

RESOLUTION NO. 3580

RESOLUTION OF THE SOUTH BEND REDEVELOPMENT
COMMISSION AUTHORIZING USE OF TIF REVENUES TO FUND
LOAN AND APPROVING SUBSTANTIALLY FINAL FORM OF
PROJECT AGREEMENT

WHEREAS, the South Bend ("City") Redevelopment Commission ("Commission") has established the River West Development Area ("Area") and the River West Development Allocation Area No. 1 ("Allocation Area") and adopted an economic development plan, as amended (collectively, as amended, "Plan") for the Area;

WHEREAS, pursuant to IC 36-7-14-11(3) and (4), the Commission has the duty to promote the use of land in the manner that best serves the interests of the City and its citizens and the duty to cooperate with the City and all departments and agencies thereof in the manner that best serves the purposes of the redevelopment statute;

WHEREAS, the Commission has determined to enter into a development agreement ("Development Agreement") with Delta Ventures Ltd., an Indiana Nonprofit Corporation ("Delta" or "Borrower") and the Monreaux LLC, which is under common ownership and control, for the redevelopment and development of: (i) a four-story building containing at least sixty-five thousand (65,000) square feet which will include the incorporation of the historic masonry features preserved by the Commission; and (ii) a minimum of sixty (60) total apartment units of which no fewer than twenty-three (23) apartment units will be exclusively available for tenants at fifty percent (50%) or lower of the area median income ("AMI") and no fewer than an additional twenty-three (23) apartment units will be exclusively available for tenants at eighty percent (80%) or lower of AMI on certain real estate acquired by Delta with an overall investment of approximately \$13,700,000 ("Development");

WHEREAS, in order to induce the Borrower to construct the Development, the Commission has determined to fund a loan to the Borrower in an amount not to exceed \$2,300,000 ("Loan") evidenced by the City's Taxable Economic Development Revenue Note, Series 2023 (Delta Project) ("Series 2023 Note") to fund the construction of site work and infrastructure improvements needed to serve the Development ("Local Public Improvements");

WHEREAS, pursuant to IC 36-7-14-2.5, the planning and development of redevelopment or economic development areas such as the Area are public and governmental functions that cannot be accomplished through the ordinary operations of private enterprise because of: (i) the necessity for requiring the proper use of the land so as to best serve the interests of the City and its citizens; (ii) and the cost of the Development and the Local Public Improvements;

WHEREAS, the Commission has determined that the Local Public Improvements are included in the Plan and the use of TIF Revenues (as hereinafter defined) to finance the Local Public Improvements is an appropriate use of TIF Revenues under the Plan;

WHEREAS, the Commission has determined that the Development and the Local Public Improvements are in or physically connected to the Area and the Allocation Area;

WHEREAS, the Development will: (i) benefit the public health, safety, morals and welfare of the citizens of the City; (ii) increase the economic well-being of the City; and (iii) serve to protect and increase property values in the Area and the City, all of which are public uses and purposes for which public money may be spent;

WHEREAS, the addition of the Development within the Area will enhance revitalization efforts, increase the level and diversity of the tax base, promote economic development and bring additional residents to the Area, providing existing businesses in the Area with opportunities for growth, all of which will enhance the City's efforts to create a vibrant and active residential and business community;

WHEREAS, the City has the general corporate power to promote economic development and to make direct loans to providers of economic development facilities as defined in IC 36-7-11.9, with the loans to be secured by the pledge of a secured or unsecured debt obligation of the Borrower;

WHEREAS, funding the Loan to Delta to fund the construction of the Local Public Improvements promotes the use of the land in a manner that best serves the interest of the City and its citizens, promotes significant opportunities for gainful employment and helps create significant business enterprises in the City;

WHEREAS, the Commission will use the property tax proceeds on hand and to be on hand in the allocation fund for the Allocation Area from the assessed valuation of real property in the Allocation Area in excess of the assessed valuation described in IC 36-7-14-39(b)(1) as reduced by the credit provided for in IC 36-7-14-39.5 as such statutory provisions exist on the date of the issuance of the Series 2023 Note ("TIF Revenues");

WHEREAS, in order to fund the Local Public Improvements, the Commission has determined that it is in the best interest of the City and its residents to fund the Loan to the Borrower;

WHEREAS, in order to protect the integrity and long term viability of the Development, the Commission desires to enter into the Development Agreement; and

WHEREAS, a substantially final form of Development Agreement to be entered into between the Commission and the Borrower is attached hereto and incorporated herein as Exhibit A;

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH BEND REDEVELOPMENT COMMISSION THAT:

Section 1. Public Purpose. The Commission hereby finds and determines that:

(a) promoting redevelopment and economic development in the Area is a valid corporate and public purpose for which the Commission may spend public funds;

(b) incentivizing the construction of the Development in the Area will increase the level and diversity of the tax base and enhance the Commission's efforts for revitalization of the

Area, creating a vibrant and active residential and business community, all of which are of public utility and benefit to the citizens of the Area and the City; and

(c) bringing residents to the Area will assist in stabilizing existing businesses in the Area, promote new investment in the Area and improve the overall quality of the Area and the City.

Section 2. The Commission hereby finds that authorizing the use of TIF Revenues, on hand or to be on hand, junior and subordinate to any currently outstanding bonds, payable from TIF Revenues, and any bonds issued in the future on a parity with any currently outstanding bonds, in the maximum amount not to exceed \$2,300,000 evidenced by the Series 2023 Note, payable upon substantial completion of the Development to fund the Loan for the construction of the Local Public Improvements will help accomplish the Plan for the Area and will promote redevelopment and economic development of the Allocation Area, the Area and the City.

Section 3. The Commission hereby irrevocably authorizes the use of TIF Revenues to fund the Loan in an amount not to exceed \$2,300,000 to fund the cost of the Local Public Improvements, payable upon substantial completion of the Development.

Section 4. The Commission hereby approves the substantially final form of the Development Agreement presented to this meeting and attached hereto as Exhibit A. The President or Vice President of the Commission is hereby authorized to execute and deliver the same and the Secretary is hereby authorized to attest and deliver the same, and to approve any changes in form or substance to the Development Agreement as determined necessary or appropriate by Corporation Counsel of the City and Ice Miller LLP, as special counsel, such changes to be conclusively evidenced by execution of the Development Agreement.

Section 5. This resolution shall be effective upon passage.

Adopted November 20, 2023.

SOUTH BEND REDEVELOPMENT
COMMISSION

President

Vice President

Secretary

Member

Member

Attest:

Secretary

Exhibit A

Development Agreement

DEVELOPMENT AGREEMENT

This Development Agreement (this "Agreement"), is effective as of November 20, 20 23 (the "Effective Date"), by and between the City of South Bend, Department of Redevelopment, acting by and through its governing body, the South Bend Redevelopment Commission (the "Commission"), and The Monreaux LLC, an Indiana Limited Liability Company, with offices at 1335 Pyle Avenue, South Bend, Indiana 46615, and Delta Ventures Ltd., an Indiana Nonprofit Corporation with offices at 1335 Pyle Avenue, South Bend, Indiana 46615 (each, a "Party," and collectively, the "Parties").

RECITALS

WHEREAS, the Commission exists and operates under the provisions of the Redevelopment of Cities and Towns Act of 1953, as amended (I.C. 36-7-14 *et seq.*, the "Act"); and

WHEREAS, the Act provides that the clearance, replanning, and redevelopment of redevelopment areas are public uses and purposes for which public money may be spent; and

WHEREAS, The Monreaux LLC entered into a Real Estate Purchase Agreement with the City acting by and through its governing body, the South Bend Redevelopment Commission on July 14, 2022, as amended on July 13, 2023 by a First Amendment to Real Estate Purchase Agreement (collectively, the "Purchase Agreement") for certain vacant and inactive real property described in Exhibit A, together with all improvements thereon and all easements, rights, licenses, and other interests appurtenant thereto (collectively, the "Developer Property"); and

WHEREAS, in exchange for the discounted purchase price for the Developer Property, the Purchase Agreement contains certain post-closing development obligations that The Monreaux LLC must meet; and

WHEREAS, Delta Ventures Ltd. and The Monreaux LLC (collectively, the "Developer") are under common ownership and control and desire to share the rights and obligations under this Agreement; and

WHEREAS, the Developer currently has private financing and desires to construct, renovate, or otherwise rehabilitate certain elements of the Developer Property (the "Project") in accordance with the project plan (the "Project Plan") attached hereto as Exhibit B; and

WHEREAS, the Developer Property is located within the corporate boundaries of the City of South Bend, Indiana (the "City"), within the River West Development Area (the "Area"); and

WHEREAS, the Commission has adopted (and subsequently amended, from time to time) a development plan, which contemplates development of the Area consistent with the Project; and

WHEREAS, the City is committed to support the development of affordable housing in South Bend, particularly for low-income residents; and

WHEREAS, the Project will create sixty (60) residential units with no fewer than forty-six (46) units dedicated for low- to moderate-income households; and

WHEREAS, the Project will contribute to the revitalization of the surrounding area and add vibrancy to the neighborhood; and

WHEREAS, the Commission believes that accomplishing the Project as described herein is in the best interests of the health, safety, and welfare of the City and its residents; and

WHEREAS, the Commission desires to facilitate and assist the Project by financing the local public improvements stated in Exhibit C (the "Local Public Improvements") in accordance with the Act, subject to the terms and conditions of this Agreement and a certain loan agreement (the "Loan Agreement") that the Parties anticipate executing.

NOW, THEREFORE, in consideration of the mutual promises and obligations stated in this Agreement, the adequacy of which is hereby acknowledged, the Parties agree as follows:

SECTION 1. DEFINITIONS.

Unless otherwise defined in this Agreement, capitalized terms used in this Agreement have the following meanings:

1.1 Assessed Value. "Assessed Value" means the market value-in-use of a property, used for property tax assessment purposes as determined by the St. Joseph County Assessor.

1.2 Funding Amount. "Funding Amount" means an amount not to exceed Two Million Three Hundred Thousand Dollars (\$2,300,000.00) of tax increment finance revenues provided through the Loan Agreement subsequently executed by the Parties to be used for paying the costs associated with the construction, equipping, inspection, and delivery of the Local Public Improvements.

1.3 Private Investment. "Private Investment" means an amount no less than Thirteen Million Seven Hundred Thousand Dollars (\$13,700,000.00) to be expended by the Developer for the costs associated with constructing the improvements set forth in the Project Plan, including architectural, engineering, and any other costs directly related to completion of the Project that are expected to contribute to increases in the Assessed Value of the Developer Property.

SECTION 2. INTERPRETATION, TERMS, AND RECITALS.

2.1 Interpretation.

(a) The terms "herein," "hereto," "hereunder," and all terms of similar import shall be deemed to refer to this Agreement as a whole rather than to any Article of, Section of, or Exhibit to this Agreement.

(b) Unless otherwise specified, references in this Agreement to (i) "Section" or "Article" shall be deemed to refer to the Section or Article of this Agreement bearing the number so specified, (ii) "Exhibit" shall be deemed to refer to the Exhibit of this Agreement

bearing the letter or number so specified, and (iii) references to this "Agreement" shall mean this Agreement and any exhibits and attachments hereto.

(c) Captions used for or in Sections, Articles, and Exhibits of this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

(d) The terms "include," "including," and "such as" shall each be construed as if followed by the phrase "without being limited to."

2.2 Recitals. The Recitals set forth above are incorporated into and are a part of this Agreement for all purposes.

SECTION 3. DEVELOPER'S OBLIGATIONS.

3.1 Generally. The Parties acknowledge and agree that the Commission's agreements to perform and abide by the covenants and obligations set forth in this Agreement are material consideration for the Developer's commitment to perform and abide by the covenants and obligations of the Developer contained in this Agreement and the Purchase Agreement. Additionally, the Parties acknowledge that the post-closing terms of the Purchase Agreement may conflict with the terms of this agreement, and in the event of which, the Parties agree that the term of this Agreement shall prevail. The Parties further acknowledge and agree that Developer's obligations under this Agreement are hereby conditioned upon the execution and closing of the Loan Agreement. In the event that subsequent negotiations by the Parties do not result in an executed Loan Agreement by January 31, 2024, this Agreement shall become null and void.

3.2 The Project.

(a) The Developer will perform all necessary work to complete the improvements set forth in the Project Plan attached hereto as **Exhibit B** and the plans and specifications to be approved by the City Planner, or his designee, pursuant to Section 3.5 ("Submission of Plans and Specifications for Project") of this Agreement, which improvements shall comply with all zoning and land use laws and ordinances.

(b) The Developer will expend the Private Investment to complete the Project in accordance with the Project Plan attached hereto as **Exhibit B** and the plans and specifications to be approved by the Commission pursuant to Section 4.7 ("Submission of Plans and Specifications for Project") of this Agreement.

3.3 Timeframe for Completion. The Developer hereby agrees to complete the Project as set forth in the Project Plan and any other obligations the Developer may have under this Agreement by the completion date established in the Purchase Agreement, or otherwise agreed between the Developer and the Commission, as may be modified due to unforeseen circumstances and delays (the "Mandatory Project Completion Date"). The Developer further agrees the total Project will be completed in accordance with the Project Plan attached hereto as **Exhibit B**. Notwithstanding any provision of this Agreement to the contrary, the Developer's failure to complete the Project or any other obligations the Developer may have under this Agreement by the Mandatory Project Completion Date will constitute a default under this Agreement without

any requirement of notice of or an opportunity to cure such failure, and the Developer will be required to repay all Funding Amounts received pursuant to the terms of the Loan Agreement.

3.4 Reporting Obligations.

(a) Upon the letting of contracts for substantial portions of the Project and again upon substantial completion of the Project, the Developer hereby agrees to report to the Commission the number of local contractors and local laborers involved in the Project, the amount of bid awards for each contract related to the Project, and information regarding which contractor is awarded each contract with respect to the Project.

(b) On or before June 30 and December 31 of each year until substantial completion of the Project, the Developer shall submit to the Commission a report, in the format set forth as Exhibit D, demonstrating the Developer's good-faith compliance with the terms of this Agreement. The report shall include the following information and documents: (i) a status report of the construction completed to date, (ii) an update on the project schedule, (iii) an itemized accounting generally identifying the Private Investment to date, and (iv) a status report of the number of jobs created for employment at the Developer Property.

3.5 Submission of Plans and Specifications for Project. Promptly upon completion of all plans and specifications for the Project, or changes thereto, and prior to the Commission's expenditure of the Funding Amount, the Developer shall deliver a complete set thereof to the City's Executive Director Department of Community Investment, or his or her designee, who may approve or disapprove said plans and specifications for the Project in his or her sole and reasonable discretion and may request reasonable revisions or amendments to be made to the same.

3.6 Non-Interference. Developer hereby agrees to use commercially reasonable efforts to minimize disruption for those living and working near the Developer Property during construction of the Project.

3.7 Insurance. The Developer shall purchase and maintain comprehensive insurance coverage as is appropriate for the work being performed with respect to the Project. The Developer shall provide proof of such adequate insurance to the Commission and shall notify the Commission and the City of any change in or termination of such insurance. During the period of construction, the Developer shall maintain insurance in the kinds and for at least the minimum amounts as described in Exhibit F attached hereto and the Commission and the City shall be named as additional insureds on such policies (but not on any worker's compensation policies).

3.8 Information. The Developer agrees to provide any and all due diligence items with respect to the Project reasonably requested by the Commission.

SECTION 4. COMMISSION'S OBLIGATIONS.

4.1 Generally. The Parties acknowledge and agree that the Developer's agreement to perform and abide by the covenants and obligations set forth in this Agreement is material consideration for the Commission's commitment to perform and abide by the covenants and obligations of the Commission contained in this Agreement.

4.2 Cooperation. The Commission agrees to endorse and support the Developer's efforts to expedite the Project through any required planning, design, permitting, waiver, and related regulatory processes, provided, however, that the Commission will not be required to expend any money in connection therewith.

4.3 Public Announcements, Press Releases, and Marketing Materials. The Commission hereby agrees to coordinate all public announcements and press releases relating to the Project with the Developer.

SECTION 5. COOPERATION IN THE EVENT OF LEGAL CHALLENGE.

5.1 Cooperation. In the event of any administrative, legal, or equitable action or other proceeding instituted by any person not a party to this Agreement challenging the validity of any provision of this Agreement, the Parties shall cooperate in defending such action or proceeding to settlement or final judgment including all appeals. Each Party shall select its own legal counsel; however, Developer shall reimburse the Commission for its reasonable attorneys' fees associated with the Commission's defense of this Agreement against a third-party lawsuit. In no event shall the Commission be required to bear the fees and costs of the Developer's attorneys. The Parties agree that if any other provision of this Agreement, or this Agreement as a whole, is invalidated, rendered null, or set aside by a court of competent jurisdiction, the Parties agree to be bound by the terms of this Section 5.1, which shall survive such invalidation, nullification, or setting aside.

SECTION 6. DEFAULT.

6.1 Default. Any failure by either Party to perform any term or provision of this Agreement, which failure continues uncured for a period of thirty (30) days following written notice of such failure from the other Party, shall constitute a default under this Agreement. Any notice given pursuant to the preceding sentence shall specify the nature of the alleged failure and, where appropriate, the manner in which said failure satisfactorily may be cured. Upon the occurrence of a default under this Agreement, the non-defaulting Party may (a) terminate this Agreement, or (b) institute legal proceedings at law or in equity (including any action to compel specific performance) seeking remedies for such default. If the default is cured within thirty (30) days after the notice described in this Section 6.1, then no default shall exist and the noticing Party shall take no further action. In the event that the Developer fails (a) to complete the Project by the Mandatory Project Completion Date, or (b) to expend the full amount of the Private Investment by the Mandatory Project Completion Date, Developer will be considered in default, and the Developer will be required to repay all Funding Amounts received in accordance with the terms of the Loan Agreement.

6.2 Force Majeure. Notwithstanding anything to the contrary contained in this Agreement, none of the Parties shall be deemed to be in default where delays in performance or failures to perform are due to, and a necessary outcome of, war, insurrection, strikes or other labor disturbances, walk-outs, riots, floods, earthquakes, fires, casualties, acts of God, acts of terrorism, restrictions imposed or mandated by governmental entities, enactment of conflicting state or federal laws or regulations, new or supplemental environments regulations, contract defaults by third parties, or similar basis for excused performance which is not within the reasonable control of the Party to be excused (each, an event of "Force Majeure"). Upon the request of any of the

Parties, a reasonable extension of any date or deadline set forth in this Agreement due to such cause will be granted in writing for a period necessitated by the event of Force Majeure, or longer as may be mutually agreed upon by all the Parties.

SECTION 7. NO AGENCY, JOINT VENTURE, OR PARTNERSHIP; CONFLICT OF INTEREST; INDEMNITY.

7.1 No Agency, Joint Venture or Partnership. The Parties acknowledge and agree that:

(a) The Project is a private development;

(b) None of the Commission or the Developer has any interest or responsibilities for, or due to, third parties concerning any improvements until such time, and only until such time, that the Commission and/or the Developer expressly accepts the same; and

(c) The Parties hereby renounce the existence of any form of agency relationship, joint venture or partnership between the Commission and the Developer and agree that nothing contained herein or in any document executed in connection herewith shall be construed as creating any such relationship between the Commission and the Developer.

7.2 Conflict of Interest; Commission Representatives Not Individually Liable. No member, official, or employee of the Commission or the City may have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is, directly or indirectly, interested. No member, official, or employee of the Commission or the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the Commission or for any amount which may become due to the Developer, or its successors and assigns, or on any obligations under the terms of this Agreement. No partner, member, employee, or agent of the Developer or successors of them shall be personally liable to the Commission under this Agreement.

7.3 Indemnity. The Developer agrees to indemnify, defend, and hold harmless the Commission and the City from and against any third-party claims suffered by the Commission or the City resulting from or incurred in connection with the Local Public Improvements or the Project.

SECTION 8. MISCELLANEOUS.

8.1 Severability. If any term or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining terms and provisions of this Agreement shall continue in full force and effect unless amended or modified by mutual consent of the parties.

8.2 Waiver. Neither the failure nor any delay on the part of a Party to exercise any right, remedy, power, or privilege under this Agreement shall operate as a waiver thereof, nor shall

any single or partial exercise of any right, remedy, power, or privilege preclude any other or further exercise of the same or of any right, remedy, power, or privilege with respect to any occurrence be construed as a waiver of any such right, remedy, power, or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

8.3 Other Necessary Acts. Each Party shall execute and deliver to the other Parties all such other further instruments and documents as may be reasonably necessary to accomplish the Project and the Local Public Improvements contemplated by this Agreement and to provide and secure to the other Parties the full and complete enjoyment of its rights and privileges hereunder. Notwithstanding the foregoing, the Parties understand and agree that certain actions contemplated by this Agreement may be required to be undertaken by persons, agencies, or entities that are not a party to this Agreement, including, but not limited to certain permits, consents, and/or approvals (to the extent they have not yet been obtained and completed), and that any action by such third parties shall require independent approval by the respective person, agency, entity, or governing body thereof.

8.4 Dispute Resolution; Waiver of Jury Trial. Any action to enforce the terms or conditions of this Agreement or otherwise concerning a dispute under this Agreement will be commenced in the courts of St. Joseph County, Indiana, unless the Parties mutually agree to an alternative method of dispute resolution. The Parties acknowledge that disputes arising under this Agreement are likely to be complex and they desire to streamline and minimize the cost of resolving such disputes. In any legal proceeding, each Party irrevocably waives the right to trial by jury in any action, counterclaim, dispute, or proceeding based upon, or related to, the subject matter of this Agreement. This waiver applies to all claims against all parties to such actions and proceedings. This waiver is knowingly, intentionally, and voluntarily made by both Parties.

8.5 Attorneys' Fees. In the event the Commission pursues any legal action (including arbitration) to enforce or interpret this Agreement, Developer shall pay Commission's reasonable attorneys' fees and other costs and expenses (including expert witness fees).

8.6 Equal Employment Opportunity. The Developer, for itself and its successors and assigns, agrees that during the construction of the Project:

(a) The Developer will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause; and

(b) The Developer will state, in all solicitations or advertisements for employees placed by or on behalf of the Developer, that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

8.7 Counterparts. This Agreement may be executed in separate counterparts, each of which when so executed shall be an original, but all of which together shall constitute one and the same instrument. Any electronically transmitted version of a manually executed original shall be deemed a manually executed original.

8.8 Notices and Demands. Any notice, demand, or other communication required or permitted under the terms of this Agreement may be delivered (a) by hand-delivery (which will be deemed delivered at the time of receipt), (b) by registered or certified mail, return receipt requested (which will be deemed delivered three (3) days after mailing), or (c) by overnight courier service (which will be deemed delivered on the next business day) to each Party's respective addresses and representatives stated below.

Developer: The Monreaux LLC
 1335 Pyle Ave

 South Bend, IN, 46615

Attn: Devereaux Peters

Delta Ventures Ltd.
 1335 Pyle Ave

 South Bend, IN, 46615

Attn: Sophia Porter

With a copy to: Gareth Kuhl

 429 N Pennsylvania St. Suite 210

 Indianapolis, IN, 46204

Commission: South Bend Redevelopment Commission
 1400S County-City Building
 227 W. Jefferson Blvd.
 South Bend, IN 46601
 Attn: Executive Director
 South Bend Department of Community Investment

With a copy to: South Bend Legal Department
 1200S County-City Building
 227 W. Jefferson Blvd.
 South Bend, IN 46601
 Attn: Corporation Counsel

8.9 Governing Law. This Agreement is governed by and construed in accordance with the laws of the State of Indiana.

8.10 Authority. Each undersigned person executing and delivering this Agreement on behalf of a Party represents and certifies that he or she is the duly authorized officer or representative of such Party, that he or she has been fully empowered to execute and deliver this Agreement on behalf of such Party, and that all necessary action to execute and deliver this Agreement has been taken by such Party.

8.11 No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon any person, firm, or corporation other than the Parties hereto and their respective successors or assigns, any remedy or claim under or by reason of this Agreement or any term, covenant, or condition hereof, as third-party beneficiaries or otherwise, and all of the terms, covenants, and conditions hereof shall be for the sole and exclusive benefit of the Parties herein.

8.12 Assignment. The Developer's rights under this Agreement shall be personal to the Developer and shall not run with the land. The Developer may not assign its rights or obligations under this Agreement to any third party without obtaining the Commission's prior written consent to such assignment, which the Commission may give or withhold in its sole discretion. In the event the Developer seeks the Commission's consent to any such assignment, the Developer shall provide to the Commission all relevant information concerning the identities of the persons or entities proposed to be involved in and an explanation of the purposes for the proposed assignment(s).

8.13 Further Assurances. The Parties agree that they will each undertake in good faith, as permitted by law, any action and execute and deliver any document reasonably required to carry out the intents and purposes of this Agreement.

8.14 Exhibits. All exhibits described herein and attached hereto are incorporated into this Agreement by reference.

8.15 Entire Agreement. No representation, promise, or inducement not included in this Agreement will be binding upon the Parties hereto. This Agreement cannot be modified except by mutual agreement of the Parties set forth in a written instrument signed by the Parties' authorized representatives.

8.16 Time. Time is of the essence of this Agreement.

Signature Page Follows

IN WITNESS WHEREOF, the Parties hereby execute this Agreement to be effective as of the Effective Date stated above.

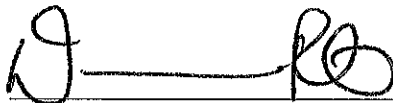
SOUTH BEND REDEVELOPMENT
COMMISSION

Marcia I. Jones, President

ATTEST:

Vivian Sallie, Secretary

The Monreaux LLC



Devereaux Peters, Managing Member

Delta Ventures Ltd.



Sophia Porter, Director

EXHIBIT A

Description of Developer Property

Tax ID No. 018-3017-0628

Parcel Key No. 71-08-12-306-010.000-026

Legal Description: 132 Ft E End Lot 19 Martins Add

Commonly known as: 505 S. Michigan Street, South Bend, Indiana 46601

Tax ID No. 018-3017-0629

Parcel Key No. 71-08-12-306-011.000-026

Legal Description: N 44' Lot 20 Martins Add

Commonly known as: 507 S. Michigan Street, South Bend, Indiana 46601

Tax ID No. 018-3017-0631

Parcel Key No. 71-08-12-306-012.000-026

Legal Description: S 1-3 Lot 20 Martins Add

Commonly known as: 511 S. Michigan Street, South Bend, Indiana 46601

Tax ID No. 018-3017-0632

Parcel Key No. 71-08-12-306-013.000-026

Legal Description: Lot 21 & N 1/2 Vac Alley S & Adj Martins Add

Commonly known as: 513 S. Michigan Street, South Bend, Indiana 46601

EXHIBIT B

Project Plan

The Developer will complete the following work in accordance with the terms and conditions of this Agreement and in compliance with all applicable laws and regulations:

The Developer will construct a new development which includes each of the following elements:

- Four-story building containing at least sixty-five thousand (65,000) square feet, which shall include the incorporation of the historic masonry features preserved by the Commission; and
- A minimum of sixty (60) total apartment units, of which no fewer than twenty-three (23) apartment units will be exclusively available for tenants at fifty percent (50%) or lower of the area median income ("AMI") and no fewer than an additional twenty-three (23) apartment units will be exclusively available for tenants at eighty percent (80%) or lower of AMI.

The Project will not be considered substantially complete until the Developer obtains a Certificate of Occupancy for all portions of the Developer Property.

EXHIBIT C

Description of Local Public Improvements

Local Public Improvements will include site work and improvements in support of the construction of the Project as agreed upon between the Parties, in accordance with all applicable laws and regulations.

The Developer shall have the sole responsibility to fund any and all costs associated with the Local Public Improvements that exceeds the Funding Amount.

EXHIBIT D

Form of Report to Commission

City of South Bend
Department of Community Investment

Development Agreement Review

Answer the below questions and return to the Department of Community Investment.

Project Information

Project Name: _____

Address: _____

Construction Completed to Date:

Project Schedule Update:

Itemized Accounting of Private Investment to Date:

Number of Jobs Created:

Name: _____

Address: _____

Position: _____

Email: _____

Signature: _____

Date: _____

EXHIBIT E

Minimum Insurance Amounts

- A. Worker's Compensation
 - 1. State Statutory
 - 2. Applicable Federal Statutory
 - 3. Employer's Liability \$100,000.00

- B. Comprehensive General Liability
 - 1. Bodily Injury
 - a. \$5,000,000.00 Each Occurrence
 - b. \$5,000,000.00 Annual Aggregate Products and Completed Operation

 - 2. Property Damage
 - a. \$5,000,000.00 Each Occurrence
 - b. \$5,000,000.00 Annual Aggregate

- C. Comprehensive Automobile Liability
 - 1. Bodily Injury
 - a. \$500,000.00 Each Person
 - b. \$500,000.00 Each Accident

 - 2. Property Damage
 - a. \$500,000.00 Each Occurrence