

**CLEAN WATER STATE REVOLVING FUND
LOAN AGREEMENT NO. R74165
AMENDMENT NO. 3
CITY OF PORTLAND**

This Amendment No. 3 to Loan Agreement No. R74165 (as amended "Loan Agreement") is executed between the STATE OF OREGON ACTING BY AND THROUGH ITS DEPARTMENT OF ENVIRONMENTAL QUALITY ("DEQ") and the City of Portland (the "Borrower"), effective as of the Effective Date of Amendment indicated below. Capitalized terms used in this Amendment which are not defined herein shall have the meanings assigned to them in the Loan Agreement.

The purpose of this amendment is to decrease the loan by \$130,675, to the amount actually disbursed to the Borrower for this project.

Date of Original Agreement: September 10, 2003.
Effective Date of Amendment No. 1: November 1, 2003.
Effective Date of Amendment No. 2: June 30, 2006.
Effective Date of Amendment No. 3: January 5, 2008.

The parties agree as follows:

1. ARTICLE 1(C) is amended and restated as follows:
"(C) LOAN AMOUNT: \$4,027,325."
2. The second sentence of ARTICLE 5(C)(1) is amended and restated as follows:
"The Loan Reserve Requirement is \$27,983."
3. The attached "Appendix A: Repayment Schedule" replaces the current "Appendix A: Repayment Schedule".

Except as expressly amended above, the terms and conditions of the Loan Agreement shall remain in full force and effect.

BORROWER: CITY OF PORTLAND

By: _____

Date: _____

Typed Name: _____

Title: _____

APPROVED AS TO FORM

Julia Knight
CITY ATTORNEY

STATE OF OREGON ACTING BY AND THROUGH ITS
DEPARTMENT OF ENVIRONMENTAL QUALITY

By: _____

Date: _____

Neil Mullane, Acting Water Quality Administrator

APPENDIX A: REPAYMENT SCHEDULE

BORROWER:	City of Portland	ANNUAL INTEREST RATE:	1.00%
SRF LOAN NO.:	R74165	TERM IN YEARS:	20
LOAN AMOUNT:	\$ 4,027,325	PAYMENT AMOUNT:	\$ 114,043
		ANNUAL FEE:	0.50%

Due Date	Pmt#	----- PAYMENT -----				Principal Balance
		Principal	Interest	Fees	Total	
						3,282,278
12/1/2006	1	0	35,335	0	35,335	3,835,569
6/1/2007	2	89,582	18,903	19,178	127,663	3,933,085
12/1/2007	3	94,211	19,694	0	113,905	3,843,532
6/1/2008	4	94,818	19,225	19,218	133,261	3,748,714
12/1/2008	5	95,299	18,744	0	114,043	3,653,415
6/1/2009	6	95,776	18,267	18,267	132,310	3,557,639
12/1/2009	7	96,255	17,788	0	114,043	3,461,384
6/1/2010	8	96,736	17,307	17,307	131,350	3,364,648
12/1/2010	9	97,220	16,823	0	114,043	3,267,428
6/1/2011	10	97,706	16,337	16,337	130,380	3,169,722
12/1/2011	11	98,194	15,849	0	114,043	3,071,528
6/1/2012	12	98,685	15,358	15,358	129,401	2,972,843
12/1/2012	13	99,179	14,864	0	114,043	2,873,664
6/1/2013	14	99,675	14,368	14,368	128,411	2,773,989
12/1/2013	15	100,173	13,870	0	114,043	2,673,816
6/1/2014	16	100,674	13,369	13,369	127,412	2,573,142
12/1/2014	17	101,177	12,866	0	114,043	2,471,965
6/1/2015	18	101,683	12,360	12,360	126,403	2,370,282
12/1/2015	19	102,192	11,851	0	114,043	2,268,090
6/1/2016	20	102,703	11,340	11,340	125,383	2,165,387
12/1/2016	21	103,216	10,827	0	114,043	2,062,171
6/1/2017	22	103,732	10,311	10,311	124,354	1,958,439
12/1/2017	23	104,251	9,792	0	114,043	1,854,188
6/1/2018	24	104,772	9,271	9,271	123,314	1,749,416
12/1/2018	25	105,296	8,747	0	114,043	1,644,120
6/1/2019	26	105,822	8,221	8,221	122,264	1,538,298
12/1/2019	27	106,352	7,691	0	114,043	1,431,946
6/1/2020	28	106,883	7,160	7,160	121,203	1,325,063
12/1/2020	29	107,418	6,625	0	114,043	1,217,645
6/1/2021	30	107,955	6,088	6,088	120,131	1,109,690
12/1/2021	31	108,495	5,548	0	114,043	1,001,195
6/1/2022	32	109,037	5,006	5,006	119,049	892,158
12/1/2022	33	109,582	4,461	0	114,043	782,576
6/1/2023	34	110,130	3,913	3,913	117,956	672,446
12/1/2023	35	110,681	3,362	0	114,043	561,765
6/1/2024	36	111,234	2,809	2,809	116,852	450,531
12/1/2024	37	111,790	2,253	0	114,043	338,741
6/1/2025	38	112,349	1,694	1,694	115,737	226,392
12/1/2025	39	112,911	1,132	0	114,043	113,481
6/1/2026	40	113,481	567	567	114,615	0
TOTALS		4,027,325	449,996	212,142	4,689,463	
REQUIRED LOAN RESERVE:		\$ 27,983				