



# CITY OF SOUTH BEND REDEVELOPMENT COMMISSION

## Redevelopment Commission Agenda Item

DATE: 7/11/22  
FROM: Joseph Molnar  
SUBJECT: First Amendment to Real Estate Purchase Agreement

\_\_\_\_\_ 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: Extending Time Frame for former Fat Daddy's Site Purchase Agreement

Specifics: This First Amendment Agreement extends the closing date and contingency date for the former Fat Daddy's site Purchase Agreement. On July 14, 2022, the Commission approved a Purchase Agreement with Devereaux Peters for the sale of the site for a Low-Income Housing Tax Credit Project. The State of Indiana delayed the awarding of the tax credits until the spring of 2023 as opposed to the original timeline of November 2022.

The project was awarded the tax credits and is planning on moving forward; however, the agreement needs modified to extend the closing period and contingency period. All commitments remain the same. The planned project is a sixty (60) unit apartment building, forty-eight (48) being affordable income restricted apartments with a total investment of at least \$16 million.

Staff requests approval of this Amendment.

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

## FIRST AMENDMENT TO REAL ESTATE PURCHASE AGREEMENT

This FIRST AMENDMENT TO REAL ESTATE PURCHASE AGREEMENT (this “**Amendment**”) is made and entered into to be effective as of the 13th day of July, 2023, by and between South Bend Redevelopment Commission (“**Seller**”), as Seller, and The Monreaux, LLC, an Indiana limited liability company (“**Purchaser**”), as Purchaser (each a “**Party**” and collectively, the “**Parties**”).

### RECITALS

A. Seller and Purchaser entered into that certain Real Estate Purchase Agreement, dated effective as of July 14, 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 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) Section 4 (b) shall be deleted in its entirety and replaced with the following:

In addition to any and all other conditions and contingencies in this Agreement, Buyer’s obligations under this Agreement are hereby conditioned upon Buyer’s receipt of a low-income housing tax credit (“LIHTC”) reservation from the Indiana Housing and Community Development Authority (“IHCDA”) for the Intended Use. Buyer submitted its project application on July 25, 2022. Buyer represents that IHCDA announced reservations (“Reservation”) in January and February 2023, and Buyer received a LIHTC Reservation for the Intended Use.

- b) The first sentence of Section 4 (c) shall be amended and replaced with the following:

If at any time on or before March 31, 2024 (the “Contingency Date”), Buyer determines, for any reason, in Buyer’s sole discretion, that the Property or the transaction described herein is unacceptable to Buyer, then Buyer shall have the right to terminate this Agreement by giving written notice of

termination to Seller at any time on or before the Contingency Date in which event, at Buyer's election, all Earnest Money shall be returned to Buyer ("Buyer's Contingency").

The remaining terms of Section 4 (c) under the Agreement shall remain. The Agreement is further amended throughout as necessary to provide that all references to the term "Contingency Date" shall have the meaning of March 31, 2024.

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

The "Closing Date" shall be March 31, 2024, or such earlier or later date as may be agreed to in writing by Seller and Buyer.

The remaining terms of Section 7 (a) under the Agreement shall remain.

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. The Parties hereby expressly reaffirm their respective obligations under the Agreement, and unless expressly modified by this First Amendment, the terms and provisions of the Agreement remain 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. **Capitalized Terms.** Capitalized Terms used in this First Amendment will have the same meanings set forth in the Agreement, except as otherwise stated herein.

5. **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 First Amendment to Real Estate Purchase Agreement to be effective as of the date set forth above.

“BUYER”:

The Monreaux LLC

By: \_\_\_\_\_  
Devereaux Peters, its sole member

“SELLER”:

South Bend Redevelopment Commission

By: \_\_\_\_\_  
Marcia I. Jones, President

Attest: \_\_\_\_\_  
Vivian Sallie, Secretary



# CITY OF SOUTH BEND

## COMMUNITY INVESTMENT

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June 11, 2023

Ms. Devereaux Peters  
The Monreaux LLC  
1335 Pyle Ave  
South Bend, IN, 46615

RE: The Monreaux – 505 S. Michigan Street

Dear Ms. Peters,

Please accept this letter as confirmation that the property for the Monreaux located at 505-513 S. Michigan St. (Parcel IDs: 018-3017-0628, 018-3017-0629, 018-3017-0631, and 018-3017-0632) is zoned to DT Downtown Zoning District. The DT Downtown zoning classification allows for the mixed-use development.

This letter certifies that the current zoning allows for the construction and operation of the proposed development without the need for additional variances. The lot has been vacant for more than 5 years.

The City of South Bend is supportive of efforts to provide affordable housing for our residents, and we will continue to work closely with the applicant in their efforts. No additional approvals will be needed for the use.

Should you have any questions regarding this site, please feel free to contact me directly.

Sincerely,

Angela Smith  
Zoning Administrator  
Department of Community Investment  
City of South Bend, Indiana