

**FIRST AMENDMENT TO THE CHAPTER 380 DEVELOPMENT PROGRAM
LOAN AGREEMENT**

FOR VALUE RECEIVED, the receipt and sufficiency of which is hereby acknowledged, this First Amendment to the Chapter 380 Economic Development Program Loan Agreement (this “FIRST AMENDMENT”) is entered into by and between the City of San Antonio (“CITY”), a municipal corporation governed by the laws of the State of Texas acting by and through its City Manager or her designee, the Inner City Tax Increment Reinvestment Zone #11 (the “TIRZ”), acting by and through its Board of Directors (“Board”) and The NRP Group, LLC (“DEVELOPER”) and whom together may be referred to as the “Parties.”

RECITALS

A. CITY and DEVELOPER entered into a Chapter 380 Economic Development Program Loan Agreement (the “Agreement”) authorized by City of San Antonio Ordinance No. 2015-02-12-0098, passed and approved on February 12, 2015, and attached hereto as EXHIBIT A.

B. Prior to this FIRST AMENDMENT, the Agreement was in full effect and, subject to the terms of this FIRST AMENDMENT, DEVELOPER was in compliance with all terms and conditions of the Agreement.

C. The Parties, now seek to amend the terms and conditions of the Agreement as stated in this First Amendment and affirm that all other provisions of the Agreement remain in full force and effect.

AMENDMENT

NOW THEREFORE, the Parties hereby agree and amend as follows:

1. Amendment. The Parties hereby mutually agree to amend the Agreement as follows:

(A) Under the first paragraph, the Agreement is amended by deleting:

“the San Antonio Housing Trust Public Facility Corporation (the “SAHT PFC”)

(B) Under “RECITALS” the Agreement is amended by deleting the first, second, and sixth WHEREAS lines and substituting the following in its place respectively:

“**WHEREAS**, DEVELOPER is engaged in an economic development project called Crockett Street Lofts that will be located within the city limits of the City of San Antonio, the boundaries of the TIRZ and that will consist of the construction of two hundred and seventy-two (272) housing

units to be located at 243 Center Street, San Antonio, TX 78202, (the “Project Site”) as more specifically described in **Exhibit A**, (the “Project”); and”

“**WHEREAS**, once completed, the Project is anticipated to result in the investment of approximately FORTY FIVE MILLION THREE HUNDRED FIFTY-EIGHT THOUSAND FOUR HUNDRED AND NINETY-THREE DOLLARS AND 0 CENTS (\$45,358,493.00) in real property improvements within the boundaries of the TIRZ; and”

“**WHEREAS**, the City Council has authorized the City Manger or her designee to enter into this Agreement in accordance with City Ordinance No. 2015-02-12-0098 and City Ordinance No. 2015-__-__-____, Exhibit C, passed and approved on February 12, 2015 and September 17, 2015 respectively, to loan certain funds as described herein; and”

(C) Under Article II, “Agreement Period”, the Agreement is amended by deleting subsection (B) and substituting the following in its place:

“(B) October 30, 2025; or”

(D) Under Article III, Section A. “Investment”, the Agreement is amended by deleting the first sentence and substituting the following in its place:

“Investment. DEVELOPER shall invest approximately FORTY FIVE MILLION THREE HUNDRED FIFTY-EIGHT THOUSAND FOUR HUNDRED AND NINETY-THREE DOLLARS AND 0 CENTS (\$45,358,493.00) (the “Minimum Investment”) in an economic development project that will be located at the Project Site and that will consist of two hundred and seventy-two (272) housing units, including the allocation of fifty-percent (50%) of those units to be designated as “affordable” and the remaining fifty-percent (50%) to designated “market-rate.”

(E) Under Article IV, Section A. “Economic Development Program Loan”, the Agreement is amended by deleting the first sentence and substituting the following in its place:

“Economic Development Program Loan. In consideration of full and satisfactory performance of the obligations required by Article III of this Agreement, CITY shall make an Economic Development Program Loan available to DEVELOPER in the cumulative amount of FIVE HUNDRED SIXTEEN THOUSAND DOLLARS AND 0 CENTS (\$516,000.00) (the “Loan Funds”).”

(F) Under Article IV, Section A. 1. “Disbursement”, the Agreement is amended by adding a subsection (6) to read as follows:

“(6) Confirmation of a third lien position for the City on the Project Property for this Agreement.”

(G) Under Article IV, Section B. 1. “Payment of Principal and Accrued Interest”, the Agreement is amended by deleting the first, second and third sentence and substituting the following in its place:

“Payment of Principal and Loan Processing Fee. In addition to the principal amount of the Loan Funds, DEVELOPER shall also pay a loan processing fee on the original principal loan amount with the loan processing fee beginning March 30, 2016 and ending upon payment of the principal amount in full or until September 30, 2025. (“Loan Processing Term”). The Loan Processing Fee shall be assessed on the original principal loan amount at a fixed-rate of 2% simple interest. (“Loan Processing Fee”)”

(H) Under Article IV, Section B. 1. “Payment of Principal and Accrued Interest”, the Agreement is amended by adding a sixth sentence stating the following:

“There will be no prepayment penalties and the Loan Processing Fee obligation terminates upon payment of any disbursed Loan Funds in full.”

(I) Under “Exhibit B – Loan Schedule”, the Agreement is amended by deleting all of Exhibit B and substituting in its place a revised Exhibit B Loan Schedule attached hereto as EXHIBIT B.

(J) All references in the Agreement to “Accrued Interest” are deleted and replaced with:

“Loan Processing Fee”

(K) Under Exhibit C – “City Ordinance”, the Agreement is amended by adding to Exhibit C the City of San Antonio Ordinance No. 2015-09-17-____ passed by City Council approving of this First Amendment on September 17, 2015 attached hereto as EXHIBIT C.

2. Effective Date. This First Amendment shall be effective after the passage of a duly authorized ordinance of the City Council of the City of San Antonio which shall be attached hereto and made a part of this First Amendment and upon the Effective Date listed on the signature page.

3. No Other Changes. Except as specifically set forth in this First Amendment, all of the terms and conditions of the Agreement shall remain the same and are hereby

ratified and confirmed. The Agreement shall continue in full force and effect and with this First Amendment shall be read and construed as one instrument.

4. Choice of Law. This First Amendment shall be construed in accordance with and governed by the laws of the State of Texas.

5. Counterparts. This First Amendment may be executed in any number of counterparts, but all such counterparts shall together constitute but one instrument. In making proof of this First Amendment it shall not be necessary to produce or account for more than one counterpart signed by each party hereto by and against which enforcement hereof is sought.

WITNESS HEREOF, the parties hereto have executed in triplicate originals this First Amendment on the ____ day of _____ 2015. (the "Effective Date")

**CITY OF SAN ANTONIO,
a Texas municipal corporation**

**BOARD OF DIRECTORS OF
TAX INCREMENT
REINVESTMENT ZONE #11,
CITY OF SAN ANTONIO,
TEXAS**

Sheryl L. Sculley
City Manager or Designee

Vice Chairman, Board of Directors

Date:_____

Date:_____

ATTEST:

ATTEST:

Leticia Vacek
City Clerk

Name:
Title:

APPROVED AS TO FORM:

DEVELOPER:
THE NRP GROUP, LLC

Martha G. Sepeda
Acting City Attorney

By_____,
Name:
Title:
ATTEST (if required):

Date:_____

Name:
Title: