

PROPERTY OWNER RISK DISCLOSURE

As a Property Owner participating in the **PROPERTYFIT** Program to construct or install cost-effective utility improvements and/or seismic rehabilitation improvements (“**Building Resiliency Improvements**”) that will benefit your Qualifying Real Property, you should carefully consider the risks and benefits associated with participating in the **PROPERTYFIT** Program and accepting the **PROPERTYFIT** Financing, including the assessment and recording of the Benefit Assessment Lien on your Qualifying Real Property. These risks include, but are not limited to, the following:

MULTNOMAH COUNTY, (the “**Local Government**”), and **PROSPER PORTLAND** (the “**Program Administrator**”), do not guarantee the performance of, or any potential cost savings resulting from, installation of the Building Resiliency Improvements. The Building Resiliency Improvements proposed to be installed may or may not perform to specification. They may break down or underperform due to technical malfunction or improper installation. The success of the Building Resiliency Improvements often depends on third parties who are capable of installing and managing projects and structuring contracts that provide appropriate protection against these construction and operational risks.

The Program Administrator recommends that the Property Owner consult with competent legal counsel and engineering consultants prior to their participation in the **PROPERTYFIT** Program and prior to the execution of any **PROPERTYFIT** Program documents or any installation and servicing contracts. The Program Administrator does not: (1) endorse the workmanship of any Contractor; nor (2) guarantee, warranty, or in any way represent or assume liability for any work proposed or carried out by any Contractor, engineer, etc.

Additionally, the Program Administrator is not responsible for assuring that the design, engineering, and/or construction of the Building Resiliency Improvements, are proper or comply with any particular laws, regulations, codes, licensing, certification and permit requirements, or industry standards. The Program Administrator does not make any representations of any kind regarding the results to be achieved by the Building Resiliency Improvements or the adequacy or safety of such Building Resiliency improvements.

Completed Building Resiliency Improvements may require ongoing maintenance to ensure energy savings and equipment performance is sustained. Such maintenance could be complex, costly, and/or be beyond the capabilities of your “*in-house*” staff, requiring external expertise or specialized services over the life of the Building Resiliency Improvements.

Property Owner should carefully review any warranties provided by a Contractor or supplier of equipment. While the warranties provided by third parties and, in some cases, their subcontractors, typically limit any direct harm that results from relying on their products and services, there can be

no assurance that a supplier or subcontractor will be willing or able to fulfill its contractual obligations and make necessary repairs or replace equipment.

Fluctuations in energy prices may increase or decrease the savings associated with your Building Resiliency Improvements. Your estimated savings are based on assumptions about the future price of electricity and fuels. To the extent that future energy prices are lower than those assumed to occur, your future savings will be less than projected.

Changes in the occupancy of the Qualifying Real Property may increase or decrease the savings associated with your Building Resiliency Improvements. Your estimated savings are based on assumptions about the future occupancy and uses of your Qualifying Real Property. To the extent that occupancy changes, or the use shifts in a manner not currently contemplated such that less energy will be used than expected, your future savings will be less than projected.

The **PROPERTYFIT** Financing is fixed interest rate financing and has the same priority as a lien for local improvements arising under ORS 223.393. Although you may prepay the unpaid balance of **PROPERTYFIT** Financing (including any accrued interest, fees, penalties, and costs), at any time, subject to any applicable prepayment penalties as may be contained in the **PROPERTYFIT** Financing Agreement or the Transaction Documents, you will not be able to refinance the **PROPERTYFIT** Financing to achieve a lower interest rate or different lien priority.

Upon any sale of the Qualifying Real Property, the Benefit Assessment Lien remains a lien on the Qualifying Real Property, securing payment of the remaining balance of **PROPERTYFIT** Financing until the **PROPERTYFIT** Financing (including any accrued interest, fees, penalties, and costs) has been paid in full pursuant to the **PROPERTYFIT** Financing Agreement. Failure to pay any Benefit Assessment Lien installment(s) when due may result in foreclosure of the Qualifying Real Property as allowed under ORS 223.505 to 223.595.

The **PROPERTYFIT** Financing secured by the Benefit Assessment Lien assessed and recorded against the Qualifying Real Property, are not subject to the limitations of Article XI, Section 11, of the Oregon constitution and the Property Owner hereby waives any claim to the contrary.

The success of your Building Resiliency Improvements may depend in part on various U.S. Federal or State of Oregon policies and incentives that support or enhance project economic feasibility. Such policies may include governmental initiatives, laws and regulations designed to reduce energy usage, encourage the use of clean energy, or encourage the investment in and the use of sustainable infrastructure. Incentives provided by the U.S. Federal Government may include tax credits, tax deductions, bonus depreciation as well as federal grants and loan guarantees. You may be depending on these policies and incentives to help defray the costs associated with your Building Resiliency Improvements. Government regulations may also impact the terms of third-party financing provided to support the Building Resiliency Improvements. If any of these government policies, incentives or regulations are adversely amended, delayed, eliminated, reduced, or not extended beyond their current expiration dates, the economics of your Building Resiliency Improvements may be harmed.

The local government is a political subdivision of the State of Oregon and the Program Administrator, Prosper Portland, is the economic development and urban renewal agency of the City of Portland. Although we do not expect the Legislature to make any changes that would impact our

abilities to perform our roles in accordance with existing statutory authority, there can be no assurance that any changes in statute will not have a material adverse effect to our abilities to perform our responsibilities as presently provided in the current statutes.

The Local Government and the Program Administrator are public bodies and are subject to ORS 192.311 to 192.431) (the “**Public Records Law**”) as well as the public records policies of the Program Administrator and/or the Local Government. As such, any material submitted to the Program Administrator, either directly by the Property Owner, or indirectly through the Capital Provider or any other source, will be considered a public record and may be subject to disclosure under Oregon Public Records Law. Oregon Public Records Law includes exemptions for trade secret and commercial or financial information given in confidence. Only the particular information falling within a statutory exemption can be withheld by the Program Administrator. In no event will the Program Administrator or any of its officers, directors or employees have any liability for the disclosure of documents or information in the Program Administrator’s possession where the Program Administrator, or such officer, director or employee in good faith believes the disclosure to be required under the Public Records Law, FOIA or other law. Nothing contained herein will limit the Property Owner’s right to defend against disclosure of records alleged to be public records pursuant to the Public Records Law.

The Property Owner hereby acknowledges that in consideration for participation in the **PROPERTYFIT** Program, the Property Owner hereby disclaims, releases and forever discharges the Local Government and the Program Administrator, their respective officers, board, and employees, jointly and severally, from any and all actions, causes of actions, claims and demands for, upon, or by reason of any damage, loss, or injury, which hereafter may be sustained by the Property Owner for participating in the **PROPERTYFIT** Program.

By signing below, the Property Owner hereby agrees to proceed with participation in the **PROPERTYFIT** Program and acknowledges, it is aware of and has considered the risks and benefits associated with participating in the **PROPERTYFIT** Program and accepting the **PROPERTYFIT** Financing, including the assessment and recording of the Benefit Assessment Lien on the Qualifying Real Property.

PROPERTY OWNER:

By: _____

Title: _____