

**PROSPER PORTLAND**

Portland, Oregon

**RESOLUTION NO. 7611**

**AUTHORIZING A PREDEVELOPMENT LOAN FOR THE DEVELOPMENT OF  
MIDDLE-INCOME HOUSING ON PARCEL 6 WITHIN THE BROADWAY CORRIDOR**

**WHEREAS**, the Broadway Corridor site, which encompasses the approximately 14-acre downtown Portland former U.S. Postal Service property, has been identified as a key opportunity site for mixed-income housing, including middle-income housing, as one component of improvements that will connect the Old Town/Chinatown and Pearl District neighborhoods, as guided by the Broadway Corridor Framework Plan and the USPS Master Plan (“Master Plan”);

**WHEREAS**, Prosper Portland acquired the site in 2016, and has since secured approval of the Master Plan, completed site preparation activities, and coordinated with City of Portland (“City”) bureau partners on the ongoing construction of public infrastructure and utilities to serve the site;

**WHEREAS**, collectively, Prosper Portland and the City are investing more than \$100 million to prepare the site for development;

**WHEREAS**, in 2022, Prosper Portland entered into an Exclusive Negotiating Agreement with an affiliate of The Related Companies of California (it and its affiliates, individually and collectively, “Related”), for the purpose of evaluating the development feasibility of one or more parcels within the Broadway Corridor site;

**WHEREAS**, Related wishes to engage in predevelopment work toward a mixed-use development on a certain portion of the site, known as Parcel 6 and depicted on Attachment A to Report Number 25-19 which Related anticipates would consist of approximately 230 units of middle-income housing (60%-120% AMI), structured parking, and a commercial component (the “Project”);

**WHEREAS**, on April 26, 2023, through Resolution No. 37617, the City Council adopted Advance Portland, a five-year strategic plan for Prosper Portland that calls for the promotion of inclusive economic growth, innovation, and wealth creation;

**WHEREAS**, Prosper Portland has been awarded and anticipates receiving \$33,500,000.00 from the Portland Clean Energy Fund (“PCEF”) for Prosper Portland’s use in facilitating the redevelopment of Parcel 6;

**WHEREAS**, Related has formed or intends to form Broadway Corridor Parcel 6 Housing Partners Limited Partnership (“Borrower”), or another development entity operated by Related or its affiliates, to act as the developer of the Project;

**WHEREAS**, Related has requested that Prosper Portland agree to finance up to \$750,000.00 of the Borrower's eligible costs of predevelopment of the Project, or up to \$1,000,000.00 in the event PCEF funding resources become eligible and available for such application;

**WHEREAS**, on March 13, 2024, through Resolution No. 7525, the Prosper Portland Board adopted Commercial Property Loan Program Guidelines ("Guidelines") to, among other things, establish lending parameters for loans for predevelopment of projects like the Project;

**WHEREAS**, Prosper Portland 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**, Prosper Portland staff have evaluated Related's request and believe that funding the Project will further Prosper Portland's strategic goals in alignment with Advance Portland, including by enabling Related to advance predevelopment activities that are necessary for determining the current feasibility of residential development within the Broadway Corridor; catalyzing production of mixed-income housing within certain subdistricts of the Central City; leveraging significant public investment that could help eliminate racial and gender disparities in the construction workforce and related trades; and demonstrating Portland's leadership in green building practices;

**WHEREAS**, the Project's high impact represents a compelling opportunity to achieve strategic goals, justifying certain financing terms meant to preserve Project feasibility considering its specific circumstances, with appropriate guardrails to limit agency risk, and these terms necessitate exceptions to certain Guidelines as further described in the Risk Assessment section of Report Number 25-19.

**NOW, THEREFORE, BE IT RESOLVED**, that the Executive Director is authorized to enter into a loan agreement in the same or substantially similar form as that attached hereto as Exhibit A, and to execute all other related documents necessary or appropriate in connection with such loan;

**BE IT FURTHER RESOLVED**, that the Executive Director may approve changes to the loan's terms, if such changes do not materially increase Prosper Portland's obligations, 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 members of the Prosper Portland Board and of all those present, this resolution will become effective immediately upon its adoption, and otherwise it will take effect thirty days after adoption.

Adopted by the Prosper Portland Commission on June 18, 2025



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Pam Feigenbutz, Recording Secretary

## LOAN AGREEMENT (Predevelopment)

Loan No. \_\_\_\_\_

This Loan Agreement (Predevelopment) (“*Agreement*”) is made effective June \_\_, 2025 (the “*Effective Date*”) by and between **BROADWAY CORRIDOR PARCEL 6 HOUSING PARTNERS LIMITED PARTNERSHIP**, an Oregon limited partnership (“*Borrower*”), and **PROSPER PORTLAND**, the economic development and urban renewal agency of the City of Portland, Oregon, a municipal corporation of the State of Oregon (“*Lender*”).

### RECITALS

A. Borrower desires to perform certain predevelopment activities as set forth in **Exhibit A** pertaining to its proposed project to construct approximately 230 units of middle-income multi-family housing, including a commercial component and structured parking, at tax lot COUCHS ADD, BLOCK 132, LOT 1-8 TL 107 (also known as Broadway Corridor Parcel 6) (“*Project*”).

B. Borrower desires to borrow from Lender, and Lender agrees to lend to Borrower, on the terms and conditions of this Agreement, a loan of not more than SEVEN HUNDRED AND FIFTY THOUSAND AND NO/100 DOLLARS (\$750,000.00) to finance the predevelopment activities related to the Project set forth above (“*Loan*”).

C. Lender anticipates that it may receive certain other funding from the Portland Clean Energy Fund designated to support the Project or certain Predevelopment Activities (as defined in the Agreement), estimated to be in an amount of up to \$250,000.00 (such funding in whatever amount, if received by Lender, the “*PCEF Funds*”). (Funding provided by PCEF to Lender for the purpose of being available to support unspecified activities according to a set of criteria that could include any other project, or that Lender may grant or loan for certain purposes in its discretion, are not dedicated PCEF Funds as defined hereinabove). In the event PCEF Funds are in fact available, and subject to Lender’s obligations to PCEF, the City of Portland, and under law, Lender will make available up to \$250,000.00 of such PCEF Funds for the same purposes, and on the same terms and conditions, as Loan Funds (as defined in the Agreement).

D. Borrower may, in the future, apply for, and Lender may in its sole and absolute discretion approve and make, another loan to Borrower to finance, either in whole or in part, construction of the Project (“*Construction Loan*”). However, Borrower is under no obligation to apply for, and Lender is under no obligation to make, the Construction Loan, or any other loan in relation to the Project. This transaction does not constitute an application by the Borrower or a commitment by Lender for any activities or financing in relation to the Project other than the commitment to provide the Loan in accordance with the terms and conditions of this Agreement.

E. Lender has considered Borrower’s request and is willing to make the Loan on the terms and conditions of this Agreement and as further described herein.

## AGREEMENT

Borrower and Lender hereby agree as follows:

### 1. THE LOAN.

1.1 **Amount and Disbursement.** On the terms and conditions of this Agreement, Lender will disburse up to \$750,000.00 in Loan funds (“**Loan Funds**”) to reimburse, or pay for costs and expenses incurred by, Borrower for the activities listed on **Exhibit A** (as may be amended or replaced from time to time with Lender’s written consent) (“**Predevelopment Activities**”). Loan Funds will be disbursed from time to time as described in Section 1.4. If the first disbursement does not occur by October 1, 2025 because Borrower has not yet satisfied conditions precedent to disbursement or has not requested a disbursement, Lender may, in its sole discretion, terminate this Agreement effective upon written notice to Borrower. If this Agreement is terminated, Lender will have no further obligations hereunder or with respect to the Loan.

1.2 **Note; Loan Documents.** The Loan is evidenced by, and is repayable in accordance with, that certain Promissory Note made by Borrower in favor of Lender on or about the Effective Date in the principal amount of \$750,000.00 (“**Note**”). This Agreement, the Note, and all other agreements, instruments, and documents executed and delivered in connection with the Predevelopment Loan, are individually and collectively the “**Loan Documents**”).

1.3 **Use of Loan Funds.** Borrower must request and use Loan Funds only to finance the Predevelopment Activities, and not for any other purpose.

1.4 **Requests for Disbursements.** Disbursements shall be made pursuant to Borrower’s written request (a “**Request for Disbursement**”), the form of which is attached hereto as **Exhibit B**) received by Lender at least ten (10) business days prior to the date on which such disbursement is requested to be made. Each Request for Disbursement must specify the amount and the date of the proposed disbursement (“**Disbursement Date**”), must be signed by an authorized officer or agent of Borrower, and must be accompanied by true, correct, and adequate supporting documents and evidence of progress or completion of all Predevelopment Activities to which the Request for Disbursement relates. Prior to a disbursement, Borrower must have paid in full any required contribution toward the costs of the related Predevelopment Activities (see Exhibit A, Table – Column: “Borrower Capital”) and must have provided Lender with adequate documentation evidencing such. All supporting documentation under this Section 1.4 must be in form and substance satisfactory to Lender. Lender will review each Request for Disbursement and must have, in its reasonable discretion, approved the same prior to making such disbursement. Each disbursement shall be in an amount no greater than the amount necessary to cover Borrower’s obligation to pay for specific completed portions of the Predevelopment Activities. Unless Lender and Borrower have otherwise agreed in writing, Lender may, in Lender’s sole discretion, make any disbursement:

- (a) directly to Borrower;

- (b) directly to a contractor, subcontractor, laborer or material supplier performing Predevelopment Activities; or
- (c) any combination of (a) and (b) above.

Disbursements made directly to a contractor, subcontractor, laborer, or material supplier will constitute a disbursement to Borrower for purposes of this Agreement and the other Loan Documents.

Disbursements will not be made more frequently than monthly, and no disbursements may be requested later than the date one month immediately prior to the Maturity Date (as defined in the Note).

**1.5 Contractors and Consultants.** Borrower will comply with, and will cause the Project contractor to comply with, all applicable laws (including, as applicable, all laws relating to publicly advertised and/or competitive bidding), agreements (including, as applicable, any community benefit agreements), and Lender-adopted policies (including, as applicable, policies related to Green Building and to Construction Business and Workforce Equity. With respect to Lender-adopted policies, copies are attached hereto as **Exhibit D** and are incorporated by this reference.

**1.6 Quality Work.** In undertaking the predevelopment activities, Borrower shall use reasonable effort to identify and utilize qualified contractors and professional consultants in a manner which results in high quality work product and analysis at the most reasonable cost, and Borrower further agrees to provide Lender with evidence of these efforts upon request.

**1.7 Repayment of Predevelopment Loan.** If, on or before November 1, 2025, Borrower determines that the Project is not financially feasible, Borrower must promptly notify Lender that the Project is not financially feasible and must notify all contractors to cease all work on the Predevelopment Activities. As soon as reasonably practicable thereafter, Borrower must promptly deliver to Lender all documents, files, working papers, and reports, in whatever form, arising from the Predevelopment Activities, all Work Product (as defined in Section 2.3), and originals of all Predevelopment Contracts (as defined in Section 2.3), with the exception of documents or Work Product that are protected by attorney-client privilege. Borrower may, with such notice to Lender, request an extension or other adjustments to the terms of the Loan if Borrower believes such changes could make the Project financially feasible. If Lender receives such a request, and if no Event of Default or other event that with the giving of notice or lapse of time or both would constitute an Event of Default has occurred, then Lender will, within ten (10) business days of the notice from Borrower, give written notice to Borrower that Lender will or will not negotiate new Loan terms. Such terms may, but would not necessarily, include repayment of the Loan through the sale of, or encumbrance upon, Borrower's real property a longer repayment term, assignment by Borrower of the Predevelopment Contracts and Work Product, or partial or complete forgiveness of the Loan indebtedness. Any agreement on new

Loan terms would be evidenced and implemented through documentation in form and substance satisfactory to Lender and Borrower in their respective sole discretion. Forgiveness will not be automatically granted by Lender, but Lender will not unreasonably refuse to forgive indebtedness as part of the negotiated workout reached under the terms of this Section 1.7. Lender's refusal to forgive some or all of the indebtedness will be presumed reasonable if Lender has determined that Borrower's defaults under this Agreement, failure to diligently pursue the satisfaction of the applicable Performance Benchmarks, or failure to satisfy any other obligation to Lender (including under any other agreements) (subject to any applicable notice and cure periods) were a substantial factor in making the Project not financially feasible, or exposed Lender to avoidable financial losses (including, but not limited to, any failure by Borrower to fully and promptly satisfy its obligations under Section 1.9). Forgiveness may include all or any part of the outstanding indebtedness, including principal, but not including any origination or other loan fees which have already been paid. Any forgiveness will be conditioned on, among other things, Borrower's delivery to Lender of all documents, files, working papers, and reports, in whatever form, arising from the Predevelopment Activities, all Work Product (as defined in Section 2.3), and originals of all Predevelopment Contracts (as defined in Section 2.3), with the exception of documents or Work Product that are protected by attorney-client privilege. If Lender and Borrower fail to reach agreement on new terms within 90 days of Borrower's notice to Lender under this Section 1.7, then all indebtedness of the Loan shall, if not already due and payable, become then immediately due and payable.

**1.8 Further Assurances.** At any time, upon Lender's request, Borrower will, at its own expense, do any act and execute and deliver any document as may be reasonably requested by Lender in connection with any sale, assignment or transfer of this Agreement and/or any other documents or Work Product required for similar loans by commercial lenders in accordance with commercially reasonable standards.

**1.9 Communication with Lender.** Borrower agrees that it will make its principals, agents, and contractors available to meet with Lender at Lender's request, and will continually update Lender on all material developments regarding the Predevelopment Work, including without limitation anticipated or actual Project cost projection increases, and anticipated or actual increases in uncertainty regarding material Project characteristics or the Project production schedule. Borrower agrees to continue proforma development (including without limitation cost, income, and expense updates and periodic re-pricing of Project improvements, and any contemplated variations of the development scenario) and to continue to evaluate capitalization strategies, and to provide Lender with the most current information regarding these efforts at each meeting or as otherwise reasonably requested. Borrower's failure to fully and promptly satisfy all obligations under this Section 1.9 will constitute a material default.

## **2. SECURITY INTEREST AND ASSIGNMENT.**

**2.1** *Intentionally Omitted.*

**2.2 Assignment of Contracts and Work Product.** Prior to the first disbursement of Predevelopment Loan proceeds and to secure Borrower's payment and performance of its



obligations under this Agreement and the other Loan Documents, Borrower must execute and deliver to Lender an Assignment of Contracts and Work Product, in form and substance satisfactory to Lender, that conditionally assigns to Lender the Predevelopment Contracts and Work Product as described in Section 2.3 below. In addition, Borrower will hereby grant a security interest to Lender in such contracts and Work Product pursuant to Section 2.3 below.

**2.3 Grant of Security Interest.** Borrower hereby grants to Lender a security interest in Borrower's right, title, interest, privilege, benefit, and remedies in, to, and under all contracts or agreements now or hereafter entered into by Borrower with any architect, contractor, engineer, or other consultant for the purpose of design, engineering, construction or development of the Project (including but not limited to the contracts identified in the Assignment of Contracts and Work Product) ("**Predevelopment Contracts**"), and in all work product (in any form, including but not limited to electronic and hard media form) produced under or as a result of the Predevelopment Contracts, and in all the products and proceeds thereof (collectively, the "**Work Product**") to secure the full and prompt payment and performance of Borrower's obligations under this Agreement and the other Loan Documents. Borrower hereby authorizes Lender to file or record UCC financing statements or other documents in Lender's reasonable discretion to perfect Lender's foregoing security interest.

### **3. EXPRESS CONDITIONS TO LENDER'S OBLIGATIONS.**

**3.1 Conditions Precedent to Disbursements.** Lender's obligation to make any disbursement is expressly subject to, in addition to all other conditions and rights of Lender, Lender's determination that each of the following conditions is met at the time of such disbursement:

(a) Borrower has executed and delivered to Lender the Note, the Assignment of Contracts and Work Product contemplated by Section 2, true and correct copies of the Predevelopment Contracts, and all other agreements, documents, and instruments reasonably requested by Lender related to the Project or to this Agreement;

(b) Each of Borrower's representations and warranties contained in this Agreement, including in Section 4, is true and correct in all material respects as if made on the date of such disbursement;

(c) Subject to all applicable notice and cure periods, no Event of Default under the Loan Documents has occurred and is continuing (including, without limitation, a failure to perform any covenant set forth in Section 4), there is no other material default by Borrower under any Loan Document, and no event has occurred that, with the giving of notice or passage of time or both, would constitute an Event of Default under the Loan Documents;

(d) All contractors, subcontractors, laborers, and material suppliers providing services as part of the Predevelopment Activities related to the requested disbursement have been paid all amounts covered by prior Requests for Disbursement; and

(e) If the disbursement includes any PCEF Funds, Borrower has executed and delivered to Lender, unless Lender expressly waives this condition by written notice to Borrower

citing this Subsection 3.1(e): (i) an Amended and Restated Promissory Note, amending and restating the Note on substantially the same terms, except for modifications and additions that Lender considers necessary or appropriate in connection with the disbursement of PCEF Funds, including but not limited to provisions expressly providing for the treatment of PCEF Funds for some or all purposes in the same manner as Loan principal, and as indebtedness; and (ii) a Change in Terms Agreement modifying this Agreement and the Loan Documents to the extent Lender considers necessary for the same purpose; each in form and substance acceptable to Lender in its sole discretion.

#### **4. BORROWER'S REPRESENTATIONS, WARRANTIES AND COVENANTS.**

Borrower represents, warrants and covenants to Lender, as of the date of this Agreement, each Disbursement Date, and at all times while this Agreement is in effect, that:

**4.1 Organization and Authority.** Borrower is a limited partnership, duly and validly organized and in existence under the laws of the State of Oregon. Borrower has full legal right, power, and authority, and all necessary licenses and permits required, to: (a) undertake and carry on the Predevelopment Activities, (b) execute and deliver this Agreement, the Note and the other Loan Documents, and (c) carry out and consummate all transactions contemplated by this Agreement, the Note, and the other Loan Documents.

**4.2 No Violations or Default.** Neither Borrower nor any of its affiliates is in default under or in violation of any agreement to which it is a party or by which it is bound, nor any order, regulation, ruling or requirement of a court or other public body or authority. No creditor has given Borrower notice or threatened to give it any notice of default under any material agreement. At all times relevant to this Agreement, Borrower is and will remain fully able to perform all of its duties and obligations.

**4.3 Litigation.** No action, suit, investigation or proceeding is pending against Borrower or any of its affiliates with respect to the Project or the Predevelopment Activities before any court or administrative agency, (a) the outcome of which, by itself or taken together with any other litigation, might have a material adverse effect on the business, assets, operations, or financial condition of Borrower, or (b) which purports to affect the legality, enforceability or validity of any Loan Document.

**4.4 Tax Returns.** All federal, state, and other tax returns of Borrower required by law to be filed have been filed.

**4.5 Compliance with Laws and Restrictions.** Borrower will comply with or will cause the Project and the Predevelopment Activities to comply with all laws, ordinances, statutes, rules, regulations, orders, injunctions or decrees of any government agency or instrumentality applicable to Borrower, the Project, the Predevelopment Activities or the operation thereof, including all applicable health and safety, environmental, and zoning laws.

**4.6 Standard of Work.** Borrower will ensure that all activities, investigation and work product contemplated by this Agreement and undertaken by Borrower are of high quality



and meet with the commonly accepted standards of persons performing such investigations or activities or producing such work product.

**4.7 Licenses; Maintenance of Business.** Borrower will remain an Oregon limited partnership validly existing under the laws of Oregon, and will keep in force all licenses and permits necessary to undertake and complete all predevelopment activities.

**4.8 Performance of Obligations.** Borrower will pay principal and interest on the Predevelopment Loan in accordance with the terms of the Note and this Agreement, and will pay when due all other amounts payable by Borrower under this or any other Loan Document.

**4.9 Other Obligations.** Borrower will timely pay and discharge all indebtedness, taxes and other obligations for which it is liable or to which its income or property is subject, as well as all claims for labor, materials or supplies that, if unpaid, might become by law a lien upon the subject property. Exception is made for any claim or obligation whose validity or amount is being contested in good faith by Borrower in appropriate proceedings, but Borrower must make adequate provision in accordance with generally accepted accounting principles to pay the claim or obligation if Borrower loses its contest. If Borrower fails to discharge any such claim or lien, Lender may, in its sole discretion and without waiving the default, pay the same, which payment shall, at Lender's option, be added to the amount outstanding under the Note.

**4.10 Indemnity.** Borrower will indemnify and hold Lender and its directors, officers, employees, representatives, and agents harmless from and against any and all liabilities, claims, losses, damages, or expenses (including attorneys' fees, costs, and expenses) that any of them may suffer or incur in connection with (a) the inaccuracy of any of the representations and warranties made as part of this Agreement, and (b) any transaction contemplated by this Agreement or any other Loan Document, except to the extent any such liabilities, claims, losses, damages or expenses arise solely as a result of Lender's willful misconduct or gross negligence.

**4.11 Additional Acts.** From time to time, Borrower will execute and deliver all such instruments, provide such additional information and perform all such other acts as Lender may reasonably request to carry out the transactions contemplated by this Agreement.

## **5. EVENTS OF DEFAULT.**

Each of the following constitutes an event of default under this Agreement ("***Event of Default***"):

**5.1 Failure to Pay When Due.** Borrower fails to pay any sum due under the Note or pursuant to any other Loan Document within ten (10) days after the date it is due.

**5.2 Failure to Comply with Covenants.** Borrower fails to perform or abide by any other covenant in this Agreement, or in any other Loan Document, and such failure is not cured before the date thirty (30) days after the date on which Lender gives Borrower written notice specifying the default ("***Cure Deadline***") (or, if such breach cannot with reasonable diligence be cured before the Cure Deadline, if Borrower fails to commence curing the breach before the Cure

Deadline or fails thereafter to diligently pursue or to complete the cure by not later than thirty days after the Cure Deadline.)

### **5.3 Failure to Pay General Debts When Due.**

(a) Borrower or any guarantor of the Loan (i) applies for or consents to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its property, (ii) admits in writing its inability to pay, or generally is not paying, its debts as they become due, (iii) makes a general assignment for the benefit of creditors, (iv) commences a voluntary action under the United States Bankruptcy Code (as amended from time to time), (v) files a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding up or composition or adjustment of debts, (vi) fails to controvert in a timely or appropriate manner, or acquiesces or consents in writing to, any petition filed against it in an involuntary action under the United States Bankruptcy Code, or (vii) takes any action for the purpose of effecting any of the foregoing.

(b) A proceeding or case is commenced against Borrower, without its consent, in any court of competent jurisdiction, seeking the liquidation, reorganization, dissolution, windup, or composition or readjustment of the debts of Borrower, (ii) a receiver, trustee, custodian, liquidator or the like is appointed for Borrower or for all or a substantial part of its assets, or (iii) relief is granted to Borrower under any law relating to bankruptcy, insolvency, reorganization, winding up, or composition or adjustment of debts, and such proceeding or case continues undismissed, or an order, judgment or decree approving or ordering any of the foregoing is entered and continues unstayed and in effect for any period of 60 days, or an order for relief against Borrower is entered in an involuntary case under the United States Bankruptcy Code.

**5.4 Failure to Disclose Material Facts.** Borrower fails to disclose any fact material to the making of any loan to Borrower, or Lender discovers any material misrepresentation by, on behalf of or for the benefit of Borrower.

**5.5 Failure to Diligently Pursue the Project.** Borrower fails to diligently pursue the Predevelopment Activities identified in Exhibit A, or fails to diligently pursue the satisfaction of the Performance Benchmarks set forth on Exhibit C.

**5.6 Default Under Other Loans.** Borrower defaults under any other loan provided by Lender and fails to cure such default within any applicable cure period set forth in the loan documents relating to such loan. If Borrower cures a default under any other loan, that cure shall constitute a cure under the Note or this Agreement, provided that no other Event of Default has occurred under the provisions of the Note or this Agreement.

## **6. RIGHTS AND REMEDIES ON EVENT OF DEFAULT.**

Upon the occurrence of an Event of Default and at any time thereafter, Lender may, at its option, exercise any one or more of the following rights and remedies:

6.1 **Acceleration.** Lender may declare the entire indebtedness of the Loan, including the entire remaining unpaid balance of principal and all unpaid accrued interest and other charges payable by Borrower pursuant to the Note or any other Loan Document, to be immediately due and payable in full, without presentment, demand, protest, notice of protest, or further notice of any kind, all of which are hereby expressly waived by Borrower.

6.2 **Other Remedies.** Lender may protect and enforce its rights by appropriate judicial proceedings, including, in appropriate cases, through the remedy of specific performance or other equitable remedies in aid of the exercise of any right or power available under law or pursuant to this Agreement or any other Loan Document.

6.3 **Interest on Default.** Upon an Event of Default, interest under the Note will accrue on the unpaid principal balance from the date of the Event of Default (or, if the Event of Default is a payment default, from the date the first unpaid payment was due) at a rate of one percent (1%) per month or twelve percent (12%) per year ("**Default Rate**"), until paid in full. If the unpaid principal balance is not paid in full on the Maturity Date (as defined in the Note), the unpaid principal balance will bear interest from the Maturity Date at the Default Rate.

6.4 **Rights and Remedies Cumulative.** All rights and remedies described in this Section 6 are cumulative to any other remedies Lender may have by agreement or otherwise under law. Lender's partial exercise of any right or remedy will not limit or restrict Lender's subsequent exercise of such right or remedy, nor restrict Lender's contemporaneous or subsequent exercise of any other right or remedy.

6.5 **No Waiver.** No failure or delay of Lender in exercising any right arising out of this Agreement is intended to, or will, operate as a waiver of that right or any other right. No modification or waiver of any provision of this Agreement, the Note, or any other Loan Documents will be effective if not in writing.

6.6 **Payment of Costs of Collection.** In case of an Event of Default, or in case litigation is commenced to enforce or construe any term of this Agreement, the Note or any other Loan Document, the losing party must pay to the prevailing party the amount required to cover all costs of collection or enforcement, including, without limitation, reasonable attorneys' fees and costs prior to and at any arbitration proceeding or at trial, on appeal or in any bankruptcy proceeding.

6.7 **Deliver Work Product.** On or before the date five (5) business days immediately after an Event of Default, Borrower must deliver to Lender all documents described in Section 1.7 and Borrower must also authorize any and all of its vendors, contractors or consultants engaged in any kind of work on the predevelopment activities to accept an assignment of Borrower's contract with them to Lender.

6.8 **Provide Accounting.** Upon an Event of Default, Borrower shall provide an accounting to Lender of all expenditures of Loan Funds and shall apply as directed by Lender or return to Lender, as the case may be, all unused Loan Funds, to be applied first to any payments due to contractors, subcontractors, laborers, consultants or material suppliers under any contract

related to the Predevelopment Activities, then to any outstanding interest, if any, and then to any principal outstanding under this Agreement and the accompanying Note.

## 7. MISCELLANEOUS.

7.1 **Recourse Provision.** The obligations under this Agreement are with recourse to Borrower.

7.2 **Counterparts.** This Agreement may be executed in any number of counterparts. Any single counterpart or set of counterparts signed by all parties hereto shall constitute a full and original instrument, and all taken together constitute one and the same instrument.

7.3 **Survival.** All agreements, representations and warranties shall survive the execution and delivery of this Agreement, any investigation at any time made by Lender or on its behalf, the making of the Loan and the delivery of the Note.

7.4 **Notice.** Any notice required or permitted under this Agreement shall be in writing and shall be deemed effective (a) when actually delivered in person, (b) one business day after deposit with a commercial courier service for "next day" delivery, (c) two business days after having been deposited in the United States mail as certified or registered mail, or (d) when transmitted by facsimile (receipt confirmed), addressed to the parties as follows:

If to Borrower: BROADWAY CORRIDOR PARCEL 6 HOUSING PARTNERS  
LIMITED PARTNERSHIP  
C/O Related NW  
208 SW First Avenue, Suite 240  
Portland, OR 97204  
Attn: Stef Kondor

With copy to: The Related Companies of California, LLC  
18201 Von Karman Avenue, Suite 900  
Irvine, CA 92612  
Attn: Ann Silverberg, President

with a copy to  
Borrower's counsel: Bocarsly Emden Cowan Esmail & Arndt LLP  
633 W. 5<sup>th</sup> Street, Suite 5880  
Los Angeles, CA 90071  
Attn: Nicole Deddens, Esq.

If to Lender: Prosper Portland  
Attn: [TBD]  
[ADDRESSES]

with a copy to:           General Counsel  
                                  **[ADDRESSES]**

7.5     **Successors and Assigns.** This Agreement will be binding upon and inure to the benefit of the parties and their respective permitted successors and assigns.

7.6     **Governing Law.** This Agreement and the other Loan Documents are intended to be governed by and construed under Oregon law without regard to conflicts of law principles.

7.7     **Assignment.** Borrower may not assign this Agreement without the prior written consent of Lender.

7.8     **Modification; Prior Loan Agreements; Headings.** This Agreement may not be modified or amended except in writing signed by of Borrower and Lender. This Agreement, taken together with the other Loan Documents, reflects and sets forth the entire agreement and understanding of the parties with respect to the Predevelopment Activities and the Project, and supersedes all prior agreements and understandings related to such subject matter. The headings in this Agreement are for the purpose of reference only and shall not limit or otherwise affect any of the terms of the Agreement.

7.9     **Validity; Severability.** If any provision of this Agreement is held to be invalid, such event shall not affect, in any respect whatsoever, the validity of the remainder of this Agreement, and the remainder shall be construed without the invalid provision so as to carry out the intent of the parties to the extent possible without the invalid provision.

7.10    **Schedules and Exhibits.** Any schedules or exhibits attached to this Agreement and referred to herein are incorporated in this Agreement as if they were fully set forth in its text.

7.11    **Time of Essence.** Time is of the essence for this Agreement and each of the Loan Documents.

***(SIGNATURES ON FOLLOWING PAGE(S))***

IN WITNESS WHEREOF, Borrower and Lender have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

**BORROWER:**

**BROADWAY CORRIDOR PARCEL 6 HOUSING PARTNERS LIMITED  
PARTNERSHIP**, an Oregon limited partnership

**BY:** Related/Broadway Corridor Parcel 6 Development Co., LLC,  
a California limited liability company,  
its general partner

By: \_\_\_\_\_  
Ann Silverberg, President

**LENDER:**

**PROSPER PORTLAND**

By: \_\_\_\_\_  
Lisa Abuaf, Interim Executive Director

APPROVED AS TO FORM AS TO PROSPER PORTLAND:

\_\_\_\_\_  
Prosper Portland Legal Counsel

***List of Exhibits:***

<b><u>Exhibit A</u></b>	Predevelopment Activities/Budget
<b><u>Exhibit B</u></b>	Disbursement Request Form
<b><u>Exhibit C</u></b>	Performance Benchmarks
<b><u>Exhibit D</u></b>	Lender-Adopted Policies



## EXHIBIT A

### PREDEVELOPMENT ACTIVITIES/BUDGET\*

Activity Description	Loan Funds (Maximum)	PCEF Funds** (Maximum)	Borrower Capital	Total
Architecture & Engineering (ZGF + Mithun)***	\$680,190	\$226,730	\$104,357	\$1,011,277
Preconstruction Services (Walsh)	\$0	\$0	\$0	\$0
Market Study (Concord Group)	\$10,089	\$3,363	\$1,548	\$15,000
Construction Management (GLI Advisors)	\$17,010	\$5,670	\$2,610	\$25,290
Environmental Services (Evren Northwest)	\$2,354	\$785	\$361	\$3,500
Geotech (Columbia West)	\$40,356	\$13,452	\$6,192	\$60,000
<b>Subtotals</b>	<b>\$750,000</b>	<b>\$250,000</b>	<b>\$115,067</b>	
<b>Total</b>				<b>\$1,115,067</b>

\* The table above sets forth the entire anticipated cost of eligible Predevelopment Activities. For the elimination of doubt, in no event will Lender disburse any funds for ineligible work (e.g. developer fees), any funds which Lender has no obligation to disburse, or disburse more than \$750,000.00 in Loan Funds or more than the amount of PCEF Funds received (up to \$250,000.00). All costs to complete the Predevelopment Activities which are in excess of \$750,000 (plus the amount of PCEF Funds received) shall be the sole responsibility of Borrower.

\*\*If and to the extent available. If less is available than the subtotal, or if necessary in Lender's reasonable determination to comply with terms, conditions, or obligations related to such funds, Lender and Borrower will agree to adjust the line item maximums in a reasonable manner to reflect the circumstances.

\*\*\*Includes all work product from subconsultants under design contract, including, but not limited to PAE (MEP Design), Structural Engineer, Civil Engineer, and Landscape Architect

**EXHIBIT B**  
**DISBURSEMENT REQUEST FORM**

[TBD]

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**EXHIBIT C**  
**PERFORMANCE BENCHMARKS**

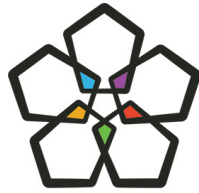
<b>Activity</b>	<b>Concept Design Completion Benchmark (month/year)</b>	<b>Schematic Design Completion Benchmark (month/year)</b>
Architecture & Engineering: Design Plans	August 1, 2025	October 1, 2025
Market Study	N/A	October 1, 2025
Environmental Services: Phase 1 ESA	N/A	October 1, 2025
Geotech: Geotechnical Report	N/A	October 1, 2025

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**EXHIBIT D**  
**APPLICABLE LENDER-ADOPTED POLICIES**

**[COPIES OF POLICIES]**

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# PROSPER PORTLAND

Building an Equitable Economy

## RESOLUTION NO. 7611

### RESOLUTION TITLE:

AUTHORIZING A PREDEVELOPMENT LOAN FOR THE DEVELOPMENT OF MIDDLE-INCOME HOUSING ON PARCEL 6 WITHIN THE BROADWAY CORRIDOR


Adopted by the Prosper Portland Commission on June 18, 2025

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Gustavo J. Cruz, Jr.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Marcelino J. Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Felisa Hagins	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Michi Slick	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	VACANT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Consent Agenda <input checked="" type="checkbox"/> Regular Agenda				

### CERTIFICATION

The undersigned hereby certifies that:

*The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Prosper Portland Commission and as duly recorded in the official minutes of the meeting.*

	<b>Date:</b>  June 24, 2025
<b>Pam Feigenbutz, Recording Secretary</b>	