



MONDRIAN
SOUTH BEACH



MONDRIAN SOUTH BEACH **VIEW**



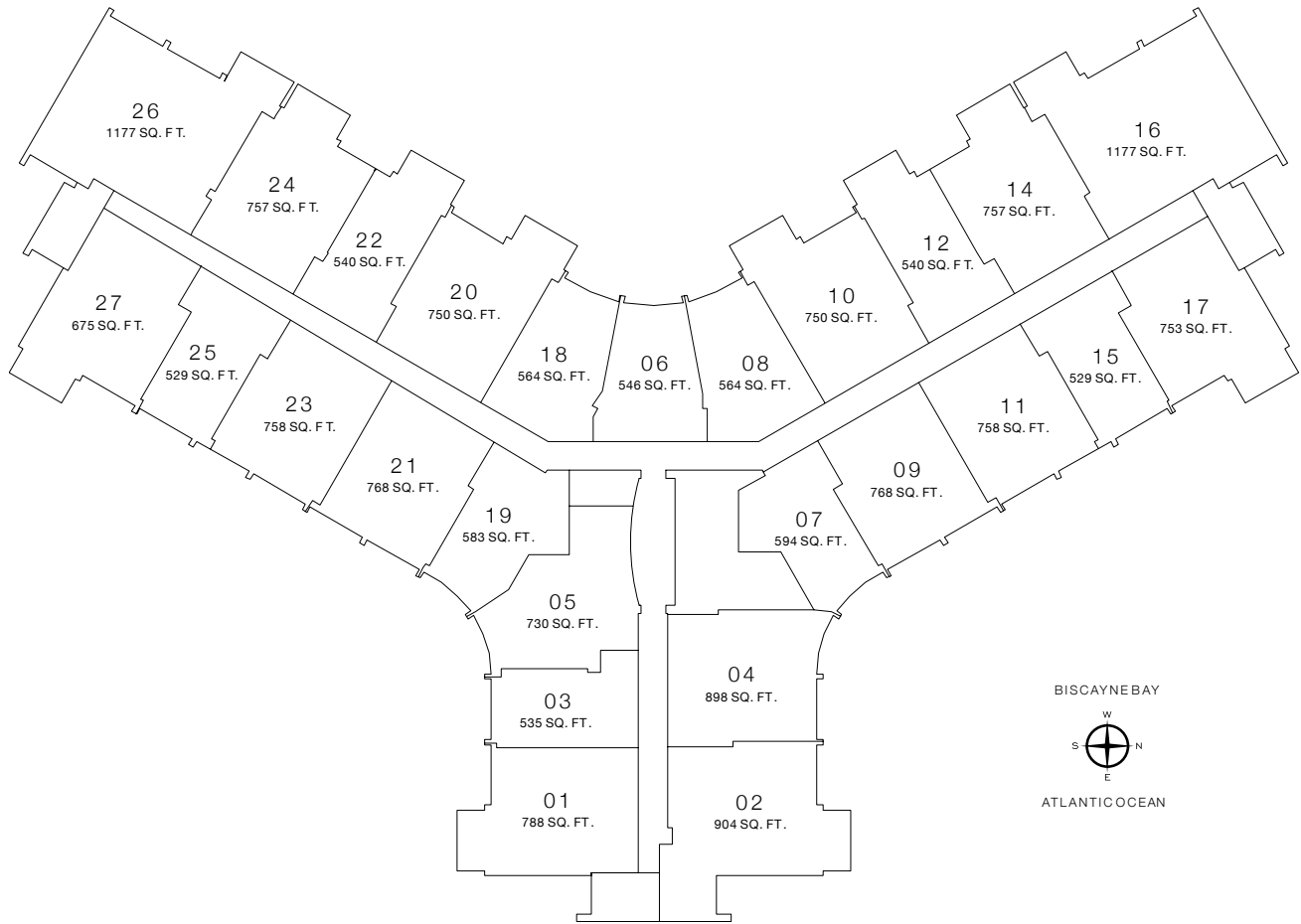
MONDRIAN SOUTH BEACH **VIEW**



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MONDRIAN

SOUTH BEACH



KEYPLAN

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CHANGE IN ACCORDANCE WITH THE AGREEMENT FOR SALE.

Stated dimensions are measured to the exterior boundaries of the exterior walls and the centerline of interior demising walls and in fact vary from the dimensions that would be determined by using the description and definition of the "Unit" set forth in the Declaration (which generally only includes the interior airspace between the perimeter walls and excludes interior structural components). Additionally, measurements of rooms set forth on any floor plan are generally taken at the greatest points of each given room (as if the room were a perfect rectangle), without regard for any cutouts. Accordingly, the area of the actual room will typically be smaller than the product obtained by multiplying the stated length times width. All dimensions are approximate, and all floor plans and development plans are subject to change. 🏠

MONDRIAN

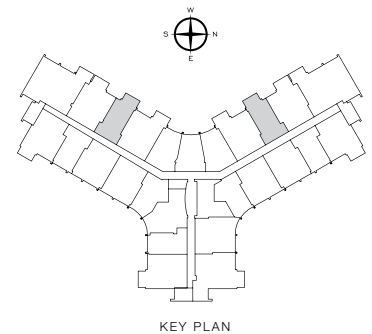
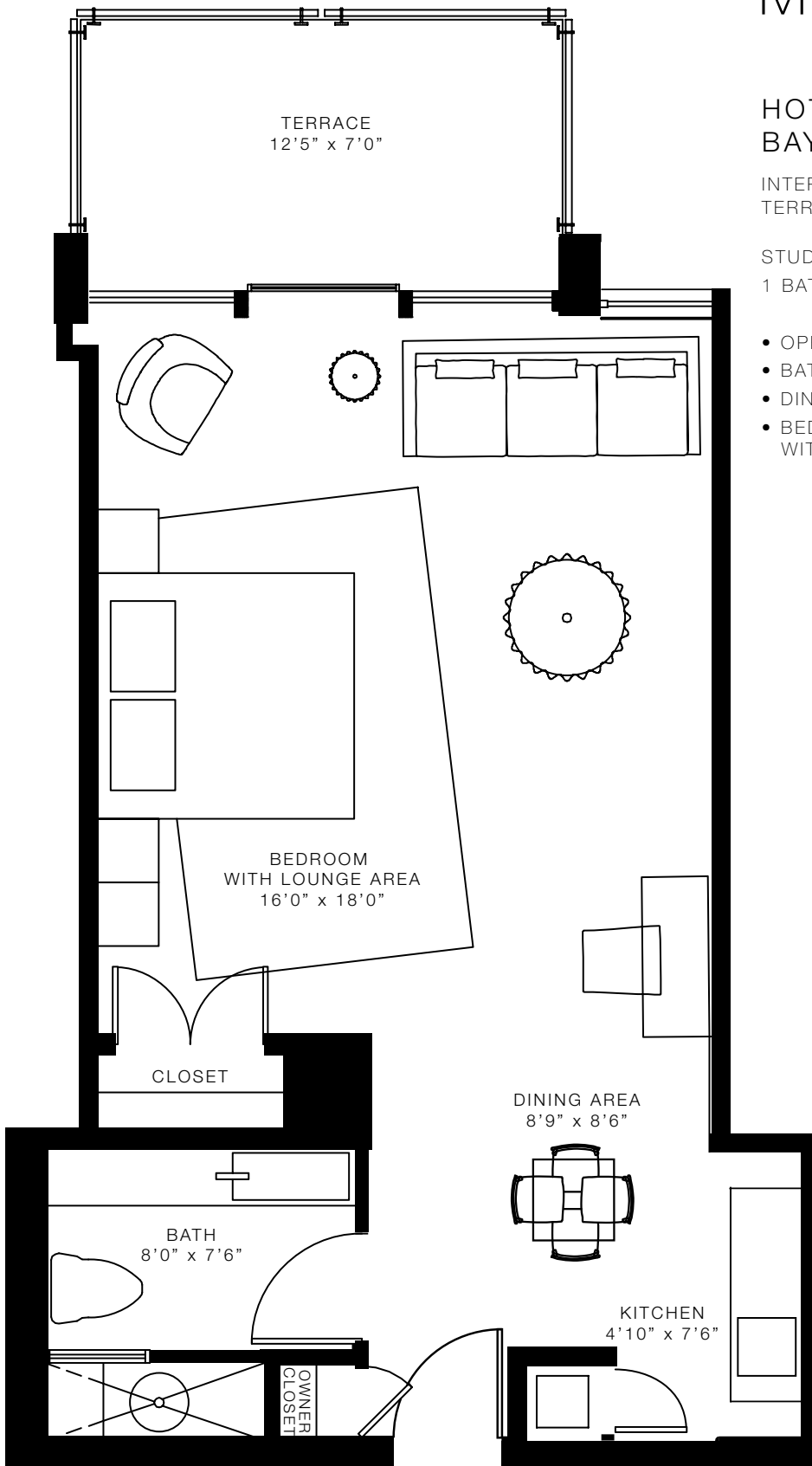
SOUTH BEACH

HOTEL RESIDENCE 12 & 22 BAYSIDE

INTERIOR 547 SQ. FT.
TERRACE 87 SQ. FT.

STUDIO
1 BATH

- OPEN KITCHEN
- BATH
- DINING AREA
- BEDROOM/LOUNGE AREA WITH TERRACE



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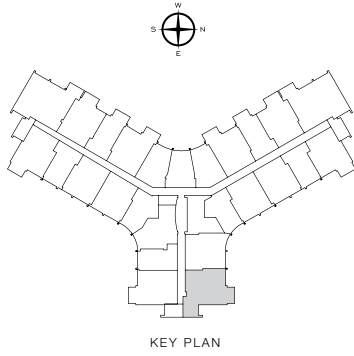
MONDRIAN

SOUTH BEACH

HOTEL RESIDENCE 02 OCEANSIDE

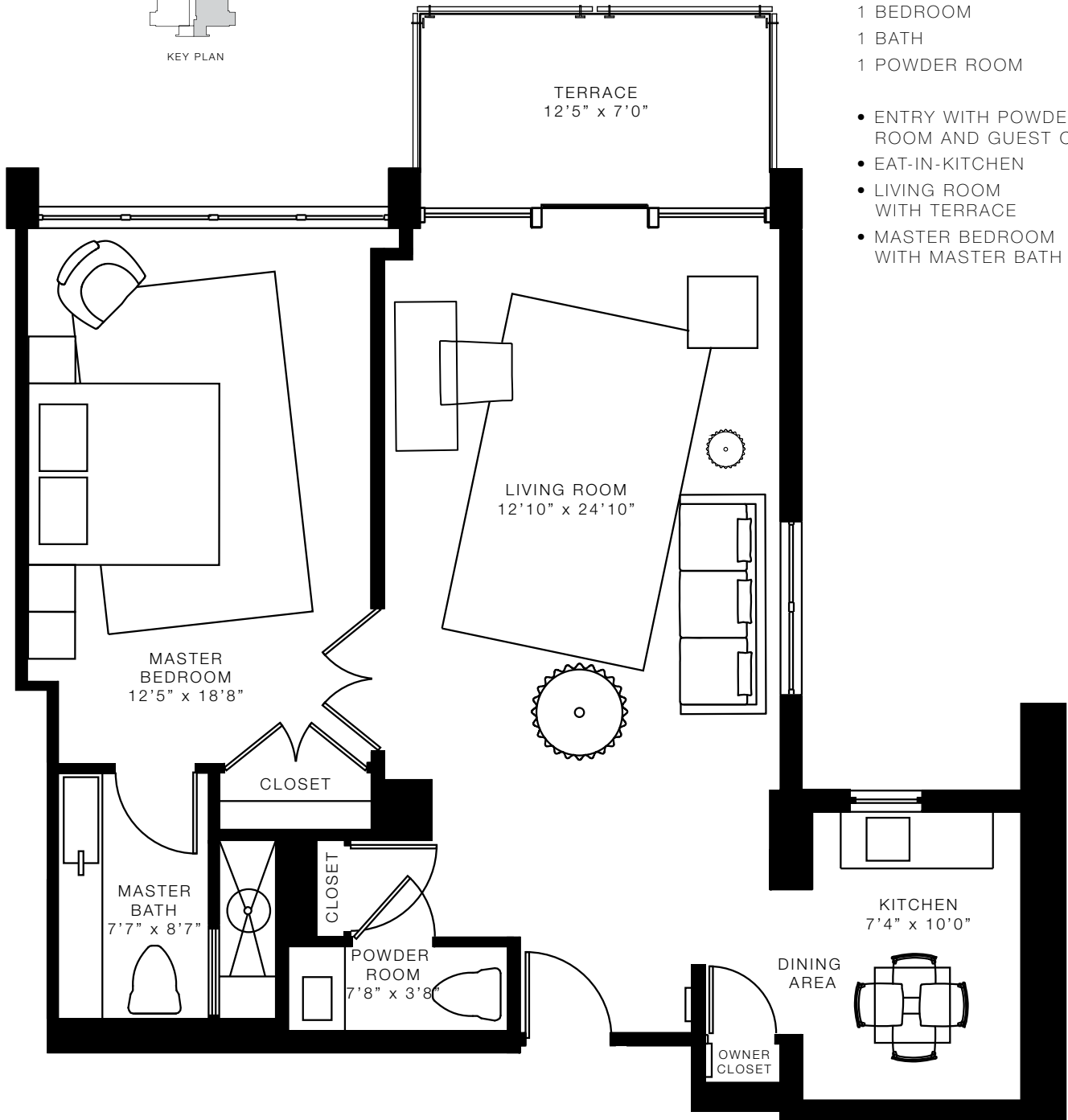
INTERIOR
TERRACE

904 SQ. FT.
87 SQ. FT.



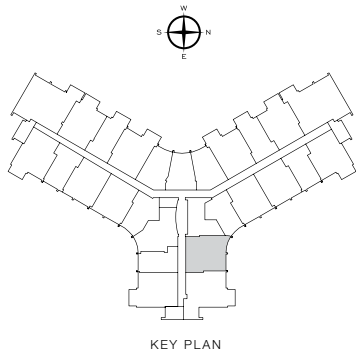
- 1 BEDROOM
- 1 BATH
- 1 POWDER ROOM

- ENTRY WITH POWDER ROOM AND GUEST CLOSET
- EAT-IN-KITCHEN
- LIVING ROOM WITH TERRACE
- MASTER BEDROOM WITH MASTER BATH



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SOUTH BEACH

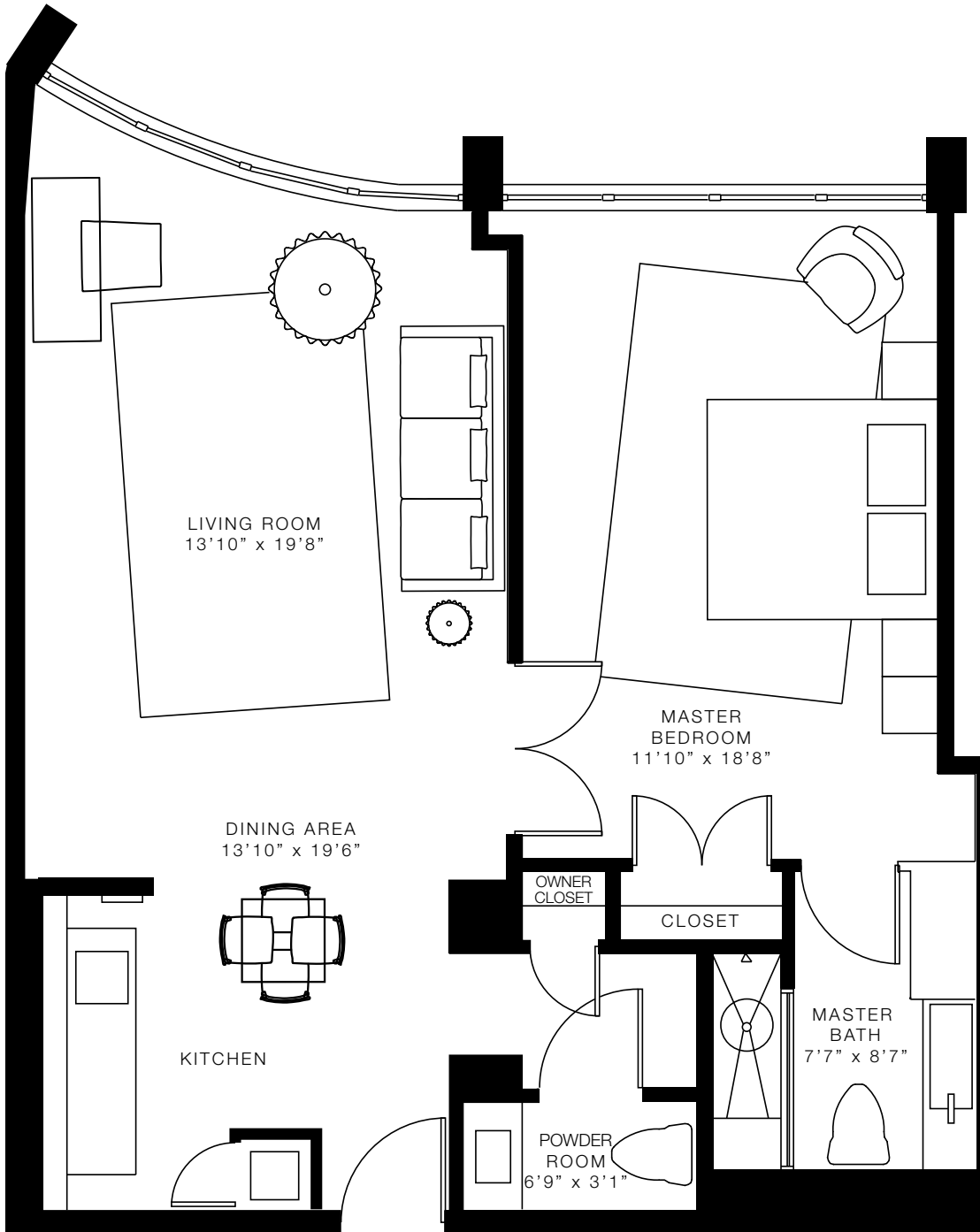
HOTEL RESIDENCE 04 OCEANSIDE

INTERIOR

898 SQ. FT.

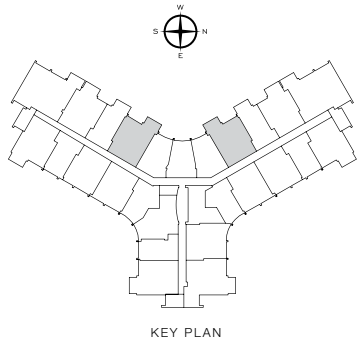
1 BEDROOM
1 BATH
1 POWDER ROOM

- POWDER ROOM
- EAT-IN KITCHEN
- LIVING ROOM
- MASTER BEDROOM WITH EN SUITE
MASTER BATH



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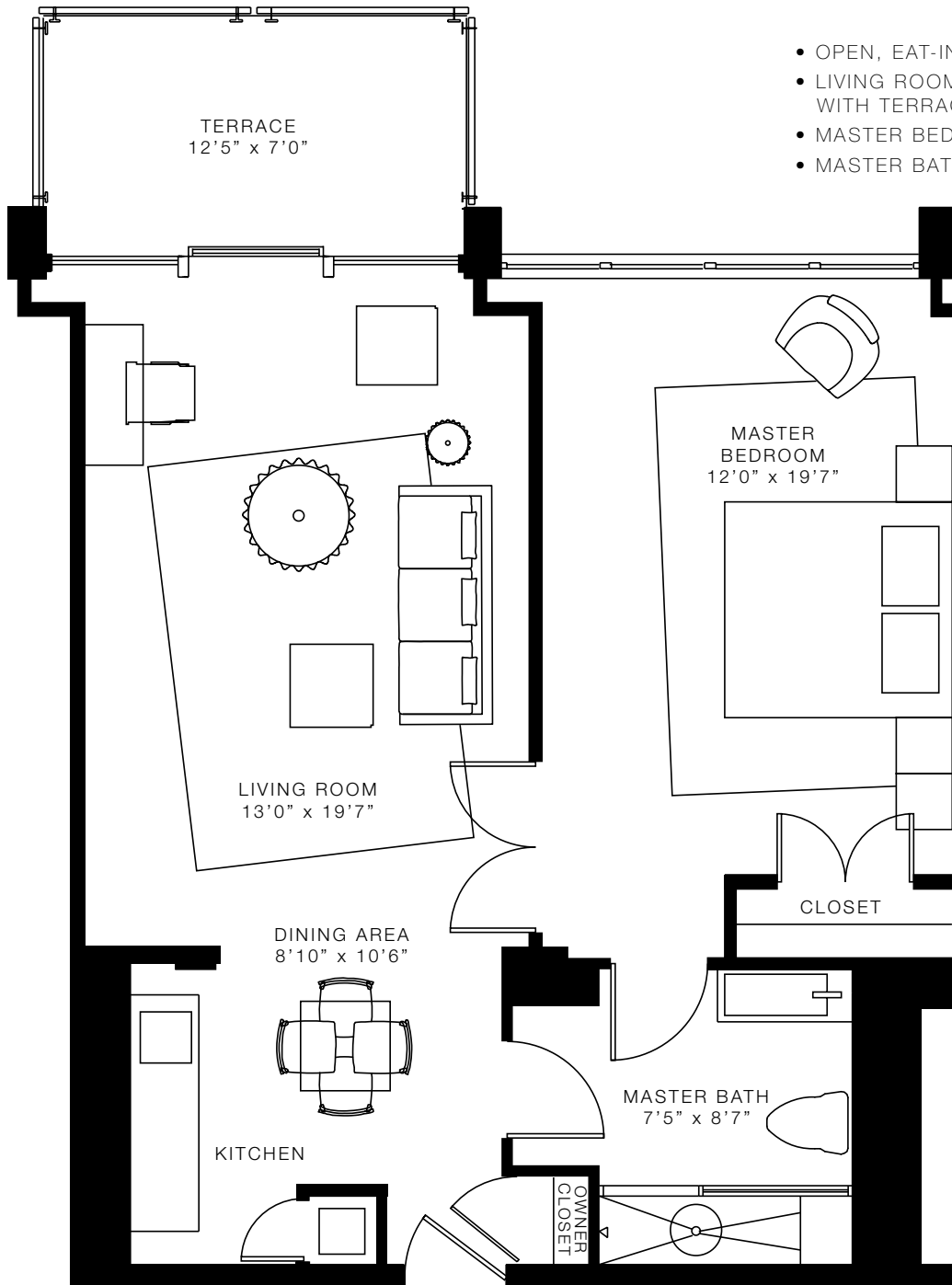
SOUTH BEACH

HOTEL RESIDENCE 10 & 20 BAYSIDE

INTERIOR 750 SQ. FT.
TERRACE 87 SQ. FT.

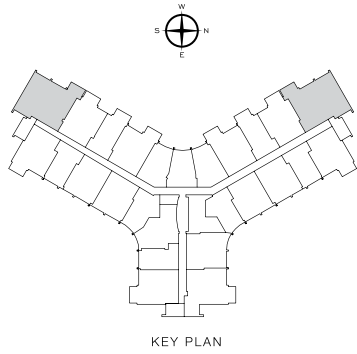
1 BEDROOM
1 BATH

- OPEN, EAT-IN KITCHEN
- LIVING ROOM WITH TERRACE
- MASTER BEDROOM
- MASTER BATH



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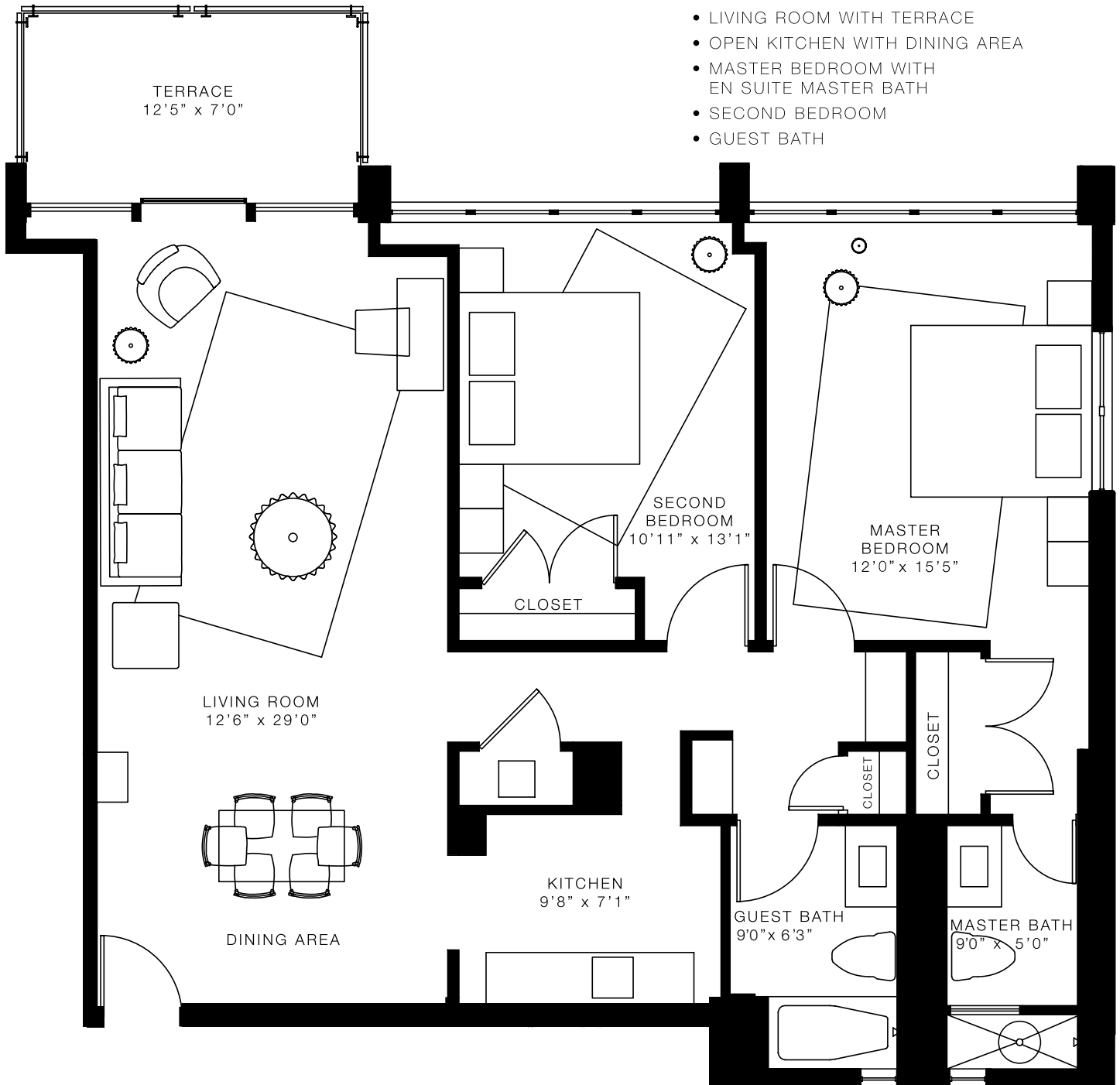
SOUTH BEACH

HOTEL RESIDENCE 16 & 26 BAYSIDE

INTERIOR 1177 SQ. FT.
TERRACE 87 SQ. FT.

2 BEDROOM
2 BATH

- LIVING ROOM WITH TERRACE
- OPEN KITCHEN WITH DINING AREA
- MASTER BEDROOM WITH EN SUITE MASTER BATH
- SECOND BEDROOM
- GUEST BATH



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MONDRIAN SOUTH BEACH **FACADE**



MONDRIAN SOUTH BEACH **KITCHEN**



MONDRIAN SOUTH BEACH **LIVING ROOM**



MONDRIAN SOUTH BEACH **ONE BEDROOM SUITE**





MONDRIAN SOUTH BEACH **LOBBY**



MONDRIAN SOUTH BEACH **LOUNGE**

SERVICES AND AMENITIES

AVAILABLE THROUGH MONDRIAN SOUTH BEACH

- Agua spa, featuring wet and dry treatment rooms
- In-room massages and spa services available upon request
- 24-hour state-of-the-art fitness center without per diem charge
- Critically acclaimed restaurant by world renowned restaurateur
- Bayside bar and grill serving poolside
- Custom-shaped swimming pool featuring Marcel Wanders' outdoor chandelier hanging overhead
- Poolside private cabanas with dining option
- Extensively landscaped outdoor garden with lush tropical foliage
- Promenade bordering Biscayne Bay with panoramic views of downtown Miami
- Recreational water sports including kayaking and jet skiing
- 40-boat slip marina with private dockmaster
- Access to Delano beach
- Private rooftop bar and garden
- 24-hour five-star, world-class concierge services
- 24-hour telephone switchboard system for screening calls, taking and delivering messages and wake-up calls
- 24-hour security service
- 24-hour room service
- Valet parking and limousine service
- Priority status for hotel restaurant reservations
- Guaranteed entrance to all bars and special events to the extent that hotel guests have access
- Access to all public events and other amenities available to hotel guests
- Signing privileges and direct billing services at all vendor outlets, such as restaurants, room service, bars, spa, fitness center and business center
- Extensive banquet and private event facilities available inside and outside year-round
- Private catering for meetings, luncheons and dinner parties
- Full service business center
- State-of-the-art executive conference center with bay views
- Meeting room with bay views and equipped with LCD projection
- Wireless high-speed internet access in all meeting rooms and lobby areas
- State-of-the-art audio and visual service available for private functions
- Computers with wireless high-speed internet access available upon request
- DVD library
- Multilingual staff
- Travel agent services
- Local and international postage, shipping and packaging services
- Check cashing privileges, currency conversion and exchange services
- M is for Mondrian kids pool and play area

AVAILABLE AT THE HOTEL RESIDENCES

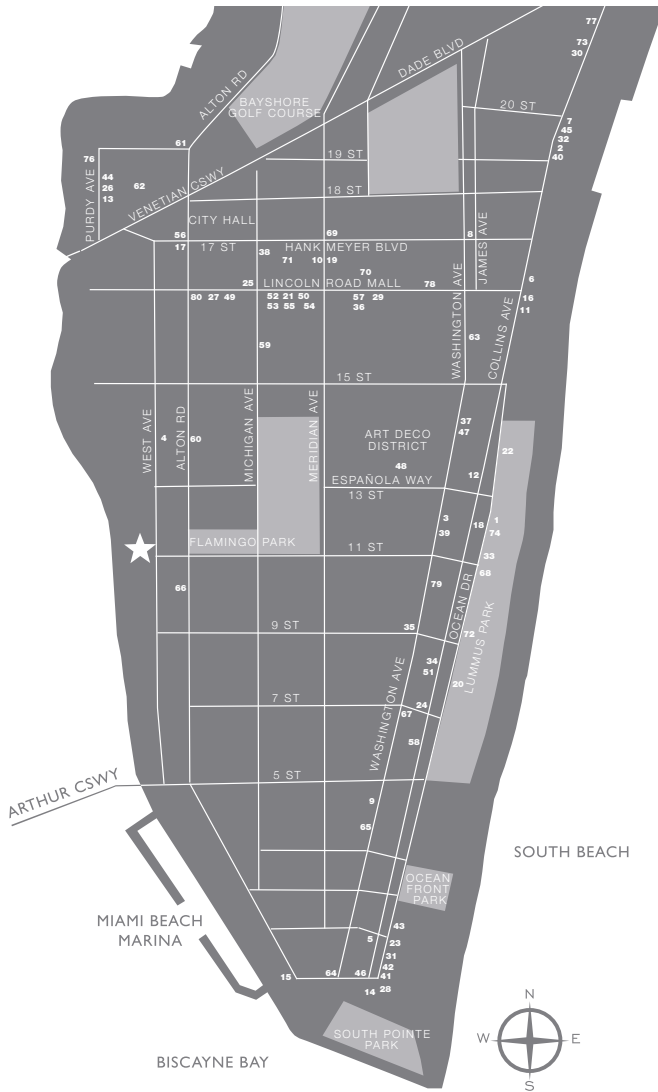
- Private entrance to Mondrian South Beach
- 24-hour doormen
- Bellmen service
- Individual residence oversight and supervision services (executive lifestyle management)
- Complete housekeeping service
- Linen service
- Turn-down service
- Room service
- Bathroom amenity service
- Massage and spa services
- Catering services and event planning for private meetings, events or functions
- Supervised childcare and babysitting services
- Personal shopping and delivery services, including groceries, cleaners, pharmacies, etc.
- Messenger services for local pick-ups and deliveries
- Newspaper delivery to door
- Pick-up and delivery services for laundry and dry cleaning
- Technical support services for computers, entertainment centers and telecommunication equipment
- Painting service
- Repair service
- Fresh flower service
- Take-out service
- Private storage
- Mondrian South Beach personnel are trained and supervised by Morgans Hotel Group's world-class human resources department

Some services are at an additional charge.

GLOBAL CARD PRIVILEGES

Effective at all hotels, bars and restaurants in Morgans Hotel Group: Morgans, Royalton, Hudson, Delano, Mondrian, Clift, St Martins Lane, Sanderson

- You and two guests guaranteed entrance to all Morgans Hotel Group bars
- Invitations to select special events throughout the year
- VIP reservation number
- Priority status at all Morgans Hotel Group hotels and restaurants
- Upgrades to the best hotel accommodations upon arrival
- On-site guest experience manager to assist you with all of your needs during your stay



RESTAURANTS

1. 1220 AT THE TIDES
1220 OCEAN DRIVE
305.604.5070
2. AGO
THE SHORE CLUB
1901 COLLINS AVENUE
305.695.3226
3. AFTERGLOW
1200 WASHINGTON AVENUE
305.695.1717
4. BARTON G
14TH ST. & WEST AVENUE
305.672.8881
5. BIG PINK
157 COLLINS AVENUE
305.532.4700
6. BLUE DOOR
DELANO
1685 COLLINS AVENUE
305.674.6400
6. BLUE SEA
DELANO
1685 COLLINS AVENUE
305.674.6400
7. BOND ST. LOUNGE
150 20TH STREET
305.398.1806
8. CASA TUA
1700 JAMES AVENUE
305.673.1010
9. CHINA GRILL
4TH STREET & WASHINGTON AVENUE
305.534.2211
10. DAVID'S CAFÉ
16TH STREET & MERIDIAN AVENUE
305.672.8707
11. EMERIL'S AT LOEWS
16TH STREET & COLLINS AVENUE
305.604.1601

12. JERRY'S FAMOUS DELI
1450 COLLINS AVENUE
305.532.8030
13. JOE ALLEN
1787 PURDY AVENUE
305.531.7007
14. JOE'S STONE CRAB
11 WASHINGTON AVENUE
305.673.0365
15. LA PIAGGIA
1000 SOUTH POINTE DRIVE
305.674.0647
16. LA PROVENCE (BAKERY)
1627 COLLINS AVENUE
305.538.2406
17. MACALUSO'S
1747 ALTON ROAD
305.604.1811
18. MARK'S SOUTH BEACH
12TH STREET & COLLINS AVENUE
305.604.9050
19. MISS YIP
1661 MERIDIAN AVENUE
305.534.5488
20. NEWS CAFÉ
8TH STREET & OCEAN DRIVE
305.538.6397
2. NOBU
THE SHORE CLUB
1901 COLLINS AVENUE
305.695.3232
21. PACIFIC TIME
915 LINCOLN ROAD
305.534.5979
6. POOL DINING AT DELANO
DELANO
1685 COLLINS AVENUE
305.674.6400

22. PORTOFINO BEACH CONCESSION
(BEACH FOOD)
ON THE BEACH AT 14TH STREET
23. PRIME 112
112 OCEAN DRIVE
305.532.8112
24. PUERTO SAGUA
700 COLLINS AVENUE
305.673.1115
25. QUATTRO
1014 LINCOLN ROAD SOUTH
305.531.4833
26. SARDINIA
1801 PURDY AVENUE
305.531.2228
27. SEGAFREDO
1040 LINCOLN ROAD
305.673.0047
28. SMITH & WOLLENSKY
1 WASHINGTON AVENUE
305.673.2800
29. SUSHI SAMBA
600 LINCOLN ROAD
305.673.5337
30. TALULA
210 23RD STREET
305.672.0778
31. TAVERNA OPA
36 OCEAN DRIVE
305.673.6730
32. VITA
1906 COLLINS AVENUE
305.538.7855
33. VIX
11TH STREET & OCEAN DRIVE
305.779.8888
34. WISH
801 COLLINS AVENUE
305.674.9474

- SCENE**
35. B.E.D.
929 WASHINGTON AVENUE
305.532.9070
 36. BUCK15
707 LINCOLN LANE
305.538.3915
 37. CROBAR
1445 WASHINGTON AVENUE
305.531.5027
 38. LUCKY STRIKE LANES
1691 MICHIGAN AVENUE
305.532.0307
 39. MANSION
1235 WASHINGTON AVENUE
305.532.1525
 40. MYNT LOUNGE
1921 COLLINS AVENUE
786.276.6132
 41. NIKKI BEACH
1 OCEAN DRIVE
305.538.1231
 42. OPIUM GARDEN
136 COLLINS AVENUE
305.674.8630
 6. POOL BAR
DELANO
1685 COLLINS AVENUE
305.674.6400
 43. PRIVÉ
136 COLLINS AVENUE
305.674.8630
 44. PURDY LOUNGE
1811 PURDY AVENUE
305.531.4622
 45. ROK BAR
1905 COLLINS AVENUE
305.538.7171
 6. ROSE BAR
DELANO
1685 COLLINS AVENUE
305.674.6400
 46. THE ROOM
100 COLLINS AVENUE
305.531.6061
 2. SKYBAR MIAMI BEACH
THE SHORE CLUB
1901 COLLINS AVENUE
786.276.6772
 47. SUITE/SNATCH
1437 WASHINGTON AVENUE
305.604.3644
 48. TANTRA
1445 PENNSYLVANIA AVENUE
305.672.4765
 49. TOUCH RESTAURANT AND LOUNGE
910 LINCOLN ROAD
305.532.8003
 50. VAN DYKE
846 LINCOLN ROAD
305.534.3600

- GOODS**
51. BARNEYS CO-OP
832 COLLINS AVENUE
305.421.2010
 52. BASE
939 LINCOLN ROAD
305.531.4982
 53. BOOKS & BOOKS
933 LINCOLN ROAD
305.532.3222
 54. BROWNES & CO
841 LINCOLN ROAD
305.532.8703
 55. CHROMA
920 LINCOLN ROAD
305.695.8808
 56. DETAILS AT HOME
1711 ALTON ROAD
305.531.1325
 57. FLY BOUTIQUE
650 LINCOLN ROAD
305.604.8508
 58. INTERMIX
6TH STREET & COLLINS AVENUE
305.531.5950
 59. JULIAN CHANG
1665 MICHIGAN AVENUE
305.538.2242
 2. ME & RO
THE SHORE CLUB
1901 COLLINS AVENUE
305.672.3566
 60. MIA BOUTIQUE
1439 ALTON ROAD
305.532.8064

2. SCOOP NYC
THE SHORE CLUB
1901 COLLINS AVENUE
305.532.5929
61. THREAD COUNT
1250 20TH STREET
305.532.1222
62. TOMAS MAIER
18TH STREET & WEST AVENUE
305.531.8383
63. VENISSAC
1627 WASHINGTON AVENUE
305.672.8111

- HAIR**
2. PIPINO
THE SHORE CLUB
1901 COLLINS AVENUE
305.534.5554
 64. SALON BLU
101 WASHINGTON AVENUE
786.326.2015
 65. STELLA
404 WASHINGTON AVENUE
305.532.0024

- FLORIST**
66. PISTILS N' PETALS
1060 ALTON ROAD
305.534.5001

- SHOE REPAIR**
67. STAR SHOE REPAIR
729 WASHINGTON AVENUE
305.532.8229

- SPAS**
6. AGUA
DELANO
1685 COLLINS AVENUE
305.674.6100
 2. SPA AT THE SHORE CLUB
THE SHORE CLUB
1901 COLLINS AVENUE
305.695.3292
 68. SPA V
1144 OCEAN DRIVE
305.728.6500

- WAXING**
69. J SISTERS
669 LINCOLN LANE N
305.672.7142
 70. UNI.K.WAX
771 17TH STREET
305.531.7777

- PET SERVICES**
71. DOG BAR
1684 JEFFERSON AVE
305.532.5654

- MUST SEES**
72. ART DECO WALKING TOUR
1001 OCEAN DRIVE
305.672.2014
 73. BASS MUSEUM OF ART
21ST STREET & PARK AVENUE
305.673.7530
 74. BEACH VOLLEYBALL
OCEAN DRIVE, AT 12TH STREET
 75. GEN ART MIAMI
VARIOUS LOCATIONS
305.695.8200
 76. GO NATIVE YACHT CHARTERS
1900 SUNSET HARBOUR DRIVE
SUNSET HARBOUR MARINA,
305.534.5522
 77. MIAMI CITY BALLET
22ND STREET & LIBERTY AVENUE
305.929.7000
 78. NEW WORLD SYMPHONY
541 LINCOLN ROAD
305.673.3330
 79. WOLFSONIAN MUSEUM
10TH ST & WASHINGTON AVENUE
305.531.1001

- MOVIE THEATERS**
80. REGAL CINEMA
ALTON ROAD & LINCOLN ROAD
305.674.6766



MORGANS
ROYALTON
HUDSON
DELANO
THE SHORE CLUB
MONDRIAN
CLIFT
ST MARTINS LANE
SANDERSON
MORGANS HOTEL GROUP





MORGANS
ROYALTON
HUDSON
DELANO
THE SHORE CLUB
MONDRIAN
CLIFT
ST MARTINS LANE
SANDERSON
MORGANS HOTEL GROUP



BIOGRAPHY

Marcel Wanders

Born on 02-07-1963, Boxtel, the Netherlands

Elected 'Designer of the Year 2005/2006', Elle Decoration International Design Awards

The Observer (UK) September 18 2005

"Marcel Wanders' studio is one of the most inspiring powerhouses of multi-disciplinary design active today"

Washington Post (US) April 2003

"Marcel Wanders, the design world's favorite star"

Business Week (US) July 2002

Selected among Europe's 25 leaders of change "The Stars of Europe"

Marcel Wanders grew up in Boxtel, the Netherlands, and graduated cum laude from the School of the Arts Arnhem in 1988. Marcel Wanders' fame started with his iconic Knotted Chair, which he produced for Droog Design in 1996. He is now ubiquitous, designing for the biggest European contemporary design manufacturers like B&B Italia, Bisazza, Poliform, Moroso, Flos, Boffi, Cappellini, Droog Design and Moooi, of which he is also art director and co-owner. Founded in 2000, Moooi has grown into an internationally renowned design label. Additionally, Marcel Wanders works on architectural and interior design projects and recently turned his hand to consumer home appliances.

Marcel was the editor of the International Design Yearbook 2005. In the same year, together with Chef Peter Lute, he established the extraordinary LUTE SUITES hospitality-concept, the first "all over city suites" hotel in the world. He also designed the interior of Blits, a new restaurant in Rotterdam and the interior of the restaurant 'Thor' at the Hotel on Rivington in New York including the bar, lounge and private club. Marcel is the first, and among the most important, designers of Droog Design. He was a juror for various prizes like the Rotterdam Design Prize (for which his own products were nominated several times) and the Kho Liang le prize. He lectured at SFMoMA, Limn, the Design Academy, Nike, IDFA, FutureDesignDays and has taught at various design academies in the Netherlands and abroad.

Various designs of Marcel Wanders have been selected for the most important design collections and exhibitions around the world, like the Museum of Modern Art in New York and San Francisco, the V&A Museum in London, the Stedelijk Museum in Amsterdam, Museum Boijmans van Beuningen in Rotterdam, the Central Museum in Utrecht, Museum of Decorative Arts Copenhagen and various Droog Design exhibitions. Coverage on Marcel has been published in all leading design magazines and newspapers such as Domus, Interni, Blueprint, Design Report, Frame, I.D. Magazine, Abitare, Wallpaper, Nylon, Elle Decoration, Icon, Esquire, The International Herald Tribune, Washington Post, The Financial Times, The New York Times and Business Week.

PRIZES AND INTERNATIONAL AWARDS

- Winner of the Elle Decoration International Design Awards 2005/2006 'Designer of the Year'
- Awarded 'Designer of the Year 2006' by Italian magazine Gioia Casa
- Awarded 'Best Interior Professionals' for Moooi, Dutch Woonawards 2006
- 'Best Interior Product' for Moooi Boutique, Dutch Woonawards 2006, nomination
- Winner of the Elle Decoration International Design Awards 2004/2005 (seaters) for 'Carbon Chair', design by Bertjan Pot and Marcel Wanders for Moooi
- World Technology Award by The World Technology Network 2004 (in association with Nasdaq, Microsoft, Time Magazine and Science magazine), nomination
- 'Designer of the Year 2004' by Blueprint magazine, nomination
- Moooi received the 2003 FX-award for their collection
- Winner of Elle Decoration International Design Award 2003 for 'Patchwork Plates', ceramic tableware series
- Awarded 'Man of the Year' by Dutch MAN magazine 2002
- 'Designer of the Year' in WIRED magazine's 2001 Wired Rave awards, nomination
- Alterpoint Design Award 2000
- George Nelson Award (Interiors magazine) 2000
- Kho Liang le consolation prize
- Rotterdam Design Prize for the Knotted Chair

ABOUT MORGANS HOTEL GROUP

Morgans Hotel Group Co. (Nasdaq: MHGC), which is widely credited with establishing and developing the rapidly expanding boutique hotel sector, owns and operates Morgans, Royalton and Hudson in New York, Delano and The Shore Club in Miami, Mondrian in Los Angeles and Scottsdale, Clift in San Francisco, and Sanderson and St Martins Lane in London. MHG has other property transactions in various stages of completion including projects in Miami Beach, Florida, and Las Vegas, Nevada, and continues to vigorously pursue its strategy of developing unique properties at various price points in international gateway cities in the United States, Europe, South America, Asia and around the world.

ABOUT SANCTUARY WEST AVENUE LLC

Sanctuary West Avenue LLC is a fully integrated real estate company focused on the acquisition, development, rehabilitation and conversion of hotels. The company has developed condominium hotels in southeast Florida for the past 17 years and recently completed The Sanctuary, a full service boutique hotel in Miami Beach. The principals of the Company have been involved in the conversion of like properties, as well as in the residential condominium conversion market, throughout the United States for the past two decades and have over 75 years of real estate development experience. The Company's philosophy is to deliver superb real estate value with an unparalleled customer experience.

MORGANS HOTEL GROUP ANNOUNCES MARCEL WANDERS TO DESIGN THEIR FIRST HOTEL RESIDENCES: MONDRIAN SOUTH BEACH

Morgans Hotel Group announces that the innovative Dutch designer, Marcel Wanders, will create Mondrian South Beach, their exciting new Hotel Residences opening in December 2007.

With Mondrian South Beach, Morgans Hotel Group has made a pioneering move away from the bustle of Miami Beach's oceanfront tourist center to the fashionable, growing neighborhood of Biscayne Bay. The Hotel Residences are built on a prime waterfront location with views of the bay, ocean and downtown.

Consisting of 335 studios, one and two-bedroom apartments and penthouses, Mondrian South Beach will combine the most exhilarating design elements of a fantasy modern get-away with all the comforts and conveniences of home. Facilities will include Agua: a spa featuring wet and dry treatment rooms, a state-of-the-art gym, a world-class, five-star restaurant, a dynamic nightlife experience, chic event spaces and a private 40 slip marina with a private dock master and sand barge. The residences may be purchased, offering the owners the opportunity to participate in the hotel rental program. This allows them the flexibility of a vacation or an extended stay in their own residence, while also providing rental income between visits.

Wanders, a world-famous design star and an original member of the influential Droog collective in the Netherlands, has conceived of the Hotel Residences as "Sleeping Beauty's castle." Guests will step into a magical world, entering a leisurely oasis of gardens that leads to the spectacular interior. The gardens are designed as indoor/outdoor living spaces, with seating areas, an outdoor bar, a hanging chandelier above the glamorous pool, and cabanas for all ages, including tented play spaces with a sandbox and bouncy toys in the children's area.

Wanders will extend the existing curvilinear building to form a semicircular sculptural structure, in which the rooms resemble theatrical boxes overlooking the gardens below, "so that everyone has the best seat in the house," as the designer says. The residences are loft-like spaces, flooded with light and flowing seamlessly between bedroom, bathroom, living room, kitchen and terrace, unified with the same dark wood flooring inside and out. Using a sophisticated color palette of white, gold, browns, grays, blues and black, Wanders plans to create romantic interiors with welcoming, open living areas and a generous sense of space.

A designer who prefers never to repeat himself, Wanders will furnish Mondrian South Beach with original pieces from his design studio, where he produces everything from lighting to flooring, including chairs, tables and sofas. Mondrian South Beach is one of several interiors projects he has completed. "Unlike product design, interiors are about theater, leading you from one idea to the next and the next," he says. "You need to breathe life into a space, which is a fascinating process for me."

"Morgans Hotel Group is excited to be working with Marcel Wanders. We feel that Marcel represents the very finest in bold, new, innovative design. With Mondrian South Beach, we are extending the diversity of our brands in a market we know well and where we have had great success with Delano and The Shore Club," said Ed Scheetz, President and Chief Executive Officer. "The South Beach market is strong and continues to be an international destination of choice for savvy travelers who prefer the exclusivity and sophistication of our properties. When the project is complete, we expect Mondrian to be one of the most sought after properties in Miami Beach."

The collaboration with Wanders demonstrates Morgans Hotel Group's continuing commitment to work with the most talented and inventive spirits in the design world to create unique destinations.

ABOUT MORGANS HOTEL GROUP

Morgans Hotel Group Co. (Nasdaq: MHGC), which is widely credited with establishing and developing the rapidly expanding boutique hotel sector, owns and operates Morgans, Royalton and Hudson in New York, Delano and The Shore Club in Miami, Mondrian in Los Angeles and Scottsdale, Clift in San Francisco, and Sanderson and St Martins Lane in London. MHG has other property transactions in various stages of completion including projects in Miami Beach, Florida, and Las Vegas, Nevada, and continues to vigorously pursue its strategy of developing unique properties at various price points in international gateway cities in the United States, Europe, South America, Asia and around the world. For more information, please visit www.morganshotelgroup.com.

FORWARD-LOOKING AND CAUTIONARY STATEMENTS

Statements contained in this press release which are not historical facts are forward-looking statements as the term is defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by the use of words such as "expects," "plans," "estimates," "projects," "intends," "believes," "guidance," and similar expressions that do not relate to historical matters. These forward-looking statements are subject to risks and uncertainties which can cause actual results to differ materially from those currently anticipated, due to a number of factors which include, but are not limited to, downturns in economic and market conditions, particularly levels of spending in the business, travel and leisure industries; hostilities, including future terrorist attacks, or fear of hostilities that affect travel; risks related to natural disasters, such as earthquakes and hurricanes; the completion of transactions and the integration of properties with our existing business; the seasonal nature of the hospitality business; changes in the tastes of our customers; increases in real property tax rates; increases in interest rates and operating costs; general volatility of the capital markets and our ability to access the capital markets; and changes in the competitive environment in our industry and the markets where we invest, and other risk factors discussed in Morgans Hotel Group Co.'s Annual Report on Form 10-K and other documents filed by the Company with the Securities and Exchange Commission from time to time. All forward-looking statements in this press release are made as of today, based upon information known to management as of the date hereof, and the Company assumes no obligations to update or revise any of its forward-looking statements even if experience or future changes show that indicated results or events will not be realized.

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