



INCENTIVES

REAP

Relocation Employment Assistance Program

\$25

Up to \$25 per Square Foot to Tenants

\$3000

Annual benefits for each full-time employee

CRT

Commercial Rent Tax

Reduced Property Tax

Avoid a 3.9% rental tax charged to tenants paying more than \$250K per year in rent in Manhattan business districts

ICAP

Industrial & Commercial Abatement Program

25 Years

This city program reduces property tax obligations by up to 25 years

Relocation Employment Assistance Program (“REAP”) – worth \$25+/sf to Tenants.

This City program benefits companies relocating to Ten Grand Street from Manhattan (below 96th St) or outside of NYC, by providing \$3,000 annually for each full-time employee. Eligible companies must sign an office lease for at least a 3-year term but may collect the REAP benefits for up to 12 years. Companies may redeem their REAP benefits as a tax credit against City taxes, however, in the case of start-ups or small business not generating sufficient taxable income, REAP benefits may be collected as a direct payment from the City.

Example: MPOWERD, Inc., a solar energy start-up with 20 full-time employees, relocated from Chelsea to Two Trees’ 45 Main Street in DUMBO in 2017. Shortly after submitting their 2018 NYC tax filing, MPOWERD received a REAP benefit check from the City for \$60,000 (\$3,000 x 20). MPOWERD’s net REAP benefits will amount to over \$720,000 or more over the next 12 years.

Commercial Rent Tax (CRT) – exemption from a tax owed by office tenants in Manhattan.

Brooklyn office tenants are exempt from the NYC Commercial Rent Tax, which imposes a rental tax of 3.9% on tenants paying more than \$250,000 per year in rent for space in most office districts in Manhattan.

Industrial & Commercial Abatement Program (ICAP) – reduces Tenant’s % of property taxes.

This City program reduces property tax obligations for up 25 years, subject to overall capital improvements. This program benefits Ten Grand tenants by keeping their percentage of real estate tax obligations to a minimum.