226 East 54th Street

For Sale

Guidance Upon Request

Development Site

226 East 54th Street,
New York, NY 10022

BKREA

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Confidentiality & Disclaimer

Property Description

226 East 54th Street

BKREA has been exclusively retained to facilitate the sale of 226 East 54th Street, a prime development opportunity in the heart of Midtown East Manhattan. The site spans approximately 5,021 square feet with roughly 50 feet of frontage along the south side of East 54th Street, between Second and Third Avenues. Currently improved with a 9-story, 31,105 SF office building (built in 1920, and enlarged by three floors in 1990), the property, which has owned for 45+ years, is suited for redevelopment either as a modern commercial project or a new residential tower. A developer can choose to capitalize on the building's footprint and airspace by constructing a ground-up development that maximizes the allowable floor area under current zoning.

Perfectly situated in the prestigious Midtown East submarket of Manhattan, the property benefits from a location that is both centrally positioned and highly coveted. It is surrounded by a dynamic mix of office headquarters, luxury residential towers, hotels, and retail. One block west sits the iconic Citigroup Center tower at 601 Lexington Avenue, occupying the block of 53rd–54th Streets from Third Avenue to Lexington Avenue, underscoring the blue-chip corporate presence in the immediate area. This address offers developers and future end-users a world-class location with a Midtown prestige factor that commands premium rents and sales values.

The Site is zoned C1-9 (a commercial district with a residential R10 equivalent). This zoning offers considerable flexibility for mixed-use development. Under current zoning, commercial use is permitted up to an FAR of 2.0 (approximately 10,042 buildable square feet). Residential use is permitted up to an FAR of 10.0 (approximately 50,210 buildable square feet). With the inclusion of the Universal Affordability Preference (UAP), the allowable residential ZFA increases to approximately 60,252 buildable square feet. This is could be achieved by building 2.0 FAR (10,042 buildable square feet) of affordable on-site. A purchaser could also satisfy the UAP Affordability component by purchasing offsite UAP certificates (formerly offsite Inclusionary Housing) increasing the market-rate ZFA to 12.0 FAR (60,252 buildable square feet), which are not included in the sale.

226 East 54th Street presents an exceptional covered land play opportunity. The existing 9-story structure generates interim cash flow while leases expire or are terminated, allowing for income during the planning phase of a brand-new, purpose-built residential or commercial development. With C1-9/R10 zoning and 50 feet of frontage, the site supports a modern residential tower or a state-of-the-art boutique office or retail building. The dimensions allow for efficient layouts, including through-floor residential units or attractive commercial floor plates. In a neighborhood where new development is rare, this property stands out as a unique opportunity to deliver a flagship project in Midtown East.

Property Information	
Address:	226 East 54th Street, New York, NY 10022
Location:	South Side of East 54th Street Between 2nd and 3rd Avenues
Neighborhood:	Midtown East
Development Block / Lot:	1327 / 35
Zoning:	C1-9 (R10)
Development Lot Dimensions:*	50' x 100.42'
Development Lot Square Footage:*	5,021'

As of Right (UAP must be built on site or purchased off site)

	Residential	Residential (UAP)**	Commercial
Total FAR	10.0	12.00	2.0
Total ZFA	50,210	60,252**	10,042

	Lot 35
Assessment (24/25):	$3,546,180.00
Taxes (24/25):	$381,639.92

*All square footages are approximate, based on public records and client materials.

**If not built on site, these need to be purchased.

Highlights & Tax Map

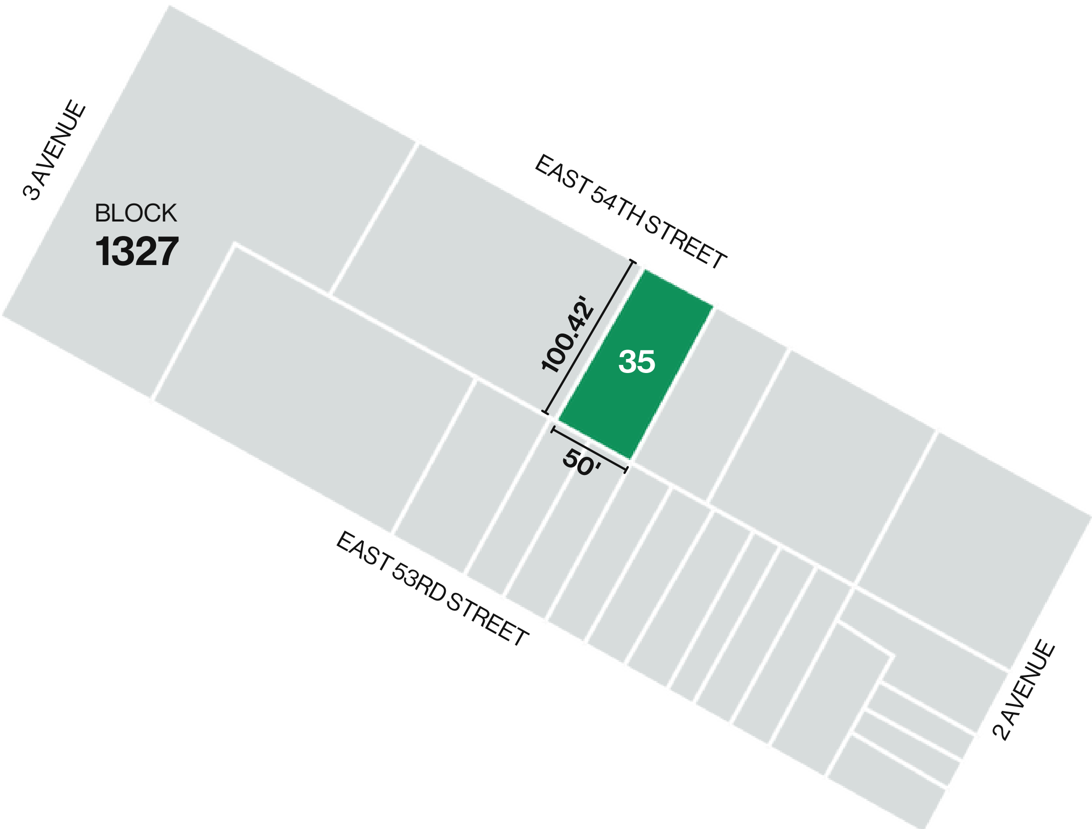
Prime Midtown East Location
Centrally located in prestigious Midtown East, surrounded by luxury towers, major office buildings, and world-class retail.

Flexible Zoning with FAR Upside
C1-9(R10) zoning allows up to 10.0 residential as-of-right FAR, with potential to increase to a 12.0 with UAP.

Potential Light & Air Easement
Neighboring co-op has indicated willingness to grant an easement, unlocking the ability to add legal bedrooms and enhance unit value.

Advantageous Accessibility
Down the block from the 53rd Street subway station allowing access to the E, M, 6—offering unmatched access across Manhattan and the outer boroughs.

Covered Land Play
This development site offers a unique as-is cash flow opportunity. With existing commercial income in place, investors can generate revenue while finalizing plans, securing permits, or awaiting optimal market conditions for redevelopment.



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Rent Roll

226 East 54th Street					
Tenant	**Use**	**Square Feet**	**Rent Amount**	**Lease Start**	**Lease Expiration**
Space 54 LLC	Event Space	4,500	$387,568.46	3/15/2019	2/28/2029
Trooper Fitness	Fitness Club	4,500	$124,218.00	11/1/2022	10/31/2025
NITNC LLC & New Island	Unknown	1,600	$66,630.12	12/1/2018	11/30/2026
Metro Sports	Physical Therapist	1,900	$74,849.16	10/1/2021	9/30/2028
Larsen Brown Inc.	Staffing Agency	1,500	$62,444.26	2/1/2019	1/31/2026
Breakers Psychoterapy	Mental Health Services	1,000	$38,400.00	7/1/2019	6/30/2025
Sky Management Corp	Commercial Real Estate	3,525	$187,200.00	9/1/1999	11/30/2019
Spa Enliven Inc.	Spa	1,400	$62,712.00	11/1/2014	10/31/2028
LJR Enterprises LLC	Unknown	1,750	$65,071.95	4/1/2021	3/31/2026
Birch and Brawn	Fitness	1,400	$49,159.44	5/1/2022	4/30/2025
Apex Human Performance LLC	Health Club	2,500	$86,303.70	2/1/2023	1/31/2028
Justine Roth Nutrition LLC	Nutritionist	200	$12,474.00	5/1/2016	4/30/2027
DTX	Wellness Center	1,200	$72,113.26	11/1/2021	10/31/2025
Omi-Old Manuscripts & Insunabula Inc.	Ancient Artifacts	200	$10,800.00		
Lounge 1881 Inc.	Yoga Studio	2,800	$90,000.00	7/1/2016	8/31/2027
KA Design Group LLC	Interior Design	2,800	$166,275.27	2/1/2022	1/31/2025
Yottoy Productions Inc	Toy Design/Sales	2,800	$112,486.00	8/1/2013	10/31/2028
Verizon	Telecommunications	-	$4,562.63	10/7/2005	10/6/2030

Demolition Clauses

Tenant	Use	Demolition Clauses	Tenant Buyouts / Demolition Costs (If Vacated by 06/30/2026)
Space 54 LLC	Event Space	• Can be given during LY 5 • During Lease Year 6 ($200k) • During Lease Year 7 ($100k) • During Lease Year 8 ($50k) • During Lease Year 9 ($0) • 12 mo notice of Term	$100,000 (Reach out for details)
Trooper Fitness**	Fitness Club		$0.00
NITNC LLC & New Island	Unknown	• After Lease Year 3 ($40k) • After Lease Year 4 ($20k) • 12 mo notice of Term	$20,000
Metro Sports	Physical Therapist	• After Lease Year 3 (4 mos rent) • After LY 4 (3 mos rent) • After LY 5 (1 mo rent) • 12 notice of Term, page 17	$18,711
Larsen Brown Inc.	Staffing Agency	• After Lease Year 3 ($40k) • After Lease Year 4 ($20k) • 12 mo notice of Term, page 15	$0.00
Breakers Psychoterapy	Mental Health Services	• After Lease Year 3 ($40k) • After Lease Year 4 ($20k) • 12 mo notice of Term, page 14	$0.00
Sky Management Corp	Commercial Real Estate	• No termination/demo clause	Sky Management is the owner of the building and will vacate upon sale or stay month-to-month at the buyer's discretion.
Spa Enliven Inc.	Spa	• Termination with 6 months notice	$0.00
LJR Enterprises LLC	Unknown	• After Lease Year 2 (4/1/23) • 9 mo notice of Term	$0.00
Birch and Brawn	Fitness	• No termination/demo clause	$0.00
Apex Human Performance LLC	Health Club	• After Lease Year 3 (4 mos rent) • After LY 4 (3 mos rent) • After LY 5 (2 mo rent) • 12 notice of Term, page 16	$28,767
Justine Roth Nutrition LLC	Nutritionist	• Termination with 6 months notice	$0.00
DTX	Wellness Center	• Termination with 6 months notice	$0.00
Omi-Old Manuscripts & Insunabula Inc.	Ancient Artifacts	• Month to Month	No demolition clause exists
Lounge 1881 Inc.	Yoga Studio	• $20,000 upon tenant vacating timely • 3 month notice of Term	$20,000
KA Design Group LLC	Interior Design	• After Lease Year 2 ($0) • 6 months notice of Term	$0.00
Yottoy Productions Inc	Toy Design/Sales	• If Landlord exercises this termination option, Tenant shall receive two (2) months free rent • 12 months notice of Term	$18,747
Verizon	Telecommunications	• Only terminable by Verizon	No demolition clause exists
Totals*			$206,225 *

*Please conduct your own due diligence; these are estimated values based on the provided lease abstracts
**Trooper Fitness and Space 54 are in significant arrears on their lease.

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Neighborhood Overview

226 East 54th Street is located in Midtown East, one of Manhattan's most established and vibrant neighborhoods. Midtown East is known for its blend of corporate headquarters, luxury residences, and hotels, all coexisting in a neighborhood filled with cultural landmarks and iconic restaurants. The neighborhood offers a dynamic mixed-use environment: along the avenues are office towers and large residential buildings, while the side streets (like East 54th) feature a mix of older low- to mid-rise structures. This creates a neighborhood that is active during business hours and remains lively into evenings and weekends with residents and visitors.

Midtown East has seen a surge of investment and development in recent years, driven in part by the City's East Midtown Rezoning initiative, which has reinvigorated the office corridor around Grand Central and encouraged the upgrading of older buildings. While the rezoning's core is west of Third Avenue, its positive effects are felt throughout Midtown East. New skyscrapers like JPMorgan's planned headquarters at 270 Park Avenue and One Vanderbilt at 42nd Street have cemented the area's status as a premier business district. Closer to 226 E 54th, we see modern luxury residential towers that have been developed or refurbished, reflecting strong demand for high-end housing in the area. For example, 131-141 East 47th Street is a 34-story residential skyscraper built by Hopson Development and designed by Ismael Leyva. Likewise, along Second Avenue and Third Avenue in the 50s, several older buildings have been repositioned or are targets for future redevelopment, indicating an ongoing trend of renewal in the district.


JP Morgan Chase Head Quarters

Source: The Archictect's Newspaper


1 Vanderbilt

Photograph by Max Touhe

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The vicinity of 226 East 54th Street is enriched by some of New York City's most famous cultural landmarks and destinations, adding a cachet to the location that will benefit any future development. Residents and office users alike will appreciate being steps away from iconic NYC attractions for leisure, entertainment, and recreation:

Located just five avenues west, Rockefeller Center is a global icon known for its Art Deco architecture, ice-skating rink, Christmas Tree, and the Top of the Rock observation deck. The complex is also home to Radio City Music Hall and NBC Studios, creating a vibrant hub of media, entertainment, and dining just minutes from the site—perfect for both daytime and after-hours activity.

Roughly a 10-minute walk away, MoMA is one of the world's leading museums of modern and contemporary art. Its proximity adds cultural cachet to the area, offering future residents or tenants easy access to rotating exhibits, screenings, and events—ideal for lifestyle-driven buyers and companies seeking a prestigious, amenity-rich location.

Less than 15 minutes on foot, Central Park provides a rare and valuable amenity in the form of expansive green space, walking trails, boating, and iconic attractions like the Central Park Zoo and The Pond. Its accessibility enhances residential appeal, offering a tranquil escape in the heart of Manhattan.

Just a few blocks west lies Fifth Avenue's luxury retail corridor, home to Saks, Tiffany & Co., Gucci, and more. Alongside high-end shopping is the historic St. Patrick's Cathedral—one of New York's most visited landmarks. Together, they lend an upscale, globally recognized character to the neighborhood surrounding the development site.

Fifth Avenue Luxury Retail Corridor

The cultural and recreational landscape around 226 East 54th Street is second to none. Whether one is interested in arts, entertainment, shopping, dining, or simply enjoying New York's urban energy, this location provides it in abundance. This rich surrounding environment will greatly enhance marketing efforts for a future development – prospective residents will recognize the benefit of living near such attractions, and commercial occupants can leverage the prestige and convenience of the area's landmarks. Midtown East's blend of work and play truly comes to life at this site, making 226 East 54th Street an exciting prospect for developers aiming to deliver a project that capitalizes on all that New York City has to offer.

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Transit Overview

One of the key advantages of 226 East 54th Street is its superb connectivity to transportation. The site is transit-oriented, with numerous subway lines and transit hubs located within walking distance, making it highly accessible from all parts of New York City. Convenient transit access is a critical factor for both residential and commercial development value, and this location delivers unparalleled options for commuters and residents alike.

The Lexington Ave–53rd Street station (E, M trains) is just a 2-minute walk, providing direct access to other parts of Manhattan, Queens, and Brooklyn. The 51st Street station is connected to the 53rd Street station and provides access to the 6 train which provides local access to uptown Manhattan, Brooklyn, and the Bronx.

The 59th Street–Lexington Avenue station (4, 5, 6, N, R, W trains) is a major transfer hub just seven minutes from the site, offering express service across Manhattan and into the outer boroughs. Grand Central Terminal is a 12-minute walk or one subway stop away, providing access to Metro-North, LIRR (via Grand Central Madison), and the 7 train. The property is also well-served by M15 SBS and crosstown buses, with convenient access to the FDR Drive, Queensboro Bridge, Penn Station, and major airports—making this a truly transit-rich location.

Meet the Team

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