

PROSPER PORTLAND

Portland, Oregon

RESOLUTION NO. 7648

**APPROVING TERMS OF A LOAN TO SMITH TEAMAKER, LLC, IN AN
AMOUNT NOT TO EXCEED \$1,000,000**

WHEREAS, on April 26, 2023, through Resolution 37617, Portland City Council adopted Advance Portland, a five-year strategic plan for the City of Portland that calls for the promotion of inclusive economic growth, innovation, and wealth creation;

WHEREAS, Advance Portland and Traded Sector Industry Cluster Action Plans identify lending as a key tool to support many of the plans' goals and objectives;

WHEREAS, the Prosper Portland Board of Commissioners adopted the Small Business Loan Program Guidelines in Resolution 7525 on March 13, 2024, and modified the Guidelines by Resolution 7640 on March 11, 2026 (the "Guidelines");

WHEREAS, Smith Teamaker, LLC is a traded sector beverage manufacturing company operating primarily in Portland;

WHEREAS, in order to meet existing demand, Smith Teamaker, LLC approached Prosper Portland seeking an investment to fund working capital needs in connection with growth activities;

WHEREAS, staff have evaluated the request and believe that a Small Business Program Loan materially consistent with the terms outlined on Exhibit A (the "Term Sheet") is appropriate;

WHEREAS, the Guidelines require that Program loans include guarantees from all entities holding 20% or more equity in the borrower, but staff have requested approval of the proposed loan without requiring such guarantees;

WHEREAS, the Prosper Portland Board anticipated that certain loans not meeting all Guidelines may nonetheless be prudent uses of agency resources where the loan could make a high impact in furtherance of important agency and community goals and strategic priorities;

WHEREAS, the Project aligns closely with the Advance Portland plan, including by investing in traded sector cluster industries in which Portland has competitive advantage to increase access to quality job and business growth; and retaining and increasing commercial activity and supporting small businesses in the central city; and

WHEREAS, the Project represents a compelling opportunity to achieve strategic goals, justifying an exception to the Guidelines, particularly given the strong credit quality and low risk profile of the proposed loan.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is authorized to oversee the negotiation of, and to execute, a loan agreement and related documents necessary to make a loan to Smith Teamaker LLC substantially in conformance with the terms attached hereto as Exhibit A, notwithstanding the exceptions to Guidelines described therein;

BE IT FURTHER RESOLVED, that the Executive Director may approve changes to the loan terms so long as such changes do not materially increase Prosper Portland's obligations or risks, as determined by the Executive Director in consultation with Prosper Portland's General Counsel; and

BE IT FURTHER RESOLVED, that with the affirmative vote of no fewer than four commissioners for this resolution and of all of those present, this resolution will become effective immediately upon its adoption, and otherwise it will take effect thirty days after adoption.

TERM SHEET*

Lender	Prosper Portland
Borrower	Smith Teamaker, LLC
Project Location	110 SE Washington St. Portland, OR 97214
Loan Type	SBLP; Working Capital
Eligible Uses of Funds	General Working Capital to support growth
Loan Amount	Maximum of \$1,000,000.00.
Loan Fee	2% of the Loan Amount.
Disbursement Period	Through April 30, 2027
Interest Rate	Interest will accrue on funds disbursed, at an ordinary rate of eight percent (8.00%) per annum
Maturity	5 years (60 months).
Amortization	15 years (180 months) resulting in a balloon
Payment Schedule/ Prepayment	Interest-only payments are required monthly for 6 months, starting the calendar month after the loan date. Thereafter, monthly payments of principal and interest required, calculated using an amortization period of 180 months. All outstanding indebtedness due at maturity.
Collateral	Blanket UCC on all business assets
Guarantees	NA
Express Condition(s)	<ul style="list-style-type: none"> • Adequate evidence that all company actions necessary to authorize the company's officers to borrow loan funds, execute the loan documents, and legally bind the company have been duly taken. • Board resolution approving the loan.

	<ul style="list-style-type: none"> • Evidence of authorizations and approvals and other customary information provided as requested by Prosper Portland. • Documentation of the loan and execution of loan documents mutually agreeable to the parties in their respective sole discretion. • No material adverse changes impacting the loan or business.
Loan Documents	The loan will be documented by a set of commercially reasonable loan documents mutually acceptable to the Lender and Borrower in their respective sole discretion that include additional terms describing the parties' rights and obligations.
Compliance with Policies	The loan does not trigger any Prosper Portland Policies
Exceptions to Small Business Loan Program Guidelines	Guarantees from all individuals or entities with 20% or more of equity in borrower will not be obtained, which is inconsistent with the SBLP Guidelines

*This Term Sheet does not and will not constitute a binding agreement and does not reflect or create any enforceable obligations. The terms set forth herein and other provisions customary for a transaction of this sort would be incorporated in one or more agreements, including the Loan Documents mentioned below, between Prosper Portland and the Borrower named below. Resolutions approving this Term Sheet will also provide for the execution of all additional documents and instruments necessary to make the loan.