

TENTH AMENDMENT
TO
SOUTH WATERFRONT CENTRAL DISTRICT PROJECT
DEVELOPMENT AGREEMENT

Dated: April 30, 2012

AMONG: PORTLAND DEVELOPMENT COMMISSION,
in its capacity as the urban renewal agency and as
agent for: Portland Office of Transportation,
Bureau of Environmental Services,
Office of Management and Finance,
and Portland Parks and Recreation ("PDC")

AND: OREGON HEALTH AND SCIENCE UNIVERSITY,
a public corporation of the State of Oregon ("OHSU")

AND: NORTH MACADAM INVESTORS, LLC,
an Oregon limited liability company ("NMI")

RECITALS

On behalf of the City of Portland, PDC negotiated the South Waterfront Central District Project Development Agreement ("Original DA") with OHSU, River Campus Investors LLC, NMI and Block 39, LLC. The DA (defined below) provides, among other things, for the development of improvements in a certain project area subject to the South Waterfront Plan of the City of Portland. The DA has facilitated and will continue to facilitate development of the Project Area described in the DA as a mixed-use neighborhood, including commercial, retail, institutional and housing uses.

The Original DA was authorized by PDC on August 14, 2003, accepted by the Portland City Council on August 15, 2003, and signed by all Parties on August 22, 2003. The Original DA has been amended by the First Amendment to the South Waterfront Central District Project Development Agreement dated February 18, 2004, the Second Amendment to the South Waterfront Central District Project Development Agreement dated April 1, 2004, the Third Amendment to South Waterfront Central District Project Development Agreement dated June 25, 2004, the Fourth Amendment to South Waterfront Central District Project Development Agreement dated October 29, 2004, the Fifth Amendment to South Waterfront Central District Project Development Agreement dated November 24, 2004, the Sixth Amendment to South Waterfront District Project Development Agreement dated December 17, 2004, the Seventh Amendment to South Waterfront Central District Project Development Agreement dated June 8, 2005, the Eighth Amendment to South Waterfront Central District Project Development Agreement dated November 9, 2006 (the "Eighth Amendment"), and the Ninth Amendment to South Waterfront Central District Project Development Agreement dated May 28, 2020. The Original DA, as amended by the first, second, third, fourth, fifth, sixth, seventh, eighth and ninth

amendments, and (where the context so requires) this Amendment, is referred to in this Amendment as the "DA."

NMI is the sole owner of Block 23 and Block 27, each of which are in the Project Area. NMI is under contract to sell to OHSU Block 23 and Block 27.

In order to convey title to Block 23 free of the lien rights granted to PDC pursuant to Section 18.2.6.3 of the Eighth Amendment, NMI desires to substitute Block 37 (as defined below) as collateral for the Gap Obligation in place of Block 23.

The Parties desire to memorialize their consent to the transfer of Blocks 23 and 27, to provide certain agreements and confirmations in connection therewith, and to amend the DA consistent with the foregoing decisions, as provided in this Tenth Amendment to South Waterfront Central District Project Development Agreement (the "Amendment"). Capitalized terms used but not defined in this Amendment shall have the meanings set forth in the DA.

AGREEMENT

Now, therefore, in consideration of the mutual benefits to be realized by the Parties following this Amendment, the receipt and adequacy of which are acknowledged, the following sections and subsections of the DA shall be modified and the Parties hereby agree, as shown below. For purposes of paragraph 3 below, underlining indicates language added by this Amendment to the existing language in the DA; ~~stricken~~ words indicate text deleted from the DA.

1. PDC Consent to Transfer.

1.1 Section 13.3 of the DA requires PDC to consent to the transfer by NMI of NMI's interest in Blocks 23 and 27 to OHSU. PDC hereby consents to such transfer. Upon such transfer: (a) each of Blocks 23 and 27 will be deemed "OHSU Blocks" under the DA; (b) Blocks 23 and 27 will be subject to all of the conditions and restrictions related to OHSU Blocks under the DA; (c) neither of Blocks 23 or 27 shall be considered a "Residential Block" under the DA; and (d) NMI shall be released from all obligations under the DA which relate to Blocks 23 and 27. In light of subsections 1(a) and (b), OHSU will not be deemed an assignee or transferee of NMI with respect to Blocks 23 and 27, and OHSU will not be deemed to assume any of NMI's obligations under the DA with respect to Blocks 23 or 27 (except to the extent provided by subsection (b) above and Section 1.3 below). Notwithstanding anything to the contrary in this Section 1.1, Blocks 23 and 27 will not be considered "OHSU Blocks" for purposes of Section 6.8.3.2 of the DA.

1.2 PDC acknowledges and agrees that no consent to the transfer by NMI of Blocks 23 and 27 to OHSU is required under Section 18.2.6.2 because neither Block 23 nor Block 27 is a property included on Exhibit V, and neither Block 23 nor Block 27 is required to be developed with a Contingent Project as defined in Section 2 of the DA.

1.3 OHSU will take Block 23 subject to the following liens in favor of the City: (a) Portland Streetcar (Riverplace to Gibbs) LID (Gibbs Street extension LID (Acct. No. 136939)); (b) Tram LID (Aerial Tram LID (Acct. No. 135030)); (c) Portland Streetcar (Gibbs to

Lowell) LID (Lowell Street extension LID (Acct. No. 140124)); (d) the lien of the SSP (Aerial Tram LID (Acct. No. 141985) and Gibbs Street extension LID (Acct. No. 144861)); and (e) the lien for the NMI Funding Obligations (Aerial Tram LID (Acct. No. 141986)).

2. Additional Easements. The following new Sections 6.5.8, 6.5.9 and 6.5.10 are hereby added to the DA immediately following Section 6.5.8:

6.5.8 City Easements. From the date hereof until May 31, 2012, the City and the owner of Blocks 23 and 27 will negotiate in good faith to finalize the following agreements: (a) a temporary construction easement over SW Whitaker and over the west half of Block 23, with a term ending by not later than May 31, 2014, as is reasonably necessary to allow the City to construct the Final Greenway Improvements, provided that such easement is subject to termination by the owner of Block 23 if such owner elects to develop Block 23 prior to the expiration of the temporary construction easement, provided that such owner will provide to the City a reasonable alternative site for construction staging; (b) a temporary easement within the set-back areas along the eastern property lines of Blocks 23 and 27, as is reasonably necessary to allow the City to perform grading and paving and to maintain the dirt, grass, and paving related to the Final Greenway Improvements; and (c) a temporary license to enter onto Block 27 following the 2012 osprey nesting season (which is anticipated to occur in October 2012) in order to remove the osprey nesting platform currently located on Block 27. The foregoing agreements shall provide, among other things, that (i) City will indemnify and defend the owner against all liens, claims, losses, costs, damages and liabilities arising from or related to its entry and activities on or about the property, subject to the applicable provisions of the Oregon Tort Claim Act, and (ii) the permanent easement area under subsection (b) is limited solely to the nonbuildable setback areas of Block 23 and Block 27 (as set forth in the City Code) and no improvements or activities by City shall encroach upon, reduce, limit or restrict any of the buildable area or other development rights of the property.

6.5.9 Acknowledgements Regarding Storm Water Outfall Pipe. The Parties acknowledge that the City is authorized to cut, cap and remove the existing abandoned and unused storm water outfall pipe on the City-owned Greenway Parcel, at the Block 23 property line, and that owner of Block 23 will assume all responsibility for collecting, treating and diverting storm water from Block 23, to the extent required by applicable law, and for removing the portion of such existing outfall pipe under its property, if such removal is required by law or deemed appropriate by such owner. Notwithstanding the foregoing, the City shall be responsible for collecting, treating and diverting storm water from Block 23, to the extent required by applicable law and attributable to the City's use of or activities on Block 23, Block 27, Tract A, Tract D, or any of them.

6.5.10 Public Water Line Easement. The owner of Block 27 acknowledges that the City (through the Water Bureau) may construct underground water service improvements in the corner of vacated SW Curry Street, to the extent consistent

with the public water easements granted on the plat of South Waterfront, as recorded in Plat Book 1261, Pages 1-4, in the City of Portland, County of Multnomah and State of Oregon (the "Phase 1 Plat"). Note 5 of the Phase 1 Plat reads: "The public waterline easements are granted to the City of Portland for the purposes of underground water facilities and maintenance thereof as shown on the plat. No permanent or temporary surface or underground improvement activity such as building construction, material storage, grade reduction, tree planting or utility installation shall be permitted within the public waterline easements without prior written consent of the Chief Engineer of the Bureau of Water Works, City of Portland. Landscaping which by its nature is shallow rooted and may be easily removed to permit access to the underground utilities shall not require consent. The Bureau of Water Works shall not be responsible for replacing such landscaping if removal is necessary. The public waterline easements shall be kept open, accessible and passable at all times with the exception that obstructions to accessibility shall be approved in writing by the Chief Engineer of the Bureau of Water Works, City of Portland."

3. Collateral for Gap Obligation. Section 18.2.6.3 of the DA is hereby deleted from the DA in its entirety and replaced with the following:

18.2.6.3 In order for PDC to retain reasonable security for a Gap Obligation Agreement after the release of individual residential condominium units from the lien of a Gap Obligation Agreement, NMI agrees that it will not encumber Block 2337 with liens other than the liens that in the aggregate do not exceed fifty percent (50%) of the Fair Market Value of Block 37 and any other liens of the Portland Streetcar (Riverplace to Gibbs) LID, the Tram LID, the Portland Streetcar (Gibbs to Lowell) LID, the lien(s) of the SSP, the lien for the NMI Funding Obligation or any other lien approved by the City in accordance with the SSP, until such time as the Gap Obligation is terminated pursuant to Section 18.2.8.1 for all of the Exhibit V Properties or pursuant to Section 18.2.8.2. If a Gap Payment is owing pursuant to a Gap Obligation Agreement, and if the Gap Payment is not made when due, then PDC, not less than ten (10) days after notice to NMI of the Gap Payment default, but without further approval from NMI, may place a lien on Block 2337 in the amount of the Gap Payment then due, which lien will include a provision that any future Gap Payments due, but unpaid pursuant to that certain Gap Obligation Agreement will be added to the lien value as accrued. The presence of a lien on Block 2337 placed pursuant to this subsection 18.2.6.3 will not prevent PDC from placing additional liens on Block 2337 in the case of additional defaults in payment of a Gap Payment due under any other Gap Obligation Agreement. Notwithstanding anything to the contrary contained in this Section 18.2 or in this Agreement, this Section 18.2.6.3 shall no longer apply if NMI sells or transfers Block 2337 to an entity other than NMI for taxable development purposes. In the event of such sale or transfer, this Section 18.2.6.3 shall be deemed inapplicable upon the earlier of (a) the date on which the first permit for construction is received and (b) the close of construction financing for the taxable development project. The right of PDC to place or approve any

lien on Block ~~23~~37 pursuant to this Section 18.2.6.3 is subject to the prior approval of the City.

4. Definitions.

4.1 The term "NMI Land" is hereby deleted in its entirety and replaced with the following: "NMI Land" means Block 37 of the Project Area."

4.2 The term "OHSU Blocks" is hereby deleted in its entirety and replaced with the following: "'OHSU Blocks' means Blocks 23, 24, 25, 27, 28, and 29."

4.3 The following definition is hereby added to the Glossary of Defined Terms (Exhibit C) of the DA:

"Phase 1 Plat" has the meaning set forth in Section 6.5.10.

5. No Third Party Beneficiaries. Nothing in this Amendment, express or implied, is intended to confer upon any person, other than the Parties and their respective successors and assigns, any rights or remedies under or by reason of this Amendment.

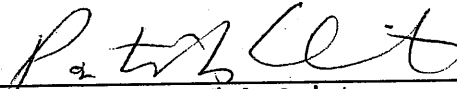
6. Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed an original and when taken together shall constitute one and the same instrument, which instrument will become effective only upon execution of one or more counterparts by each of the Parties hereto. Such execution may be evidenced by original or facsimile signatures.

7. Effect of Amendment. The DA is amended as set forth in this Amendment. Except as expressly amended, the DA remains unmodified and in full force and effect. Simultaneously with the execution of this Amendment, the Parties will execute a Memorandum of Ninth and Tenth Amendment to the DA in mutually acceptable form, which Memorandum will be promptly recorded against Blocks 23, 27 and 37.

[Remainder of page intentionally left blank. Signature page follows.]

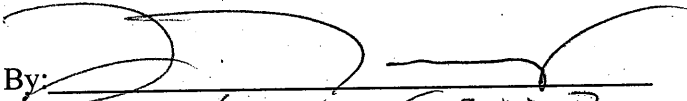
IN WITNESS WHEREOF, the Parties have entered into this Amendment as of the date first set forth above.

PDC: PORTLAND DEVELOPMENT COMMISSION

By: 
Printed Name: Patrick Quinton
Title: Executive Director

Approved as to form:

Office of General Counsel

By: 
Printed Name: LISA GRAY
Title: Asst. General Counsel

OHSU: OREGON HEALTH AND SCIENCE UNIVERSITY, a public corporation of the State of Oregon

By: _____
Printed Name: _____
Title: _____

NMI: NORTH MACADAM INVESTORS, LLC, an Oregon limited liability company

By: Williams & Dame Development, Inc., an Oregon corporation, Manager

By: _____
Printed Name: _____
Title: _____

IN WITNESS WHEREOF, the Parties have entered into this Amendment as of the date first set forth above.

PDC:

PORTLAND DEVELOPMENT COMMISSION

By: _____
Printed Name: _____
Title: _____


Approved as to form:

Office of General Counsel

By: _____
Printed Name: _____
Title: _____

OHSU:

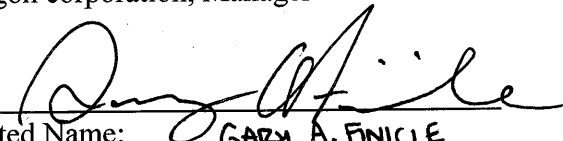
OREGON HEALTH AND SCIENCE
UNIVERSITY, a public corporation of the State of
Oregon

By: 
Printed Name: Mark B. Williams
Title: Associate Vice President

NMI:

NORTH MACADAM INVESTORS, LLC, an
Oregon limited liability company

By: Williams & Dame Development, Inc., an
Oregon corporation, Manager

By: 
Printed Name: GARY A. FINICLE
Title: SECRETARY / TREASURER