

LETTER OF UNDERSTANDING

Letter of understanding between Grace Memorial Episcopal Church (SPONSOR), Quadriplegics United Against Dependency (Quad), Inc. (DEVELOPER) and PHAME Academy (CO-SPONSOR); collectively referred to as the PARTIES. Walsh Construction Company is acting as the CONSULTANT.

WHEREAS:

1. SPONSOR is studying the feasibility of redeveloping their campus located at 1535 NE 17th Avenue, Portland, Oregon (the SITE). SPONSOR is the owner of the SITE.
2. DEVELOPER is a non-profit organization which operates 4 HUD and 1 low-income housing tax credit (LIHTC) projects all located in the Portland metropolitan area. DEVELOPER wants to expand their project portfolio of providing accessible housing to its target populations; namely the disabled and low-income individuals and families.
3. CO-SPONSOR is a current lessee of SPONSOR and wishes to act in consort with SPONSOR and DEVELOPER to seek a long-term location for their programs within the PROJECT.
4. The PARTIES have shared values and interests leading them to enter into this agreement.
5. The redevelopment project (the PROJECT) is to include low-income housing owned and operated by DEVELOPER and spaces separately owned and operated by SPONSOR and CO-SPONSOR.

TIMEFRAME OF THIS AGREEMENT:

This agreement covers a period of 6 months, beginning from time of signing by the PARTIES.

TERMS OF THIS AGREEMENT:

During the 6-month period, the PARTIES agree as follows:

1. SPONSOR and CO-SPONSOR have identified DEVELOPER as the primary developer of this project. Neither SPONSOR or CO-SPONSOR will enter into any agreements with any other developers for redevelopment of the SITE.
2. CO-SPONSOR will not enter into any agreements, leases or other commitments to other developers, property owners, sites or locations for the purpose of relocating their facilities. This agreement does not preclude CO-SPONSOR from having contact or conversations with other parties about potential relocation sites.
3. DEVELOPER will spend the funds necessary to complete the due diligence tasks needed to determine the feasibility of the project. The amount of those funds will be defined by a to-be-determined workplan and budget, proposed by the DEVELOPER and agreed to by the PARTIES.
4. PARTIES agree to work diligently and cooperatively towards completing a detailed, mutually agreeable Memorandum of Understanding (MOU) for redevelopment of the SITE, with the intent of executing the MOU at the completion of the 6-month timeframe.
5. SPONSOR and CO-SPONSOR will commit \$5,000 each upon signing this agreement as a sign of good faith and interest. These funds will be applied to extend CONSULTANT's personal services contract.

6. During the 6-month timeframe the PARTIES have also identified these other priorities:
- a. Scope of work for all engaged consultants.
 - b. Initial draft of a development budget for the project.
 - c. Sources of funding and probability of likely application outcome.
 - d. Pro-Forma of the project(s).
 - e. Identification of contractors, lawyer(s), architect and method of selection.
 - f. Finalized space plan to provide to the architect.

TERMINATION OF AGREEMENT:

This agreement will remain in effect unless all parties agree mutually that a satisfactory MOU cannot be reached, or an MOU is reached, or the TERM expires without a formal agreement. PARTIES may agree to extend the timeframe of this agreement at any time.

SPONSOR
Rev. Martin Elfert, Rector, Grace Memorial Episcopal Church

Date

DEVELOPER
Curt R Germundson, Executive Director, Quad, Inc.

Date

CO-SPONSOR
Jenny Stadler PHO, Executive Director, PHAME Academy

Date