



AMENDED AND RESTATED

GCT RFP SPACES:

MC-11 (currently Zaro's Bakery) and MC-13 (currently Chase Bank)

April 11, 2019

The RFP document for GCT spaces MC-11 and MC-13 published on Thursday, April 4th, 2019 has been amended to include the following highlighted changes in Attachment 4 – Term Sheet:

**Permitted Retail
Uses:**

Mandatory:

The retail sale of tenant-branded high-quality merchandise that will complement the quality and mix of the retail tenants in Grand Central Terminal.

Disfavored:

A category of use that is in direct competition with another retailer in Grand Central Terminal and such competition is determined by MTA to be disadvantageous to the overall retail operations at the Terminal.

A tenant that is not the incumbent and proposes, concurrently during the term of the subject lease, to sell similar products using the same brand name at both the subject location and another location in the Terminal.

Prohibited:

In addition to the Prohibited Uses set forth in the GCT Form of Retail Lease on the website:

National Food and Beverage Chains (a national chain is an enterprise that has more than 20 establishments total and has establishments in at least 4 states (including for this purpose, the District of Columbia), each of which use the

same brand name and provide the same service and menu concept).

The sale of sandwiches, prepared salads, entrees, side dishes, candy or chocolate.

The sale of mobile phones, plans and related accessories.

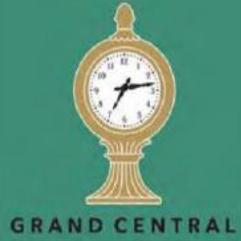
The sale of souvenir themed merchandise.

Café seating within leased premises.

The primary sale of coffee

Only proposals for retail uses will be considered. Any proposal that is, in the MTA's view, primarily a branding or advertising use will be disqualified. A mandatory use is a use that must be envisioned by a proposal for that proposal to be considered responsive. A preferred use is a use that is not mandatory but is considered to be highly appropriate to the space and complimentary to the price points and quality of existing businesses at the Terminal. A disfavored use is considered to be undesirable. A prohibited use is a use that will not be permitted. The foregoing use restrictions are subject to and without limitation of the architectural design criteria and the rules and regulations that are referenced in the aforementioned form of lease.

Please make note of the highlighted changes in the attached RFP document.



GRAND CENTRAL GRAND OPPORTUNITY

Request for Proposals



Grand Central Clock logo and associated terms and images © Metropolitan Transportation Authority.





Metropolitan Transportation Authority

April 4, 2019

RE: GRAND CENTRAL TERMINAL RETAIL LEASING OPPORTUNITY

Dear Proposer:

The Metropolitan Transportation Authority (“MTA”) is seeking a tenant(s) for retail stores MC-11 (currently Zaro’s Bakery) and MC-13 (current Chase Bank) in the Shuttle Passage in Grand Central Terminal. Proposals should reflect appropriate market value given the space’s prominent location and high foot traffic.

DEADLINE: Proposals must be received by 3:00 p.m. on Thursday, May 16, 2019.

Proposals submitted after such deadline will, at the MTA’s sole discretion, only be considered if the MTA determines that such consideration is in the public interest. Each proposal must include the items listed in the “Submission Requirements” section below. Proposals not including all requested items may be rejected.

SITE VISIT: An optional site visit will take place at 11:00am on Tuesday, April 16, 2019 in front of the space.

Please respond to Mitch Friedel at mfriedel@ngkf.com or Reed Zukerman at rzukerman@ngkf.com or Adam Weinblatt at aweinblatt@ngkf.com for further details and to confirm your attendance.

Included in this RFP are the following:

- Attachment 1 – Process for Offering Retail Space
- Attachment 2 – Lease Outline Drawing
- Attachment 3 – Description of Available Utilities
- Attachment 4 – Term Sheet
- Attachment 5 – Rent Proposal Form
- Attachment 6 – Projected Design/Construction and Sales Plan
- Attachment 7 – Proposer Information Statement
- Attachment 8 – Guidelines for Selection of Tenants for Grand Central Terminal

SUBMISSION REQUIREMENTS: Please provide the following information with your submission:

- Fully completed and **signed Attachment 4** *Term Sheet* (form included).
- Fully completed and **signed Attachment 5** *Rent Proposal* (form included).

- Fully completed **Attachment 6** *Projected Design/Construction & Sales Plan* (form included).
- Fully completed and **signed Attachment 7** *Proposer Information Statement* (form included).
- Fully completed and **signed** *NYS Finance Law Sections 139-j and 139-k Certification* (**included in Attachment 7**).
- Comprehensive description of proposed concept and use, including price range of merchandise.
- Scope of work planned to improve the Premises, including general layout, description of floor and window display fixtures, and description of any mechanical improvements planned to accommodate the proposed use.
- Company brochure, annual report, photographs of existing retail locations, or similar material, as appropriate and available.

Later in the disposition process, MTA may request that any proposer provide clear and legible hard-lined schematic fixture and merchandise plans. If so requested:

- The *Fixture Plan* should show the set-up of each zone: storefront/display zone, sales floor and sales fixtures, cash wrap casework and storage units with a notation of dimensions, etc.
- The *Merchandise Plan* should clearly note the locations of products to be sold at retail from display fixtures.

Three hard copies of submissions should be delivered in sealed envelopes by the date listed above to:

Nicole Filder
MTA Real Estate / GCT Development
420 Lexington Avenue, Suite 930
New York, NY 10170

All responsive proposals will be publicly disclosed in the meeting agenda of the Finance Committee of the MTA Board at which the transaction is considered for approval. However, if three responsive proposals are received, and the lease is to be awarded to the proposer who offers the highest guaranteed rent, MTA Real Estate may instead list the lease in chart form in the Finance Committee meeting agenda (listing all proposers and their offers) after the lease is executed.

Please review the Contacts section of Attachment 1 (Process for Offering Space) for direction regarding permissible contacts with the MTA during the public disposition process. During this process, contact with the MTA should only be made through the following designated points of contact:

- Nicole Filder (nfilder@mtahq.org) for general inquiries
- Mitch Friedel or Reed Zukerman or Adam Weinblatt for specific questions regarding the space or proposal requirements (mfriedel@ngkf.com or rzukerman@ngkf.com or aweinblatt@ngkf.com)

We look forward to receiving your proposal.

Sincerely,

Nicole M. Filder
Sr. Executive Secretary
Metropolitan Transportation Authority

Mitch Friedel
Executive Vice President
Newmark Grubb Knight Frank

ATTACHMENT 1

PROCESS FOR OFFERING RETAIL SPACE

Introduction to Grand Central Terminal

The MTA Real Estate Department manages the leasing of the retail properties at Grand Central Terminal (the "Terminal") on behalf of MTA and Metro-North Commuter Railroad Company ("Metro-North").

The Terminal, located in the center of Manhattan, is a National Historic Landmark and a focal point of New York City. The Terminal has received national attention and acclaim since the completion of its historic restoration and redevelopment in 1998. It is bordered on the south by 42nd Street, on the north by the Met Life Building, on the west by Vanderbilt Avenue and on the east by Lexington Avenue. It is a major regional transportation hub for hundreds of thousands of daily commuters and New York City residents who ride Metro-North and connecting subway lines. Metro-North provides service between New York City and its northern suburbs in New York and Connecticut. The Terminal sits atop the busiest stop in the New York City subway system. The Lexington Avenue line covers the east side of Manhattan. The 42nd Street Shuttle to Times Square provides a convenient connection to the Theater District and to the subways traversing the west side of Manhattan that provide access to the MTA Long Island Rail Road commuter rail system and Amtrak trains. Across the street from the Terminal, on Park Avenue near 42nd Street, is an airport bus connection that provides links to LaGuardia, JFK and Newark Airports.

The Terminal's retail space contains approximately 153,000 square feet and accommodates approximately 100 individual retailers. Such space includes 42nd Street storefronts and interior balconies at street level, the Grand Central Market and Lexington, Graybar, and Shuttle Passageways on the Main Concourse level, and the Dining Concourse on the Terminal's lower level. The overall quality of the retail at the Terminal is exceptional, and we seek to maintain an appealing mix of local retailers and nationally known brands.

Process for Offering Spaces for Lease in Grand Central Terminal

Spaces available for lease at the Terminal are offered to proposers through a public solicitation process that is described in the MTA's "Guidelines for Selection of Tenants for Grand Central Terminal," a copy of which is attached hereto as Attachment 8 (the "Guidelines")¹. As set forth in the Guidelines, the MTA seeks to maximize the long-term aggregate revenues that the MTA derives from the leasing of the commercial space at the Terminal (taken as a whole), while making available to commuters and others an appropriate mix of goods and services and maintaining a level of quality commensurate with the Terminal's status as a National Historic Landmark and one of New York City's greatest public spaces.

Proposals received in response to this RFP will be reviewed and evaluated as set forth in the Guidelines. In summary, the first step will be the preparation of technical evaluations of each such proposal, which will include, among other things, information relating to the responsiveness of the

¹ The Guidelines are intended only for the guidance of officers and employees of the MTA. Nothing contained in the Guidelines is intended, or shall be construed, to confer upon any person or entity any right, remedy, claim or benefit under, or by reason of, any requirement or provision of the Guidelines. The Guidelines themselves may be revised from time to time by the MTA Board and also are subject to other policies adopted by the MTA Board.

proposal, the proposer, and the rent proposed. The Director, Grand Central Retail Leasing and Management will then, in accordance with the Guidelines, determine whether any proposal should be eliminated from consideration because it is non-responsive or the proposer is not responsible.²

Next, the Director, Grand Central Retail Leasing and Management will score all responsive proposals received from responsible proposers based on the selection criteria that are set forth in the Guidelines (the "Selection Criteria"). The first Selection Criterion, which accounts for 70 percent of the total score, is the anticipated direct economic benefit of a proposal to the MTA. The second Selection Criterion, which accounts for the remaining 30 percent of the total score, is the evaluator's determination of the likelihood that a proposer will attract other desirable retailers to the Terminal and/or customers for other current or prospective businesses at the Terminal.

In assessing direct economic benefit, the evaluator will take into account both proposed guaranteed rent and projected percentage rent. First, the present value of the guaranteed rent (the "Unadjusted Guaranteed Rent Amount") will be calculated, subject to reduction by up to 50 percent based on (i) the evaluator's assessment of the viability of the proposer's business plan, (ii) the evaluator's assessment of the creditworthiness of the proposer (and any proposed guarantor) and (iii) any security deposits and/or letters of credit that will be required. Second, the present value of 50 percent of the projected percentage rent will be calculated (the initial 50 percent reduction being due to the fact that percentage rent is not certain or assured), subject to further reduction to reflect the evaluator's assessment of the likelihood of projected sales being achieved. The sum of such two amounts will be deemed to constitute the direct economic value of a proposal.

If the responsive and responsible proposal with the highest total score (on the basis of both of the Selection Criteria) as determined by the Director, Grand Central Retail Leasing and Management is also the one with the highest Unadjusted Guaranteed Rent Amount, then, with the concurrence of the Director of Real Estate, such proposal may be submitted to the MTA Board for approval without convening a Selection Committee. Or, as provided for under a policy duly adopted by the

² Among other grounds for disqualification that are set forth in the Guidelines, please note that a proposer will be deemed "not responsible" (and thus disqualified and eliminated from consideration) if (a) such proposer, or any Affiliate of such proposer, owes, with respect to amounts due not more than five years prior to the date of the RFP, in excess of \$10,000 to the MTA or any other MTA Agency, (b) such amount is not (in the view of the MTA Legal) the subject of a bona fide dispute and (c) such amount has remained unpaid after written demand from the MTA or another MTA Agency; provided, however, that before disqualifying any proposer by reason of any such non-payment, the Director, Grand Central Retail Leasing and Management has previously provided written notice of such non-payment and more than thirty days have elapsed since such written notice without payment being made; or (d) such proposer is in default of material non-monetary obligations to the MTA or another MTA Agency under an existing lease and the MTA or MTA Agency has provided written notice under that lease and the default has not been timely cured as provided in the lease. "Affiliate" with respect to any specified person or entity, any other person or entity that (a) possesses the power, directly or indirectly, to direct or cause the direction of the management and policy of such specified person or entity, whether through ownership of an equity or beneficial interest (regardless of percentage), contract or otherwise or (b) owns, directly or indirectly, 30% or more of the outstanding stock, partnership interests, membership interests, or other equity or beneficial interest in such specified person or entity. For the purpose of determining the thirty percent (30%) threshold, the direct and indirect ownership interests of such other person will be aggregated with those of such other person's immediate family members (including, spouse, parents, siblings, children (including by adoption), stepparents, stepsiblings, stepchildren and any other lineal ancestor and lineal descendant or any trust (or similar estate planning vehicle) established for estate planning purposes, the sole beneficiaries of which are such natural person or any such natural person's immediate family members).

MTA Board in November 2013, in lieu of preparing a staff summary requiring Finance Committee and Board approval, the lease transaction may be listed in chart form in the Finance Committee book (listing all bidders and their bids) after the lease has been executed. However, if the proposal with the highest Total Selection Criteria Score is not the proposal with the highest Unadjusted Guaranteed Rent Amount or if two proposals provide for the same highest Unadjusted Guaranteed Rent Amount, then the Director, Grand Central Retail Leasing and Management must convene a selection committee (the "Selection Committee") consisting of the Director, Grand Central Retail Leasing and Management, the Director of Real Estate Operations or his or her designee and the Director of Business Development or his or her designee.

MTA's Right to Modify or Terminate RFP Process

Notwithstanding any other provision of this RFP and without any liability to any proposer, MTA reserves the unilateral right to postpone submission deadlines, reject any and all proposals, negotiate with one or more proposers, seek additional input, including best-and-final offers, from one or more proposers (but not necessarily all proposers), waive any requirement of this RFP, and modify or withdraw this RFP in respect of any or all spaces specified herein.

Parcel Information Sheet: Included in this RFP is a Parcel Information Sheet (Attachment 4). Please review it carefully and note that it includes a description of the uses that will be permitted in the Premises. Please note that such uses may be categorized as mandatory, preferred, disfavored or prohibited. Proposals will be deemed to be non-responsive, and will therefore be disqualified, if they do not envision mandatory uses or if they envision prohibited uses. Proposals that envision disfavored uses, or do not envision preferred uses, will not be disqualified, but will likely obtain relatively low scores with respect to the second of the two Selection Criteria that are described above.

Lease form and conditions: The standard form of Terminal lease will be used to document transactions arising out of this RFP with such changes as are appropriate to reflect the agreed-upon terms. It is available at: <http://web.mta.info/mta/realestate/forms.html>.

As is: The Premises will be delivered "as is" and the MTA and Metro-North make no representations as to the condition. Each proposer will be responsible for making its own analysis and decisions regarding such condition. MTA and Metro-North will not reimburse proposers for any surveys or site investigations.

Deemed Rentable Square Footage: Deemed Rentable Square Footage is measured in accordance with the Real Estate Board of New York Standard for Stores. Square footage measurements included in this RFP are approximate.

Construction Rules: The tenant will be required to comply with the architectural design criteria that are generally applicable to leased space at the Terminal, copies of which are available at <http://www.grandcentralterminal.com/designcriteria/>

Build-out/Renovation: The tenant will be required to perform at its sole cost and expense a complete build-out/renovation of the Premises in accordance with such Construction Rules and subject to review by MTA and Metro-North and by Metro-North in its capacity as the construction permitting and code compliance agency under the NYS Uniform Code and not in its proprietary capacity as Landlord

Brokerage Commissions: MTA will pay all fees due to its Leasing Agent (currently, NGKF). Any payment to an outside broker should be covered by the proposer and taken into account to the extent the proposer sees fit in its proposal.

Non-Discrimination: The MTA will not discriminate against any person on the basis of race, color, national origin, sex, age, sexual orientation, religion, disability, gender identity, military status or service, marital status or familial status in accepting, reviewing and evaluating proposals.

Eligibility: Employees of the MTA, and its affiliates and subsidiaries, are ineligible under this RFP. Any proposal submitted by any such employee will be disqualified.

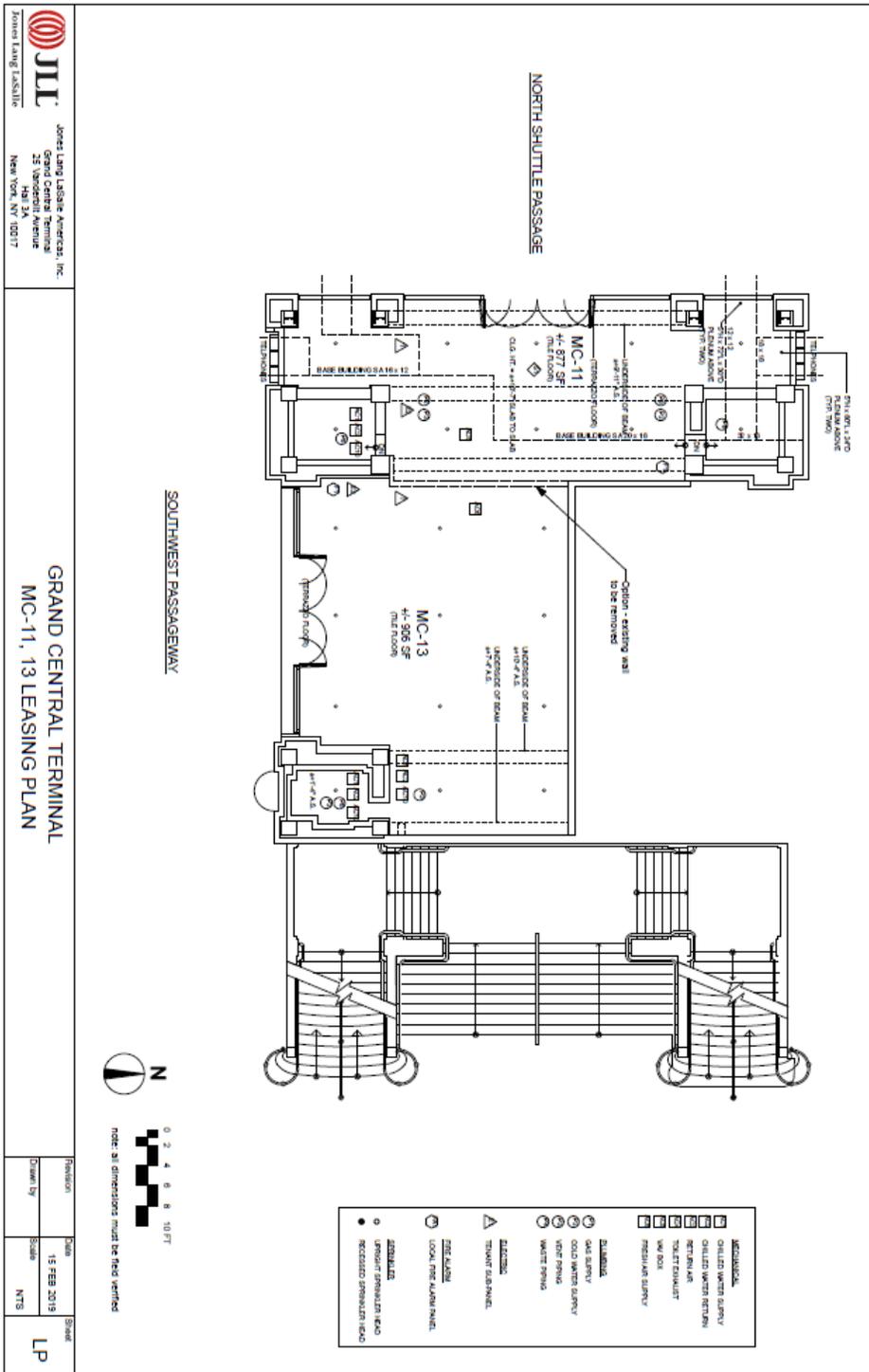
Protests: All protests or complaints relating to this RFP, including all protests or complaints that are exceptions to the limitation on contacts during a Restricted Period as set forth in the Procurement Lobbying Law (New York State Finance Law § 139-j and 139-k), must be made to the MTA General Counsel, 2 Broadway, 20th Floor, New York, New York 10004. Any such protest or complaint shall include: (1) the name and address of the protesting respondent; (2) identification of this RFP and the space or spaces relevant to the protest; and (3) a description of the substantive elements of the protest, including a description of the applicable law or other requirement that is alleged to have been violated, together with all relevant supporting documentation. The MTA General Counsel may, at his/her sole discretion, meet with the protestor to review the issues raised in the protest. After review of a protest submitted under these provisions, the MTA General Counsel will issue a written decision on the basis of the information provided by the protestor, the result of any meetings with the protestor, and the MTA General Counsel's own investigation of the matter. If the protest is upheld, MTA will take appropriate action to correct the RFP process to protect the rights of the protestor. If the protest is denied, MTA will proceed with the disposition.

Contacts: The disposition process described in this RFP is subject to New York State's State Finance Law Sections 139-j and 139-k (the "Procurement Lobbying Law"). Pursuant to the Procurement Lobbying Law, all "contacts" (defined as oral, written or electronic communications with the MTA intended to influence this disposition process) during this disposition must be made with one or more designated Point(s) of Contact only. Designated points of contact are identified in the cover letter to this RFP.

Please do not call or write anyone else at the MTA concerning this RFP. Contact with anyone else at the MTA relating to this RFP may be a violation of law and may result in the disqualification of the proposer. Failure to comply with such requirements can result in disqualification from this and other solicitations involving New York State governmental entities. Exceptions to this rule include communications with regard to protests, RFP site visit participation, and lease negotiations. Nothing in the Procurement Lobbying Law inhibits any rights to make an appeal, protest, or complaint under existing administrative or judicial procedures.

Violations of the policy regarding permissible contacts must be reported to the appropriate MTA officer and investigated accordingly. The first violation may result in a determination of non-responsibility and ineligibility for award to the violator and its subsidiaries, affiliates and related entities. The penalty for a second violation within four years is ineligibility for bidding/proposing on a procurement and/or ineligibility from being awarded any contract for a period of four years. The MTA will notify the New York State Office of General Services ("OGS") of any determinations of non-responsibility or debarments due to violations of the Procurement Lobbying Law. Violations found to be "knowing and willful" must be reported to the MTA Executive Director and OGS.

ATTACHMENT 2 LEASE OUTLINE DRAWING




JLL
 Jones Lang LaSalle Americas, Inc.
 25 Vandeventer Avenue
 New York, NY 10017

GRAND CENTRAL TERMINAL
MC-11, 13 LEASING PLAN

Revision: _____
 Drawn by: _____
 Scale: _____
 Date: 15 FEB 2019
 NTS

Sheet: LP

ATTACHMENT 3
DESCRIPTION OF AVAILABLE UTILITIES
The utilities listed below apply to space MC-11 (Currently Zaro's Bakery)

Electrical:

2 – 3 phase, 200amp, 120 volt panels

Historically electric charges for this space have been approximately
\$22,038.49_per annum

Plumbing:

Natural Gas: N/A

Historically gas charges for this space have been approximately \$0.00 per
annum

Domestic Water:

½" Domestic

Historically water charges for this space have been approximately
\$ _2,866.55_ per annum

Sanitary Service:

3" sanitary, 2" vent

HVAC:

2hp, 6.5amps

Chilled Water: 1 ½"

Heating

Air Conditioning

Historically HVAC charges for this space have been approximately
\$7,123.72 per annum

* The historical utility charges listed above are for informational purposes only.
MTA does not warrant or represent that these will be the charges in the future
or for the use contemplated by bidder's proposal.

ATTACHMENT 3

DESCRIPTION OF AVAILABLE UTILITIES

The utilities listed below apply to space MC-13 (currently Chase Bank)

Electrical:

One 3 phase, 60 amp
Two 3 phase 100 amp panels

Historically electric charges for this space have been approximately
\$12,985.01 per annum

Plumbing:

Natural Gas
N/A

Historically gas charges for this space have been approximately \$0 per
annum

Domestic Water

N/A

Historically water charges for this space have been approximately \$0 per
annum

Sanitary Service

N/A

HVAC:

3 1/3 HP units
Chilled Water: 1"

Heating
Air Conditioning

Historically HVAC charges for this space have been approximately
\$1,821.76 per annum

* The historical utility charges listed above are for informational purposes only.
MTA does not warrant or represent that these will be the charges in the future or for the use
contemplated by bidder's proposal.

ATTACHMENT 4

TERM SHEET

| | |
|--|--|
| Landlord: | Metropolitan Transportation Authority ("MTA") and Metro-North Commuter Railroad Company |
| Premises: | MC -11 (currently occupied by Zaro's Bakery) and MC-13 (currently occupied by Chase Bank) |
| Deemed Rentable Square Footage: | MC-11 (Zaro's Bakery), MC-13 (Chase Bank) 1) Alternative 1: Space MC-11 comprising of 877 square feet 2) Alternative 2: Space MC-13 comprising of 906 square feet 3) Alternative 3: Space MC-11 & MC-13 comprising of 1,783 square feet [An LOD of the space(s) is attached hereto as Attachment 2.] |
| Commencement Date: | The date on which Landlord tenders delivery of vacant possession of the Premises to Tenant or if the Tenant is a rollover tenant, the day immediately following the expiration date of Tenant's existing lease for the Premises. |
| Rent Commencement Date: | The first day immediately following the end of the Tenant's Initial Work Buildout Period [90 days] or such earlier date that Tenant opens for business to the public in the Premises. |
| Term: | [10] ten years from the rent commencement date of the lease plus any free rent period for buildout between the commencement date and rent commencement date |
| Extension Option(s): | N/A |
| Annual Base Rent and Percentage Rent: | To be proposed by proposers using the attached form. |
| Average Annual Rate of Increase: | MTA strongly encourages proposers to provide for escalations to the proposed Annual Base Rent throughout the term of the lease |
| Prepaid Rent: | One Month's Base Rent to be applied to the first full month Base Rent |
| Plan Review Fee: | Upon signing tenant to pay \$7,500 per space for review of tenant's plans for tenant's Initial Work (excludes payment, if necessary, for review of plans by 3 rd party necessitated by tenant's use) |
| Additional Rent; Utilities: | Utilities – electric, chilled water and domestic water usage are submetered Gas – charge will be determined by survey A full description of available utilities and historical charges can be found within Attachment 3. |
| Advertising and Promotion Contribution: | \$12.00 per square foot per year, increasing annually by three percent |

| | |
|-------------------------------|---|
| Trash Collection Fee: | Dry Retail: Estimated at \$13.26 per square foot per year, increasing annually by three percent |
| | Food & Beverage: Estimated at \$26.52 per square foot per year, increasing annually by three percent |
| Other: | Other Additional Rent amounts as per GCT Form of Retail Lease available at http://web.mta.info/mta/realestate/forms.html |
| Security Deposit: | Upon signing of lease, three (3) months' base rent rate based on the final lease year's base rent. |
| Guaranties: | Unless the Tenant has and continues to maintain during the Term a net worth that is suitably substantial under the circumstances, a guaranty from a creditworthy principal of Tenant will be required. Guaranty language can be found within our standard lease form: http://web.mta.info/mta/realestate/forms.html |
| Permitted Retail Uses: | <p>Mandatory: The retail sale of tenant-branded high-quality merchandise that will complement the quality and mix of the retail tenants in Grand Central Terminal.</p> <p>Disfavored: A category of use that is in direct competition with another retailer in Grand Central Terminal and such competition is determined by MTA to be disadvantageous to the overall retail operations at the Terminal.</p> <p>A tenant that is not the incumbent and proposes, concurrently during the term of the subject lease, to sell similar products using the same brand name at both the subject location and another location in the Terminal.</p> <p>Prohibited: In addition to the Prohibited Uses set forth in the GCT Form of Retail Lease on the website:</p> <p>National Food and Beverage Chains (a national chain is an enterprise that has more than 20 establishments total and has establishments in at least 4 states (including for this purpose, the District of Columbia), each of which use the same brand name and provide the same service and menu concept).</p> <p>The sale of sandwiches, prepared salads, entrees, side dishes, candy or chocolate.</p> <p>The sale of mobile phones, plans and related accessories.</p> <p>The sale of souvenir themed merchandise.</p> <p>Café seating within leased premises.</p> <p>The primary sale of coffee</p> |

Only proposals for retail uses will be considered. Any proposal that is, in the MTA's view, primarily a branding or advertising use will be disqualified. A mandatory use is a use that must be envisioned by a proposal for that proposal to be considered responsive. A preferred use is a use that is not mandatory but is considered to be highly appropriate to the space and complimentary to the price points and quality of existing businesses at the Terminal. A disfavored use is considered to be undesirable. A prohibited use is a use that will not be permitted. The foregoing use restrictions are subject to and without limitation of the architectural design criteria and the rules and regulations that are referenced in the aforementioned form of lease.

Minimum Hours:

8:00 A.M. through 8:00 P.M. on Mondays through Fridays, 10:00 A.M. through 8:00 P.M. on Saturdays, and 11:00 A.M. through 6:00 P.M. on Sundays

as such Minimum Operating Hours may be modified from time to time by Landlord by notice to Tenant

Gross Sales Reporting:

Tenant shall provide Landlord with gross sales figures on a monthly and annual basis, in accordance with the provisions as set forth in the GCT Form of Retail Lease.

Condition of Premises:

Premises will be delivered "as is." Tenant is responsible for all improvements to the premises and systems serving the premises.

Storage Space:

A limited amount of storage space is available in GCT and therefore the availability of storage space is not guaranteed. All storage space is licensed in a separate document on a revocable basis providing Landlord the right of substitution

_____ square feet of storage space is desired by Tenant

Storage Space Fee:

\$87.00 per square foot per year increasing annually by approximately 3%.

Radius Restriction:

The area bounded by Third Avenue to the east (including the east side of Third Avenue), Madison Avenue to the west (including the west side of Madison Avenue), 46th Street to the north (including the north side of 46th Street), and 40th Street to the south (including the south side of 40th Street)

Tenant's Initial Work:

Tenant will be responsible for the renovation of the entire premises, including replacement of all interior finishes (including painting and installation of new wall coverings and floor coverings) and installation of new, first-class quality trade fixtures, equipment and lighting throughout the entire premises; together with all other alterations required to fit out the premises for the permitted use, to comply with all applicable legal requirements and to comply with Landlord's Construction Rules,

all in accordance with plans approved by Landlord and Article 6 of the GCT Form of Retail Lease.

Tenant's Initial Work must meet the requirements of the New York State Uniform Fire Safety and Building Code. Metro-North, in its capacity as the construction permitting and code compliance agency under the NYS Uniform Code and not in its proprietary capacity as Landlord, or its designee, shall review all proposed alterations for compliance with aforementioned code.

Compliance with Codes and Ordinances:

In addition to compliance with the New York State Fire Safety and Building Code, tenant shall comply with all other applicable codes and ordinances, including health regulations, and obtain all required permits.

Broker:

Any tenant broker is to be paid by the tenant.

This Parcel Information Sheet must be signed by an officer of the prospective tenant.

Prospective Tenant: _____

Authorized Signature: _____

Name: _____

Title: _____

Date: _____

ATTACHMENT 5

RENT PROPOSAL FORM ALTERNATIVE 1

| | | | |
|-----------------|--|---|--|
| Premises | Alternative 1: MC-11 Only: 877 SF | | |
| Rent | Year | Guaranteed Annual Minimum Rent | Percentage Rent |
| | 1 | \$ _____ | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 2 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 3 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 4 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 5 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 6 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 7 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 8 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 9 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 10 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |

RENT PROPOSAL FORM ALTERNATIVE 2

| | | | |
|-----------------|--|---|--|
| Premises | Alternative 2: MC-13 Only: 906 SF | | |
| Rent | Year | Guaranteed Annual Minimum Rent | Percentage Rent |
| | 1 | \$ _____ | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 2 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 3 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 4 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 5 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 6 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 7 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 8 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 9 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 10 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |

RENT PROPOSAL FORM ALTERNATIVE 3

| | | | |
|-----------------|---|---|--|
| Premises | Alternative 3: MC-11 & MC-13: 1,783 SF | | |
| Rent | Year | Guaranteed Annual Minimum Rent | Percentage Rent |
| | 1 | \$ _____ | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 2 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 3 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 4 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 5 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 6 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 7 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 8 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 9 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |
| | 10 | \$ _____ which escalates by ___% over the prior year | Plus ___% of gross sales over breakpoint of \$ _____ |

By way of example, the estimated Minimum and Additional Rent charges for year 1 would be as follows:

Trash Removal

| | |
|---|-------------------------|
| ALTERNATIVE 1 (\$13.26/\$26.52 x MC-11, 877 sf) | \$11,629.02/\$23,258.04 |
| ALTERNATIVE 2 (\$13.26/\$26.52 x MC-13, 906 sf) | \$12,013.56/\$24,027.12 |
| ALTERNATIVE 3 (\$13.26/\$26.52 x MC-11&13 1,783 sf) | \$23,642.58/\$47,285.16 |

Advertising and Promotion

| | |
|--|-----------|
| ALTERNATIVE 1 (\$12.00 x MC-11, 877 sf) | \$ 10,524 |
| ALTERNATIVE 2 (\$12.00 x MC-13, 906 sf) | \$ 10,872 |
| ALTERNATIVE 3 (\$12.00 x MC-11&13, 1,783 sf) | \$ 21,396 |

Guaranteed Annual

Minimum Rent:

| | |
|---------------|---------------------------------------|
| ALTERNATIVE 1 | \$_____ (to be filled in by proposer) |
| ALTERNATIVE 2 | \$_____ (to be filled in by proposer) |
| ALTERNATIVE 3 | \$_____ (to be filled in by proposer) |

TOTAL:

| | |
|---------------|---------------------------------------|
| ALTERNATIVE 1 | \$_____ (to be filled in by proposer) |
| ALTERNATIVE 2 | \$_____ (to be filled in by proposer) |
| ALTERNATIVE 3 | \$_____ (to be filled in by proposer) |

This Rent Proposal Form must be signed by an officer of the prospective tenant:

Prospective Tenant: _____

Authorized Signature: _____

Name: _____

Title: _____

Date: _____

ATTACHMENT 6
PROJECTED DESIGN/CONSTRUCTION AND SALES PLAN

INDICATE OPTION(S) – ALTERNATIVE _____

Each proposer should take into consideration the requirements for high quality design, materials and workmanship, as well as compliance with all applicable regulations and codes when preparing plans and estimating construction costs.

We strongly encourage each proposer to obtain professional construction estimates before submitting his or her proposal. If actual construction costs exceed estimated costs, the tenant should not anticipate any relief from landlord. The tenant will be responsible for completing all required improvements regardless of the actual cost of construction.

I. PROJECTED DESIGN/CONSTRUCTION COSTS

| | |
|---------------------|-----------------|
| Design/Construction | \$ _____ |
| Fixtures | \$ _____ |
| TOTAL | \$ _____ |

II. PROJECTED SALES OVER LEASE TERM

| | |
|-------------------|----------|
| <u>Year One</u> | \$ _____ |
| <u>Year Two</u> | \$ _____ |
| <u>Year Three</u> | \$ _____ |
| <u>Year Four</u> | \$ _____ |
| <u>Year Five</u> | \$ _____ |
| <u>Year Six</u> | \$ _____ |
| <u>Year Seven</u> | \$ _____ |
| <u>Year Eight</u> | \$ _____ |
| <u>Year Nine</u> | \$ _____ |
| <u>Year Ten</u> | \$ _____ |

ATTACHMENT 7
PROPOSER INFORMATION STATEMENT

The following information is provided to the Metropolitan Transportation Authority ("MTA") Real Estate Department in connection with the submittal of a proposal for a lease at Grand Central Terminal. The acceptance by MTA of this Proposer Information Statement does not constitute an offer of the MTA or any affiliate or subsidiary thereof. Please attach additional sheets as necessary. **Please print or type.**

BUSINESS INFORMATION

Name of Proposer: _____

Street: _____

City, State, Zip: _____

Telephone: _____

Name of President or most senior executive: _____

Name of Chief Financial Officer or Treasurer: _____

Type of business:

- Corporation
- Joint Venture
- Partnership
- Limited Liability Corporation
- Sole Proprietor

Federal Tax ID #: _____ State of Organization: _____

INFORMATION RELATING TO AFFILIATES

List all individuals and/or entities that directly or indirectly own 30% or more of the equity of, or otherwise control, the proposer ("Principals"):

Name: _____ % of Ownership: _____

Street: _____

City, State, Zip: _____

Telephone: _____

Name: _____ % of Ownership: _____

Street: _____

City, State, Zip: _____

Telephone: _____

If Applicable, list Principal(s) who will provide guaranty described in Term Sheet

Name: _____

Street: _____

City, State, Zip: _____

Telephone: _____

Have any of the Principals done business under any other name within the past three years?

- Yes
- No

If yes, describe such business and provide the following information:

Name of Business: _____

Primary Contact Name: _____

Tax ID#: _____ Telephone #: _____

Street: _____

City, State, Zip: _____

Does any Principal own more than 30 percent of the equity of, or otherwise control, any other or business entity?

- Yes
- No

If yes, identify and provide the following information for each such entity:

Name of Business: _____

Primary Contact Name: _____

Tax ID#: _____ Telephone #: _____

Street: _____

City, State, Zip: _____

OTHER LEASES OR LICENSES WITH MTA AND ITS SUBSIDIARIES AND AFFILIATES

List all leases or licenses in force during the last five years between the MTA (and its subsidiaries and affiliates) and the proposer or any Affiliate of the proposer.*

Name of Lessee or Licensee: _____

Location: _____

MTA Agency: _____

Name of Lessee or Licensee: _____

Location: _____

MTA Agency: _____

Name of Lessee or Licensee: _____

Location: _____

MTA Agency: _____

Describe any lessee or licensee defaults under such leases or licenses:

BUSINESS REFERENCES

Provide at least three references for companies with which the proposer or one or more of its Principals does business, including at least one vendor:

Company Name: _____

Street: _____

City, State, Zip: _____

Primary Contact and Title: _____

Telephone #: _____

* For definition of Affiliate, see page 33 of RFP.

Company Name: _____

Street: _____

City, State, Zip: _____

Primary Contact and Title: _____

Telephone #: _____

Company Name: _____

Street: _____

City, State, Zip: _____

Primary Contact and Title: _____

Telephone #: _____

BANK REFERENCES _____

Provide at least one reference for a bank with which the proposer (or a Principal) has an account and regularly does business:

Name of Bank: _____ Branch # or Location: _____

Street: _____

City, State, Zip: _____

Name of Bank Officer: _____

Telephone #: _____

Name on Account: _____

Account #: _____

If different, provide at least one such bank reference for each guarantor identified above:

Name of Bank: _____ Branch # or Location: _____

Street: _____

City, State, Zip: _____

Name of Bank Officer: _____

Telephone #: _____

Name on Account: _____

Account #: _____

AVAILABLE FINANCING

Describe each source of financing for the proposed business at Grand Central Terminal:

Name of Source: _____

Street: _____

City, State, Zip: _____

Telephone #: _____

Available Dollar Amount \$ _____

Name of Source: _____

Street: _____

City, State, Zip: _____

Telephone #: _____

Available Dollar Amount \$ _____

FINANCIAL STATEMENTS

Provide financial statements (audited, if available) for proposer and each guarantor for the past two full fiscal years. If audited financials are not available then provide two years federal income tax returns for proposer and each guarantor.

If financial statements are not otherwise available, please provide the information below. If the proposer is in the process of being organized and does not yet have assets or liabilities, complete this financial statement on the basis of personal assets and liabilities of the Principal(s) who will provide a guaranty as required by the Term Sheet. Clearly indicate all sources of capitalization.

ASSETS

Funds

| | | |
|----------------------|----|--------------------|
| 1 – Cash | \$ | |
| 2 – Checking | \$ | |
| 3 – Savings | \$ | |
| 4 – Other | \$ | |
| 5 – Subtotal – Funds | \$ | (add lines 1 to 4) |

Receivables

| | | |
|----------------------------|----|--------------------|
| 6 – Trade or Business | \$ | |
| 7 – Other | \$ | |
| 8 – Subtotal – Receivables | \$ | (add lines 6 to 7) |

Securities

| | | |
|----------------------------|----|---------------------|
| 9 – Stocks | \$ | |
| 10 – Bonds | \$ | |
| 11 – Other (Pens., Annu.) | \$ | |
| 12 – Subtotal – Securities | \$ | (add lines 9 to 11) |

Fixed Assets

| | | |
|-----------------------------|----|----------------------|
| 13 – Equipment | \$ | |
| 14 – Other | \$ | |
| 15 – Subtotal– Fixed Assets | \$ | (add lines 13 to 14) |

Other Assets

| | | |
|------------------------------|----|---------------------------------------|
| 16 – Trade, Auto | \$ | |
| 17 – Life Insurance | \$ | |
| 18 – Subtotal – Other Assets | \$ | (add lines 16 to 17) |
| 19 – Inventory | \$ | |
| 20 – Miscellaneous | \$ | |
| 21 – Land and Buildings | \$ | |
| 22 – GR. TOTAL ASSETS | \$ | (add lines 5, 8,12, 15, and 18-21) |

LIABILITIES

| | | |
|----------------------------|----|------------------------|
| 23 – Trade Payables | \$ | |
| 24 – Unsec. Notes Payable | \$ | |
| 25 – Secured Notes Payable | \$ | |
| 26 – Deferred | \$ | |
| 27 – Miscellaneous | \$ | |
| 28 – GR. TOT. LIABILITIES | \$ | (add lines 23-27) |
| 29 – CAPITAL/NET WORTH | \$ | (line 22 less line 28) |

RESPONSIBILITY-RELATED QUESTIONS

Answer all of the following:

| | |
|--|--|
| Has the proposer or any Affiliate thereof ever been barred from bidding on contracts, or declared not responsible, by any city, town, village, county, state, or federal public entity? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Are any outstanding liens pending against the proposer or any Affiliate thereof? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Are any judgments outstanding against the proposer or any Affiliate thereof? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Is any suit or other legal action pending against the proposer or any Affiliate thereof? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Has the proposer or any Affiliate thereof ever been adjudged bankrupt, voluntarily or involuntarily, under any provision of the Bankruptcy Law, executed an assignment for the benefit of creditors, or abandoned a business without satisfying its outstanding debts? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Has the proposer or any Affiliate thereof ever been convicted of a felony? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Is any elected representative or other officer or employee of, or any person whose salary is payable in whole or in part from, the federal government or the State or City of New York, or any member, officer or employee of the Metropolitan Transportation Authority or any affiliate or subsidiary thereof, directly or indirectly interested in this proposal or in the proposed lease to which it relates? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

If Yes to any of the above, please provide details below:

CONSENT TO CREDIT REVIEW

By executing this Proposer Information Statement, the undersigned authorizes the Metropolitan Transportation Authority or its designated agent or contractor to conduct a credit and reference investigation of the proposer and its Affiliates. This authorization includes, without limitation, authorization to obtain verbal and written information from banks, other commercial and financial institutions, credit reporting agencies and present and former customers, including without limitation the entities described in this Proposer Information Statement.

NO COLLUSION STATEMENT

By executing this Proposer Information Statement, the undersigned represents and warrants that:

- (i) The compensation and other terms of this proposal have been arrived at independently without any agreement, collusion, consultation, or communications intended to restrict competition;
- (ii) Unless otherwise required by law, the compensation and other terms quoted in this proposal have not been knowingly disclosed by the undersigned or any other individual and, before the proposal is opened, shall not knowingly be directly or indirectly disclosed by the undersigned or any other individual by or on behalf of the undersigned to any other proposer or to any competitor; and
- (iii) No attempt has been made or will be made by the undersigned or by any other individual by or on behalf of the undersigned to induce any other person, partnership, corporation, or other entity to submit or not to submit a proposal, for the purpose of restricting competition.

The undersigned individual declares under the penalties of perjury provided for by Article 210 of the New York Penal Law that the undersigned individual has read fully and understands all of the terms and conditions of this Request for Proposals, and all of the foregoing questions in this Proposer Information Statement. The answers and statements herein including, without limitation, this Proposer Information Statement, are to the best of the undersigned's knowledge and belief true, correct, and complete. The undersigned agrees that in the event that circumstances reflected by the answers herein change, the undersigned will promptly notify the Real Estate Department of the Metropolitan Transportation Authority in writing by certified mail. The undersigned also understands that any misstatement, omission or failure to update information may be cause for the Metropolitan Transportation Authority not to award to the proposed lease to the proposer, and may have the effect of precluding persons or entities from doing business with the Metropolitan Transportation Authority or its affiliates or subsidiaries in the future.

This Proposer Information Statement must be signed:

Proposer: _____

Authorized Signature: _____

Name: _____

Title: _____

Date: _____

NEW YORK STATE FINANCE LAW SECTIONS 139-j and 139-k CERTIFICATION

General Information

All procurements (which are defined to include essentially all real estate transactions) by the MTA in excess of \$15,000 annually are subject to New York State's State Finance Law Sections 139-j and 139-k, effective January 1, 2006 (the "Procurement Lobbying Law").

Pursuant to the Procurement Lobbying Law, all "contacts" (defined as oral, written or electronic communications with the MTA intended to influence a procurement) during a procurement must be made with one or more designated Point(s) of Contact only. Exceptions to this rule include written questions during the bid/proposal process, communications with regard to protests, contract negotiations and RFP conference participation. Nothing in the Procurement Lobbying Law inhibits any rights to make an appeal, protest or complaint under existing administrative or judicial procedures.

Violations of the policy regarding permissible contacts must be reported to the appropriate MTA officer and investigated accordingly. The first violation may result in a determination of non-responsibility and ineligibility for award to the violator and its subsidiaries, affiliates and related entities. The penalty for a second violation within four (4) years is ineligibility for bidding/proposing on a procurement and/or ineligibility from being awarded any contract for a period of four (4) years. The MTA will notify the New York State Office of General Services ("OGS") of any determinations of non-responsibility or debarments due to violations of the Procurement Lobbying Law. Violations found to be "knowing and willful" must be reported to the MTA Executive Director and OGS.

Moreover, the statutes require the MTA to obtain certain affirmations and certifications from bidders and proposers. This Certification contains the forms with which to comply, together with additional information and instructions.

Instructions

New York State Finance Law §139-k (2) obligates the MTA to obtain specific information regarding prior non-responsibility determinations. This information must be collected in addition to the information that is separately obtained pursuant to New York State Finance Law §139-k, an offerer must be asked to disclose whether there has been a finding of non-responsibility made within the previous four (4) years by any governmental entity due to: (a) a violation of New York State Finance Law §139-j or (b) the intentional provision of false or incomplete information to a governmental entity.

As part of its responsibility determination, New York State Finance Law §139-k(3) mandates consideration of whether an offerer fails to timely disclose accurate or complete information regarding the above non-responsibility determination. In accordance with law, no procurement contract shall be awarded to any offerer that fails to timely disclose accurate or complete information under this section, unless the factual elements of the limited waiver provision can be satisfied on the written record.

Disclosure of Prior Non-Responsibility Determinations

Name of Proposer: _____

Address: _____

Name and Title of Person Submitting this Form: _____

Has any governmental entity³ made a finding of non-responsibility regarding the proposer or any Affiliate thereof in the previous four years?

Yes No

If yes: Was the basis for such finding of the non-responsibility due to a violation of State Finance Law §139-j?

Yes No

Was the basis for such finding of non-responsibility due to the intentional provision of false or incomplete information to a governmental entity?

Yes No

If yes, please provide details regarding the finding of non-responsibility below.

Governmental Entity: _____

Year of Finding of Non-Responsibility: _____

Basis of Finding of Non-Responsibility: _____

(Add additional pages as necessary)

Has any governmental entity terminated a procurement contract with the proposer or any Affiliate thereof due to the intentional provision of false or incomplete information?

Yes No

³ A "governmental entity" is: (1) any department, board, bureau, commission, division, office, council, committee or officer of New York State, whether permanent or temporary; (2) each house of the New York State Legislature; (3) the unified court system; (4) any public authority, public benefit corporation or commission created by or existing pursuant to the public authorities law; (5) any public authority or public benefit corporation, at least one of whose members is appointed by the governor or who serves as a member by virtue of holding a civil office of the state; (6) a municipal agency, as that term is defined in paragraph (ii) of subdivision(s) of section one-c of the Legislative Law; or (7) a subsidiary or affiliate of such a public authority. (SFL §139-j, paragraph 1.a.)

Proposer’s Affirmation and Certification

By signing below, the undersigned:

- a) Affirms that the proposer understands and agrees to comply with the policy regarding permissible contacts in accordance with New York State Finance Law Sections 139-j and 139-k.
- b) Certifies that all information provided to the MTA with respect to New York State Finance Law §139-j and §139-k is complete, true and accurate.

Proposer: _____

Authorized Signature: _____

Name: _____

Title: _____

Date: _____

MTA’s Right to Terminate

The MTA reserves the right to terminate any lease with the proposer arising out of this RFP in the event it is found that the foregoing certification, in accordance with New York State Finance Law §139-k, was intentionally false or intentionally incomplete. Upon such finding, the MTA may exercise its termination right by providing written notification to the tenant in accordance with the written notification terms of such lease.

ATTACHMENT 8

GUIDELINES FOR SELECTION OF TENANTS FOR GRAND CENTRAL TERMINAL

Application

These guidelines (“Guidelines”) apply to the selection of tenants for leases of commercial, retail spaces at Grand Central Terminal (“GCT”). They do not apply to the selection of licensees at GCT, which is governed by policies adopted by the Board in November, 2009 (as amended from time to time). (The principal difference between a lease and license for these purposes is that a license is terminable at the discretion of the licensor for any reason upon short notice, not longer than 60 days with no cost to the applicable MTA Agency.) These Guidelines supplement the MTA Real Estate Department Real Property Disposition Guidelines for the Leasing-Out and Sale of Real Property, adopted by the Board on March 27, 2019 as such Guidelines may be amended from time to time (the “General Guidelines”). In the event of any conflict between these Guidelines and the General Guidelines, these Guidelines will govern for GCT commercial retail leases.

Purpose and Objective

The purpose of these Guidelines is to provide the MTA Real Estate Department (the “RED”) with standards and procedures for issuing requests for proposals (“RFPs”) and for choosing tenants to recommend for selection for leases of commercial space at GCT. They are intended to further the MTA’s objective of maximizing the long-term aggregate revenues that the MTA derives from the leasing of the commercial space at GCT (taken as a whole), while making available to commuters and others an appropriate mix of goods and services and maintaining a level of quality commensurate with GCT’s status as an historic landmark and one of New York City’s greatest public spaces (the “Objective”). While the Objective is broader than maximizing guaranteed minimum rent for any particular space, these Guidelines establish a rebuttable presumption that the Objective will be furthered by the proposal that is “responsive” and “responsible” (as determined by the procedure described below) and offers the highest Unadjusted Guaranteed Rent Amount (as such term is defined below). Therefore, any staff recommendation to award a lease to a responsive and responsible proposer other than the responsive and responsible proposer that has offered the highest Unadjusted Guaranteed Rent Amount must be made by a selection committee and supported by a rationale that is articulated in the Staff Summary presented to the Board in connection with such recommendation.

These Guidelines are intended only for the internal guidance of officers and employees of the MTA. Nothing contained in these Guidelines is intended, and the same shall not be construed, to establish expressly or by implication, or confer upon any person or entity (including any prospective proposers or awardees) any right, privilege, remedy, claim or benefit under, or by reason of, any requirement or provision of these Guidelines for third parties. Except to the extent prohibited by law, any provision of these Guidelines may be waived by the MTA Board (by ratification or otherwise) or by the Chairman and Chief Executive Officer of the MTA.

Requests For Proposals

All opportunities to lease commercial space at GCT (except spaces that have monetary values below the legal threshold requiring a competitive disposition process) must be offered pursuant

to competitive RFPs prepared by the Director, Grand Central Retail Leasing and Management, approved by the Managing Director, TOM, and advertised in accordance with the General Guidelines. More than one space may be offered pursuant to a single RFP.

For each space being offered, an RFP may identify preferred, mandatory, disfavored and/or prohibited uses, as and where appropriate, to encourage and/or ensure an appropriate mix of merchandise and services in various sections of GCT or to otherwise further the Objective. If an RFP identifies a preferred or mandatory use, it shall make clear whether such use is mandatory or merely preferred; if an RFP identifies a disfavored or prohibited use, it shall make clear whether such use is prohibited or merely disfavored.

Without limiting the generality of the foregoing, each RFP must reference (and each proposer must be provided with access to) the generally-applicable design criteria and rules and regulations for commercial spaces at GCT, and state that compliance with such design criteria and rules and regulations is mandatory.

The Director, Grand Central Retail Leasing and Management, with the approval of the Managing Director, TOM, may elect to exclude national chains and/or discount merchandisers from specified areas of GCT, such as the Dining Concourse, the Lexington Passage and/or the Grand Central Market, or GCT as a whole, provided that they reasonably determine that doing so will further the Objective. If required, each Staff Summary presented to the Board when the award of the proposed lease for a space is submitted in due course for Board approval shall set forth any preferred, mandatory, disfavored, or prohibited uses applicable to such space; provided, however, that the aforementioned design criteria and rules and regulations need only be referenced, not set forth in full, in such Staff Summaries.

Selection Criteria

The following are the selection criteria (the "Selection Criteria") that will be used to evaluate proposals:

Selection Criterion A: Direct Economic Benefit to the MTA (Maximum 70 Points).

Each evaluator shall:

First: Start with the Unadjusted Guaranteed Rent Amount for each proposal, as determined by the Technical Consultants as described below. The "Unadjusted Guaranteed Rent Amount" for any proposal is the present value of the guaranteed minimum rent set forth in such proposal, discounted to the first day of the lease term using a discount rate of 7%.

Second: Determine the Guaranteed Rent Adjustment Factor for each proposal and multiply it by the Unadjusted Guaranteed Rent Amount for such proposal, to determine the "Adjusted Guaranteed Rent Amount" for such proposal. The "Guaranteed Rent Adjustment Factor" is an adjustment factor intended to reflect any concerns that the evaluator may have with respect to the certainty of payment of the Unadjusted Guaranteed Rent Amount, taking into account (1) the evaluator's assessment of the viability of the proposer's business plan, (2) the evaluator's assessment of the creditworthiness of the proposer (or any proposed guarantor) and (3) any security deposits and/or letters of credit that will be required (as set forth in the applicable RFP). The Guaranteed Rent Adjustment Factor may be as high as 1.00 (which means the evaluator has no uncertainty about the Unadjusted Guaranteed Rent Amount being received by MTA) and as low as 0.50 (which means the evaluator has great uncertainty about the Unadjusted Guaranteed Rent Amount being received by MTA), provided that if a proposal includes

commercially unreasonable backloading of rent then the adjustment factor may be as low as zero to protect MTA's interests.

Third: Take the Unadjusted Percentage Rent Amount for each proposal, as determined by the Technical Consultants. The "Unadjusted Percentage Rent Amount" for any proposal is the present value of the projected percentage rent as set forth in the proposal, discounted to the first day of the lease term using a discount rate of 7%.

Fourth: Determine the Percentage Rent Adjustment Factor for each proposal and multiply it by the Unadjusted Percentage Rent Amount for such proposal to determine the "Adjusted Percentage Rent Amount" for such proposal. The "Percentage Rent Adjustment Factor" is an adjustment factor intended to reflect the evaluator's assessment of the likelihood of percentage rent being received. The Percentage Rent Adjustment Factor may be as high as 0.50 (which means the evaluator has no uncertainty about the Unadjusted Percentage Rent Amount being received by MTA) and as low as zero (which means the evaluator has great uncertainty about the Unadjusted Percentage Rent Amount being received by MTA).

Fifth: Add the Adjusted Guaranteed Rent Amount for each proposal to the Adjusted Percentage Rent Amount for such proposal to determine the "Adjusted Total Rent Amount" for such proposal.

Sixth: Award the proposal with the highest Adjusted Total Rent Amount (the "Highest Adjusted Total Rent Amount") seventy (70) points for the Selection Criterion A score.

Seventh: Calculate the Selection Criterion A score for each of the other proposals by multiplying 70 times a fraction, the numerator of which is such proposal's Adjusted Total Rent Amount and the denominator of which is the Highest Adjusted Total Rent Amount.

Selection Criterion B: Indirect Benefit to the MTA (Maximum 30 Points).

Each evaluator shall determine the likelihood that each proposer will support the elements of the Objective not directly reflected in Selection Criteria A by attracting other desirable proposers to GCT, and/or customers for other current or proposers at GCT. The Selection Criterion B score shall range from 30 (which means that the evaluator believes that the proposer will have an extremely significant positive effect on the elements of the Objective not directly reflected in Selection Criterion A) to zero (which means that the evaluator believes that the proposer will have no positive effect on the elements of the Objective that are not directly reflected in Selection Criterion A).

Total Selection Criterion Score.

The total Selection Criteria score (the "Total Selection Criteria Score") for each proposal shall be the sum of that proposal's Selection Criterion A score plus that proposal's Selection Criterion B score.

Procedures for Evaluation of Proposals

Step 1: Technical Evaluation by Consultants:

All proposals received from proposers shall will be independently evaluated by MTA's Leasing Agent (currently Newmark Grubb Knight and Frank) and MTA's Retail Manager for GCT

(currently, Jones Lang LaSalle) or such other outside consultants as may from time to time be retained by the MTA to provide leasing and retail property management services at GCT (individually, the “Technical Consultant” or collectively, the “Technical Consultants”).

Each Technical Consultant shall provide the Director, Grand Central Retail Leasing and Management with an independent technical evaluation (a “Technical Evaluation”) of each such proposal.

If either Technical Consultant considers that a proposal is non-responsive, such Technical Consultant shall promptly raise that issue with the Director, Grand Central Retail Leasing and Management and the Director, Grand Central Retail Leasing and Management shall undertake the responsiveness review in Step 2 for such proposal. If after such responsiveness review (and any corrective steps permitted in Step 2) the Director, Grand Central Retail Leasing and Management (after consultation with the Managing Director, TOM) determines that such proposal is not responsive, such proposal shall be disqualified and no further technical evaluation shall be performed.

Each Technical Evaluation of each proposal shall include:

- (i) responsiveness to the RFP;
- (ii) a calculation of the Unadjusted Guaranteed Rent Amount;
- (iii) a calculation of the Unadjusted Percentage Rent Amount;
- (iv) a description of any known adverse prior experience (such as arrears, delinquent payments, and failure to comply with lease or license terms) pertaining to business relationships of the proposer or any Affiliate of the proposer (as such term is described below), after due inquiry into the GCT leasing records and the records of Tenant Management;
- (v) any other matters relating to the responsibility of the proposer;
- (vi) an assessment of the viability of the proposer’s business plan (taking into account, as appropriate, the proposer’s concept, capabilities and past experience), the creditworthiness of the proposer (or any proposed guarantor) and any security deposits and/or guaranties that will be required (as set forth in the applicable RFP);
- (vii) an assessment of the likelihood of receiving any proposed percentage rent; and
- (viii) an assessment of the likelihood that the proposer will indirectly further the Objective, by attracting other desirable proposers to GCT, and/or customers for other current or proposers at GCT.

Step 2: Determination of Responsiveness:

The second step after receipt of proposals will be a determination of responsiveness by the Director, Grand Central Retail Leasing and Management using the standard criteria set forth in the General Guidelines (including such proposer’s failure to provide all completed forms, supplemental information and signatures required by the applicable RFP). A proposal received in response to an RFP should be deemed “not responsive” (and thus disqualified and eliminated

from further consideration by the Director, Grand Central Retail Leasing and Management) if such proposal (a) contemplates uses that such RFP identified as prohibited uses or (b) fails to provide for uses that such RFP identified as mandatory uses. A proposer may not be disqualified by reason of such proposer having proposed uses that the RFP identified as merely “disfavored” or by reason of having failed to propose uses that the RFP identified as merely “preferred” (although that may properly be taken into account in scoring proposals, as described above under the heading “Selection Criterion B”). If the Director, Grand Central Retail Leasing and Management determines that it is in MTA’s best interests to permit a proposer to modify its proposal after the due date to correct deficiencies that would otherwise cause it to be deemed or otherwise determined to be non-responsive, such proposer shall be afforded such opportunity. If a decision is made to request action by the proposer to conform its submission with the RFP requirements, an email or letter should be sent to the proposer requesting such action. Any such email or letter should state that the non-conformity must be rectified within five working days, except that a longer time may be allowed by the Director, Grand Central Retail Leasing and Management, if the nature of the non-conformity (e.g., missing architectural plans) warrants such longer period.

In making the foregoing determination, the Director, Grand Central Retail Leasing and Management may rely on the Technical Evaluations. If there is any doubt about the appropriate action to take, MTA Legal should be consulted.

Step 3: Initial Determination of Responsibility:

The third step is an initial determination of responsibility by the Director, Grand Central Retail Leasing and Management. The Director, Grand Central Retail Leasing and Management may determine that a proposer is not responsible for any reason contemplated by the General Guidelines (including unsuitability due to a record of criminality, lack of integrity, violations of the Procurement Lobbying Law (State Finance Law §§ 139-j and 139-k)).

A proposer may be disqualified as “not responsible” (and thus eliminated from consideration by the Director, Grand Central Retail Leasing and Management) if such proposer, or any Affiliate of such proposer, (a) has been convicted of a felony or any misdemeanor involving moral turpitude; (b) has been disqualified from contracting with the MTA, the City of New York, the State of New York, the Port Authority of New York and New Jersey or the federal government; (c) has violated the Procurement Lobbying Law (as more particularly described in Chapter XI of General Guidelines); (d) owes, with respect to amounts due not more than five years prior to the date of the RFP, in excess of \$10,000 to the MTA or any other MTA Agency; such amount is not (in the view of MTA Legal) the subject of a bona fide dispute; and such amount has remained unpaid for more than 30 days after written demand from the MTA or another MTA Agency; (e) is in default of material non-monetary obligations to the MTA or another MTA Agency under an existing lease and the MTA or MTA Agency has provided written notice under that lease and the default has not been timely cured as provided in the lease; (f) has any outstanding federal, state or local tax warrants or liens; or (g) has received an unacceptable credit report from a reputable credit reporting company. Late payment, as opposed to non-payment, shall not constitute grounds for disqualification of an otherwise responsible proposer (although it may be taken into account in scoring proposals, as described above under the heading “Selection Criterion A”). If after providing written notice and having afforded such proposer an opportunity to be heard the MTA deems a proposer to be not responsible, the MTA need not undertake any further consideration of such proposer’s proposal. A proposer may be deemed “not responsible” (and thus may be disqualified and eliminated from consideration by the Director, Grand Central Retail Leasing and Management) if such proposer, or an Affiliate of such proposer, (a) is the current tenant in the space being offered by the RFP or any other retail space at GCT, and (b) refuses

to agree to amend its current lease for such space to include security provisions identical to those in the draft lease issued as part of the RFP.

If, after having been provided written notice of its intent to disqualify a proposer as not responsible, and having afforded such proposer an opportunity to be heard, a proposer is deemed to be not responsible, no further consideration of that proposal need be undertaken. In making the foregoing determination, the Director, Grand Central Retail Leasing and Management may rely on the Technical Evaluations.

Step 4: Evaluation by the Director, Grand Central Retail Leasing and Management:

The Director, Grand Central Retail Leasing and Management shall thereafter complete his/her written evaluation of all responsive proposals received from responsible proposers based on the Selection Criteria, using both the numerical scoring and comment sections of an evaluation and scoring form substantially in the form attached hereto as Appendix A (the "Evaluation Form"). In completing such Evaluation Form, the Director, Grand Central Retail Leasing and Management must exercise his/her own best independent judgment taking into account the Technical Evaluations.

If the proposal with the highest Total Selection Criteria Score is also the proposal with the highest Unadjusted Guaranteed Rent Amount, then, without convening a selection committee, the Managing Director, TOM (with the approval of the Chief Development Officer) may (i) provided at least three proposals were received, award the lease to the proposer who offered the highest Unadjusted Guaranteed Rent Amount without a Finance Committee Staff Summary or MTA Board Approval provided that it is later listed in a chart in the Finance Committee book consistent with Policy 33 adopted by the MTA Board in November, 2013, applicable to the award of leases generally under the General Guidelines or (ii) submit to the MTA Board Finance Committee a Staff Summary recommending award of the lease to such proposer and seeking authorization of the MTA Board for such action. However, if the proposal with the highest Total Selection Criteria Score is not the proposal with the highest Unadjusted Guaranteed Rent Amount or if two proposals provide for the same highest Unadjusted Guaranteed Rent Amount, then the Director, Grand Central Retail Leasing and Management must convene a selection committee (the "Selection Committee") consisting of the Director, Grand Central Retail Leasing and Management, the Managing Director, TOM or his or her designee and a representative of Metro-North Commuter Railroad Company appointed by the Executive Vice President of Metro-North or his or her designee.

Step 5: Evaluation by Selection Committee, If Necessary

If a Selection Committee is required, the members of the Selection Committee will be furnished with the Technical Evaluations. Each Selection Committee member other than the Director, Grand Central Retail Leasing and Management shall complete his or her written evaluation of all responsive proposals received from responsible proposers based on the Selection Criteria, using both the numerical scoring and comment sections of the Evaluation Form. In completing such Evaluation Form, each such Selection Committee member must exercise his or her own best independent judgment taking into account the Technical Evaluation.

A meeting of the Selection Committee will thereafter be convened. At such meeting, the members of the Selection Committee may properly discuss the applicable proposals among themselves and/or with the Consultants. After such discussion is completed, each of the three members of the Selection Committee may prepare supplemental Evaluation Forms taking into

account any such consultation and discussion. Each supplemental Evaluation Form shall include a narrative explanation for the basis of any scoring changes from the scoring in that Selection Committee member's original Evaluation Form. The Total Selection Criteria Score on the three final Evaluation Forms (which will be the original Evaluation Form for each Selection Committee member who does not submit a supplemental Evaluation Form; and will be the supplemental Evaluation Forms for the other Selection Committee members) will be added together and the proposals ranked based on such aggregate scoring.

Step 6: Conditional Designation

If a proposer is selected, either by the Director, Grand Central Retail Leasing and Management as provided in Step 4 or by a Selection Committee as provided in Step 5, as applicable under the circumstances, the Director, Grand Central Retail Leasing and Management or his or her designee shall prepare a conditional designation letter for execution by the Managing Director, TOM or other authorized signatory on behalf of MTA and Metro-North and countersignature by such proposer as contemplated by the General Guidelines.

Step 7: Determination of Whether to Present Recommendation to the Board

The Managing Director, TOM may (at any time after an RFP is issued) determine, in consultation with the MTA Legal, that it is in the best interest of the MTA to reject all proposals because the process did not yield sufficiently advantageous proposals, if the Managing Director, TOM believes that issuing a new RFP would materially further the Objective, or because it has been determined, since the applicable RFP was issued, that the applicable space is better utilized for a non-commercial purpose, in which case the Managing Director, TOM shall so report to the Board's Finance Committee. Otherwise, the Director, Grand Central Retail Leasing and Management shall make a final determination of responsibility with respect to the proposer with the highest Total Selection Criteria Score, based on any new information received after the initial determination of responsibility, and if such proposer continues to be responsible the Managing Director, TOM shall (i) provided at least three proposals were received, award the lease to the proposer who offered pursuant to Policy 33 of the General Guidelines adopted by the MTA Board in November, 2013, or (ii) submit to the MTA Board Finance Committee a Staff Summary requesting authorization to enter into a lease with the proposer who did not offer the highest Unadjusted Guaranteed Rent Amount, but had the highest Total Selection Criteria Score as determined by a Selection Committee. If such recommended proposer is not the proposer with the highest Unadjusted Guaranteed Rent Amount, then the Staff Summary must include a reasonably detailed explanation of the factors that the Selection Committee took into account in recommending such proposal.

APPENDIX A – GRAND CENTRAL TERMINAL RETAIL LEASING EVALUATION SHEET

Space: _____

Evaluator: _____

Date: _____

| Scoring | A | B | C | D | E | F | G | H | I | J |
|------------|---|---|--|---|--|--|---|---|---|---|
| | Unadjusted Guaranteed Rent Amount | Guaranteed Rent Adjustment Factor* | Adjusted Guaranteed Rent Amount (A x B) | Unadjusted Percentage Rent Amount | Percentage Rent Adjustment Factor** | Adjusted Percentage Rent Amount (D x E) | Adjusted Total Rent Amount (C + F) | Selection Criterion A Score *** (0-70) | Selection Criterion B Score (0-30) | Total Selection Criterion Score (H + I) |
| Proposer 1 | | | | | | | | | | |
| Proposer 2 | | | | | | | | | | |
| Proposer 3 | | | | | | | | | | |
| Etc. | | | | | | | | | | |

* Guaranteed Rent Adjustment Factor: from 1.00 (no uncertainty about A) to as low as 0.50 (great uncertainty about A); however may be as low as 0.00 per guidelines

** Percentage Rent Adjustment Factor: as high as 0.50 (no uncertainty about D) to as low as zero (great uncertainty about D)

*** Selection Criterion A Score: 70 multiplied by the ratio of the Adjusted Total Rent Amount for the proposer to the highest Adjusted Total Rent Amount (from column G)

PROPOSER 1

Space: _____

Evaluator: _____

Date: _____

Guaranteed Rent Adjustment Factor and explanation of why awarded: _____

Percentage Rent Adjustment Factor and explanation of why awarded: _____

Selection Criterion B Score and explanation of why awarded: _____

PROPOSER 2

Space: _____

Evaluator: _____

Date: _____

Guaranteed Rent Adjustment Factor and explanation of why awarded: _____

