

May 08, 2019 03:49 PM |

Airbnb-backed startup plans first city location at 70 Pine

RYAN DEFFENBAUGH 



The inside of one of Lyric's Philadelphia locations

An Airbnb-backed hospitality startup plans to launch its first [hotel](#) suites in New York in the fall at 70 Pine St. in the Financial District.

The company, Lyric, has signed a long-term lease to open 132 suites on the third through sixth floors of the 67-story art deco landmark tower. Lyric is rebranding and renovating rooms that previously operated in the building as the Q&A Residential Hotel by Furnished Quarters.

The San Francisco-based Lyric—which recently closed a [\\$160 million funding](#) round that included investors Airbnb, Tishman Speyer and RXR Realty—is [among a number of startups](#)

targeting business travelers by merging the amenities of a hotel with the hipness of an Airbnb-style apartment rental.

"Hotel rooms historically have given people really a bed and TV and not a lot more," said Joe Fraiman, Lyric's president and co-founder. "We think that travelers today want a lot more than that."

Lyric's so-called creative suites include full kitchens and living rooms with modern furnishings. Rooms are stocked with pour-over coffee from local roasters, locally produced art and vinyl records. The rooms planned for the city range from 500-square-foot studios to 1,400-square-foot one-bedrooms.

The company typically leases space directly from landlords, occupying an entire floor of either an apartment building or mixed-use structure.

Airbnb has taken a similar approach recently, striking a [deal with RXR](#) to offer about 200 apartment-style suites at 75 Rockefeller Plaza.

For Lyric, the 70 Pine building—once AIG's headquarters—offers a location friendly to business travelers in a building with history dating back to 1931. Lyric expects to share the building with a bowling alley, a New York Sports Club, a coffee shop, City Acres Market and a restaurant run by chef James Kent. Besides Lyric's suites, there are about 640 luxury apartments within the tower.

The rooms are priced similar to a four-star hotel, Fraiman said. A studio room in downtown Chicago listed at \$242 per night on Lyric's booking platform for a weekend in late July. The rooms in New York will range from \$200 and \$500 per night, Fraiman said.

Lyric, which launched four years ago, operates about 500 rooms in 14 U.S. markets. The company offers apartment-style lodging similar to Airbnb's, but it won't have to fear the same type of [regulatory crackdown](#) from the city. Lyric's New York rooms will operate under a standard hotel license, inherited from the Q&A.

Once Lyric opens its Manhattan location, the city will become the company's largest market by number of rooms.

Prince Realty Advisors represented Lyric in the transaction.
