Agenda Item V. 5. September 10, 2026

**PROPOSED RESOLUTION**

AUTHORIZATION TO APPROVE THIRD AMENDMENT TO AMENDED AND RESTATED LEASE FOR ROOSEVELT LANDINGS

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WHEREAS, Roosevelt Island Operating Corporation ("RIOC") is the landlord, and Roosevelt Landings Owner LLC ("Tenant") and Roosevelt Landings Owner Housing Development Fund Corporation ("HDFC") are the current tenant parties, under an Amended and Restated Lease dated as of September 21, 2006, as amended by that certain First Amendment dated as of December 5, 2018 and that certain Second Amendment to Lease Agreement dated as of October 23, 2019 (collectively, the "Lease"), covering the premises commonly known as Roosevelt Landings on Roosevelt Island; and

WHEREAS, RIOC, Tenant and HDFC are negotiating a Third Amendment to Lease Agreement (the "Third Amendment") that would revise the provisions of the Lease governing leasehold mortgages and the rights and protections of mortgagees; and

WHEREAS, the proposed revisions are intended to modernize the Lease's mortgagee protections to reflect current institutional lending practices, facilitate the proposed refinancing of Roosevelt Landings and encourage the continued availability of financing secured by Tenant's leasehold interest; and

WHEREAS, the current draft of the Third Amendment remains subject to negotiation and the final terms of the Third Amendment have not yet been determined; and

WHEREAS, the contemplated revisions may include, among other things, updates to the provisions concerning the qualifications of institutional lenders and mortgagees, the granting, modification and replacement of leasehold mortgages, mortgagee notice and cure rights, foreclosure and new-lease rights, casualty and condemnation matters, mortgagee transfer rights and liability, and the priority or subordination of interests affecting the leasehold estate; and

WHEREAS, the final form of the Third Amendment will be subject to review and confirmation by RIOC and its counsel and to Tenant's and HDFC's compliance with all applicable requirements of the Lease and such other conditions as RIOC and its counsel determine are necessary or appropriate to protect RIOC's interests.

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

1. The Third Amendment will modernize the Lease's mortgage provisions to reflect current institutional lending practices and facilitate the continued availability of leasehold financing for Roosevelt Landings; and

2. The revised mortgage provisions will provide a clearer and more current framework for leasehold financing and customary mortgagee protections while preserving RIOC's rights and interests under the Lease and in the Premises; and be it further

**RESOLVED,** that the execution and delivery of the Third Amendment, in a final form substantially consistent with the terms and purposes described to the Board and with such changes as the Chief Executive Officer, in consultation with the General Counsel and RIOC's counsel, may approve, is hereby approved, subject to review and confirmation by RIOC and its counsel and Tenant's and HDFC's compliance with all applicable requirements of the Lease; and be it further

**RESOLVED,** that the Chief Executive Officer be, and hereby is, authorized and directed to execute the Third Amendment and 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.

# MEMORANDUM

To: RIOC's Board of Directors
From: Benjamin A. Jones, President and Chief Executive Officer
Re: Approval of Third Amendment to Ground Lease for Roosevelt Landings
Date: September 10, 2026

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**Background**.

Roosevelt Island Operating Corporation ("RIOC") and North Town Roosevelt, LLC ("North Town") entered into the Amended and Restated Lease dated as of September 21, 2006, as amended by the First Amendment dated as of December 5, 2018 and the Second Amendment to Lease Agreement dated as of October 23, 2019 (collectively, the "Lease"), covering the property commonly known as Roosevelt Landings on Roosevelt Island. Roosevelt Landings Owner LLC (the "Tenant") and Roosevelt Landings Owner Housing Development Fund Corporation (the "HDFC") are successors-in-interest to North Town under the Lease.

The Tenant's leasehold interest is currently subject to a leasehold mortgage held by Fannie Mae, which secures indebtedness having an outstanding principal balance of approximately $238,000,000. The Tenant has advised RIOC that it intends to refinance its leasehold interest on or about November 1, 2026, with a loan in the amount of $285,000,000 (subject to final underwriter approval) from Citibank, N.A., which will be exchanged after the closing for Freddie Mac guaranteed securities. The loan will be for a term of 5 years, payable interest-only at a variable rate equal to the 30-Day Average SOFR with a spread of 0.65% and a Freddie Mac Guarantee Fee (which will vary depending upon the loan to value ratio). Final loan documents have not yet been presented to RIOC for review and approval, however as a threshold matter Tenant has requested RIOC to modify certain mortgage-related provisions of the Lease for this loan to confirm to Freddie Mac's leasehold-mortgage guidelines.

To that end, RIOC and HDFC have been negotiating a Third Amendment to the Lease (the "Third Amendment") to reasonably modify and clarify certain provisions governing Tenant's leasehold mortgage, and to conform those provisions to Freddie Mac's leasehold-mortgage guidelines. RIOC's attorneys reviewed Freddie Mac's guidelines to confirm that certain adjustments are required to the Lease to accommodate a Freddie Mac loan, and have been negotiating the Third Amendment with Tenant's outside loan attorney. This memorandum is limited to the lender-related provisions of the Third Amendment, including insurance, condemnation, restoration, foreclosure and other mortgagee protections.

The precise terms of the Third Amendment remain under negotiation and are close to being finalized. In brief, the purpose of the Third Amendment is to update and clarify certain Lease provisions governing leasehold mortgages and the rights and protections of mortgagees so that those provisions better reflect current institutional lending practices. More specifically, the Third Amendment would: a) update the definition of "Institutional Lender" to expressly accommodate Freddie Mac, Fannie Mae and certain related government-sponsored and securitization entities; b) modify Sections 9 and 32.04 of the Lease to clarify a mortgagee's participation rights in condemnation proceedings and its ability to supervise and control the receipt and disbursement of condemnation awards payable to Tenant, subject to the superior rights established under Section 13 of the Master Lease; c) clarify mortgagee rights relating to insurance proceeds and restoration following casualty, consistent with the Lease and the restoration obligations imposed by Section 8 of the Master Lease; and d) make other customary mortgagee-related modifications addressing foreclosure, transfers, cure rights, mortgagee liability and related matters necessary to conform the Lease more closely to Freddie Mac's leasehold-mortgage requirements.

These revisions are intended to address Freddie Mac's leasehold-mortgage requirements while preserving the separate and superior rights established under Section 13 of the Master Lease. The Third Amendment does not itself approve any particular Tenant financing or lender, and any financing remains subject to the Lease, the Master Lease and other applicable approvals and governing documents.

**Recommendation**.

I hereby recommend that the RIOC Board of Directors approve the execution of the Third Amendment to the Lease, substantially in the form presented to the Board, subject to completion of negotiations, review and approval of the final form by RIOC and its counsel, confirmation that the final terms are consistent with the purposes described above and do not materially adversely affect RIOC's rights or interests, and satisfaction by the Tenant of all applicable requirements of the Lease and any other required conditions or consents.