



Frequently Asked Questions for Prospective Merchants

Last updated: 01/21/2025

Market Operating Hours

1. When would I need to be open for the public?

Wednesday, 10 am - 6 pm

Thursday, 10 am - 6 pm

Friday, 10 am - 8 pm

Saturday, 8 am - 6 pm

Sunday, 9 am - 4 pm

Closed Monday & Tuesday

2. Are those hours temporary or permanent? Are those hours open to extension for certain businesses?

Opening hours are currently set for market start-up. As merchants gain capacity, the hope is to extend them. Depending upon which space the business is located in, it may be possible to have additional hours prior to any expansion we undertake. That is considered on a case by case basis.

3. If I lease a space, do I have to be open during all of those core hours?

Yes.

4. Will I have access to my space to prep or clean before or after public open hours?

Yes. Standard access hours will be two hours prior to opening and two hours post closing. However, if a merchant needs additional time, that can be arranged with Market administration.



5. Will the market be closed on specific holidays/other days?

Yes. The market will be closed on Memorial Day, Easter Sunday, Labor Day, Thanksgiving Day, and Christmas Day. These days are subject to change as business develops. Moreover, we are respectful of other cultures, so if there are other days of cultural or religious importance that merchants observe, these will be decided on a case by case basis.

6. Are there mandatory meetings or events merchants must attend outside public operating hours?

Yes. There will be periodic meetings that require Merchant attendance. A regular meeting schedule will be established and any other meetings will be noticed with ample time.

Leases and Rental Costs

7. How much is rent? Does it include utilities and storage?

There are three components to rent:

Base Rent: \$10 per square foot

Common Area Maintenance (CAM): \$12 per square foot

Percentage Sales: 5% of gross sales

Example for a 100 sf space:

Base rent: $\$10 \times 100 = \$1,000$

CAM: $\$12 \times 100 = \$1,200$

Total *annual* rent is \$2,200

Monthly rent $\$2,200 / 12 = \183.33

Month #1 sales $\$5,000 \times .05 = \250

Total due Month #1 = \$433.33

Dry storage, cold storage, and freezer storage are also \$10 psf with no CAM charged.



Utilities (electric, water, gas, phone, internet) are additional, billed separately to the merchant as part of the monthly rent invoice.

8. What is Common Area Maintenance (CAM)? Do I have to pay it?

Yes, all merchants have to pay this fee. As a communal business atmosphere, this fee covers maintenance and services of the common spaces shared by all merchants of the market, such as corridors, restrooms, and security among other services. Merchants remain responsible for maintaining the cleanliness of their leased spaces.

9. How long are leases?

Lease length is determined by the type of business and where it is located. Anchor spaces may receive a different type of lease term apart from Market house merchants, as they can be independently operated. In general, a leased space in the Market house will be 18 - 36 months.

10. Are leases automatically renewed? Can I operate month-to-month?

No. There are no lease renewals or month-to-month opportunities. Prior to a lease term expiring, a new lease can be negotiated for the merchant to continuously remain in the Market for another lease term. Merchants must be in good standing in order to enter into negotiations for a new lease. If a merchant is not in good standing, they will be asked to leave by the current lease's expiration date.

11. Are there any initial deposits or fees required when signing a lease?

Yes. Upon lease signing, one month's base rent and CAM will be due. Other fees may include background checks, among others.

**12. How is the Percentage Sales rent component calculated and reported?
What is gross sales based on? How do you prove gross sales?**

Merchants will be required to submit monthly gross sales information. Gross sales for the Market are calculated based on activities originating in the Market and run through the merchant's POS at the market. Market administration reserves the right to audit sales information to ensure proper reporting.



13. Is there a cap on the percentage rent?

No. The Market has established an amount for rent that is affordable for tenants and sustainable for the Market.

14. Are there penalties for late rent payments?

Yes.

15. Are there any annual rent adjustments, such as for inflation or rising operational costs?

Yes. These items are discussed should a new lease be offered.

Market Performance and Projections

16. What is the projected foot traffic?

A market feasibility study was conducted in 2019. The data is located at the end of the FAQ section. Please also consult the Madison Chamber of Commerce and the City of Madison for more recent statistics.

17. Does the Market have a marketing plan, complete with channels used and how much per channel?

Not yet.

18. How much in sales does the Market project for merchants?

We anticipate, but do not guarantee, that merchants, on average, will earn \$600 psf of leased space annually.

Space Details and Buildout

19. How many spaces are available for lease? What are the sizes? What do they include?

Please refer to the Space Descriptions and Map, located here. There are 31 spaces for lease. Two spaces are anchor spaces delivered in "gray box" status.



Seven spaces have hood ventilation systems and sinks installed. Two additional spaces are capable of having a hood ventilation system installed.

20. Who pays to build out the space?

As is typical in commercially leased rentals, the lessee (merchant) is solely financially responsible for building out the leased space, within the guidelines set by the landlord/operator (Market administration). There are several types of funding available, including possible funding from the Market as well as the merchant's own funds, and possibly other grants and loans from a variety of sources. Should the merchant be eligible for funding originating from the Market, it will be discussed during lease negotiations. However, it is the merchant's responsibility to seek out all other funding.

21. How and who decides merchant location within the market space?

Assigned spaces are the sole decision and discretion of Market administration. Spaces are offered according to the type of business and features required to run the business. When possible, there may be a choice offered, however this is not guaranteed.

22. If I am offered a space and do not accept it, what happens to my offer?

The offer is only valid for the space designated in the offer within the time period to accept it. Due to the overwhelming response of potential merchants, once you decline or fail to accept by the deadline, we will move on and offer the space to another business. Declining a space does not make you ineligible to be in the Market at a later date, however you may have to restart the application process to be considered again.

23. What kind of signage is permitted for my space?

Buildout guidelines are being developed to ensure a consistent experience throughout the market.

24. Are there restrictions on how I can decorate or personalize my space?

Yes. Buildout guidelines are being developed to ensure a consistent experience throughout the market.



25. Are there any sustainability or eco-friendly build-out requirements?

Maybe. Buildout guidelines are being developed to ensure a consistent experience throughout the market.

26. Can I request additional features or upgrades during the build-out process?

Maybe. Merchants are expected to work with construction professionals to determine features and upgrades that fit within their budget. Additionally, buildout guidelines are being developed to ensure a consistent experience throughout the market.

Policies and Restrictions

27. The Market has insurance; do I need to buy my own insurance?

Yes. As the landlord, the Market carries liability insurance for the property. It does not include the contents of leased spaces. Merchants will be given specifics on the type of insurance required, as well as the minimum coverage needed to operate inside of the Market.

28. If I am a merchant with a signed lease, may I sub-lease to anyone else without the Market's express written permission?

No.

29. Can I lease more than one space for more than one type of business? Can I co-lease more than one space?

Not initially. Far into the future this may be a possibility but it is not a possibility now.

30. Can I use a leased space only or primarily for fulfilling catering or product orders?

No. The purpose of the market is to create a vibrant atmosphere, where all merchants are serving the customers who come into the market.



31. What happens if my business temporarily closes due to unforeseen circumstances (e.g., illness, natural disaster)?

Merchants are highly encouraged to purchase business interruption insurance from their insurance broker.

32. Can I make structural changes to my space after the lease starts?

Maybe. Buildout guidelines are being developed to ensure a consistent experience throughout the market. Please discuss with Market administration prior to any construction.

33. Are there restrictions on the types of goods or services I can offer?

Yes. Upon lease signing, you are permitted to sell the items on your product listing attached to the lease. Should you wish to sell anything else, you must have express written permission from Market administration, as selling something else without it may negatively affect our tenant mix and offerings.

34. Are there policies regarding sound, smell, or other factors that might impact neighboring merchants?

Yes. This is a communal business atmosphere and everyone must be respectful of other merchants and tenants.

Other Considerations

35. Can I have a liquor license?

To be determined. Check back for updates.

36. What happens if a merchant is not in good standing?

Merchants who are not in good standing may be given an opportunity to correct any deficiencies within a specified time period. Should these deficiencies not be corrected during that time, the merchant may be asked to vacate. If the status is unsatisfactory approaching a new lease negotiation, the merchant may be asked to vacate by the end of the current lease and will not be offered a new lease.



37. Are there any merchant support programs or mentorship opportunities available?

Xxx

38. What kind of marketing or advertising does the Market provide for merchants?

The Market's goal in marketing and advertising is to get people interested in coming to the market itself. The exact type and spend of advertising by the Market is yet to be determined, though we anticipate using multiple channels including social media and traditional media outlets. However, it is the Merchant's responsibility to market and advertise their business.

39. Are there shared resources, like Wi-Fi or office equipment, available for merchants?

Yes. A cornerstone of the Market is to pool and share as many resources as possible and feasible. The exact resources are to be determined.



Trade Area Foot Traffic and Sales Projections

Last updated: 2019

	Trade Area 1	Trade Area 2	Trade Area 3	Trade Area 4
Trade Area	Neighborhood Market (1/2 Mile Radius)	Local Market (10-minute Drive Time)	Regional Market (Dane County)	Visitor/ Tourist Market
Population	8,450	108,000	536,000	NA
Estimated Penetration (% population coming to the market)	75%	50%	25%	NA
Number of Visitors	6,338	54,000	134,000	200,000
Estimated Average Visits Per Year Per Visitor	8	5	2	1
Unique Visits	50,700	270,000	268,000	200,000
Estimated Average Spending Per Visit	\$15	\$15	\$15	\$15
Total Estimated Revenue	\$760,500	\$4,050,000	\$4,020,000	\$3,000,000
Total Visitors				394,338
Total Unique Visits				788,700
Avg Spending				15.00
Total Revenue				\$11,830,500
TOTAL SALES: ROUNDED DOWN				\$10,000,000
				Sales Comps
Grand Rapids Public Market Total Sales				\$19,500,000
Milwaukee Public Market Total Sales				\$18,200,000
				Visitor Comps
Overture				506,000
Monona Terrace				350,000
Kohl Center				1,030,000
Memorial Union				3,650,000
DCFM				497,000



	Children's Museum	243,000
	Olbrich	250,000
	Vilas Zoo	975,000