

**PROSPER PORTLAND**

Portland, Oregon

**RESOLUTION NO. 7637**

**APPROVING THE TERMS OF A COMMERCIAL PROPERTY LOAN PROGRAM LOAN TO PALINDROME 92H, LLC, IN AN AMOUNT NOT TO EXCEED \$10,800,000, FOR REDEVELOPMENT OF REAL PROPERTY LOCATED AT 5640 SE 92<sup>ND</sup> AVENUE IN THE LENTS TOWN CENTER TAX INCREMENT FINANCE DISTRICT**

**WHEREAS**, on August 19, 1998, through Resolution No. 5157, the Prosper Portland Board of Commissioners (“Board”) approved and on September 9, 1998 through Ordinance No. 172371, the Portland City Council adopted the Lents Town Center Urban Renewal Plan (“Plan”);

**WHEREAS**, on February 17, 2000, through Resolution No. 5407, the Board authorized the purchase of 9330 SE Harold Street, commonly known as 92nd and Harold, in the Lents Town Center Tax Increment Finance District for the purposes of furthering the goals of the Plan;

**WHEREAS**, in May of 2014, the Prosper Portland Board reviewed and on May 28, 2014 through Resolution No. 37075, Portland City Council accepted the Lents Five Year Action Plan;

**WHEREAS**, on April 26, 2023, through Resolution 37617, City Council adopted Advance Portland: A Call to Action for Inclusive Economic Growth (“Advance Portland”) as a framework for inclusive growth through interventions that advance competitiveness, racial equity, and climate action;

**WHEREAS**, Advance Portland Objective 3 identifies the need to address housing production across a continuum of affordability and to explore and expand production methods that can streamline and increase completion of workforce housing;

**WHEREAS**, the City of Portland, with Prosper Portland’s support, developed a Housing Production Strategy, adopted by the City Council on August 28, 2024, to identify a set of actions and policies the City will use to address the 20-year housing needs identified in the new Housing Needs Analysis, including land supply, regulatory code, and financial tools;

**WHEREAS**, the Commercial Property Loan Program (“Program”) was established through Resolution No. 7525, adopted by the Prosper Portland Board of Commissioners (“Board”) on March 13, 2024, including Program Guidelines;

**WHEREAS**, on August 14, 2019, through Resolution No. 7328, the Prosper Portland Board approved the terms of a Development and Disposition Agreement (“Agreement”) with Palindrome Communities LLC (as assigned to Palindrome 92H, LLC, “Developer”) for the Prosper Portland-owned

Property located at 5640 SE 92<sup>nd</sup> Ave (the “Property”) on terms set forth in Resolution No. 7328, including the Project’s budget and capital sources;

**WHEREAS**, Prosper Portland and Developer entered into the Agreement effective as of June 13, 2022, and the Agreement has been amended to extend timelines for the Developer to exercise its option to acquire a ground leasehold interest in the Property;

**WHEREAS**, pursuant to the Agreement, Developer proposes to develop a 171-unit residential apartment project, including restricted affordable and middle-income market rate apartments on the Property (“Project”);

**WHEREAS**, notwithstanding the cash-flow dependent rent that will be required under the terms of the ground lease anticipated under the Agreement, Developer has sought additional financing for the Project from Prosper Portland of up to \$10,800,000, as a construction/permanent loan; and

**WHEREAS**, Prosper Portland staff have determined that the Project is strongly aligned with Advance Portland and the Lents Town Center TIF District Action Plan.

**NOW THEREFORE, BE IT RESOLVED**, that the Prosper Portland Board of Commissioners authorizes the Executive Director to make a Commercial Property Loan Program loan to the Developer substantially in accordance with the terms attached hereto as Exhibit A, and to execute all documents and instruments necessary to make the loan;

**BE IT FURTHER RESOLVED**, that without limitation of the authority previously provided pursuant to Resolution No. 7328, Resolution No. 7328 is to be construed from the Effective Date of this Resolution as providing authority to the Executive Director to amend, modify, interpret, and carry out the terms of the Agreement, as amended, as if Resolution No. 7328 had pertained to the Project as described in connection with this Resolution, notwithstanding changes to the Project budget and capital sources, among other things;

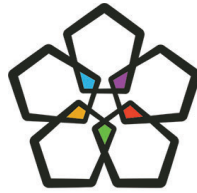
**BE IT FURTHER RESOLVED**, that the Executive Director may approve changes to the approved terms of the loan or to the loan documents, as applicable, if such changes do not materially increase Prosper Portland’s obligations or risks, as determined by the Executive Director in consultation with Prosper Portland’s General Counsel; and

**BE IT FURTHER RESOLVED**, that with the affirmative vote of at least four members of the Prosper Portland Board and of all members 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:	Palindrome 92H, LLC
Project Location:	5640 SE 92nd Ave, Portland, OR 97266
Property ID:	R115524
TIF District:	Lents Town Center
Strategic Plan Alignment:	Aligns with Lents Town Center TIF District Action Plan
Loan Program:	Construction Loan
Exceptions to Guidelines:	Yes
Risk Rating :	B
DSCR at Stabilization:	1.24
Loan Amount:	\$10,800,000.00
Origination Fee:	1%
Interest Rate:	4.00%
Maturity:	20 years (240 months)
Amortization:	40 years (480 months)
Disbursement Period:	12/31/2027
Interest-Only Period:	Interest-only for seven years, from 2026 through 2032
Repayment:	Payments during construction period (2026 through 2027) interest-only payments will draw from interest reserve; after construction period, interest-only or P&I payments will be made annually from surplus cash flow; if surplus cash flow is not sufficient to make these annual payments, any unpaid amount due will accrue to the outstanding principal balance; ballon at maturity.
Origination Fee:	1%
Collateral:	Leasehold Deed of Trust on Borrower’s interest under the Ground Lease, together with an Assignment of Rents and Leases; subordinate only to the senior construction lender or senior permanent lender.
Guarantor(s):	Chad Rennaker
Conditions to Close:	<ul style="list-style-type: none"> <li>•Receipt of a revised term sheet from Western Alliance Bank, to confirm that the senior lender’s terms do not materially change, and if they do, that the Project can still service all proposed debt in accordance with Prosper Portland’s loan guidelines, and to confirm that Western Alliance Bank understands Prosper Portland’s loan terms.</li> <li>•Receipt, review, and approval of an Intercreditor Agreement with Western Alliance Bank, acceptable to Prosper Portland.</li> <li>•Prosper Portland to receive evidence, acceptable to Prosper Portland, that Palindrome Communities, LLC has assigned the Ground Lease to Palindrome 92H, LLC.</li> <li>•Confirmation that the Project qualified for a 10-year tax abatement.</li> </ul>
Conditions to Disburse:	<ul style="list-style-type: none"> <li>• Receive an executed copy of its Inclusionary Housing Covenant with Portland Housing Bureau.</li> <li>• The first loan disbursement shall include an amount equal to the payoff amount on the outstanding Pre-Development loan. Current loan balance as of this writing is approximately \$160,467.</li> </ul>
Compliance with Policies:	The loan documents will require Borrower to comply with applicable Prosper Portland Green Building and Equity policies.
Express Condition:	Lender’s Board of Commissioners must have exercised its discretion to approve the loan in accordance with Lender’s policies and with law.

\*This Term Sheet does not and will not constitute a binding agreement. The terms set forth herein and other provisions customary for a transaction of this sort must, to be binding, be incorporated into one or more agreements between Prosper Portland and the Borrower. Resolutions approving this Term Sheet will also authorize the execution of all additional documents and instruments necessary to make the loan.



**PROSPER  
PORTLAND**  
Building an Equitable Economy

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**RESOLUTION TITLE:**

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Adopted by the Prosper Portland Commission on February 11, 2026

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 Serena Stoudamire Wesley	<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 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>  02/11/2026
<b>Hannah Studdard, Recording Secretary</b>	