



Harris County
Housing & Community Development
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**THIRD AMENDMENT TO AGREEMENT BETWEEN HARRIS COUNTY, NHPF
CAROLINE CONDUIT, LLC, AND MAGNIFICAT PERMANENT AFFORDABLE, LLC
FOR THE 3300 CAROLINE STREET PROJECT**

RECITALS

WHEREAS, HARRIS COUNTY, a body politic and corporate under the laws of the State of Texas, herein called "Harris County" or "Grantee," NHPF Caroline Conduit, LLC, herein called "Nonprofit," and Magnificat Permanent Affordable, LLC, herein called "Subrecipient and Maker," entered into an Agreement on April 5, 2022, to a Community Development Block Grant (CDBG-DR) Disaster Recovery Project in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds, such project including construction of the 3300 Caroline Street Project to utilize \$8,538,278.00 in CDBG-DR funds for the construction of a new 149-unit affordable multi-family complex for permanent supportive housing (PSH) for homeless adults of Harris County, of which 76 units will be CDBG-DR-assisted units; and

WHEREAS, on August 2, 2022, the Commissioner's Court approved the first amendment to said Agreement to: (i) to increase the Site Work line item by \$1,282,132, (ii) to increase the Direct Construction line by \$224,164, (iii) to increase the Other Construction line item by \$122,171 and (iv) an increase to the CSD Management and Oversight and HCED Inspections by \$81,424, with such increases resulting in a corresponding increase in the amount \$1,709,890, requested from the subrecipient for additional financing due to the surge in construction materials cost. The revised amount of the CDBG-DR funding for this project will be \$10,248,169.00, and the total amount of project funding will be \$44,822,492. Further, at the request of Precinct 1, the agreement is being amended to provide certain minimum protections for residents of the Project (EXHIBIT E-1, "TENANT RIGHTS").

WHEREAS, on April 23, 2024 the Commissioner's Court Parties approved the said Agreement for the second time (the "Second Amendment") to extend the 18-month construction completion requirement for an additional six (6) months to October 23, 2024 (due to unanticipated rain/hurricane delays, and unexpected infrastructure delays).

WHEREAS now, the parties desire to amend said Agreement for the Third Amendment to (i) increase the Harris County CDBG-DR Construction budget line-item from \$6,577,449 to \$6,697,449; (ii) to decrease the Construction Management budget line-item from \$120,000 to \$0; and (iii) to extend the project completion date to April 1, 2025. The total Harris County CDBG-DR budget of \$10,248,169 will remain unchanged.

NOW, THEREFORE, Harris County, Nonprofit, and the Subrecipient and Maker do mutually agree as follows:

TERMS

I.

All references in the Master Agreement to the Completion of Construction being required within 18 months from the start of construction shall be extended by an additional 160 days (the "Construction Extension Period") such that the Completion of Construction deadline is now April 1, 2025. This allowance of the Construction Extension Period shall be applicable to Article I (D); Article II (C) (5) Completion of Work; Exhibit A; Exhibit B (Activity 15) (Item 15); and any other reference in the Master Agreement to Completion of Construction requirement. To the extent the Completion of Construction is required by additional documents that accompanied the Master Agreement (Loan Note, Deed of Trust, Intercreditor, Subordination and Funding Agreement, etc.), both Parties agree that such requirement in those documents is, to the maximum extent possible by the Parties hereunder, also modified by the application of the above-referenced Construction Extension Period.

The budget attached to the Third Amendment to the Master Agreement is hereby replaced in its entirety with the attached Exhibit D-1. All references to Exhibit D will now refer to Exhibit D-1.

II.

In the event of any conflict between this Third Amendment to the Agreement and the original Agreement, the terms of this Third Amendment shall govern. All other conditions between the parties shall remain in full force and effect.

III.

The Parties understand and agree, said understanding and agreement also being of the absolute essence of this Third Amendment, that no additional funds are being appropriated under this Third Amendment.

IV.

All other terms of the Master Agreement shall remain in full force and effect as originally written and subsequently amended.

V.

It is expressly understood and agreed that the Master Agreement is incorporated herein by reference. In the event of any conflict between the terms and provisions of this Third Amendment, or any portion thereof, and the terms and provisions of any other part or portion of the Master Agreement, this Third Amendment shall control.

VI.

Execution, Multiple Counterparts: This Third Amendment may be executed in several counterparts. Each counterpart is deemed an original. All counterparts together constitute one and the same instrument. Each Party warrants that the undersigned is a duly authorized representative with the power to execute this Sixth Amendment.

IN WITNESS WHEREOF, the Parties have executed this Third Amendment to Agreement this _____ day of _____, 2025.

ATTEST:

SUBRECIPIENT:

MAKER:

NHPF Caroline Conduit, LLC,
a Texas limited liability company

Magnificat Permanent Affordable, LLC
a Texas limited liability company

By: The NHP Foundation,
a District of Columbia nonprofit corporation,
its Manager

By: NHPF Caroline MM, LLC
a Texas limited liability company,
its managing member

By: John M. Welsh
John M. Welsh, VP

By: Jamestown Affordable Housing, Inc.,
a District of Columbia non-profit
corporation, its manager

By: John M. Welsh
John M. Welsh, VP

APPROVED AS TO FORM:

CHRISTIAN D. MENEFE
County Attorney

HARRIS COUNTY

By: Gina Boul
GINA BOUL
Assistant County Attorney
CA File ID: 25GEN0777

By: _____
LINA HIDALGO
Harris County Judge

**EXHIBIT D
BUDGET
3300 CAROLINE STREET PROJECT
Maximum Amount to be Paid Under this Agreement**

It is expressly agreed and understood that the total amount to be paid by Grantee under this Agreement shall not exceed TEN MILLION TWO HUNDRED FORTY-EIGHT THOUSAND DOLLARS ONE HUNDRED SIXTY-NINE AND ZERO DOLLARS AND 00/100 (\$10,248,169.00), as certified available by the Harris County Auditor and as evidenced by the issuance of a Purchase Order from the Harris County Purchasing Agent.

| Description | Harris County CDBG-DR Funds | City of Houston CDBG Funds | CDBG-DR Leveraging | TOTAL |
|---------------------------------------|-----------------------------|----------------------------|--------------------|------------------|
| Acquisition | \$- | \$ 7,050,000.00 | \$- | \$ 7,050,000.00 |
| Off Site | \$- | \$- | \$- | \$- |
| Site Work | \$ 2,003,031.00 | \$- | \$ 257,676.00 | \$ 2,260,707.00 |
| Direct Construction | \$ 6,697,449.00 | \$ 5,370,570.00 | \$ 8,589,084.00 | \$ 20,657,103.00 |
| Other Construction | \$ 1,065,395.00 | \$ 3,429,998.00 | \$- | \$ 4,495,393.00 |
| General Soft Costs | \$- | \$ 2,624,559.00 | \$- | \$ 2,624,559.00 |
| Construction Financing | \$- | \$ 181,503.00 | \$ 992,393.00 | \$ 1,173,896.00 |
| Permanent Loan Financing | \$- | \$- | \$ 1,075,000.00 | \$ 1,075,000.00 |
| Syndication | \$- | \$- | \$ 731,829.00 | \$ 731,829.00 |
| Reserves | \$- | \$- | \$ 632,711.00 | \$ 632,712.00 |
| Developer Fees | \$- | \$- | \$ 3,639,000.00 | \$ 3,639,000.00 |
| Subtotal | \$ 9,765,875.00 | \$ 18,656,630.00 | \$ 15,917,693.00 | \$ 44,340,198.00 |
| HCD Management and HCD Inspections | \$ 482,294.00 | | | \$ 482,294.00 |
| Construction Manager | \$- | | | \$- |
| Total | \$ 10,248,169.00 | \$ 18,656,630.00 | \$ 15,917,693.00 | \$ 44,822,492.00 |

| SOURCES (PERMANENT) | AMOUNT |
|---------------------------|---------------------|
| Harris County HCD CDBG-DR | \$10,248,169 |
| City of Houston- CDBG-DR | \$18,656,630 |
| HTC Syndication Proceeds | \$13,554,324 |
| Office Contribution | \$1,653,369 |
| Sponsor Loan | \$710,000 |
| Total Sources | \$44,822,492 |
| Total Uses | \$44,822,492 |

ORDER OF COMMISSIONERS COURT
Authorizing Amendment to Loan Agreement

The Commissioners Court of Harris County, Texas, convened at a meeting of said Court at the Harris County Administration Building in the City of Houston, Texas, on the _____ day of _____, 2025 with the following members present, to-wit:

A quorum was present when, among other business, the following was transacted:

**ORDER AUTHORIZING THIRD AMENDMENT TO AGREEMENT BETWEEN
HARRIS COUNTY, NHPF CAROLINE CONDUIT, LLC, AND MAGNIFICAT
PERMANENT AFFORDABLE, LLC**

Commissioner _____ introduced an order and made a motion that the same be adopted. Commissioner _____ seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order, prevailed by the following vote:

| | Yes | No | Abstain |
|---------------|--------------------------|--------------------------|--------------------------|
| Judge Hidalgo | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Comm. Ellis | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Comm. Garcia | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Comm. Ramsey | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Comm. Briones | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The County Judge thereupon announced that the motion had duly and lawfully carried and that the order had been duly and lawfully adopted. The order thus adopted as follows:

Section 1. The Harris County Judge is authorized to execute the Third Amendment to the Loan Agreement Between Harris County, NHPF Caroline Conduit, LLC, and Magnificat Permanent Affordable, LLC. This amendment updates said Agreement: to (i) increase the Harris County CDBG-DR Construction budget line-item from \$6,577,449 to \$6,697,449; (ii) to decrease the Construction Management budget line-item from \$120,000 to \$0; and (iii) to extend the project completion date to April 1, 2025. The maximum amount to be paid under this agreement is \$10,248,169.00.

Section 2. HCHCD and its Executive Director, or his/her designee, are authorized to take such actions and execute such other documents as they deem necessary or convenient to carry out the purposes of this order.