

Hotels To Be Centrally Located in Union Square and Midtown

CHICAGO (October 29, 2010) – Hyatt Hotels Corporation (NYSE: H) announced today that a Hyatt subsidiary and Hersha Development Corporation (HDC), a privately owned hotel development company, signed long-term franchise agreements for two newly built hotels in Manhattan, catering to individual travelers and scheduled to open in 2011. The Hyatt-branded full service properties developed and owned by HDC and managed by its affiliate, will include a 175-room innovative and design forward hotel in Greenwich Village, near Union Square, and a striking 116-room contemporary hotel in Midtown Manhattan that will be called Hyatt 48Lex.

Today's announcement reinforces Hyatt's strategy to be the preferred brand in all the market segments it serves. In the past year, Hyatt opened Andaz Wall Street and Andaz 5th Avenue, which joined the storied Grand Hyatt New York in Manhattan. Like the two Andaz hotels, the two HDC-owned properties will further enhance Hyatt's presence and positioning in New York City.

"New York City is one of the most important markets in the world, and we are excited to provide guests with additional options when they visit this world-class destination," said David Tarr, senior vice president of real estate and development for Hyatt Hotels & Resorts. "Hyatt is committed to growing its presence in Manhattan and we are delighted that Hersha is playing such a significant role in this growth. Their deep New York City experience brings additional value."

Currently under construction, the two new hotels will appeal to the most discerning business and leisure travelers visiting Manhattan. Upon its debut early next year, Hyatt 48Lex, located on Lexington Avenue and 48th Street, will be the first ground-up hospitality project in over a decade to enter the Midtown Manhattan marketplace. The property is intended to provide the most current and functional accommodations for travelers with business in the more than 60 million square feet of office space that immediately surrounds the property. In addition, Hyatt 48Lex will welcome affluent traveler looking for an intimate, familiar pied-à-terre in New York City. Each room is designed to meet the tastes and preferences of today's traveler, while offering extraordinary service and guest experience. The hotel will feature floor to ceiling windows in all guest rooms as a result of glass curtain wall construction plus gracious layouts, a butler's pantry and the latest in-room technology. The hotel will include a hearty American bistro fare restaurant, executive board rooms equipped with the latest audio and video technology, and a fitness center.

The other Hyatt-branded property announced today, slated to open Fall 2011, will be located at 13th Street and 4th Avenue, a block off Union Square, and near Washington Square Park. Union Square is adjacent to some of Manhattan's preeminent residential and commercial neighborhoods including Chelsea, Gramercy Park, and the Flatiron District. Some of Manhattan's most celebrated restaurants and popular nightlife spots surround the hotel. The area is extremely popular with residents and tourists alike, and is an activity hub for major hospitals, universities and retail centers. The hotel will offer stunning accommodations to its guests, including private terraces on the second floor, a well-appointed fitness center and an exclusive rooftop lounge. The historic façade and 23 foot ceilings in the lobby will create a grand space for the stylish lounge opening up to 13th Street and a restaurant concept inspired by the local and organic Greenmarket.

"We're proud to have the opportunity to represent the world-class Hyatt brand and to add to our Manhattan portfolio with these newly built and well located properties," said Bart Mehta, Chairman of Hersha Development Corporation. "We look forward to building on Hyatt's momentum in New York by creating further alternatives for travelers to the city."

For further information:

About Hyatt Hotels Corporation

Hyatt Hotels Corporation headquartered in Chicago, is a leading global hospitality company with a proud heritage of making guests feel more than welcome. Thousands of members of the Hyatt family in 45 countries strive to make a difference in the lives of the guests they encounter every day by providing authentic hospitality. The company's subsidiaries manage, franchise, own and develop hotels and resorts under the **Hyatt@**, **Park Hyatt@**, **Andaz@**, **Grand Hyatt@**, **Hyatt Regency@**, **Hyatt Place@** and **Hyatt Summerfield Suites@** brand names and have locations under development on five continents. **Hyatt Vacation Ownership, Inc.**, a **Hyatt Hotels Corporation** subsidiary, develops and operates vacation ownership properties under the **Hyatt Vacation Club@** brand. As of June 30, 2010, the company's worldwide portfolio consisted of 445 properties. For more information, please visit www.hyatt.com.

About Hersha Development Corporation

Hersha Development Corporation ("HDC") is one of the nation's leading hotel development companies and has built over 40 hotels across the last two decades. HDC has the capability and proven expertise in developing and repositioning hotels in the highest barrier to entry markets in the United States. HDC has historically developed many institutional grade assets, and is actively developing a dozen additional such assets, with a robust and active pipeline of land and hotel deals in key US markets.

HDC is a preferred developer and manager for Hyatt Hotels and Resorts, and other leading full service and select service brands. HDC and its affiliates have been active operators and developers in Boston, Hartford, New York City, New Jersey, Philadelphia, and the metropolitan Washington DC markets.

Forward-Looking Statements

Statements in this press release, which are not historical facts, are “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include statements about our plans, strategies, financial performance, prospects or future events and involve known and unknown risks that are difficult to predict. As a result, our actual results, performance or achievements may differ materially from those expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as “may,” “could,” “expect,” “intend,” “plan,” “seek,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” “continue,” “likely,” “will,” “would” and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. Factors that may cause actual results to differ materially from current expectations include, among others, the depth and duration of the current economic downturn; levels of spending in the business, travel and leisure industries as well as consumer confidence; declines in occupancy and average daily rate; hostilities, including future terrorist attacks, or fear of hostilities that affect travel; travel-related accidents; changes in the tastes and preferences of our customers; relationships with associates and labor unions and changes in labor law; the financial condition of, and our relationships with, third-party property owners, franchisees and hospitality venture partners; risk associated with potential acquisitions and dispositions and the introduction of new brand concepts; changes in the competitive environment in our industry and the markets where we operate; outcomes of legal proceedings; changes in federal, state, local or foreign tax law; fluctuations in currency exchange rates; general volatility of the capital markets and our ability to access the capital markets. A more complete description of these risks and uncertainties can be found in our filings with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K. We caution you not to place undue reliance on any forward-looking statements, which are made as of the date of this press release. We undertake no obligation to update publicly any of these forward-looking statements to reflect actual results, new information or future events, changes in assumptions or changes in other factors affecting forward-looking statements, except to the extent required by applicable laws. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

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Laurie Cole
Hyatt Hotels & Resorts
(312) 780-5935
laurie.cole@hyatt.com

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