



## **TF Cornerstone and MSD to redevelop Grand Hyatt New York**

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Manhattan, NY TF Cornerstone and MSD Partners, L.P. intend to pursue redevelopment of Grand Hyatt New York adjacent to Grand Central Terminal in Midtown in collaboration with an affiliate of Hyatt Hotels Corp. (Hyatt). The new project would replace the existing building and create a 2 million s/f mixed-use development, including office and retail space, improvements to the public transportation infrastructure in the Grand Central Terminal transit complex and a new Grand Hyatt hotel.

The project would transform one of the most important sites in East Midtown – at 42nd St. and Lexington Ave., adjacent to Grand Central Terminal – offering class A office space to meet demand for the most technologically advanced and efficient floorplans.

The project would include substantial public benefits consistent with the recent rezoning of East Midtown:

- Attract and retain world-class talent and businesses that require new construction, building on recent East Midtown advancements that include JP Morgan's announcement that it will redevelop its headquarters on Park Ave. and the ongoing development of One Vanderbilt.

Support significant new improvements at Grand Central Terminal, including:

- Enhanced connectivity and circulation in the Grand Central subway complex
- New subway entrances
- Additional design improvements
- Revitalize Grand Hyatt New York, protecting union and non-union hotel jobs and driving economic growth
- Provide significant increase in tax revenue at a critical East Midtown location.

The development team looks forward to working with the MTA to begin a comprehensive planning effort that will ensure that the final design will maximize benefits to their NYCT and Metro-North customers, and ultimately, Long Island Rail Road riders once the East Side Access Project is completed. The development would be subject to city and state public review processes and work

would only begin following receipt of necessary City and State approvals, completion of the design plans and the arrangement of sufficient project financing to complete its construction. Development would be made possible by the contribution of development rights from Grand Central Terminal, currently owned by TF Cornerstone and MSD Partners, combined with the increase in density permitted in accordance with the recently approved rezoning of East Midtown to support new office development and infrastructure investment. The redevelopment plans were created in consultation with the New York Hotel Trades Council.

Jeremy Shell, principal, TF Cornerstone, said, "This extraordinary project builds on TF Cornerstone's proud history of mixed-use development in New York City. We look forward to the opportunity to bring a new icon to New York's skyline and help advance the City's goals for desperately needed new development and infrastructure in East Midtown."

Jake Elghanayan, principal, TF Cornerstone, said, "We are proud to support sustainable, transit-oriented development with new Class A office space, retail, and a Grand Hyatt hotel adjacent to Grand Central Terminal. The development will provide transit improvements that will transform the experience for hundreds of thousands of commuters every day."

Jason Kollander, principal, MSD Partners, said, "This unique partnership is another example of our commitment to investing in East Midtown and helping to drive the revitalization of New York's most important business district for the next generation."

Mark Pardue, senior vice president, operations and human resources, Americas, Hyatt: "Hyatt first entered the critical New York market with the flagship Grand Hyatt New York, and the hotel has always been one of our most iconic properties and vital locations. With support from our valued colleagues, we have proudly operated in the city for more than 35 years and remain committed to operating high quality hotels that can sustain long-term success and career opportunities for our colleagues in the market. We look forward to collaborating with TF Cornerstone and MSD Partners to introduce an extraordinary new hotel that will welcome global travelers and local New Yorkers alike while delivering public benefits that will make New York City a better place for residents and visitors."