



## Roosevelt Island Operating Corporation

**KATHY HOCHUL**  
Governor

**B. J. JONES**  
President / CEO

### BOARD OF DIRECTORS

RuthAnne Visnauskas, Chair, Commissioner of NYSHCR  
Blake G. Washington, Director of BUDGET  
Marc Jonas Block  
Fay Christian  
Conway Ekpo  
Dr. Michal L. Melamed  
Howard Polivy  
Prof. Lydia W. Tang  
Melissa A. Wade

Agenda Item V. 2. May 14, 2026

### PROPOSED RESOLUTION

#### AUTHORIZATION TO RATIFY DOCUMENTS IN CONNECTION WITH REFINANCING OF MORTGAGE FOR MEPT OCTAGON LLC

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**WHEREAS**, MEPT Octagon LLC (“Tenant”) is the Tenant under the Ground Lease dated as of November 3, 2004, as amended by First Amendment dated as of July 11, 2007 between Roosevelt Island Operating Corporation, as Landlord, and MEPT Octagon LLC, as Tenant (the “Ground Lease”); and

**WHEREAS**, Tenant refinanced its leasehold interest in the Ground Lease with a loan from JLL Real Estate Capital LLC (“New Lender”) in the amount of \$161,500,000 for a term of five years which loan was secured by a leasehold mortgage with New Lender (the “New Loan”), and which replaced the then existing mortgage held by Berkeley Point Capital LLC, the current outstanding balance of which was \$161,500,000; and

**WHEREAS**, in connection with the execution and delivery of the New Loan, RIOC delivered an Estoppel Certificate, a Consent, and a Ground Lease Recognition and Attornment Agreement (the “RIOC Refinancing Agreements”).

**NOW, THEREFORE THE BOARD OF DIRECTORS FINDS AND RESOLVES AS FOLLOWS:**

1. The refinancing with New Lender benefited RIOC and the residents of the building by providing for the continued availability of funds to service the building’s needs; and
2. The refinancing will help RIOC maintain high quality, affordable housing stock on Roosevelt Island, which is within the mission and statutory purposes of RIOC;

and be it further

**RESOLVED**, that the execution and delivery of the RIOC Refinancing Agreements in

connection with the New Loan is hereby ratified and approved in all respects; and be it further

**RESOLVED**, that the Chief Executive Officer be, and hereby is, authorized and directed to take such further actions and execute such further documents as may be necessary or desirable to effectuate the foregoing; and be it further

**RESOLVED**, that this resolution shall take effect immediately.



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## **MEMO**

**TO:** RIOC Board of Directors

**FROM:** B.J. Jones, President and Chief Executive Officer

**DATE:** May 6, 2026

**RE:** Ratification of documents entered into in connection with Mortgage Refinancing by MEPT Octagon LLC

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### **Background.**

MEPT Octagon LLC (“Tenant”) leases the property known as 888 Main Street pursuant to a lease dated as of November 3, 2004, as amended by First Amendment of Lease dated as of July 11, 2007 (collectively, the “Lease”). Tenant’s leasehold interest was subject to a first leasehold mortgage held by Berkeley Point Capital LLC (the “Existing Mortgage”) that was approved by the Board of Directors in 2016. On April 29, 2026, Tenant entered into a Consolidation, Extension and Modification Agreement with JLL Real Estate Capital, LLC (the “New Lender”) in the amount of \$161,500,000 to refinance the Existing Mortgage (the “New Loan”). As of the date of the New Loan, the outstanding balance of the Existing Mortgage was \$161,500,000. The New Loan is secured by a first leasehold mortgage on the Lease. The interest rate on the New Loan is 4.195% for a five (5) term. The New Loan will ultimately be sold to Fannie Mae.

In conjunction with the New Mortgage, RIOC delivered (i) a Ground Lessor Estoppel Certificate as contemplated by the Ground Lease., (ii) a consent to the New Loan, and (iii) a Ground Lease Recognition and Attornment Agreement, whereby the New Lender was recognized as a permitted mortgagee under the Lease, and was entitled to receive notice of default and

participate on Tenant's part in any dispute resolution proceeding affecting the Ground Lease (collectively, the "RIOC Refinancing Documents").

The outstanding balance of the Existing Mortgage is \$161,500,000 and the amount of the JLL Mortgage is \$161,500,000. As such, the New Loan will not be creating any new or further indebtedness other than the principal indebtedness secured by the Existing Mortgage.

Under the Lease, a Refinancing is a "Transaction". From and after Substantial Completion of the Project, Landlord's consent is required for a Transaction, provided, however, that Landlord is obligated to consent to a Transaction if Tenant has otherwise complied with the provisions of Article 10 of the Lease. Tenant provided the information required pursuant to Article 10 of the Lease.

Pursuant to the Lease, Tenant is obligated to give Landlord prior written notice, and potentially pay a Payment in Lieu of Mortgage Recording Tax, if it enters into a mortgage that is not otherwise exempt from the payment of a Mortgage Recording Tax. The amount of the New Loan is the same as the Existing Loan, so the New Loan secures the same principal indebtedness. As such, no mortgage recording tax was due and payable in connection with the New Loan and, accordingly, no Payment in Lieu of Mortgage Recording Tax was due.

No Transaction Payment was due in connection with the Refinancing. A Transaction Payment would only be payable if the Transaction Proceeds (\$161,500,000) exceeded the sum of the (1) the amount by which the Refinancing (\$161,500,000) exceeded the greater of the (x) the aggregate outstanding principal balance outstanding (\$161,500,000) or (y) the Minimum Price Threshold (\$207,895,358), and (2) the portion of the Transaction Proceeds that will be and in fact is used for Qualified Capital Improvements within 18 months after the date of the Refinancing. Tenant did not anticipate using the Refinancing proceeds for Qualifying Capital Improvements. Given that the Transaction Proceeds did not exceed the Minimum Price Threshold, the Transaction Payment was zero.

### **Recommendation.**

I hereby recommend that the RIOC Board of Directors ratify the execution of the RIOC Refinancing Documents referred to above.