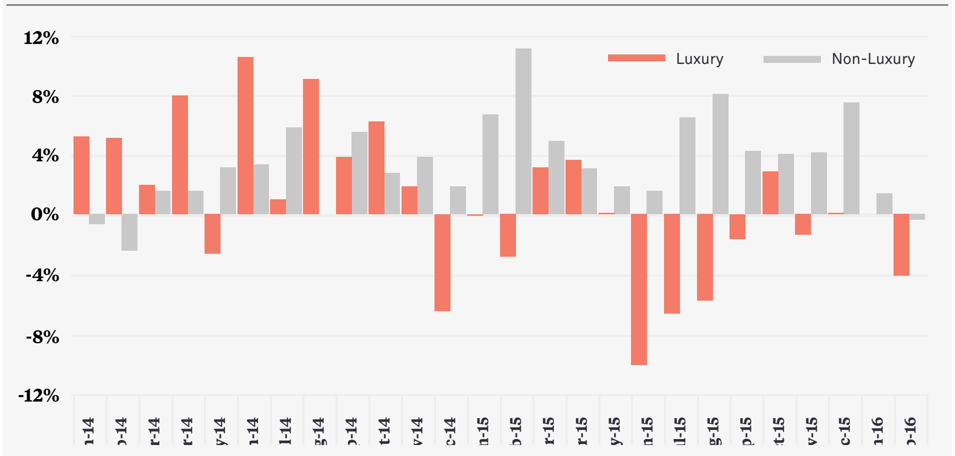


MANHATTAN CONDO NEW DEVELOPMENT

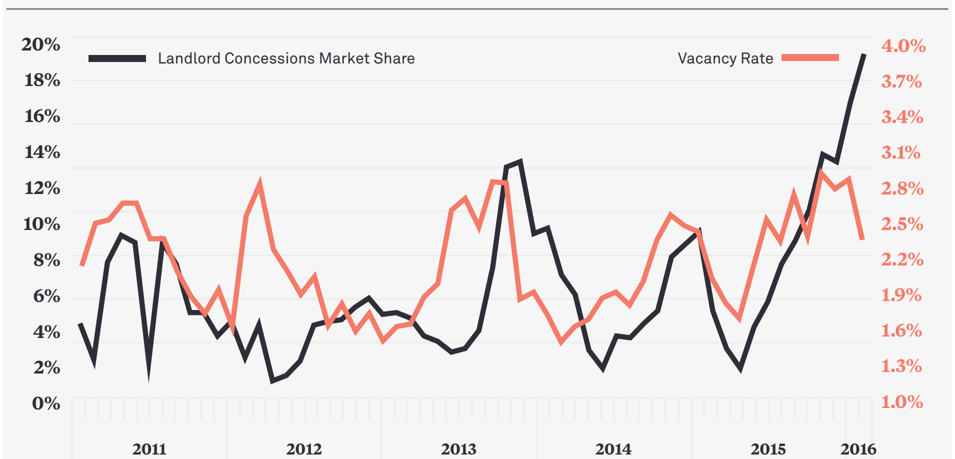
	To Market	Sales	Unsold	Shadow
2014	**	**	500	500
2015	5,500	1,393	4,107	4,607
2016	6,000	1,848	4,152	8,759
2017	3,000	1,848	1,152	9,911

PROJECTIONS AT CURRENT RATE OF SALES

Unsold (shadow)	**9,911**
Annual Sales	**1,848**
ABSORPTION (YEARS)	5.4



MANHATTAN LUXURY (TOP 10%) V. REMAINING (90%)
Year-Over-Year Change in Median Rental Price



MANHATTAN RENTAL MARKET
Landlord Concessions V. Vacancy Rate

Luxury rentals are everywhere

This development boom has also seen significant expansion of luxury rental product. Like condos, high land prices skewed rental development towards luxury. Entry level and mid tier rents have generally increased over the past several years, pressed higher by population rising faster than Census projections, record employment growth and tight credit conditions that are keeping would-be first time buyers from entering the purchase market. Over the past 12-24 months, luxury rents have remained soft and are getting softer. In addition to luxury new rental construction there has been a far larger factor driving luxury rents lower. Investor purchasers of luxury condos immediately enter the luxury rental market after their units close. The high volume of luxury condo closings is expected to continue into 2017.

Over the past 12-24 months, luxury rents have remained soft and are getting softer.

While aggregate rental prices have been rising for several years, the rate of luxury rental growth has been weaker than the remainder of the market. With multiple sources of luxury rental properties providing excess supply, the use of landlord concessions have been rising to multi-year records. Such concessions include broker commissions and free rent. Luxury rental landlords have become more aggressive in protecting their face rent[2] as growing competition continues to press luxury rental prices lower. ◆

[2]Face rent is the rental price agreed upon before adjusting for concessions. The rent after including concessions is known as net effective rent.

2

The future of new development: diversification of income streams

Developers appear to have more staying power than during the previous development cycle. This is due to less use of leverage, the lower cost of financing, reliance on alternative financing sources outside of commercial banking and a consumer skewed towards paying "cash" or mostly "cash." However, I remain skeptical that the timeline for an acceptable absorption period will be indefinite. My 5.4 year estimate of excess condo supply could be considered optimistic since it assumes the pace of closed sales within the current market will continue. It is clear that within the luxury condo development space, there is significant weakness above the $5 million threshold and far less weakness below the threshold. Based on the sharp drop in contract signings in early 2015 and a minimum of two years assumed for construction completion, the number of new development closings is expected to slow considerably at some point in 2017.

London home managed by onefinestay

Some developers may opt to re-configure their largest condo units within their offerings into smaller versions. But that approach will meet with limited success unless the smaller units are priced at a lower per square foot than the original units. Many developers may not find that approach pragmatic because they are too far along in the construction process.

As in past development cycles, many developers will opt to rent unsold units to defray holding costs. However the significant addition of new investor condos to the luxury rental market over the next several years should keep downward price pressure on rents in place. This makes the traditional rental option less attractive to developers than in previous cycles.

Based on the sharp drop in contract signings in early 2015 and a minimum of two years assumed for construction completion, the number of new development closings is expected to slow considerably at some point in 2017.

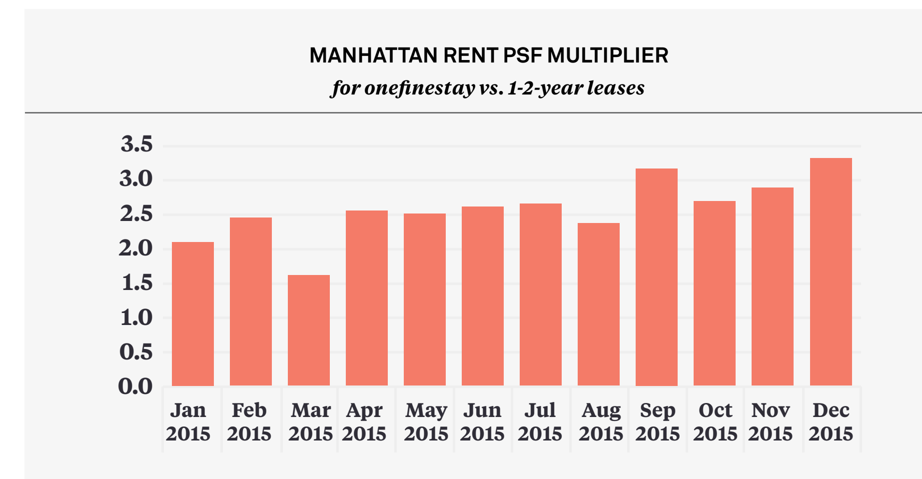
Diversification of income streams

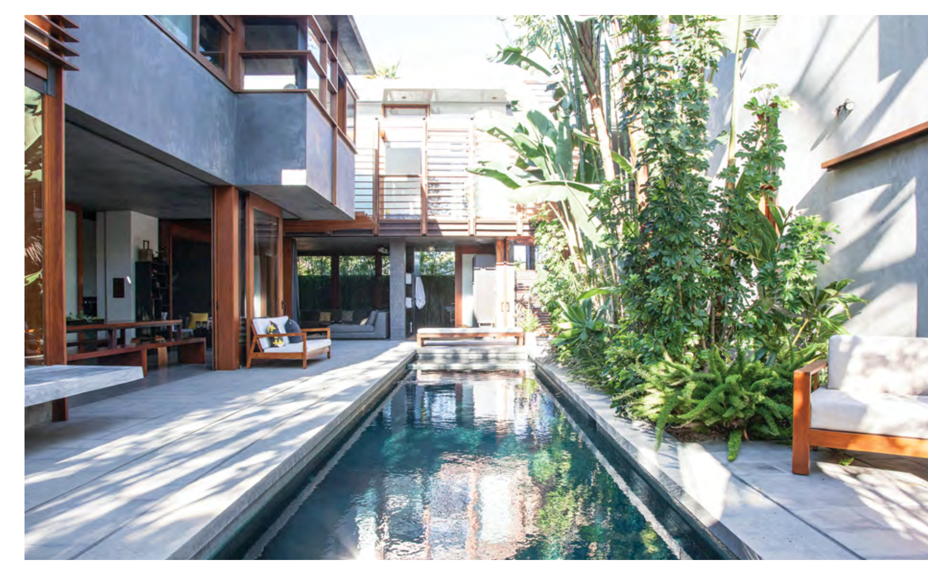
Recently I was introduced to **onefinestay**, a firm that began in London back in 2011 and expanded to Paris, New York City, Los Angeles and Rome, with other locations being introduced in the near future. They specialize in creating curated vacation experiences within the luxury market for their customers. The firm shared their proprietary data with me and I used it to compare with the New York rental market developed in my own research. Their data is comprised of bookings of co-op and condo apartments with a minimum thirty-day length of stay and individual townhouses without a length of stay threshold. While a thirty-day length of stay can infer a higher vacancy rate over a one year period than a traditional[3] one year lease, onefinestay curates the hospitality experience for the guests and manages the entire process for the landlord. *These services include cleaning and preparing the unit for occupancy, tending to minor repairs, linen service, housekeeping, initial visit orientation that includes an app as well as advanced booking.*

Here is what I found:

1/ A three fold rental price per square foot

One of the patterns prevalent throughout the New York City rental market is the premium paid for shorter term rentals such as month to month or a one year lease versus a two year lease in a traditional rental scenario. The same principal applies to a service like onefinestay, where the after tax annual fee per square foot is generally 2.5 to 3 times the price per square foot of a traditional one or two year lease. Over the past year, this multiplier increased as their service gained traction.





Los Angeles home managed by onefinestay

[3]Traditional rental market data that is published reflects new lease signings. Renewal activity is never publicly shared by landlords and is relied on for their internal strategic planning.

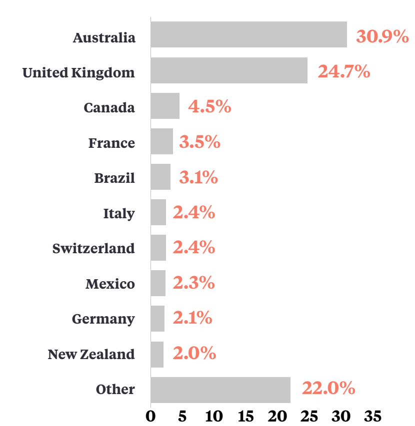
2/ Seasonality patterns fill a void

Using the number of new leases over a two-year period and booking volume from onefinestay over the same period, the seasonal patterns are remarkably consistent through the first three quarters of the year. However, in the final quarter of each year the trends diverge significantly. The fourth quarter represents the peak booking period for onefinestay customers while traditional rental activity drops sharply. The surge in demand offers landlords greater diversification of revenue streams, offsetting the seasonal year end slowdown that traditional rentals provide.

...onefinestay continued to generate a significant market share of international clients for their inventory.

MANHATTAN SEASONAL DEMAND TRENDS
2014-2015

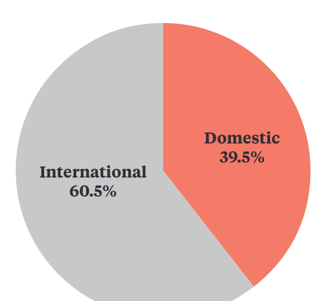
TOP 10 SHARE OF
INTERNATIONAL DEMAND



3/ International sources of demand

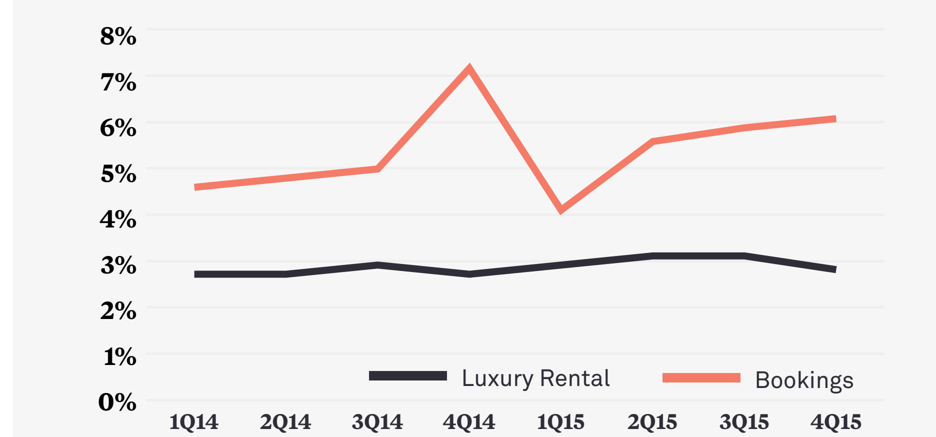
As the U.S. dollar weakened significantly in 2015, many luxury condo investors were unable to enjoy the significant discount previously available, removing them from the market or delaying their purchase. Although demographic data for luxury condo purchases is not available, it is a widely held industry view that the participation by international buyers of luxury real estate has sharply declined. As part of the continuing theme of diversification of demand, onefinestay continued to generate a significant market share of international clients for their inventory. New York City tourism levels have set record highs in each of the past six years so a curated longer-term stay alternative represents a logical extension of this trend.

CONFIRMED COUNTRY
OF ORIGIN



New York home managed by onefinestay

YIELD COMPARISONS



By comparing the luxury average sales price per square foot to the luxury average rental price per square foot, the two year average yield was 2.9%.

4/ Forecasting and advanced booking

From a planning standpoint, many onefinestay customers book well in advance. A portion of the fourth quarter surge in booking is attributable to future bookings during the following spring and summer seasons. In a traditional rental scenario, advanced warning comes when the tenant notifies the landlord whether or not they will be renewing their lease, usually 30 to 60 days in advance.

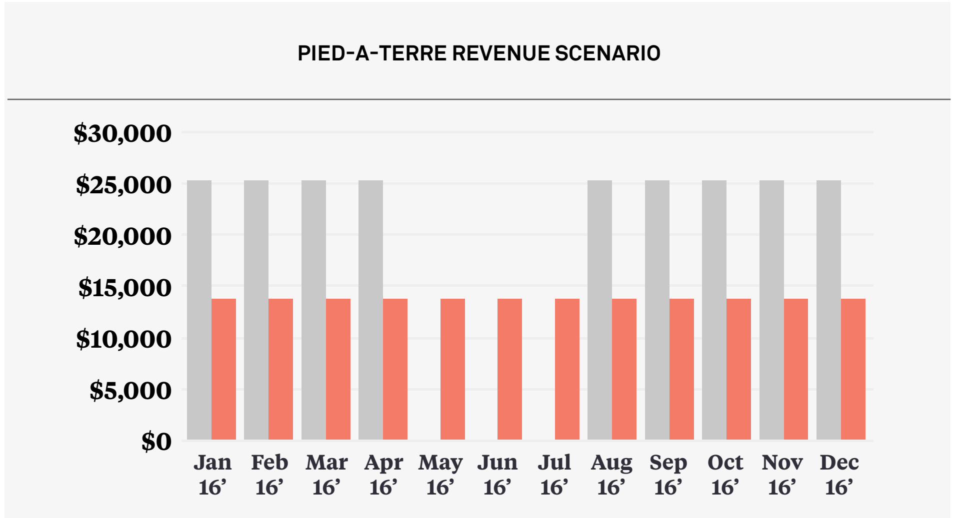
5/ Yield Comparisons

By comparing the luxury average sales price per square foot to the luxury average rental price per square foot, the two year average yield was 2.9%. Comparing the same luxury average sales price per square foot to the after tax annualized fee per square foot of bookings with onefinestay, the average yield nearly doubles to 5.4%. With expected lower luxury rental price yields and the potentially higher onefinestay booking trend yields over the next few years, the spread between the two yield trends is expected to widen. The expanding premium of the onefinestay yield above the luxury rental yields may also come to represent a value premium to those properties in the future.

6/ Leveraging the use of pied-à-terre

A significant number of Manhattan apartments are used as pied-à-terre but varies widely by neighborhood. For example, a 2014 New York Times article estimated that 23% of Manhattan apartments could be pied-à-terre. This was before considering the large number new development units entering the current market. The Financial District, depending on specific locations, might see anywhere from 6% to 55% of the neighborhood as potential pied-à-terre. Wherever the location, the revenue potential for owners of these units could be significant. In a traditional rental scenario, a tenant would sign a one or two year lease and forgo periodic use of their apartment. Purchasers of new development units in the current development boom are not all made for investment purposes. The alternative use might be either owner occupancy or periodic occupancy. Many property buyers might occupy their units for a few months each year and leave vacant for the remainder.

In the following hypothetical scenario, the buyer of the newly developed condo unit plans to visit New York City and reside in their unit for 3 months a year. As a result, their owner/user relationship with the property makes them less likely to rent out their unit for



New York townhouse managed by onefinestay

the remaining nine months. While the property owner may choose to offer their unit on a month-to-month basis, it is not a commonly used option given the difficultly in managing the rental. In this scenario, the owner has the choice of forgoing occupancy and receiving an annual gross rental income of $164,088. This is based on a one year market rental at $76 per square foot applied to a 2,159 square feet, the average size of a onefinestay booking in 2015. In a onefinestay scenario, the unit owner would have the ability to occupy the unit for the three months of their choosing and receive an estimated after tax annualized fee of $226,692. This is calculated using a onefinestay after tax booking rate of $140 per square foot, the average rate for 2015. The unit owner would realize 38.2% more revenue than the traditional rental option and still be able to enjoy occupancy for the period of the year they choose, all done without having to manage property. The same situation applies to a developer. Unsold units can sit vacant as part of shadow inventory, quite possibly for several years or more.

The unit owner would realize 38.2% more revenue than the traditional rental option and still be able to enjoy occupancy for the period of the year they choose, all done without having to manage property.

7/ Flexible rental program as an amenity

When developers are planning a new residential project, the selection of the suite of amenities is a key component to enabling a successful sellout. Yet each amenity also brings additional costs. Individual pied-à-terre owners are able to enjoy their units when they choose, but there is a cost incurred when they sit unoccupied. The introduction of a curated longer-term stay amenity is a new product for both developers and individual unit owners. What would the introduction of a flexible rental program that allows owner occupancy, but generates income, do to the value of that property? ◆

onefinestay experience

onefinestay has created a new category of accommodation in the luxury travel industry. They bring affluent travellers to stay in private homes while the homeowners are out of town. onefinestay only takes on the very best homes (around one in ten of those they're offered), and provides premium hands-on support and amenities to meet their guests' needs. They currently operate in London, New York, Paris, Los Angeles and Rome.

◆

EACH STAY INCLUDES

Wifi

iPhone

Welcome

Toileteries

Area tips

Cleaning

24/7 support

3

Leaving $1 billion on the table

There is more than five years of new luxury condo inventory oversupply. The heavy volume of luxury condo closings in the pipeline anticipated well into 2017 will provide excess rental inventory above the market capacity to absorb them. Instead of finding relief by moving from one weak housing category to another, I was intrigued with the idea of leveraging the advantages that new housing category onefinestay has created. **Using their proprietary booking data, I see a scenario where the Manhattan development community could realize additional revenues of more than $1 billion if only one fourth of the shadow inventory was repurposed as curated longer-term stay units.**

MANHATTAN	4Q 2015
After Tax Annualized Fee/PSF	$156
Average Square Feet of Bookings	2,676
Assumptions	
Estimate Shadow Condo Units*	9,911
Future OFS Share of Shadow Units	25%
New OFS Units Added	**2,478**
Total Square Feet	6,631,128
After Tax Annualized Fee/PSF	$156
New Revenue	**$1,034,455,968**

**See earlier analysis*

Letter from Co-founder

EVAN FRANK
CO-FOUNDER,
PRESIDENT OF AMERICAS
ONEFINESTAY

I'd like to thank Jonathan for authoring this report that speaks to the innovation at the intersection of the real estate and hospitality industries.

A little over four years ago, we brought onefinestay from our founding city of London to New York City - my hometown. We thought that bringing the best elements of hospitality and property management - professional cleaning & maintenance, high-end sheets, towels and toiletries, high-touch and attentive service - to a unique home setting would be a formula for success. After welcoming tens of thousands of guests staying with us in the most important global cities of New York, London, Paris, and Los Angeles, and Rome, we're excited to have pioneered a new category of accommodation in the luxury travel market.

Since our launch here, we have focused on doing things the responsible way: collecting and remitting hotel occupancy and sales taxes, focusing our business growth on homeowners, and investing heavily in our infrastructure to support a high-end, responsible service that includes end-to-end management of the homeowner and guest experience. I have had the privilege of working with building boards and residents and city and state officials to bring handmade hospitality to New York in a way that is safe, elevated and beneficial for all stakeholders.

I am extremely proud of the onefinestay service. We support our guests with a global team of over 600 that service over 2,500 homes in the world's best cities, around the clock, 365 days a year.

Nearly 60 million people visited NYC last year, with further growth expected in 2016. Over the past several years, demand for staying in a curated, fully-serviced private home has exploded because of the unique space, amenities and privacy this experience offers. We believe that partnering with you will only accelerate the creation of a new category of luxury real estate, powered by the best management and hospitality services.

We believe this is about more than a $1 billion market opportunity - it's about bringing a new experience that fundamentally enhances the value of real estate.

Evan Frank.

ONEFINESTAY
PIONEERS OF HANDMADE HOSPITALITY.

Founded in a London sitting room in 2010 by Greg Marsh (a former Fulbright Scholar and Harvard Business School graduate), Demetrios Zoppos, Tim Davey and Evan Frank, onefinestay offers paying guests the opportunity to stay in the best homes in the world's greatest cities while the owners are out of town.

Today, the company has over 2,500 homes in London, Paris, New York, Los Angeles and Rome, and enjoys an unrivalled guest Net Promoter Score (a measure of how likely guests are to recommend onefinestay). In early April 2016, onefinestay was acquired by AccorHotels in a deal worth at least $240m. This acquisition has accelerated onefinestay's bid for global recognition – they're planning to open in 40 cities by 2020.

onefinestay.com