



Proud Ground and the Portland Housing Bureau have jointly concluded that work on the 5020 Condo Project would be permanently suspended as of September 30th. ***Sadly, due to the continuing economic impact of the COVID 19 pandemic, we were not able to reach acceptable terms with all our funders to allow this project to proceed.*** We achieved a "pause" status when the pandemic first hit in March, just prior to closing the project's financing. However, despite our best efforts to get the project back on track over the summer, ***given the extraordinary economic and market fallout that has occurred over the last several months since the pandemic hit in March, we concluded that the project could not achieve the financing terms and conditions needed to allow it to move forward at this time***

We are greatly disappointed. This was a special project - a new model for mixed-income, transit-oriented, energy-efficient, affordable homeownership designed specifically for N/NE community Preference Policy families. It is our fervent hope that the design, permitting, legal and technical work done for this project will be leveraged to serve the community in a different way. We've learned so much about how to bring a new model of affordable home ownership housing to the market during the course of this project. I want to applaud the ***professional, passionate and mission-driven team who worked so hard over the last two and half years with Proud Ground on this unique and challenging project*** including the staff architects at Carleton Hart Architecture; the team at LMC Construction; the Housing Development Center; Jeana Woolley of JM Woolley & Associates; our legal experts at Kantor Taylor and Radler White Parks & Alexander; Habitat for Humanity; and all of Proud Ground's staff and board. I also want to acknowledge Proud Ground's co-development partner, Habitat for Humanity and its CEO, Steve Messenitti, for helping me lead this project every step of the way.

Proud Ground especially thanks our funders for their commitment to this project including Meyer Memorial Trust, Oregon Community Foundation, the Collins Foundation, Enterprise Community Partners, Metro, and Oregon Housing and Community Services. We also thank Heritage Bank and Chase Bank, who worked creatively to provide us with construction financing, even after the pandemic hit, and got us so close to launching. Lastly, we want to thank the staff at the Portland Housing Bureau and the City Attorney's Office who worked very hard to help us fill critical financing gaps that allowed the project to work.

We are grateful for the enthusiastic support that the project received from the Portland City Council just prior to the shutdown caused by COVID 19, and the work of the N/NE Housing Oversight Committee, led by Bishop Stephen Holt. Proud Ground and Habitat for Humanity Portland Metro East are committed to continuing our work with the Committee to meet the *N/NE Housing Strategy* homeownership goals, and achieve the critical stabilization and wealth building that black and BIPOC families need and deserve. We applaud Portland Community Reinvestment Initiatives for their work in developing homeownership units for

Preference Policy families, along with the African American Alliance for Homeownership, Hacienda, NAYA, and the Portland Housing Center for all the work they are doing to prepare families for the process of purchasing their first home.

Our team is proud of the progress we made toward turning this vision into a reality. Unfortunately, the pandemic compounded timing and pressures were not conducive for an affordable condo project of this size and complexity to proceed, at this time. All who participated learned so much and built strong working relationships and a much deeper understanding of affordable condo development that can be applied to other projects in the future. Moving forward, we hope our community partners and PHB will remain focused on providing households of color, especially Black households, with meaningful opportunities to buy affordable homes, and will continue to partner with us to narrow the racial wealth and home ownership gap in our community.

Proudly, Diane Linn, Executive Director, Proud Ground

For more Information contact: dianelinn@proudground.org