

Staff Summary

Subject LEASE WITH MARKYS S. CENTRAL PARK, LLC FOR RETAIL SPACE AT GRAND CENTRAL
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name KIM TREVISAN

Date MARCH 25, 2026
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Committee	03/23/25		X	
2	Finance Committee	03/23/25	X		
3	Board	03/25/25	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: Metropolitan Transportation Agency (“MTA”) and MTA Metro-North Railroad (“MNR”)
 LESSEE: Markys S. Central Park, LLC dba Marky’s Caviar (“Marky’s”)
 LOCATION: Grand Central Terminal (“GCT”)
 PREMISES: MKT-23: Approximately 143 sq. ft.
 USE: Retail sale of caviar
 ACTION REQUESTED: Authorization to enter into a lease agreement
 TERM: 10 years
 COMMON AREA MAINTENANCE: \$3,289.00 with 3% annual escalations
 LESSEE WORK: Not Applicable

BASE RENT:	<u>Guaranteed Annual Minimum</u>		<u>Percentage Rent</u>
	<u>Year</u>	<u>Rent</u>	
	1	\$85,000.00	10% of gross sales over breakpoint of \$1,020,000
	2	\$87,550.00	12% of gross sales over breakpoint of \$1,050,600
	3	\$90,176.50	12% of gross sales over breakpoint of \$1,082,112
	4	\$91,980.03	12% of gross sales over breakpoint of \$1,103,754
	5	\$93,819.63	12% of gross sales over breakpoint of \$1,125,829
	6	\$95,696.02	12% of gross sales over breakpoint of \$1,148,346
	7	\$97,609.94	12% of gross sales over breakpoint of \$1,171,313
	8	\$99,562.14	12% of gross sales over breakpoint of \$1,194,474
	9	\$100,557.76	12% of gross sales over breakpoint of \$1,206,686
	10	\$101,563.34	12% of gross sales over breakpoint of \$1,218,753

Staff Summary

FINANCE COMMITTEE MEETING

LEASE WITH MARKYS S. CENTRAL PARK, LLC FOR RETAIL SPACE AT GRAND CENTRAL TERMINAL (Cont'd.)

COMMENTS:

A publicly offered Request for Proposals (“RFP”) was issued on September 3, 2025 seeking a single-use retail operator for MKT-23 located in Grand Central Terminal’s Grand Central Market.

One (1) proposal was received on September 15, 2025 and is summarized below:

Proposer	Term	Use	Yr 1 MAG / % Rent	% Rent	NPV (MAG & % Rent)
Marky’s Caviar	10 years	Sale of Caviar	\$85,000 with 3% annual escalations	Year 1 10% over \$1,020,000 Years 2-10 12% over \$1,050,600 escalating 3% annually	\$687,863.13

The Marky’s proposal was evaluated according to the selection process guidelines outlined in the Real Estate Department Real Property Disposition Guidelines last approved by the MTA Board in March 2025. After initial review and consideration, Marky’s Caviar’s proposal was deemed complete and responsible and was additionally evaluated by MTA Real Estate’s third-party real estate service providers CBRE and SMG against the selection criteria listed in the RFP and recommended for selection. The net present value of the base rent proposal is \$687,863.13 (calculated at 6%) which is in line with the appraised value of the Premises, as estimated by an independent appraiser.

After review and evaluation of the proposal, MTA Real Estate determined that Marky’s proposal was the highest and best use offer. Marky’s has been operating in MKT-23 since 2022 and is currently operating on a month-to-month basis, as their license agreement expired on July 31,2025.

The owner/operator of Marky’s is a current GCT tenant in good standing, operating in space MKT-23 for over three (3) years, offering fresh caviar.

Marky’s initial construction was completed in 2022. Under this RFP Marky’s will not be renovating the space.

Based on the foregoing, MTA Real Estate requests authorization to enter a lease on behalf of MNR with Markys S. Central Park, LLC under the above-described terms and conditions.