



May 10, 2011

Sue Black,

Decline in sales at O'Donnell Park venues attributed to June 24th failed façade panel accident

The following report shows the decline in sales at the O'Donnell Park venues, specific to the Harbor Lights Room, Miller Pavilion Room, Coast, and North and South Gardens.

Banquet Sales

	# of Events	Change	Revenue	Change
2009	189		\$1,567,213	
2010	236	+45	\$1,646,393	+\$79,180
2011 (YTD)	111	-125	\$1,126,013	-\$520,380

The \$520,380 is an estimated total as we have sold much at a discount this year to drive some revenue to the property. This does not include what we might have grown revenue to nor the lia sophia \$250,000 lost sale and the other cancelled events lost revenue.

Deposit Schedule as of May 1st each calendar year

	Deposits	Change
2009	\$579,731	
2010	\$675,069	+\$ 95,338
2011	\$484,926	- \$190,143

The \$190,143 is 25% of total revenues that we require for the first deposit. If these calculations hold true, then \$190,143 x 4 (equal deposit payments) equals approximately \$760,000 in revenue we are off, an approximation, but in line and actually higher than the \$520,000 stated above. The deposits actual affect our monthly cash flow as we are working with less cash due to decreased events.

Special Holiday Event Sales

	Valentines	Easter	Mother's Day	NY Eve	Total	Change
2009	201	164	354	212	931	
2010	94	254	342	180	870	
2011	0	233	288	TBD	521*	

*Do not know what our NYE 2011 will bring in yet at this point, nonetheless special holidays are down.

Restaurant/Bar Sales Coast Restaurant

	# of Guests	Revenue	Change
2009	3096	\$139,177	
2010	2191	\$108,469	-\$30,708
2011 (YTD)	593	\$ 37,139	-\$71,330 off 80%

2010 Pre and Post June 24, 2010

	# of Guests	Revenue	Change
Jan – June 24	1430	\$71,889	
June 25-Dec 30	761	\$36,580	-\$35,309

Our corporate chef was laid off, so we are operating without a corporate chef. The restaurant manager has left, and O'Donnell Park restaurant staff cannot be maintained on all staffing levels due to the current circumstances. ZHG was provided interim parking on the grass at Veterans Park for a few months from July 5 until September 30. We have had no parking since and this is now the eighth month with no parking for staff and the eleventh month with no parking for our mutual clients. The lack of parking has had a detrimental effect on the restaurant customer counts.

Summary

We were trending up in 2009 to 2010, and then trended down from 2010 to 2011 in every category. We have specific information to collaborate the information above. Lost revenues documented through emails from clients, inquiries trending down, "no response" rate increasing, numerous phone calls from concerned or cancelling customers and other statistics that show the decrease in sales at the O'Donnell Park venues.

Respectfully,

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cc Zilli family
Joe Sanfellipo