

A. Applicant Information

Completed by jkeogh@korlandtrust.org on 7/6/2022 1:56 PM

Case Id: 30124

Name: ??Kôr Community Land Trust - 2022

Address: *No Address Assigned

A. Applicant Information

Please provide the following information.

ORGANIZATION INFORMATION

A.1. Organization Name

Kor Community Land Trust

A.2. Address

150 NE Hawthorne Ave. Suite 110 Bend, OR 97701

PROJECT INFORMATION

A.3. Project Name

Permanently Affordable Homeownership at Simpson Ave

A.4. Project Location

19755 Simpson Ave Bend, OR 97702

CONTACT PERSON INFORMATION

A.5. First Name

Jackie

A.6. Last Name

Keogh

A.7. Address

150 Northeast Hawthorne Ave. Suite 110 Bend, OR 97701

A.8. Phone Number

(541) 247-1244

A.9. Email Address

jackie@korlandtrust.org

B. Organization Information

Case Id: 30124

Name: Kôr Community Land Trust - 2022

Address: *No Address Assigned

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B. Organization Information

Please provide the following information about your organization:

B.1. What is the organization's background, mission, and service history:

Kôr Community Land Trust provides environmentally sustainable and permanently affordable homeownership opportunities for those who contribute to the fabric of the Central Oregon economy and community. Kôr was founded in 2015 by two City of Bend residents who saw too many community members displaced because of the cost of housing. At the same time, typical affordable housing lacked a commitment to sustainability and the cost saving that comes with it. In response, Kôr builds new construction, net-zero and permanently affordable homeownership communities that are affordable to households earning between 65% - 80% AMI. In the City of Bend, Kôr has built one 5-unit community and has three more communities, totaling more than 40 units, in different stages of development. Kôr has stabilized 5 households in affordable and sustainable homeownership, with plans to stabilize more than 35 households in family-sized ownership communities. During each of its open housing lotteries, Kôr educates an average of 100 interested households by offering group education on Community Land Trusts and mortgage readiness. Homebuyers selected for Kôr homes receive continued pre-and post-workshop education to ensure long-term family stability.

Kôr is Central Oregon's premiere Community Land Trust. In the model, homeowners own their home outright by leveraging a traditional mortgage and the Community Land Trust owns the land under the home and leases it back to the homeowner through a 99 year renewable land lease. This structure allows the Community Land Trust to ensure the home resells to another income qualified homebuyer if a homeowner chooses to sell. The original homeowner receives a fair return on their initial investment while helping future generations have access to affordable homes, like they did. This ensures that the City of Bend will always have a growing number of affordable Kôr homes.

B.2. Provide a brief description of the organization's financial stability as it pertains to the organization's capacity to successfully complete the project, including a brief financial history and primary funding sources. The City may request copies of the organization's financial audit or review for the last two years.

Kôr has generated revenue for operating expenses and filed its required 990s since incorporation. Kôr's support base and financial stability continues to grow each year, with the organization now managing a \$340,000 operational budget, over \$7M in net assets, and has over 7 months of operating reserves. Kôr recently hired a full-time Fiscal Director to oversee its growing financial operations.

Housing Works has partnered with Kôr on its three communities, acting as its guarantor. Kôr's first two fully-funded communities included award and proper use of the following funds: Affordable Housing Fee Funds; Bend CDBG Funds; OHCS LIFT funds; Construction lending from Washington Federal; and a number of private grants, including Meyer Memorial Trust. Based on its history of administering City of Bend funds, Kôr can deploy funds in a timely manner, spend all awarded funds within the required timeline, and report accurately on all funds administered. For its next two projects on Poplar Street and Simpson Ave, Kôr is expanding its project funders to also include: Community Frameworks' Self-help Homeownership Opportunity Program (SHOP); American Rescue Plan Act, multiple private grantors to fully support its net-zero upgrades, and private low-interest loans.

B.3. Key Personnel Assigned to Project:

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Name	Job Title	Qualifications	FTE Hours
Jackie Keogh	Executive Director	Keogh brings over a decade of experience in affordable housing, having previously worked for Portland Housing Bureau and Proud Ground, the largest Community Land Trust in the Pacific Northwest. Keogh has managed millions in HUD pass-through grants, including HOME and CDBG.	40
Michael Points	Project Manager	Points previously worked as a Project Manager for Jamboree Housing Corporation, one of the largest non-profit affordable housing developers in California managing CA LIHTC funds.	40
Brian Durbin	Fiscal Director	Durbin has 13 years of experience in the financial services industry with a focus on compliance and operations, most recently serving as Chief Compliance Officer of an investment adviser.	40

C. Project Description

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Case Id: 30124

Name: ??Kôr Community Land Trust - 2022

Address: *No Address Assigned

C. Project Description

Please provide a brief description of the following:

C.1. Describe the need or problem your project will address.

Kôr recognizes the inequities that persist in Bend as vacation homes and the zoom-town phenomenon threatens to displace Bend's lower-income workforce. As Bend continues to grow, lower-income households and disproportionately Black, Indigenous, and People of Color (BIPOC) households are displaced further away from their employment and community support systems. According to the City's Consolidated Action Plan, Bend doesn't have enough available housing for lower income households and increasing housing prices show no signs of slowing down. Moreover, the wages in Bend largely do not support the current housing costs. These are working individuals and families who can qualify for a mortgage but cannot afford to purchase a home on the rising market when their own wages remain stagnant. Kôr bridges this gap by building permanently affordable and homeownership communities. Most importantly, Kôr's Community Land Trust model will ensure that these homes will remain affordable in perpetuity, serving more low-income households with each subsequent home resale.

Kôr is not only committed to breaking down the barriers for lower-income households to access affordable homeownership, it is also committed to energy justice. Lower-income and BIPOC households are disproportionately burdened by energy insecurity due to their higher likelihood of living in older, energy-inefficient homes. This situation causes increased housing costs and unhealthy living conditions, linking housing to health insecurities. Persistent income and health inequality perpetuates instability that leads to generational poverty which disproportionately affects lower-income BIPOC households with children. That's why Kôr builds all of its homes to goal net-zero energy. Homeowners in Kôr's communities can gain equity in their homes without being cost-burdened by erratic rent payments and high utility bills. These savings make a huge difference for families to be able to invest in their future stability.

C.2. Describe how your project will address the identified need or problem, including project background, project objectives, services to be provided by the project, the populations or areas to be served, and how the Affordable Housing Development assistance will be used.

Kor and Housing Works were awarded rights to acquire and develop the 7.12 parcel on Simpson Ave by Deschutes County in March 2022. Kor and Housing Works are finalizing a PSA that includes an option for Kor to parcel and purchase 3.38 acres of the most western site from Housing Works in late 2022. This request is for Kor to acquire the 3.38 acres of land to develop more than 30 homeownership units at the site. This project would be completed in two phases, with the first phase developing an estimated 24 units. Collectively, this would be the largest affordable homeownership investment in the City of Bend. The proposed site design includes two different points of entry, two separate parking areas, and tree-scaped walking paths throughout the community. This intentional design includes preserving a large green space adjacent to the main parking area, a majority of the treescape along Simpson Ave, and avoids the unstable soil pit on site.

The overall site design includes thirty 2-story, 1,213 sq. ft. 3-bedroom/2 bath and 2-bedroom/2-bath homes designed to serve Kor's priority population - BIPOC households earning less than 80% AMI with family housing needs. These home designs and priority populations are in response to community engagement with Kôr stakeholders and community leaders. The homeownership units would be reserved for households earning between 65-80% AMI, but may serve even lower-income households with a Housing Works Housing Choice Voucher that they can use towards their mortgage

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payment. Using the Community Land Trust, families living in Housing Works' abutting affordable rentals would have the opportunity to purchase a Kôr resale in their neighborhood, supporting the entire continuum of affordable housing on a single site.

Kôr will manage all aspects of the community outreach, homebuyer selection, home sale, and post-purchase support. Kôr will complete outreach efforts to attract qualified homebuyers to its housing lottery. The goal is to identify homebuyers and multiple back-up homebuyers, all of whom income qualify. The homeownership program process typically runs as follows: 1) attracting homebuyers to public, group education sessions to learn more about becoming a homeowner through Kôr's Community Land Trust; 2) opening a 45 day application for interested homebuyers to complete an application to be part of the housing lottery; 3) selecting homebuyers and multiple back-up buyers per home; 4) referring households to NeighborImpact for required income-verification and housing education and counseling; 5) working with selected homebuyers to help them leverage a traditional mortgage and enroll in an individual development account; 6) producing and closing on its permanently affordable and net-zero homes.

C.3. Describe how your project will address the identified need or problem in a way or to a degree not already being achieved in the community. Please identify any other similar programs or projects and how your project will add to or improve upon existing services.

This project addresses Goal #3 of the City's Consolidated Plan, 'to produce and preserve owner-occupied affordable housing through creation of new homes, homeownership financial assistance, and obtaining homes to keep them affordable.' According to the City's Consolidated Action Plan, Bend doesn't have enough available housing for lower income households and housing prices show no signs of slowing down. To truly overcome the current housing challenges, the City of Bend needs more affordable housing developers. Kôr is one of two non-profit affordable homeownership developers in the City and is the only developer providing the following grouping of housing services: 1) Kôr homeowners build equity on their home, using Kôr's fixed-rate resale model in which homeowners earn 1.5% of their down-payment and mortgage, compounded annually. After 10 years in the home, the average homeowner earns \$83,000 in equity; 2) Kôr's homes are permanently affordable and remain community assets for the City of Bend, serving income-qualified residents at no additional cost to the City for generations to come. Kôr stewards these homes and manages all subsequent income-qualified resales using the Community Land Trust model; 3) Kôr builds its homes to net-zero standards, recognizing that sustainability is needed to preserve high-quality units that will be with the City for years to come. Kôr's sustainability goals reduce homeowner's high utility bills, provide equitable access to energy efficient technologies, and reduce the City's footprint; 4) Kôr allows homebuyers with an ITIN number to purchase through the program.

C.4. Describe the ways in which your project will have a long-term impact on the need or problem being addressed.

The Simpson property offers an opportunity for the City of Bend to invest in a permanently affordable homeownership that long-term will serve the broad housing needs of the community on a single site. Families living in Housing Works' abutting rentals would have the opportunity to purchase a Kôr resale in their neighborhood, in turn staying in their community, school district, and with established family supports, like daycare centers. So while Kôr would initially serve an estimated 120 persons in 30 households on the entire site, the project's resales will ensure that this one-time funding will serve an estimated 450 individuals in 112 income-qualified households within the first 75 years of the home. Recognizing that Kôr stewards this subsidy from the City of Bend, the initial \$250,000 land acquisition investment will be valued at \$2,294,731 by the 75th year (assuming a 3% annual increase in interest).

C.5. Please indicate the time period that the project will remain affordable and how your organization plans to ensure that the project remains affordable for the specified time period:

Consistent with the Community Land Trust model, Kor's homes are affordable in perpetuity. The organization sells only the home and the buyer has a 99-year ground lease on the land. The ground lease contains a deed restriction that

outlines a resale formula which ensures that the home is affordable to subsequent buyers. The shared equity model provides the opportunity for the homeowner to gain a modest return on their investment; upon resale the homeowner helps other lower-income households have access to affordable housing, like they did.

C.6. Describe your organization’s plan for evaluating the progress of the project toward addressing the identified need or problem.

Recognizing the importance of representation of the community served, Kôr’s Board of Directors includes Kôr homeowners and low-income community members. This ensures that those served by Kôr are part of the decision making that drives the mission-based work. Additionally, Kôr’s Homebuyer Board Committee is composed of homebuyers with lived experience with housing instability. This committee comes together quarterly to provide programmatic and community design feedback. Most importantly, Kôr’s Homeownership Program administers a robust evaluation process, where all homebuyers and homeowners who interact with the program have an opportunity to provide written feedback in the form of a survey. Kôr also expands feedback collection to the entire community during the design of a new community.

With the overarching project goal to stabilize over 30 households in sustainable and permanently affordable homeownership units, the Simpson project will specifically meet the following goals: 1) outreach will attract at least 150 interested homebuyers to the group education sessions to learn more about becoming a homeowner through Kôr's Community Land Trust; 2) At least 100 homebuyers will apply to the housing lotteries; 3) Kôr will select 30 qualified homebuyers, in addition to a strong waiting list; 4) Selected homebuyers will undergo education and counseling with NeighborImpact, while also receiving 8 annual pre-and post purchase workshops, including financial education, sustainability, HOA management, and real estate and attorney mentorship; 5) Kôr will produce 30 affordable and net-zero homes that will remain permanent community assets through the Community Land Trust, serving more income-qualified homebuyers when the units resell.

D. Property and Project Information

Case Id: 30124
Name: ??Kôr Community Land Trust - 2022
Address: *No Address Assigned

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D. Property and Project Information

Please provide the following information.

D.1. Describe the proposed site Include information on any improvements (infrastructure, grading, etc.) and the existence of commercial or residential structures. If building(s) are occupied, include information on the type of occupants (including relationship to the seller or other entities) and the number of occupants. For vacant parcels, include information on any known critical habitats, wetlands, rivers/streams immediately on or adjacent to the property. For previously developed sites, include information on known historic significance (or construction 50 years or older) on OR adjacent to the property.

The subject property identified on Map and Tax Lot 1812060000100 is located at 19755 Simpson Ave, Bend, OR 97702. It is approximately 7.12 acres in size and situated directly south of the Golden Butte Phase 1 and Westpine subdivisions and north of property owned by Oregon Parks and Recreation Department (OPRD) and Oregon State University – Cascades (OSU Cascades), respectively. The property is currently zoned Residential Medium Density (RM). The property has varied topography with some areas characterized by heightened berms and otherwise limited areas of raised grade. The property is bordered by SW Mt. Washington Drive to the west, by Simpson Avenue to the south and east, and by adjoining properties located within the aforementioned residential subdivisions to the north. The property is also intersected by SW 18th Street and unimproved right-of-way associated with SW 17th Street. The subject property is currently undeveloped and contains a vegetative cover of mature juniper trees, ponderosa pines, and lodge-pole pine trees with interspersed native grasses, shrubs, and groundcover. Both a phase 1 and soils report has been completed.

Please attach a map showing the project's location:

Map of Project Location

attachment_e_-_property_site_map.pdf

D.2. Property Legal Description

Beginning at the West 1/4 corner of said Section 6; thence along the West boundary of the Northwest 1/4 of said section 6 North 00 36'35" East 1166.45 feet to a point on the North Right-of-Way of Simpson Avenue, said point bring the TRUE POINT OF BEGINNING; thence continuing North 00 36'35" East 158.62 feet to the Northwest corner of the Southwest 1/4 of the Northwest 1/4 of said Section 6; thence leaving said West boundary and along the North boundary of said Southwest 1/4 of the Northwest 1/4 South 89 39'34" East 2170.65 feet to the Northwest corner of parcel 5 of that property described in Volume 2005, Page 72604 Deschutes County Official Records; thence leaving said North boundary and along the west line of said Parcel 5 South 43 25'03" East 65.52 feet to a point on said North Right-of-Way of Simpson Avenue; thence leaving said West line and along said North Right-of-Way South 72 24'44" West 164.95 feet; thence 385.46 feet along the arc of a 1233.24 foot radius curve to the right, the chord of which bears South 81 21'54" West 383.90 feet; thence North 89 40'51" West 1680.59 feet to the TRUE POINT OF BEGINNING; EXCEPTING THEREFROM the Rights-Of-Ways of 17th street and 18th street; containing 7.12 acres more or less.



Simpson Avenue - 7.12 Acres



D.3. Site Condition

Vacant (NOT previously disturbed)

D.4. Property Owner

Deschutes County

Upload supporting documentation**Property Legal Description**

Document 2018-10217 B&S Deed 19755 Simpson Ave.pdf

D.5. Parcel Size (Acres)

7.12

D.6. Site Control Status

Under Contract/Option to Purchase

If Under Contract/Option to Purchase enter expiration date:

12/31/2022

If Leased, enter expiration date:**Notes – additional information**

On March 30, 2022, Deschutes County awarded Kor Community Land Trust and Housing Works the right to purchase the Simpson Ave parcel. The PSA is drafted with Housing Works purchasing the entire 7.12 acre parcel, with an option for Kor to purchase 3.38 acres of the most western site from Housing Works in late 2022 once the land has been partitioned. The PSA is in final negotiations given the site's soils report. Deschutes County, Kor Community Land Trust and Housing Works plan to meet in July to discuss and finalize the PSA.

Note for D.9 Kor met with the City of Bend for a pre-application meeting and was approved conditionally for County award. Kor understands there will be a more detailed site-plan approval needed.

ZONING AND SITE PLAN STATUS**D.7. Site zoning**

Residential Medium Density (RM)

D.8. Is the present zoning conforming?

Yes

D.9. Is the site plan for your project approved?

Yes

SERVICES TO SITE

Indicate if the following utilities and infrastructure are in place to service the project site.

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D.10. Street access

No

Provide an expected completion date OR an explanation if not anticipated

Kor's site plan shows secondary street access from an easement off of Forest Ridge Avenue. The owner has given a verbal commitment to this easement. If for some reason the easement was not granted, Kor has another site plan with access off of 18th.

D.11. Gas

No

Provide an expected completion date OR an explanation if not anticipated

Kor homes are completely electric.

D.12. Electric

No

Provide an expected completion date OR an explanation if not anticipated

This will be accomplished during infrastructure improvement by 6/2023.

D.13. Water

No

Provide an expected completion date OR an explanation if not anticipated

This will be accomplished during infrastructure improvement by 6/2023.

D.14. Sanitary sewer

Yes

D.15. Storm sewer

No

Provide an expected completion date OR an explanation if not anticipated

This will be accomplished with the installation of dywells and swales during infrastructure improvement by 6/2023.

E. Work Program

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Case Id: 30124

Name: ??Kôr Community Land Trust - 2022

Address: *No Address Assigned

E. Work Program

Please provide the following information.

E.1. Anticipated Start Date:

04/01/2022

E.2. Anticipated Completion Date:

04/01/2026

E.3. List of Task(s) Needed for Project

Task	Start Date	End Date
Pre-Development	04/01/2022	04/01/2023
Infrastructure	04/01/2022	10/01/2023
Building	10/01/2023	10/1/2025
Occupancy	1/1/2026	4/1/2026

NOTE: If funded, staff will work with you to set benchmarks for your project. Failure to meet these benchmarks could mean a reduction in funding during current or future years.

F. Project Benefit

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Case Id: 30124

Name: ??Kôr Community Land Trust - 2022

Address: *No Address Assigned

F. Project Benefit

Please provide a brief description of the following:

F.1. Estimate of the total number of persons to be served by the project.

120

F.2. Estimate of the total number of low-income persons to be served by the project.

120

F.3. Estimate of the total number of moderate-income persons to be served by the project.

0



Affirmative Fair Housing Marketing Statement for

Kôr Community Land Trust

Kôr Community Land Trust (CLT) is committed to affirmatively furthering fair housing in all aspects of the organization. The Affirmative Fair Housing Marketing (AFHM) statement is one part of that effort. The purpose of the AFHM statement is to describe the efforts of Kôr CLT to market our program to people of similar income levels in the same housing market area regardless of their race, religion, color, national origin, sex, disability or familial status. Kôr CLT is also committed to reducing barriers and targeting the populations least likely to apply to our program.

Targeting

Kôr CLT serves Deschutes County, Jefferson County and Crook County known as the region of Central Oregon. This area has seen un-precedent growth and rising housing costs in the last two years. This recent growth has caused generations of families with low-incomes and a disproportionate number of Black, Indigenous, and people of color (BIPOC) to be displaced because of the rising cost of housing. These are the populations least likely to apply to our program because of displacement and systemic barriers to housing. Through partnerships, continual feedback and evaluation and addressing systemic barriers Kôr CLT will target these underserved populations. In order to track targeted populations, Kôr CLT gathers housing and demographic data during each project and application process.

Outreach

Kôr CLT's main outreach avenues are local media affiliates, newsletters, social media, flyers, brochures, tabling at local community events and outreach through community partners. In addition to these avenues of marketing channels Kôr CLT uses its network of established partnerships with regional service agencies to target marketing efforts towards underserved populations. Kôr CLT provides information sessions and resources specifically for these partner organizations and their clients. All marketing materials will include the Fair Housing logo.

Kôr CLT hires a translation service, English 2 Spanish to translate our outreach material and program documents into Spanish, the second most prevalent language in Central Oregon. Kôr also works with the Latino Community Association, a local service provider for the Latino community, to outreach, provide homebuyer resources and educate their clients about Kôr's program.

On our website, Kôr offers a TTY and TDD service for clients with disabilities and language barriers to be able to connect with Kôr CLT program staff. Kôr's office and community information sessions are held in ADA accessible locations.

Indicators

Kôr CLT tracks the demographics of interested applicants, applicants, selected homebuyers and homeowners in order to measure which step Kôr might be losing targeted populations in its program. Kôr evaluates the barriers and aspects of the program that are not accessible to targeted populations. Kôr CLT evaluates the design of the homes after each project compared with demographic data in order to determine if Kôr is excluding certain populations based on the features of the home.

Kôr CLT compares the previously described data to regional demographics through census data tracking to see which populations Kôr needs to target in our marketing and community outreach.

Kôr CLT recognizes that housing has a history of discrimination and strives to reduce the financial barriers to housing. In Kôr's strategic plan, the organization committed to reducing the financial barriers to housing by partnering with organizations that offer programs for down payment assistance and closing costs. Kôr will track to see if these programs make a difference in recruiting targeted populations. Kôr also advocates on the state level for barriers that exist for targeted populations applying for affordable housing.

Kôr CLT annually evaluates our lending partners based on their product offerings, client experiences and the benefits they offer to our homebuyers. Kôr prioritizes working with lenders who have Spanish speaking staff members, work with non-traditional credit, offer ITIN lending, can provide closing cost credit or down payment assistance and competitive interest rates.

Training

Kôr CLT Staff are required to take Fair Housing training with Fair Housing of Oregon within the first year of their employment and on an annual basis.

G. Financial Information

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Case Id: 30124

Name: ??Kôr Community Land Trust - 2022

Address: *No Address Assigned

G. Financial Information

Please also provide the following financial information:

G.1. A detailed line-item budget describing the total project cost and operating income and expenses, including consideration of inflationary factors, maintenance costs, potential relocation costs, and increased insurance costs associated with the project.

Budget Form *Required

Simpson_Phase 1_24 Homes_7.13.22.xlsx

G.2. A description of the assumptions used to determine the total project cost and the operating budget, including the sources consulted and how costs were determined.

The following was assumed when creating the preliminary budget for the Simpson development:

- 1) Funding sources will be consistent with Kôr's prior developments, while also expanding into new funds that staff have a strong history in securing.
- 2) Site improvement and infrastructure were estimated by extrapolating Kôr's current development's budgets and when possible getting actual contractor bids. This site plan for phase one limits soil mitigation and grading when possible.
- 3) Hard costs have been increased by 9% over what was originally bid to reflect a projected increase in construction costs.
- 4) A 10% contingency on site improvement and infrastructure, and a 13% contingency on building.
- 5) Developer fee has been set to 6%, 1% less than the state's cap.
- 5) Kor prices homes to achieve and maintain permanent affordability based on the following assumptions: Household Size =# of bedrooms +1; Interest Rate = current available to homebuyers in the area of the project; Target AMI = 15% below maximum for the homebuying opportunity; Front end DTI = 35%-85%; Taxes = Dependent on project comparatives but approximately \$150/sq; HOA = \$100/month; Insurance = \$60/month; Lease Fee = \$50/month; Down Payment = \$600 minimum. Affordable home price is \$260,000 per home.

G.3. A brief description of your organization's plan for funding the project after the first year, if applicable.

Kôr has already secured \$300,000 in ARPA funds for pre-development and infrastructure improvement, as well as the low-interest Tong Family Loan at \$350,000. Based on historical awards, Kôr also anticipates the project to be funded by Oregon Housing and Community Services' LIFT fund (released Spring 2023), Community Frameworks' SHOP fund (released Fall 2022), City of Bend AHF/CDBG funds (released Fall 2022), solar funds (\$64,000 already committed, with more funds and tax-credits incoming through 2023), and conventional construction lending (already received a letter of interest from Washington Federal Bank). All grant subsidies are invested in the project as a one-time investment and lead to a permanent community asset.

G.4. A statement regarding your organization's ability to proceed with the project without your requested Affordable Housing Development assistance, or with an award less than your requested amount.

Without this award, Kôr will be significantly delayed in its development timeline. With a reduced award, Kôr would need

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PROJECT SOURCES										
	2022 Sources	2023 Sources	2024 Sources	2025 Sources	Total Project Sources	Total Paid Back at Occupancy	Amount Received	Amount Remaining	Percent Utilized	
Community Development Block Grant	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ 250,000	\$ 250,000	0%	
City of Bend Affordable Housing Fee Funds	\$ -	\$ 720,000	\$ -	\$ -	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	0%	
Community Development Block Grant - Pre Dev	\$ -	\$ 320,000	\$ 30,000	\$ -	\$ 350,000	\$ -	\$ 350,000	\$ 350,000	0%	
SHOP Funds	\$ -	\$ 360,000	\$ -	\$ -	\$ 360,000	\$ -	\$ 360,000	\$ 360,000	0%	
State LIFT funds	\$ -	\$ 1,800,000	\$ 1,080,000	\$ -	\$ 2,880,000	\$ -	\$ 2,880,000	\$ 2,880,000	0%	
Solar - partially secured	\$ -	\$ -	\$ -	\$ 388,800	\$ 388,800	\$ -	\$ 388,800	\$ 388,800	0%	
Tong Family Loan - secured	\$ -	\$ 200,000	\$ 150,000	\$ -	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	0%	
Deschutes County ARPA - secured	\$ 250,000	\$ 50,000	\$ -	\$ -	\$ 300,000	\$ -	\$ 300,000	\$ 300,000	0%	
System development charge exemption	\$ -	\$ -	\$ -	\$ 500,664	\$ 500,664	\$ -	\$ 500,664	\$ 500,664	0%	
Construction Loan	\$ -	\$ -	\$ 2,584,700	\$ 2,585,300	\$ 5,170,000	\$ 5,170,000	\$ 5,170,000	\$ 5,170,000	0%	
TOTAL PROJECT SOURCES	\$ 500,000	\$ 3,450,000	\$ 3,844,700	\$ 3,474,764	\$ 11,269,464	\$ 6,240,000	\$ 11,269,464	\$ 11,269,464	0%	

PROJECT USES										
	2022 Budget	2023 Budget	2024 Budget	2025 Budget	Total Project Uses	Amount Paid	Amount Remaining	Percent Paid		
Project Personnel Expenses						\$ -				
Developer Fee	\$ -	\$ 59,301	\$ 296,505	\$ 241,797	\$ 593,009	\$ -	\$ 593,009	0%		
GC Contract	\$ -	\$ 48,797	\$ 365,978	\$ 73,196	\$ 487,971	\$ -	\$ 487,971	0%		
Sub Total Personnel Expenses		\$ 108,098	\$ 662,483	\$ 314,993	\$ 1,080,980	\$ -	\$ 1,080,980	0%		
Non-Personnel Expenses										
Land Purchase and Costs	\$ 305,000	\$ -	\$ -	\$ -	\$ 305,000	\$ -	\$ 305,000	0%		
Land Purchase	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ 250,000	0%		
Land Acquisition Costs	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -	\$ 55,000	0%		
Pre-development	\$ 185,705	\$ 165,000	\$ 15,000	\$ 11,415	\$ 377,120	\$ -	\$ 377,120	0%		
Civil Engineering	\$ 40,000	\$ 5,000	\$ 5,000	\$ 2,000	\$ 52,000	\$ -	\$ 52,000	0%		
Architect (Includes Landscape) - thru Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%		
Admin	\$ 25,000	\$ 10,000	\$ 5,000	\$ 5,000	\$ 45,000	\$ -	\$ 45,000	0%		
Subdivision permitting and city fees	\$ -	\$ 130,000	\$ -	\$ -	\$ 130,000	\$ -	\$ 130,000	0%		
Consultants (MEP, Structural, Geotech, Dry Utilities, etc.)	\$ 25,000	\$ 20,000	\$ 5,000	\$ 4,415	\$ 54,415	\$ -	\$ 54,415	0%		
Survey, Testing, Trenching	\$ 90,000	\$ -	\$ -	\$ -	\$ 90,000	\$ -	\$ 90,000	0%		
Cultural Resource Survey	\$ 1,705	\$ -	\$ -	\$ -	\$ 1,705	\$ -	\$ 1,705	0%		
Appraisal	\$ 4,000	\$ -	\$ -	\$ -	\$ 4,000	\$ -	\$ 4,000	0%		
Subdivision/Infrastructure/ROW/Site Work	\$ -	\$ 1,726,690	\$ 270,690	\$ 400,690	\$ 2,397,770	\$ -	\$ 2,397,770	0%		
Utilities	\$ -	\$ 30,000	\$ -	\$ -	\$ 30,000	\$ -	\$ 30,000	0%		
Grading and Site Work	\$ -	\$ 1,150,000	\$ 170,000	\$ 200,000	\$ 1,520,000	\$ -	\$ 1,520,000	0%		
Subdivision	\$ -	\$ 75,000	\$ -	\$ -	\$ 75,000	\$ -	\$ 75,000	0%		
Infrastructure/ROW	\$ -	\$ 390,000	\$ -	\$ 75,000	\$ 465,000	\$ -	\$ 465,000	0%		
Mailbox	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ -	\$ 5,000	0%		
Landscaping	\$ -	\$ -	\$ 20,000	\$ 40,000	\$ 60,000	\$ -	\$ 60,000	0%		
Bond	\$ -	\$ 1,000	\$ -	\$ -	\$ 700	\$ -	\$ 700	0%		
Development contingency	\$ -	\$ 80,690	\$ 80,690	\$ 80,690	\$ 242,070	\$ -	\$ 242,070	0%		
Structures	\$ -	\$ 1,145,807	\$ 2,828,907	\$ 2,728,387	\$ 6,703,101	\$ -	\$ 6,806,452	0%		
Building permits	\$ -	\$ 254,232	\$ -	\$ -	\$ 254,232	\$ -	\$ 254,232	0%		
System Development Charges	\$ -	\$ -	\$ -	\$ 500,664	\$ 500,664	\$ -	\$ 500,664	0%		
Building hard costs	\$ -	\$ 690,935	\$ 2,538,856	\$ 1,644,922	\$ 4,879,713	\$ -	\$ 4,879,713	0%		
Solar	\$ -	\$ -	\$ -	\$ 388,800	\$ 388,800	\$ -	\$ 388,800	0%		
Building contingency	\$ -	\$ 200,640	\$ 290,050	\$ 194,001	\$ 783,043	\$ -	\$ 783,043	0%		
Project Administration	\$ 9,200	\$ 304,402	\$ 67,612	\$ 19,279	\$ 405,493	\$ -	\$ 405,493	0%		
Construction loan fee & monthly inspections	\$ -	\$ 21,830	\$ 38,661	\$ 7,277	\$ 72,768	\$ -	\$ 72,768	0%		
Construction loan interest	\$ -	\$ 169,960	\$ -	\$ -	\$ 169,960	\$ -	\$ 169,960	0%		
LIFT Closing Fees	\$ -	\$ 27,312	\$ -	\$ -	\$ 27,312	\$ -	\$ 27,312	0%		
Legal	\$ 9,200	\$ 3,650	\$ 4,000	\$ 2,500	\$ 19,350	\$ -	\$ 19,350	0%		
Project marketing	\$ -	\$ 750	\$ 2,000	\$ 1,000	\$ 3,750	\$ -	\$ 3,750	0%		
Contractor license, bond, insurance	\$ -	\$ -	\$ 3,400	\$ -	\$ 3,400	\$ -	\$ 3,400	0%		
Property taxes	\$ -	\$ 4,400	\$ 2,500	\$ 2,500	\$ 9,400	\$ -	\$ 9,400	0%		
Course of construction insurance	\$ -	\$ 6,000	\$ -	\$ -	\$ 6,000	\$ -	\$ 6,000	0%		
Closing costs	\$ -	\$ 51,700	\$ -	\$ -	\$ 51,700	\$ -	\$ 51,700	0%		
Security	\$ -	\$ 5,500	\$ 5,500	\$ 2,000	\$ 13,000	\$ -	\$ 13,000	0%		
Accounting	\$ -	\$ 1,500	\$ 1,000	\$ 1,400	\$ 3,900	\$ -	\$ 3,900	0%		
Soft Cost Contingency	\$ -	\$ 6,300	\$ 6,500	\$ 1,100	\$ 13,900	\$ -	\$ 13,900	0%		
Porta Potty, Admin, Other Expenses	\$ -	\$ 5,500	\$ 4,051	\$ 1,502	\$ 11,053	\$ -	\$ 11,053	0%		
Sub Total Non-Personnel Expenses	\$ 499,905	\$ 3,341,900	\$ 3,182,209	\$ 3,159,771	\$ 10,188,484	\$ -	\$ 10,188,484	0%		
TOTAL PROJECT USES	\$ 499,905	\$ 3,449,998	\$ 3,844,691	\$ 3,474,764	\$ 11,269,464	\$ -	\$ 11,269,464	0%		
TOTAL SOURCES	\$ 500,000	\$ 3,450,000	\$ 3,844,700	\$ 3,474,764	\$ 11,269,464					
RUNNING NET	\$ 95	\$ 2	\$ 9	\$ 0	\$ (0)					

KEY
Funding not due
Loans to be repaid at occupancy
Land loan
Committed/secured
Pending/conditional
100% utilized/paid
Partially utilized/paid

HOME SALES	\$ 6,240,000
ETO Incentives	\$ -
Downpayment assistance	\$ -
SUBTOTAL REVENUE	\$ 6,240,000
LOAN REPAYMENT	\$ 6,240,000
NET PROJECT REVENUE	\$ (0)

Site Work per home
\$ 2,060,000
\$ 103,000

Simpson		
	Square Feet:	1,374
	Construction Hard Costs per Square Foot:	\$147.98
S No	Line Item	Estimate
1	Electric/Temp Pole	\$300.00
2	Excavation/Site Work	\$12,000.00
3	Foundation	\$6,550.00
4	Framing - Lumber/Hardware	\$27,041.36
5	Framing/Labor	\$13,900.00
6	Siding - Material	\$7,500.00
7	Siding/Labor	\$14,000.00
8	Roofing includes labor	\$6,927.00
9	Windows	\$9,500.00
10	Doors - Exterior	\$1,035.00
11	Doors - Exterior/WEATHER SHIELD DOOR + INSTALL	\$6,800.00
12	Doors- Interior	\$1,720.00
13	Doors- Interior Labor	\$525.00
14	Door- Hardware	\$1,070.00
15	Garage Doors/Openers	\$0.00
16	Plumbing - Rough	\$5,500.00
17	Heating/Ventilation/HVR FRESH AIR SYS	\$2,700.00
18	Electrical - Rough	\$7,400.00
19	Insulation	\$5,935.00
20	Drywall	\$6,000.00
21	Painting - Interior	\$3,811.00
22	Painting - Exterior	\$3,811.00
23	Flooring - Vinyl flooring Labor&Material	\$4,500.00
24	Closet packs	\$1,300.00
25	Mirrors	\$250.00
26	Bath Access.	\$100.00
27	Cabinets	\$4,030.00
28	Countertops	\$2,100.00
29	Interior Trim Material	\$2,940.00
30	Interior Trim Install Labor	\$1,450.00
31	Misc Hardware	\$774.00
32	Plumbing - Finish	\$7,900.00
33	Electrical - Finish	\$2,352.00
34	Lighting Fixtures	\$2,100.00
35	Appliances	\$6,300.00
36	Shower/Tub Incerts units + Install	\$4,400.00
37	Solar	\$16,200.00
40	Decks/Porches - Wood / DECK RAILING	\$0.00
41	Gutters/Downspouts	\$500.00
42	Site Clean up	\$1,000.00
43	Site Storage	\$900.00
44	Clean Up - Final (Soft Cost)	\$200.00
	Total Hard Costs/Per Unit	\$203,321.36
	Hard Costs per Square Foot	\$147.98
	15% General Contractor Fee	\$30,498.20
	Less 5% Advertising Credit	(\$10,142.57)
	Total General Contractor Fee	\$20,332.14
	Total Costs Per Unit	\$203,321.36
	Square Feet	1,374
	Cost per Square Foot (Hard Costs + GC Fee)	\$0.00
	Total Development Hard Costs	\$4,879,712.64
	Total GC Fee 15%	\$731,956.90
	Total GC Fee 10%	\$487,971.26

16840.89
203961.89

\$16,265.71

HOMES

House	Cost to Develop Land	Cost to Build Homes	Leasehold House Appraisal	Lot Appraisal	Fee Simple Appraisal	Total Cost (dev.+build)	Bedrooms
1	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
2	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
3	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
4	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
5	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
6	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
7	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
8	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
9	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
10	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
11	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
12	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
13	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
14	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
15	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
16	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
17	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
18	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
19	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
20	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
21	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
22	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
23	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
24	\$ 95,121	\$ 286,898	\$ -	\$ -	\$ -	\$ 382,019	3
TOTAL	\$ 2,282,908	\$ 6,885,552	\$ -	\$ -	\$ -	\$ 9,168,460	

House	List price	Permenant Subsidy	DPA	Buyer DP	Loan amount	Income Level	Bedrooms
1	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
2	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
3	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
4	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
5	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
6	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
7	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
8	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
9	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
10	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
11	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
12	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
13	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
14	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
15	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
16	\$ 351,948	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
17	\$ 351,948	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
18	\$ 351,948	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
19	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
20	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
21	\$ 382,019	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
22	\$ 351,670	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
23	\$ 351,670	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
24	\$ 351,670	\$ 172,500	\$ -	\$ -	\$ 260,000	65%-80%	3
TOTAL	\$ 8,987,199	\$ 4,140,000	\$ -	\$ -	\$ 6,240,000		

Permanent Subsidy	\$ 4,140,000.00
-------------------	-----------------

Bank loan for each homeowner
\$ 260,000

to move pre-development funds into land acquisition, which could delay its development timeline.

G.5. For construction projects, please provide a detailed pro forma

Detailed Pro Forma

Simpson_Phase 1_24 Homes_7.13.22.xlsx

G.6. For homeownership projects, please provide potential or confirmed mortgage lenders that will be able to access financing for purchase of proposed housing units. Please provide evidence information of penitential mortgage financing for the homebuyer. Evidence being lender information, loan program/s, financial structure (i.e. down payment/terms).

Kôr Community Land Trust partners with the following leasehold lenders that serve Central Oregon. Historically, the majority of Kôr homebuyers have closed with Umpqua Bank using the Oregon Bond Loan.

UMPQUA BANK Loan Program(s):

-Oregon Bond (100% financing with 80% LTV)

-Fannie Mae (100% financing with 80% LTV)

Contact: Matt Martino - MattMartino@umpquabank.com

BANNER BANK – Online Application Loan Program(s):

-Oregon Bond (100% financing with 80% LTV)

Contact: Mark Rowley - mrowley@bannerbank.com

HOMESTREET BANK Loan Program(s):

-Oregon Bond (100% financing with 80% LTV)

-Fannie Mae and Freddie Mac (100% financing with 80% LTV)

Contact: Deona DeLong - Deona.DeLong@homestreet.com

LOAN DEPOT Loan Program(s):

-Oregon Bond (100% financing with 80% LTV)

-Fannie Mae (100% financing with 80% LTV)

Contact: Lisa McLuskie - LMcluskie@loandepot.com

G.7. Please provide any interest rate or loan terms that vary from the [City of Bend Policy on Grants and Loans](#) and would be necessary for the implementation of the proposal. All proposals will have loan terms applied.

All interest rates and loan terms are within City of Bend Policy on Grants and Loans. Kor currently has a request at AHAC to forgive its CDBG loans so that it can leverage more funding for City of Bend projects. For more details, please refer to that letter submitted to the City of Bend AHAC on 7/14/22.

G.8. CDBG Funds Requested

\$250,000.00

G.9. AHF Funds Requested

\$0.00

G.10. CET Funds Requested

\$0.00

Printed By: Racheal Baker on 8/8/2022

G.11. Leveraged Funds

\$11,019,464.00

H. Budget

Completed by jkeogh@korlandtrust.org on 7/18/2022 9:13 AM

Case Id: 30124

Name: ??Kôr Community Land Trust - 2022

Address: *No Address Assigned

H. Budget

Please provide the following information.

H.1. Project Budget

Project Activities	CDBG Funds Requests	AHF Funds Requested	CET Funds Requested	Other Public Funds	Private Funds	Activity Total
Land Acquisition & Costs	\$250,000.00	\$0.00	\$0.00	\$55,000.00	\$0.00	\$305,000.00
Pre-Development	\$0.00	\$0.00	\$0.00	\$377,120.00	\$0.00	\$377,120.00
Site Improvement & Infrastructure	\$0.00	\$0.00	\$0.00	\$2,197,770.00	\$200,000.00	\$2,397,770.00
Building	\$0.00	\$0.00	\$0.00	\$1,533,101.00	\$5,170,000.00	\$6,703,101.00
Administration	\$0.00	\$0.00	\$0.00	\$405,493.00	\$0.00	\$405,493.00
Developer Fee & Management	\$0.00	\$0.00	\$0.00	\$1,080,980.00	\$0.00	\$1,080,980.00
TOTAL	\$250,000.00	\$0.00	\$0.00			\$11,269,464.00

H.2. Other Public Funds

Source	Use of Funds	Amount of Funding	Funding Status
OHCS, LIFT (pending application release Q2 23)	construction, developer fee	\$2,880,000.00	
City of Bend, AHF (pending application release Q4 22)	construction, infrastructure	\$720,000.00	
Community Frameworks, SHOP (approved, awaiting federal disbursement)	infrastructure	\$360,000.00	Committed
Deschutes County ARPA (secured)	pre-development	\$300,000.00	Secured
City of Bend SDC Exemption (will apply under affordable housing exemption)		\$500,664.00	
City of Bend, CDBG (pending application release Q4 22)	pre-development, infrastructure	\$350,000.00	
TOTAL		\$5,110,664.00	

H.3. Private Funds

Source	Use of Funds	Amount of Funding	Funding Status
Solar Private Donations	Construction	\$388,800.00	Applied For
Tong Family Loan	All stages	\$350,000.00	Committed
Construction Loan (WaFd LOS is	Construction	\$5,170,000.00	Applied For

Printed By: Racheal Baker on 8/8/2022

20 of 24

for more to originally include both phases)			
TOTAL		\$5,908,800.00	

H.4. Funding Documentation

Funding Documentation - Letters of funding commitment from sources

ConstructionLenderEvidence_2022.pdf

ARPA grant contract 2022-148 Kor Community Land Trust signed.pdf

KOR_2022-2023 ReCert Ack Ltr - Full Approval.pdf

EvidenceofCommittedSource_draftloandocs_Tong.pdf



April 18, 2022

Jackie Keogh, Executive Director of KOR Community Land Trust
David Brandt, Executive Director of Central Oregon Regional Housing Authority
PO Box 6993
Bend, OR 97708

Re: Term Sheet for speculative construction financing of thirty (30) affordable homes.

Dear Jackie and David:

Washington Federal ("WAFD Bank" or "Lender") is pleased to provide this Term Sheet (the "Letter") the KOR HW Simpson project to outline the basic terms we could offer for financing of the Project (the "Loan Request"). This Letter is for the purpose of the LIFT application outlining our proposed terms and should not be construed as any type of commitment to provide the Loan or other financing; rather, it expresses WAFD Bank's interest to examine further all aspects of the Loan Request.

WAFD will consider your loan request on the following proposed terms:

- Borrower(s):** To be determined.
- Guarantor(s):** Kor Community Land Trust and Central Oregon Regional Housing Authority
- Collateral:** First lien position Deed of Trust on the Property. WAFD Bank is agreeable to sharing 1st lien position (Pari Passu) with Oregon Housing and Community Services related to the LIFT program.
- Loan Amount:** Approximately \$7,500,863.00. Loan not to exceed 75% Loan to Value
- Loan Fee:** 0.75% of the loan amount, collected at loan closing.
- Payments:** Monthly interest only payments for up to a 36-month construction period, Principal, and interest due at maturity.
- Maturity:** Up to 36 months.
- Interest Rate:** WSJ Prime plus 1.00% (currently 4.50% based on the date of this letter).
- Reserves:** WAFD Bank may require reserves for payment of property taxes/assessments, property insurance and flood insurance, all paid monthly.
- Assumption:** The Loan would not be assumable without the written consent of WAFD Bank.
- Expenses:** Borrower shall pay extended coverage title insurance premiums, recording fees, credit report fees, fees and expenses of Lender's counsel, appraisal and appraisal review fees, survey fees, environmental assessment fees and costs, escrow and other closing fees, all

direct costs associated with the processing and closing of the Loan, and any other expenses incurred by or on behalf of the Lender in connection with Lender's due diligence.

Once Borrower applies, Borrower is required to submit to Lender a Processing Deposit of \$10,000 ("Processing Deposit") that will be applied by Lender toward the expenses of processing the loan request, ordering an appraisal, legal fees, ordering an environmental report and ordering of a construction cost review. If a Loan is made, the Processing Deposit less expenses and fees will be credited at loan closing. If the Loan Request is not approved or the Loan fails to close through no fault of Borrower, the Processing Deposit less Lender's expenses will be refunded to Borrower.

Additional Information

Required:

Receipt and approval by Lender of organization documents of Borrower, Guarantor and managing entities, credit reports, financial statements, complete tax returns with all schedules and attachments for the previous three years, signed operating statements (two complete years and current year-to-date), if not already supplied. Appraisal and environmental reports.

Additionally, receipt and approval by Lender of:

- a) All necessary building permits from the City of Bend.
- b) Proof of all sources and awards.
- c) Finalized construction contract and budget with General Contractor. Construction budget shall include minimum 10.0% hard cost contingency line item.
- d) Approved plans and specifications.
- e) Contractor to provide requested information and be approved by WAFD Bank.
- f) Full construction monitoring.

Secondary Financing: Only if approved in writing by WAFD Bank. This letter is issued with the understanding that a portion of the project financing will have Oregon Housing and Community Services LIFT financing. WAFD Bank will need to review and approve all LIFT financing agreements.

Hazardous Substances: Borrower will be required to complete WAFD Bank's Environmental Checklist and to execute WAFD Bank's Hazardous Substances Certificate and Indemnity Agreement. A Phase 1 environmental report may be required.

Additional Terms

& Conditions:

Such other conditions as WAFD Bank may reasonably require, including:

- a. Borrower shall be responsible for the fees and expenses of WAFD Bank's outside counsel incurred in connection with the Loan, including, without limitation, the preparation of loan documents and title review.
- b. Receipt of customary legal opinions from in-house, domestic, and local counsel to the Borrower acceptable to WAFD Bank.
- c. If the collateral includes real estate, evidence satisfactory to WAFD Bank of the availability of all utilities, including water, sewer and electrical power and proper zoning, parking, access and compliance with all applicable rules and regulations.

- d. If the collateral includes real estate, evidence satisfactory to WAFD Bank of the availability of all utilities, including water, sewer and electrical power and proper zoning, parking, access and compliance with all applicable rules and regulations.
- e. If the collateral includes real estate, evidence that Borrower has obtained all permits and regulatory approvals needed to operate the improvements.
- f. Evidence, including title reports and UCC Searches, that all collateral for the Loan is free and clear of liens and in the case of real estate secured loans, a mortgagee's extended coverage title policy in the amount of the Loan insuring the lien priority of WAFD Bank's Deed of Trust, and containing any such other endorsements as WAFD Bank may request.
- g. Receipt by WAFD Bank of evidence satisfactory to WAFD Bank that the Borrower and any Guarantor who is not a natural person is duly organized and validly existing and has the power and authority to execute and deliver the loan documents and guaranty, as applicable, and perform its obligations there under.
- h. FIRREA conforming Complete Self-Contained appraisal and appraisal review to be approved by WAFD Bank's Appraisal Department prior to closing.
- i. If applicable, environmental risk analysis to be ordered and approved by WAFD Bank prior to closing.

As stated previously, this Term Sheet is not a commitment to lend, either expressed or implied, and does not impose any obligation on WAFD Bank. This Letter is merely a non-binding indication of interest in the referenced loan transaction. A future commitment requires satisfactory completion of a number of conditions, including our normal credit approval process, which includes but is not limited to significant due diligence related to the project viability, the collateral, construction management, Borrower, Guarantor (as applicable) and other items.

If you have any questions regarding this Letter, please do not hesitate to contact me at your earliest convenience.

Sincerely,

WAFD Bank

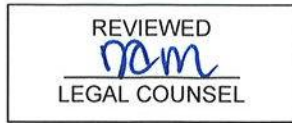
Shelle Pack Digitally signed by Shelle Pack
Date: 2022.04.18 16:34:28 -07'00'

By: _____

Name: Shelle Pack

Its: VP, Relationship Manager

Notice: Under Oregon law, most agreements, promises, and commitments made by us (Lender) concerning loans and other credit extensions which are not for personal, family or household purposes or secured solely by the Borrower's residence must be in writing, express consideration and signed by us to be enforceable.



**GRANT AGREEMENT
BETWEEN DESCHUTES COUNTY and
KOR COMMUNITY LAND TRUST**

No. 2022-148

Program Name: Deschutes County
Grantee: Kor Community Land Trust
Project: Land Acquisition for Affordable Housing
Address: 150 NE Hawthorne Ave., Suite 201
Bend, OR 97702
Phone Number: 541-247-1244
Contact Person: Jackie Keogh, Executive Director
Amount of Award: \$500,000
Duration: 11/1/2021 to 12/31/2026

1. Background

On March 11, 2021, the American Rescue Plan Act of 2021 (ARPA) became law. Funding objectives associated with ARPA include: (a) support public health response, (b) replace public sector revenue loss, (c) investments in water and sewer infrastructure, (d) address negative economic impact to workers, families, small businesses, impacted industries and the public sector, (e) investments in broadband infrastructure, (f) address systemic public health and economic challenges that contribute to unequal impacts due to the pandemic, and (g) premium pay for essential workers bearing the greatest health risks due to service in critical infrastructure sectors.

In total, counties throughout the United States have been allocated \$65 Billion in ARPA funding. Deschutes County has been allocated and is the recipient of \$38 Million in ARPA funding.

The Grantee (subrecipient) identified in this Grant Agreement is obligated to comply with the expenditure rules included in this Grant Agreement and ARPA, in addition to the requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 C.F.R. Part 200. This includes cost accounting and audit principles as well as record-keeping procedures to prevent and safeguard against the unauthorized use of ARPA funds.

Where otherwise appropriate, ARPA funds may cover costs incurred beginning March 3, 2021, onward, and must be obligated before December 31, 2024, and project performance completed by December 31, 2026.

2. Grant Agreement Purpose

The purpose of this Grant Agreement is to: Expand affordable housing in Deschutes County per approval of the Board of County Commissioners on December 15, 2021. See Exhibit A for details.

3. Grant Disbursement

The maximum not-to-exceed amount payable to Grantee under this Grant Agreement, which includes any allowable expenses, is **\$500,000**. County will not disburse funds to Grantee in excess of the not-to-exceed amount and will not disburse funds until this Grant Agreement has been signed by all parties. Funds for the identified scope of work / project must be obligated by December 31, 2024, and project completed by December 31, 2026.

4. Subrecipient Determination

In accordance with 2 C.F.R., 200.332, the Grantee is deemed subrecipient and obligated to comply with federal requirements for pass-through entities.

5. Reporting Requirements

As applicable, Grantee shall submit reports requested by County and in accordance with the U.S. Department of the Treasury’s Compliance and Reporting Guidance for State and Local Fiscal Recovery Funds available at the following link: <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf>.

6. Effective Date and Termination Date.

The effective date of this Grant Agreement (“Agreement”) shall be deemed 11/01/2021. Unless extended or terminated earlier in accordance with its terms, this Agreement shall terminate when County confirms Grantee’s completed performance on or before December 31, 2026. Grant Agreement termination shall not extinguish or prejudice County’s right to enforce this Grant Agreement with respect to any default by Grantee that has not been cured. This Grant Agreement may be renewed or extended only upon written agreement of the Parties.

7. Exhibits. This Grant Agreement contains the following Exhibits.

- Exhibit A – PROGRAM / USES
- Exhibit B – FUNDING
- Exhibit C – INSURANCE REQUIREMENTS
- Exhibit D – WORKER’S COMPENSATION EXEMPTION CERTIFICATION
- Exhibit E – CONFIDENTIALITY AGREEMENT
- Exhibit F – FEDERAL TERMS AND CONDITIONS

IN WITNESS WHEREOF, the Parties hereto have caused this Grant Agreement and attached Exhibits to be executed, either as individuals, or by their officers, thereunto duly authorized.

KOR COMMUNITY LAND TRUST

Signature: Jackie Keogh

Email: jackie@korlandtrust.org

Title: Executive Director

Date: 2/2/2022

DESCHUTES COUNTY

Signature: Gregory A. Munn Digitally signed by Gregory A. Munn

Email: Munn Date: 2022.02.04 13:38:43 -08'00'

Title: Munn Adobe Acrobat version: 2017.011.30207

Date: _____



May 4, 2022

Jackie Keogh, Executive Director
Kor Community Land Trust
150 NE Hawthorne Ave
Bend, OR 97701

RE: 2022-2023 Recertification Acknowledgment Letter – Full Approval

Expires December 31, 2023

Dear Jackie,

Your application for SHOP Recertification was received and after review has been accepted as complete. The documents in this application will be utilized by CF underwriters when a SHOP Project Application is submitted by your agency during the 2022 and 2023 calendar years.

Please consider this your Recertification Acknowledgment Letter

A copy of this letter must be included with your Project Applications. No SHOP Project Application will be considered complete without a copy of this letter included in the package. Keep in mind that although you have completed the Recertification process for this year, we reserve the right to request updated information as needed.

Subsequent to the expiration date noted above, a new Recertification Application will need to be submitted and approved prior to our consideration of any SHOP Project Applications that will be submitted in the following calendar year.

Thank you so much for all the work you and your agency do to provide homes for income qualified families.

Sincerely,

Jeff
Nicely

Digitally signed by Jeff Nicely
DN: cn=Jeff Nicely,
o=Community Frameworks,
ou=SHOP,
email=jn@communityfram-
eworks.org, c=US
Date: 2022.05.04 09:57:37
-0700

Jeff Nicely
Senior Housing Specialist

SPOKANE OFFICE

907 West Riverside Ave.
Spokane, WA 99201
(509) 484-6733

BREMERTON OFFICE

500 Pacific Ave. Ste. 360
Bremerton, WA 98337
(360) 377-7738



I. Project Feasibility and Readiness

Case Id: 30124

Name: Kôr Community Land Trust - 2022

Address: *No Address Assigned

Completed by jkeogh@korlandtrust.org on 7/6/2022 2:36 PM

I. Project Feasibility and Readiness

Please provide the following information regarding project feasibility and readiness:

I.1. A description of the organization's administrative capacity to complete the project, including its experience in implementing and managing activities similar to the proposed project. If capacity is achieved through partnerships with or utilization of other organizations or agencies, describe the nature and status of these partnerships.

As its sole program offering, its permanently affordable homeownership developments have full organizational attention from its Board of Directors and staff. Kôr is led by a 10-person Board of Directors with experience in the areas of commercial and residential construction management, general contracting, architecture, affordable housing management, and net-zero energy design and sustainability. Kôr's staff include: 1) Executive Director, Jackie Keogh brings over a decade of experience in affordable housing, having previously worked for Portland Housing Bureau and the largest Community Land Trust in the Pacific Northwest. Keogh has managed HUD pass-through grants, including HOME and CDBG, and state-funds, including LIFT and HOAP. The Executive Director oversees the three staff: 2) Fiscal Director, Brian Durbin has 13 years of experience in the financial services industry with a focus on compliance and operations. Durbin served for two years as a member of the Kôr Community Land Trust Board of Directors as their Treasurer prior to joining staff. 3) Project Manager, Michael Points previously worked as a Project Manager for Jamboree Housing Corporation managing CA state funding LIHTC, negotiating land sales, developing and leading a construction team, overseeing permitting, and contracting with sub-contractors. 4) Homeownership Program Coordinator, Tess Freeman has two years of non-profit project coordination experience and nine years of communication experience.

Kôr partners with NeighborImpact to complete income verification and offer homebuyer education and counseling for selected households to ensure they achieve mortgage-readiness. When needed, Housing Works acts as Kôr's guarantor. Kôr contracts with general contractor, Hiatus Homes, for its current and future development projects.

I.2. A description of neighborhood and/or community support for the project. Attach letters of support or other evidence of neighborhood/community support.

Kôr was selected by Deschutes County to develop a portion of Simpson Ave in part due to the community support for their specific site design. Kôr met with abutters and community groups to share their vision for the project and get neighborhood feedback. This included presenting to both the River West NA and the Century West NA. Both associations were in support of the type of development that Kôr proposed and the River West NA even submitted a letter of support for the type of housing design on the site to Deschutes County. Additionally, FUSE, Bend YIMBY, and a number of direct abutters to the site submitted letters of support to the County.

Attach Letters of Support

Evidence of Neighborhood/Community Support *Required

In Support of Simpson Lot Affordability_FUSE_3.21.22.pdf

LOS_Bend YIMBY.pdf

SimpsonLOS_Abutters.pdf

2022-337 Notice of Intent to Award.pdf

The following template letter was submitted to Deschutes County Commissioners by direct abutters of the 19755 Simpson Ave property, including: Lori Faren, Craig Chenoweth, and Brian Gingerich. To request the actual letters of support, please contact the Deschutes County Commissioners.

March 10, 2022

Deschutes County Commissioners
1300 NW Wall Street
Bend, Oregon 9770

Dear County Board of Commissioners,

We are land owners who abut 19755 Simpson Ave. We are writing to support Kôr Community Land Trust and Housing Work's joint proposal to develop the County owned 19755 Simpson Ave site. We all share the same vision for the site – development by local non-profits that fits within the fabric of the neighborhood. We have reviewed both the affordable homeownership and rental design. We especially like that this proposal would provide a lower density on the western most parcel, ensuring more green space, tree preservation, and walking paths on site.

We support this proposal from two local community-serving organizations with a track record of providing our community with affordable housing. Kôr Community Land Trust provides environmentally sustainable and permanently affordable homeownership opportunities for those who contribute to the fabric of the Deschutes County economy and community. Their portfolio of net-zero, quality affordable homes fit within each of their neighborhoods. Housing Works believes that dignity begins with quality affordable housing. They foster that dignity by providing award-winning, affordable homes and services that help people build a better future.

We also appreciate that Kôr Community Land Trust took the time to meet with us, share their plans, and have committed to meeting with abutters during design. This demonstrates their commitment to enhancing the neighborhood and at the same time respecting the neighbors who currently live near the 19755 Simpson Ave site. With the County's support, we hope Kôr Community Land Trust and Housing Work can create a sustainable, equitable community where everyone can afford to live where they work and play. Thank you for your consideration.

March 21, 2022

Re: Support for Housing Works and Kôr Proposal for Simpson Lot (Tax Lot #1812060000100) Affordable Housing Development.

Dear Deschutes County Commissioners,

Central Oregon FUSE is working collaboratively to reduce chronic homelessness in our community by developing affordable, supportive housing. Our mission also includes supporting smart policies not directly related to our work, such as strategic investments in affordable housing, in order to *prevent future homelessness*.

I am writing to express appreciation for the County's effort to develop affordable housing on the County-owned parcel on Simpson Avenue and to respectfully request that the Commissioners: **1. Move quickly in this narrow window of time available, and 2. Strongly consider the proposal put forward by local nonprofit developers Housing Works and Kôr Community Land Trust.**

1. Any delay to this decision will likely result in the project being terminated. If your decision is delayed, even by a few weeks, Deschutes County will likely lose access to crucial state and federal housing financing available this year. Because of the Oregon Housing and Community Services (OHCS) funding timeline, even a small delay at this point will almost certainly result in abandoning the goal of affordability and public investment in the process. ***If developers are ready to build affordable units now, we should support them.***

2. The proposal put forth by Housing Works and Kôr is a thoughtful, well-designed, and realistic project that will benefit a wide range of Deschutes County residents and businesses by providing a variety of housing types. Housing Works and Kôr are experienced local developers who are deeply committed to building for the future of our community and being responsive to local needs. ***The mix of multifamily units and homeownership opportunities included in their proposal is the best use of public resources and was developed through collaboration with local neighborhood associations.***

Central Oregon is in desperate need of housing units for households at nearly every income level. We applaud Deschutes County for prioritizing affordable housing on this specific parcel, and hope to see more development opportunities on County-owned land in the future.

Thank you,



Colleen Sinsky, MSW
Executive Director, FUSE
csinsky@centraloregonfuse.org



Our mission: Central Oregon FUSE mobilizes resources to provide housing and supportive services for people experiencing long-term homelessness to improve community health, safety and stability.

I.3. A description of the organization's readiness to proceed with the project. For example, if the purchase of property is involved, is the property currently available for purchase? Is staff currently available to work on the project, or is the organization ready to proceed with hiring staff?

On March 30, 2022 Deschutes County selected Kôr Community Land Trust and Housing Works to develop 19755 Simpson Ave. The following day, they released the attached notice of intent to award a purchase and sale agreement to Kôr Community Land Trust and Housing Works. Since then, Kôr Community Land Trust and Housing Works have contracted and completed a soils report of the site. The parties are currently in discussion to finalize the PSA, where Housing Works would purchase the entire site from the County. In late summer of 2022, Kôr will be assembling its development team, including a development consultant. In Fall 2022, the team will complete its TFR and continue site and utility planning. After parceling the site along 18th Ave, Kôr would use City of Bend CDBG to purchase the western parcel from Housing Works by an estimated December 2022. Once closed, site work will begin immediately. Through site work, Kôr will only have one additional project that it is managing, Poplar Street. By mid-year 2024, Kôr will have closed on Poplar Street and so the Simpson project will have the organization's sole focus during vertical construction.

I.4. A description of any land use processes (such as a zone change or a conditional use permit) the project will require and what steps, if any, have been taken to address these issues.

There are no necessary zoning changes or conditional use permits for this project.