



CITY OF SOUTH BEND

REDEVELOPMENT COMMISSION

Redevelopment Commission Agenda Item

DATE: 12/1/2022
FROM: Joseph Molnar
SUBJECT: Second Amendment Real America

_____ Pres/V-Pres

ATTEST: _____ Secretary

Date: _____

APPROVED Not Approved

SOUTH BEND REDEVELOPMENT COMMISSION

Which TIF? (circle one) River West; River East; South Side; Douglas Road; West Washington

PURPOSE OF REQUEST: Extension of Contingency Date and Closing Date

Specifics: In 2021, Real America and the RDC approved an agreement to sell RDC owned real estate for the construction of affordable apartment units. The agreement gave Real America two years to receive Indiana State Tax Credits for the project. The second round of tax credits were initially scheduled to be awarded in November of 2022. However, due to the rise in interest rates, the State desired that applicants resubmit their projects with updated financial considerations in January 2023.

This extension allows Real America to apply for the tax credits in January with enough time for due diligence afterwards if awarded the tax credits.

Staff requests approval.

INTERNAL USE ONLY: Project Code: _____;

Total Amount new/change (inc/dec) in budget: _____; Break down:

Costs: Engineering Amt: _____; Other Prof Serv Amt _____;

Acquisition of Land/Bldg (circle one) Amt: _____; Street Const Amt _____;

Building Imp Amt _____; Sewers Amt _____; Other (specify) Amt: _____

_____ . Going to BPW for Contracting? Y/N

Is this item ready to encumber now? ____ Existing PO# _____ Inc/Dec \$ _____

EXCELLENCE | ACCOUNTABILITY | INNOVATION | INCLUSION | EMPOWERMENT

1400S County-City Building | 227 W. Jefferson Blvd. | South Bend, Indiana 46601 | p 574.235.9371 | f 574.235.9021 | www.southbendin.gov

**SECOND AMENDMENT TO
REAL ESTATE PURCHASE AGREEMENT**

This SECOND AMENDMENT TO REAL ESTATE PURCHASE AGREEMENT (this “**Amendment**”) is made and entered into to be effective as of the 8th day of December, 2022, by and between South Bend Redevelopment Commission (“**Seller**”), as Seller, and RealAmerica Development, LLC, an Indiana limited liability company (“**Purchaser**”), as Purchaser.

RECITALS

A. Seller and Purchaser entered into that certain Real Estate Purchase Agreement, dated effective as of July 22, 2021, as amended by the First Amendment to Real Estate Purchase Agreement, dated effective as of May 26th, 2022 (the “**Agreement**”), for the purchase and sale of certain real property located in the in St. Joseph County, City of South Bend, State of Indiana as more particularly described in Exhibit A of the Agreement (the “**Real Estate**”). All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement.

B. Seller and Purchaser now desire to amend the Agreement in order to provide for an extension of the Investigation, Buyer’s Contingency and Closing date thereunder and to address certain other matters, all as set forth hereunder.

AGREEMENT

NOW, THEREFORE, in consideration of these premises, and the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Purchaser and Seller hereby agree as follows:

1. **Recitals.** The recitals set forth above, including each and every recital contained therein, are incorporated into and made a part of this Amendment as though fully set forth herein.
2. **Amendments.** The Agreement is hereby amended as follows:

a) Buyer’s Contingency of a LIHTC Reservation. The Agreement is hereby amended as necessary to provide that the third full sentence in paragraph 4 (b) shall be amended and replaced with the following:

“Buyer submitted project application on July 25, 2022. Buyer represents that IHCD expects to announce reservations (“Reservation”) in January 2023, but in no event later than March 31, 2023.”

b) Extension of Contingency Date. The Agreement is hereby amended as necessary to provide that the Contingency Date (as such term is used and defined in the Agreement) solely as it relates to matters specified in Paragraph 4 (c) of the Agreement is hereby extended until 11:59 p.m. on May 31, 2023.

c) Closing. The last full sentence of Paragraph 7 (a) of the Agreement shall be amended and replaced with the following:

“The “Closing Date” shall be August 31, 2023, or such earlier or later date as may be agreed to in writing by Seller and Buyer.”

3. **Entire Agreement; Conflict.** Except as otherwise stated herein, all other terms, conditions and agreements contained in the Agreement remain unmodified and in full force and effect. To the extent a conflict exists between the terms of this Amendment and the Agreement, the terms of this Amendment shall control.

4. **Counterparts; Electronic or Facsimile Transmission.** This Amendment may be executed in counterparts which, when combined, shall constitute one instrument. The electronic or facsimile transmission of a signed counterpart of this Amendment shall be binding upon the party whose signature is contained on the transmitted copy.

[Signature Page Follows.]

IN WITNESS WHEREOF, Purchaser and Seller have executed this Second Amendment to Real Property Purchase Agreement to be effective as of the date set forth above.

“PURCHASER”:

RealAmerica Development, LLC



By:

Ronda Shrewsbury, President

“SELLER”:

South Bend Redevelopment Commission

By: _____

Marcia I. Jones, President

Attest:

Troy Warner, Secretary