

TRIPLETT WOOLF GARRETSON, LLC

RESOLUTION NO. 24-06

OF THE

CITY OF ANDOVER, KANSAS

RELATING TO:

NOT TO EXCEED \$16,875,000
TAXABLE MULTIFAMILY HOUSING REVENUE BONDS
SERIES A, 2013
(ANDOVER APARTMENTS, LLC)

AND

NOT TO EXCEED \$5,625,000
SUBORDINATED TAXABLE MULTIFAMILY HOUSING REVENUE BONDS
SERIES B, 2013
(ANDOVER APARTMENTS, LLC)

RESOLUTION NO. 24-06

A RESOLUTION OF THE CITY OF ANDOVER, KANSAS APPROVING THE SALE OF A CERTAIN PROJECT FINANCED WITH THE PROCEEDS OF REVENUE BONDS OF THE CITY; AUTHORIZING THE EXECUTION AND DELIVERY OF (1) A SPECIAL WARRANTY DEED, (2) A BILL OF SALE, (3) A TERMINATION AND RELEASE OF LEASE, AND (4) A SATISFACTION, DISCHARGE AND RELEASE OF INDENTURE.

WHEREAS, the City of Andover, Kansas (the "Issuer") is a municipal corporation organized under the laws of the State of Kansas; and

WHEREAS, the Issuer is authorized pursuant to K.S.A. 12-1740 *et seq.* to issue its revenue bonds for the purpose of paying all or any portion of the cost of purchasing, acquiring, constructing and equipping facilities for commercial, hospital and recreational purposes and to enter into leases with any person, firm or corporation for such facilities; and

WHEREAS, the Issuer has previously issued its Taxable Multifamily Housing Revenue Bonds, Series A, 2013 (Andover Apartments, LLC) (the "Series A, 2013 Bonds") in the original aggregate principal amount of not to exceed \$16,875,000, of which none remains Outstanding, and its Taxable Multifamily Housing Revenue Bonds, Series B, 2013 (Andover Apartments, LLC) (the "Series B, 2013 Bonds") in the original aggregate principal amount of not to exceed \$5,625,000, of which none remains Outstanding, for the collective purpose of purchasing, acquiring, constructing, furnishing and equipping an apartment facility (the "Project") and paying certain costs of issuance in connection with the Bonds; and

WHEREAS, Andover Apartments, LLC has sold substantially of all of its assets and assigned its interest in the Lease (as hereinafter defined), including all options to purchase all or a part of the Project to Andover Apartments I, LLC; and

WHEREAS, the Project is leased by the Issuer to Andover Apartments I, LLC a Kansas limited liability company, (the "Tenant"), pursuant to a certain Lease Agreement, dated as of March 7, 2013, as supplemented, amended and assigned by an Assignment and First Amendment to Lease Agreement (collectively, the "Lease"); and

WHEREAS, the Series A, 2013 Bonds and Series B, 2013 Bonds (collectively, the "Bonds") are payable from the Trust Estate created pursuant to a certain Trust Indenture, dated as of March 7, 2013, as supplemented and amended by a First Amendment to Trust Indenture, dated as of August 6, 2021 (collectively, the "Indenture"), each by and between the Issuer and Emprise Bank, Wichita, Kansas, as Trustee (the "Trustee"), which Trust Estate includes a pledge of the Project and revenue received from the fees charged and Basic Rent received pursuant to the Lease; and

WHEREAS, the payment of the principal of and interest on the Bonds is guaranteed by the Tenant pursuant to the terms of a certain Guaranty Agreement, dated as of March 7, 2013; and

WHEREAS, payment of the principal of and interest on the Bonds was unconditionally guaranteed by Paul D. Jackson pursuant to the terms of an Individual Guaranty Agreement, dated as of March 7, 2013; and

WHEREAS, Section 15.1 of the Lease provides for the purchase of the Project by the Tenant upon the proper exercise of the Tenant's option to purchase and the payment (pursuant to Section 15.2) to the Trustee of the full amount necessary and incidental to the retirement and defeasance of the Bonds, plus the payment to the Issuer of \$1,000; and

WHEREAS, the Bonds have matured, been paid, and the Tenant has provided notice of its election to purchase the Project on or about March 7, 2024 (the "Closing Date"); and

WHEREAS, the Issuer finds it necessary to authorize the execution and delivery of (1) a Special Warranty Deed, (2) Bill of Sale, (3) Termination and Release of Lease, and (4) Satisfaction, Release and Discharge of Indenture in connection with the exercise by the Tenant of its option to purchase the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF ANDOVER, KANSAS, AS FOLLOWS:

Section 1. Definition of Terms. All terms and phrases not otherwise defined herein shall have the respective meanings set forth in the Lease and Indenture (each as defined above).

Section 2. Sale of the Project. The Issuer is hereby authorized to convey the Project to the Tenant upon satisfaction of the conditions contained in the Lease, including receipt by the Issuer of the \$1,000 to which it is entitled pursuant to Section 15.2 of the Lease. Issuer hereby acknowledges proper notice of the Tenant's exercise of its option to purchase the Project or otherwise waives any additional notice requirements under the Lease.

Section 3. Authorization of Special Warranty Deed. The Issuer is hereby authorized to execute and deliver its Special Warranty Deed (the "Special Warranty Deed") for the real property portions of the Project to the Tenant, upon satisfaction of the conditions contained in the Lease and set forth in Section 2 hereof, and in substantially the same form as the deed before the governing body on this date.

Section 4. Authorization of Bill of Sale. The Issuer is hereby authorized to execute and deliver its Bill of Sale (the "Bill of Sale") for the personal property portions of the Project to the Tenant, upon satisfaction of the conditions contained in the Lease and set forth in Section 2 hereof, and in substantially the same form as the Bill of Sale before the governing body on this date.

Section 5. Authorization of Termination and Release of Lease. The Issuer is hereby authorized to execute and deliver a Termination and Release of Lease (the "Lease Termination") by and between the Tenant, the Issuer and the Trustee, upon satisfaction of the conditions contained in the Lease and set forth in Section 2 hereof, and in substantially the same form as the Lease Termination before the governing body on this date.

Section 6. Authorization of Satisfaction, Release and Discharge of Indenture. The Issuer is hereby authorized to execute and deliver a Satisfaction, Release and Discharge of Indenture (the "Indenture Release") by and between the Issuer and the Trustee, upon satisfaction of the conditions contained in the Lease and set forth in Section 2 hereof, and in substantially the same form as the Indenture Release before the governing body on this date.

Section 7. Execution of Documents. The Mayor of the Issuer is hereby authorized and directed to execute the Special Warranty Deed, Bill of Sale, Lease Termination and Indenture Release for and on behalf of and as the act and deed of the Issuer in substantially the forms as they are presented today with such minor corrections or amendments thereto as the Mayor of the governing body of the Issuer shall approve, which approval shall be evidenced by his execution thereof, and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the purposes and intent of this Resolution, including specifically any applicable UCC Termination Statements. The City Clerk or any Deputy City Clerk of the Issuer are hereby authorized and directed to attest the execution of the Special Warranty Deed, Bill of Sale, Lease Termination and Indenture Release, on behalf of the Issuer and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 8. Delivery of Documents. The Special Warranty Deed, Bill of Sale, Lease Termination and Indenture Release shall be delivered by the Mayor, City Clerk or other appropriate staff member of the Issuer concurrently upon the satisfaction of the requirements set forth in the Lease and in Section 2 of this Resolution. Prior escrow delivery of the aforesaid documents may be made to Bond Counsel.

Section 9. Further Authority. The Issuer shall, and the officers, agents and employees of the Issuer are hereby authorized and directed to, take such action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the provisions of this Resolution and to carry out, comply with and perform the duties of the Issuer with respect to the Special Warranty Deed, Bill of Sale, Lease Termination and Indenture Release and the early redemption, satisfaction and discharge of the Bonds, all as necessary to carry out and give effect to the transaction contemplated hereby and thereby.

Section 10. Effective Date. This Resolution shall take effect and be in full force from and after its adoption by the governing body of the Issuer.

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PASSED, ADOPTED AND APPROVED by the governing body of the City of Andover, Kansas this 27th day of February, 2024.

CITY OF ANDOVER, KANSAS

[seal]



By

Ronnie Price, Mayor

ATTEST:

By

Dana Engstrom, City Clerk

EXCERPT OF MINUTES

The governing body of the City of Andover, Kansas met in regular session, at the normal meeting place in the City on February 27, 2024 at 7:00 p.m., with the Mayor Ronnie Price presiding, and the following members of the governing body present: Hamilton, Warrington, Ocadiz, Wemmer, and Henry.

and the following members absent: Berry

Thereupon, and among other business, there was presented to the governing body a Resolution entitled:

A RESOLUTION OF THE CITY OF ANDOVER, KANSAS APPROVING THE SALE OF A CERTAIN PROJECT FINANCED WITH THE PROCEEDS OF REVENUE BONDS OF THE CITY; AUTHORIZING THE EXECUTION AND DELIVERY OF (1) A SPECIAL WARRANTY DEED, (2) A BILL OF SALE, (3) A TERMINATION AND RELEASE OF LEASE, AND (4) A SATISFACTION, DISCHARGE AND RELEASE OF INDENTURE.

Thereupon, the Resolution was considered and discussed; and on motion of Council President Henry, seconded by Council Member Hamilton, the Resolution was adopted by a majority vote of all members present.

Thereupon, the Resolution having been adopted by a majority vote of the members of the governing body present, it was given No. 24-6, and was directed to be signed by the Mayor and attested by the City Clerk.

**CITY CLERK'S
CERTIFICATION OF EXCERPT OF MINUTES**

I hereby certify that the foregoing is a true and correct Excerpt of the Minutes of the proceedings at the February 27, 2024 meeting of the governing body of the City of Andover, Kansas.

[seal]



Dana Engstrom, City Clerk

SATISFACTION, DISCHARGE AND RELEASE OF INDENTURE

THIS SATISFACTION, DISCHARGE AND RELEASE OF INDENTURE dated the 7th day of March, 2024, by and between the City of Andover, Kansas, a municipal corporation (hereinafter referred to as the "Issuer"), and Emprise Bank, a state banking corporation duly organized and existing and authorized to accept and execute trusts of the character herein set forth under the laws of the State of Kansas, with an office located in the City of Wichita, Kansas (hereinafter referred to as the "Trustee").

WITNESSETH:

WHEREAS, the Issuer previously had Outstanding its (i) Taxable Multifamily Housing Revenue Bonds, Series A, 2013 (Andover Apartments, LLC) and (ii) Subordinated Taxable Multifamily Housing Revenue Bonds, Series B, 2013 (Andover Apartments, LLC) (collectively, the "Bonds"); and

WHEREAS, such Bonds were secured by the pledge of a certain Trust Estate, as established by, and in accordance with the terms and provisions of, a Trust Indenture, dated as of March 7, 2013, as amended and supplemented by a First Amendment to Trust Indenture, dated as of August 6, 2021 (collectively, the "Indenture"), by and between the Issuer and the Trustee; and

WHEREAS, all of the principal of and interest on the Bonds have been paid in full upon early redemption or their respective maturity dates; and

WHEREAS, in connection therewith, it is necessary to provide for the release and discharge of the lien of the Indenture upon the Trust Estate (excepting its lien upon such monies as are deposited with Trustee for the purposes of paying the principal of, interest, and applicable redemption premium, on all the Bonds).

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and in consideration of other good and valuable consideration, the parties hereto agree that the special obligations of the Issuer under the terms of the Indenture are hereby deemed satisfied and discharged and the lien of the Trustee upon the Trust Estate is hereby terminated and released. Accordingly, the covenants and agreements of the Issuer and the Trustee are hereby terminated and of no further force or effect.

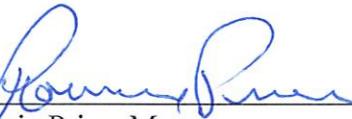
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IN WITNESS WHEREOF, we have hereunto set our hands and affixed the official seal of the City of Andover, Kansas for delivery as of the date set forth above.



ATTEST:

CITY OF ANDOVER, KANSAS

By 
Ronnie Price, Mayor

By 
Dana Engstrom, City Clerk

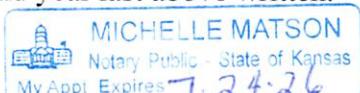
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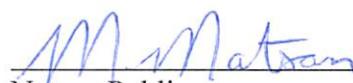
ACKNOWLEDGMENT

STATE OF KANSAS)
) ss:
COUNTY OF BUTLER)

BE IT REMEMBERED that on this 29th day of February, 2024, before me, a notary public in and for said County and State, came Ronnie Price and Dana Engstrom, Mayor and City Clerk, respectively, of the City of Andover, Kansas, a municipal corporation of the State of Kansas, who are personally known to me to be the same persons who executed, as such officers, the within instrument on behalf of said City, and such persons duly acknowledged the execution of the same to be the act and deed of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.




Notary Public

My Appointment Expires:

7.24.26

After recording, return to:

Triplett Woolf Garretson, LLC
Attn: J.T. Klaus
2959 N. Rock Road, Suite 300
Wichita, Kansas 67226
Telephone: (316) 630-8100

TERMINATION AND RELEASE OF LEASE

THIS TERMINATION AND RELEASE OF LEASE dated as of the 7th day of March, 2024, by and between the City of Andover, Kansas, a municipal corporation (hereinafter referred to as the "Issuer"); Andover Apartments I, LLC, a Kansas limited liability company as successor in interest to Andover Apartments, LLC (the "Tenant"); and Emprise Bank, a state banking corporation duly organized and existing and authorized to accept and execute trusts of the character herein set forth under the laws of the State of Kansas, with an office located in the City of Wichita, Kansas (hereinafter referred to as the "Trustee").

WITNESSETH:

WHEREAS, the Issuer heretofore leased to the Tenant certain real property, together with improvements located thereon, pursuant to a Lease Agreement, dated as of March 7, 2013 and Assignment and First Amendment to Lease Agreement dated as of August 6, 2021, (collectively, the "Lease") by and between the Issuer and the Tenant, notice of which Lease was duly recorded with the Register of Deeds of Butler County, Kansas on March 7, 2013 in Book 2013, at Page 18616 and a Corrective Notice of Lease was duly recorded with the Register of Deeds of Butler County, Kansas on August 12, 2013 in Book 2013 at Page 24476; and

WHEREAS, the Issuer assigned certain rights in connection with the Lease to the Trustee pursuant to an Assignment of Lease which was duly recorded with the Register of Deeds of Butler County, Kansas on March 7, 2013 in Book 2013 at Page 18617 and a Corrective Assignment of Lease was duly recorded with the Register of Deeds of Butler County, Kansas on August 12, 2013 in Book 2013 at Page 24477; and

WHEREAS, the property interests covered by the Lease consist of the property more specifically described in Schedule I attached hereto and incorporated hereby; and

WHEREAS, the Issuer previously had Outstanding its (i) Taxable Multifamily Housing Revenue Bonds, Series A, 2013 (Andover Apartments, LLC) and (ii) Subordinated Taxable Multifamily Housing Revenue Bonds, Series B, 2013 (Andover Apartments, LLC) (collectively, the "Bonds"); and

WHEREAS, all of the principal of and interest on the Bonds have been paid in full upon their respective maturity dates; and

WHEREAS, in accordance with the terms of the Lease, the Tenant has exercised its option to purchase the Project; and

WHEREAS, in connection therewith, it is necessary to provide for the release and termination of the above-described Lease.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and in consideration of other good and valuable consideration, the parties hereto agree that the Lease is hereby terminated and released.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the official seal of the City of Andover, Kansas for delivery as of the date set forth above.

[seal]



CITY OF ANDOVER, KANSAS

By



Ronnie Price, Mayor

ATTEST:

By



Dana Engstrom, City Clerk

“ISSUER”

ACKNOWLEDGMENT

STATE OF KANSAS)
) ss:
COUNTY OF BUTLER)

BE IT REMEMBERED that on this 29th day of February, 2024, before me, a notary public in and for said County and State, came Ronnie Price and Dana Engstrom, Mayor and City Clerk, respectively, of the City of Andover, Kansas, a municipal corporation of the State of Kansas, who are personally known to me to be the same persons who executed, as such officers, the within instrument on behalf of said City, and such persons duly acknowledged the execution of the same to be the act and deed of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.



Notary Public

My Appointment Expires:

7-24-26

ANDOVER APARTMENTS I, LLC,
a Kansas limited liability company

By _____
Justin Blomberg, Manager

ACKNOWLEDGMENT

STATE OF _____)
) ss:
COUNTY OF _____)

BE IT REMEMBERED, that on this ____ day of February, 2024, before me, a Notary Public, in and for the County and State aforesaid, came Justin Blomberg, Manager of Andover Apartments I, LLC, on behalf of said company and acknowledged to me that he executed the same for the purposes therein expressed, acting for and on behalf of said company in his capacity as such officer and member.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

Notary Public

My Appointment Expires:

EMPRISE BANK
Wichita, Kansas

By _____
Stacey Meier
Senior Vice President Wealth Management

“TRUSTEE”

ACKNOWLEDGMENT

STATE OF KANSAS)
)
) ss:
COUNTY OF SEDGWICK)

BE IT REMEMBERED, that on this ____ day of February, 2024, before me, a notary public in and for said county and state, came Stacy Meier, Senior Vice President Wealth Management of Emprise Bank, Wichita, Kansas, a state banking corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Kansas (the “Bank”), who is personally known to me to be the same person who executed, as such officer, the within instrument on behalf of said Bank, and such person duly acknowledged the execution of the same to be the act and deed of said Bank.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year least above written.

Notary Public

My Appointment Expires:

SCHEDULE I

PROPERTY SUBJECT TO LEASE

(A) The following described real property located in Butler County, Kansas, to-wit:

~ Apartment Tract, to be known as Lot 1, Block 2 ~
Marketplace Commercial Third Addition
Metes and Bounds description prior to recorded plat

A tract of land lying within a portion of Lot 1, Block 3, the Final Planned Unit Development, Marketplace Commercial Second Addition, TOGETHER WITH, an unplatted tract of land lying within the Northwest Quarter, of Section 29, Township 27 South, Range 3 East, Sixth Principal Meridian, all in Andover, Butler County, Kansas, said tract collectively being more particularly described as follows:

COMMENCING at the northwest corner of said Northwest Quarter, thence on a Kansas coordinate system of 1983 south zone bearing of N89°23'19"E, 2595.00 feet; thence along the extended west right-of-way line of Yorktown Street recorded on Book 2008, Page 349, S00°33'29"E, 397.09 feet to the POINT OF BEGINNING, said point being a point on the south right-of-way line of Cloud Avenue to be dedicated upon the recording of the Final Planned Unit Development, Marketplace Third Addition, an addition to Andover, Butler County, Kansas; thence continuing along said west right-of-way line of Yorktown Street, S00°33'29"E, 555.26 feet to a point on a curve to the right, said curve having a radius of 53.50 feet, a central angle of 39°28'40", a chord bearing of S19°10'51"W, and a cord distance of 36.14 feet, thence along the said curve to the right 36.86 feet to a point on a reverse curve to the left, said reverse curve to the left having a radius of 106.50 feet, a central angle of 25°18'31", a chord bearing of S26°15'55"W, and a chord distance of 46.66 feet, thence along the said reverse curve to the left 47.04 feet to a point on a reverse curve to the right, said reverse curve to the right having a radius of 53.50 feet, a central angle of 50°03'52", a chord bearing of S38°38'36"W, and a chord distance of 45.27 feet, thence along the said reverse curve to the right, 46.75 feet, to a point on a reverse curve to the left, said reverse curve to the left having a radius of 232.00 feet, a central angle of 09°50'34", a chord bearing of S58°45'15"W, and a chord distance of 39.81 feet, thence along the said reverse curve to the left 39.86 feet to a point on a reverse curve to the right, said reverse curve to the right having a radius of 168.00 feet, a central angle of 35°33'21", a chord bearing of S71°36'39"W, and a chord distance of 102.59 feet, thence along the said reverse curve to the right, 104.26 feet; thence S89°23'19"W, 614.97 feet to a point 15.00 feet west of the east line of said Lot 1, Block 3; thence parallel with and 15.00 feet west of said east line, N00°36'41"W, 683.50 feet to a point on a non-tangent curve to the left and being the south right-of-way line of said Cloud Avenue, said non-tangent curve to the left having a radius of 535.00 feet, a central angle of 14°53'18", a chord bearing of

N89°02'29"E, and a chord distance of 138.63 feet, thence along the said non-tangent curve to the left, 139.02 feet; thence N81°35'50"E, 163.51 feet to a point on a curve to the right, said curve to the right having a radius of 765.00 feet, a central angle of 07°14'01", a chord bearing of N85°12'50"E, and a chord distance of 96.52 feet, thence along the said curve to the right, 96.58 feet; thence N88°49'50"E, 412.54 feet to the POINT OF BEGINNING.

Said tract CONTAINS: 562,148 square feet or 12.905 acres of land, more or less.

said real property constituting the "Land" referred to in the Lease.

(B) The buildings, improvements, equipment, fixtures and personal property now or hereafter acquired, constructed, or installed with proceeds of the 2013 Bonds, including but not limited to the following:

An approximately 200 unit apartment complex made up of 20 buildings with 180,000 total, combined building square feet, all of wood frame construction with brick and siding exteriors and including management office space, pool facilities, laundry facilities, and maintenance and storage facilities. The Project will also include all parking, landscaping, and all other improvements ancillary thereto.

The property described in paragraphs (A) and (B) of this Schedule I, together with any alterations or additional improvements properly deemed a part of the Project pursuant to and in accordance with the provisions of Sections 10.3 and 10.4 of the Lease, constitute the "Project" as referred to in both the Lease and the Indenture.

After recording, return to:

TRIPLETT WOOLF GARRETSON, LLC
Attn: J. T. Klaus
2959 N. Rock Road, Suite 300
Wichita, Kansas 67226
Telephone: (316) 630-8100

This Deed is exempt from filing a Real Estate Sales Validation Questionnaire pursuant to Exception No. 2 of K.S.A. 79-1437(e) and is made for the purpose of releasing an ownership interest in property which provided security for a debt or other obligation.

SPECIAL WARRANTY DEED

THIS INDENTURE, made as of the 7th day of March, 2024, by and between the City of Andover, Kansas, a municipal corporation duly organized and existing under the laws of the State of Kansas and located in Butler County, Kansas (the "Grantor"), and Andover Apartments I, LLC, a Kansas limited liability company (the "Grantee").

WITNESSETH: That Grantor, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable past consideration, the receipt and sufficiency of which is hereby acknowledged, does by these presents grant, bargain, sell and convey to Grantee, its successors and assigns, all of Grantor's interest in the real property situated in Butler County, Kansas, specifically described on Schedule I attached hereto and incorporated hereby.

Grantor hereby covenants that its interest as conveyed hereby is conveyed free and clear of all liens and encumbrances except (i) those liens and encumbrances to which title to the described property was subject when conveyed to Grantor as shown on the attached Schedule II; (ii) those liens and encumbrances created by the Grantee or its predecessor in interest or to the creation or suffering of which the Grantee has consented; (iii) those liens and encumbrances resulting from the failure of the Grantee or its predecessor in interest to perform and observe any of the agreements on its part contained in the Lease under which it has heretofore occupied the described property; (iv) the rights of the public in and to any part of the described property lying or being in public roads, streets, alleys or highways; (v) any unpaid taxes or assessments, general or special; and (vi) the rights, titles and interests of any party having condemned or who is attempting to condemn title to, or the use for a limited period of, all or any part of the described property; and further covenants that it will warrant and defend the same in the quiet and peaceable possession of Grantee, its successors and assigns, forever, against all persons claiming the same through Grantor.

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the official seal of the City of Andover, Kansas for delivery as of the date set forth above.

[seal]



CITY OF ANDOVER, KANSAS

By 

Ronnie Price, Mayor

ATTEST:

By 

Dana Engstrom, City Clerk

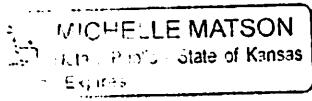
"ISSUER"

ACKNOWLEDGMENT

STATE OF KANSAS)
) ss:
COUNTY OF BUTLER)

BE IT REMEMBERED that on this 29th day of February, 2024, before me, a notary public in and for said County and State, came Ronnie Price and Dana Engstrom, Mayor and City Clerk, respectively, of the City of Andover, Kansas, a municipal corporation of the State of Kansas, who are personally known to me to be the same persons who executed, as such officers, the within instrument on behalf of said City, and such persons duly acknowledged the execution of the same to be the act and deed of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.





Notary Public

My Appointment Expires:

7-24-26

SCHEDULE I

LEGAL DESCRIPTION

The following described real property located in Butler County, Kansas, to-wit:

~ Apartment Tract, to be known as Lot 1, Block 2 ~
Marketplace Commercial Third Addition
Metes and Bounds description prior to recorded plat

A tract of land lying within a portion of Lot 1, Block 3, the Final Planned Unit Development, Marketplace Commercial Second Addition, TOGETHER WITH, an unplatted tract of land lying within the Northwest Quarter, of Section 29, Township 27 South, Range 3 East, Sixth Principal Meridian, all in Andover, Butler County, Kansas, said tract collectively being more particularly described as follows:

COMMENCING at the northwest corner of said Northwest Quarter, thence on a Kansas coordinate system of 1983 south zone bearing of N89°23'19"E, 2595.00 feet; thence along the extended west right-of-way line of Yorktown Street recorded on Book 2008, Page 349, S00°33'29"E, 397.09 feet to the POINT OF BEGINNING, said point being a point on the south right-of-way line of Cloud Avenue to be dedicated upon the recording of the Final Planned Unit Development, Marketplace Third Addition, an addition to Andover, Butler County, Kansas; thence continuing along said west right-of-way line of Yorktown Street, S00°33'29"E, 555.26 feet to a point on a curve to the right, said curve having a radius of 53.50 feet, a central angle of 39°28'40", a chord bearing of S19°10'51"W, and a chord distance of 36.14 feet, thence along the said curve to the right 36.86 feet to a point on a reverse curve to the left, said reverse curve to the left having a radius of 106.50 feet, a central angle of 25°18'31", a chord bearing of S26°15'55"W, and a chord distance of 46.66 feet, thence along the said reverse curve to the left 47.04 feet to a point on a reverse curve to the right, said reverse curve to the right having a radius of 53.50 feet, a central angle of 50°03'52", a chord bearing of S38°38'36"W, and a chord distance of 45.27 feet, thence along the said reverse curve to the right, 46.75 feet, to a point on a reverse curve to the left, said reverse curve to the left having a radius of 232.00 feet, a central angle of 09°50'34", a chord bearing of S58°45'15"W, and a chord distance of 39.81 feet, thence along the said reverse curve to the left 39.86 feet to a point on a reverse curve to the right, said reverse curve to the right having a radius of 168.00 feet, a central angle of 35°33'21", a chord bearing of S71°36'39"W, and a chord distance of 102.59 feet, thence along the said reverse curve to the right, 104.26 feet; thence S89°23'19"W, 614.97 feet to a point 15.00 feet west of the east line of said Lot 1, Block 3; thence parallel with and 15.00 feet west of said east line, N00°36'41"W, 683.50 feet to a point on a non-tangent curve to the left and being the south right-of-way line of said Cloud Avenue, said non-tangent curve to the left having a radius of 535.00 feet, a central angle of 14°53'18", a chord bearing of N89°02'29"E, and a chord distance of 138.63 feet, thence along the said non-tangent curve to the left, 139.02 feet; thence N81°35'50"E, 163.51 feet to a point on a curve

to the right, said curve to the right having a radius of 765.00 feet, a central angle of 07°14'01", a chord bearing of N85°12'50"E, and a chord distance of 96.52 feet, thence along the said curve to the right, 96.58 feet; thence N88°49'50"E, 412.54 feet to the POINT OF BEGINNING.

Said tract CONTAINS: 562,148 square feet or 12.905 acres of land, more or less.

SCHEDULE II

PERMITTED ENCUMBRANCES

1. The following matters shown on or disclosed by the recorded plat of Marketplace Commercial Second Addition for the subject property: easements, building setbacks and minimum pad elevations.
2. Covenants and restrictions contained in/on Book 2007, Page 2051, amended in Book 2008, Page 7855, Book 2010, Page 7568, Book 2010, Page 7567.
3. Terms and provisions of the Market Place Owner's Association filed as Book 2007, Page 2051, which provides for, among other things, the levy of assessments, which if unpaid, may become a lien thereon.
4. Statement (regarding preliminary PUD) recorded in Book 838, Page 152.
5. Statement (regarding amended preliminary PUD) recorded in Book 967, Page 254.
6. Developer's Agreements recorded in Book 2009, Page 6111 and Book 2009, Page 7274.
7. Declaration of Pedestrian Easement over a portion of subject property recorded July 29, 2009 in Book 2010, Page 6406.
8. Declaration of Drainage Easement over a portion of subject property recorded July 29, 2009 in Book 2010, Page 6405.
9. Subject property may become subject to special assessments for various capital improvements as evidenced by numerous governmental filings of notice in the form of Resolutions recorded in Book 893, Page 270, Book 893, Page 271, Book, 1308, Page 26, Book 2007, Page 2766, Book 2008, Pages 1887 and 2132, Book 2009, Pages 6112, 6113 and 7277.

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, that, as of March 7, 2024, in consideration of Ten Dollars (\$10.00) and other good and valuable past consideration, the receipt of which is hereby acknowledged, the undersigned, City of Andover, Kansas, a municipal corporation (the "Grantor"), does grant, sell, transfer and deliver unto Andover Apartments I, LLC, a Kansas limited liability company (the "Grantee"), all of its interest in the following goods and chattels, viz:

All buildings, improvements, equipment, fixtures and personal property constructed, located or installed on the Land (described on Schedule I), as defined in the Lease Agreement, dated as of March 7, 2013, (the "Lease") by and between the Grantor and Grantee, all or any portion of the costs of which were financed or refinanced from the proceeds of the City of Andover, Kansas, (i) Not to Exceed \$16,875,000 Taxable Multifamily Housing Revenue Bonds, Series A, 2013 (Andover Apartments, LLC) and (ii) Not to Exceed \$5,625,000 Subordinated Taxable Multifamily Housing Revenue Bonds, Series B, 2013 (Andover Apartments, LLC) (collectively, the "Bonds") and which constitute Improvements, as defined in the Lease, together with any substitutions or replacements therefor, including but not limited to the "Project" as defined in Schedule I hereto.

To have and to hold, all and singular, the said goods and chattels forever. And the said Grantor hereby covenants with the said Grantee that the interest of Grantor conveyed hereby is free from all encumbrances except (i) those liens and encumbrances to which title to the described property was subject when conveyed to the Grantor, (ii) those liens and encumbrances created by the Grantee or its predecessor in interest or to the creation or suffering of which the Grantee has consented; and (iii) those liens and encumbrances resulting from the failure of the Grantee or its predecessor in interest to perform and observe any of the agreements on its part contained in the Lease under which it has heretofore leased such property; and that it will warrant and defend the same against the lawful claims and demands of all persons claiming through the Grantor.

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IN WITNESS WHEREOF, we have hereunto set our hands and affixed the official seal of the City of Andover, Kansas for delivery as of the date set forth above.

[seal]



CITY OF ANDOVER, KANSAS

By Ronnie Price, Mayor

ATTEST:

By

Dana Engstrom, City Clerk

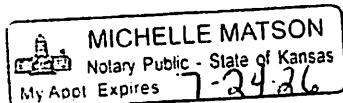
“ISSUER”

ACKNOWLEDGMENT

STATE OF KANSAS)
)
COUNTY OF BUTLER)

BE IT REMEMBERED that on this 29th day of February, 2024, before me, a notary public in and for said County and State, came Ronnie Price and Dana Engstrom, Mayor and City Clerk, respectively, of the City of Andover, Kansas, a municipal corporation of the State of Kansas, who are personally known to me to be the same persons who executed, as such officers, the within instrument on behalf of said City, and such persons duly acknowledged the execution of the same to be the act and deed of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.



M. Matson
Notary Public

My Appointment Expires:

7-24-26

SCHEDULE I

LEGAL DESCRIPTION

(A) The following described real estate located in Butler County, Kansas, to wit:

~ Apartment Tract, to be known as Lot 1, Block 2 ~
Marketplace Commercial Third Addition
Metes and Bounds description prior to recorded plat

A tract of land lying within a portion of Lot 1, Block 3, the Final Planned Unit Development, Marketplace Commercial Second Addition, TOGETHER WITH, an unplatted tract of land lying within the Northwest Quarter, of Section 29, Township 27 South, Range 3 East, Sixth Principal Meridian, all in Andover, Butler County, Kansas, said tract collectively being more particularly described as follows:

COMMENCING at the northwest corner of said Northwest Quarter, thence on a Kansas coordinate system of 1983 south zone bearing of N89°23'19"E, 2595.00 feet; thence along the extended west right-of-way line of Yorktown Street recorded on Book 2008, Page 349, S00°33'29"E, 397.09 feet to the POINT OF BEGINNING, said point being a point on the south right-of-way line of Cloud Avenue to be dedicated upon the recording of the Final Planned Unit Development, Marketplace Third Addition, an addition to Andover, Butler County, Kansas; thence continuing along said west right-of-way line of Yorktown Street, S00°33'29"E, 555.26 feet to a point on a curve to the right, said curve having a radius of 53.50 feet, a central angle of 39°28'40", a chord bearing of S19°10'51"W, and a cord distance of 36.14 feet, thence along the said curve to the right 36.86 feet to a point on a reverse curve to the left, said reverse curve to the left having a radius of 106.50 feet, a central angle of 25°18'31", a chord bearing of S26°15'55"W, and a chord distance of 46.66 feet, thence along the said reverse curve to the left 47.04 feet to a point on a reverse curve to the right, said reverse curve to the right having a radius of 53.50 feet, a central angle of 50°03'52", a chord bearing of S38°38'36"W, and a chord distance of 45.27 feet, thence along the said reverse curve to the right, 46.75 feet, to a point on a reverse curve to the left, said reverse curve to the left having a radius of 232.00 feet, a central angle of 09°50'34", a chord bearing of S58°45'15"W, and a chord distance of 39.81 feet, thence along the said reverse curve to the left 39.86 feet to a point on a reverse curve to the right, said reverse curve to the right having a radius of 168.00 feet, a central angle of 35°33'21", a chord bearing of S71°36'39"W, and a chord distance of 102.59 feet, thence along the said reverse curve to the right, 104.26 feet; thence S89°23'19"W, 614.97 feet to a point 15.00 feet west of the east line of said Lot 1, Block 3; thence parallel with and 15.00 feet west of said east line, N00°36'41"W, 683.50 feet to a point on a non-tangent curve to the left and being the south right-of-way line of said Cloud Avenue, said non-tangent curve to the left having a radius of 535.00 feet, a central angle of 14°53'18", a chord bearing of

N89°02'29"E, and a chord distance of 138.63 feet, thence along the said non-tangent curve to the left, 139.02 feet; thence N81°35'50"E, 163.51 feet to a point on a curve to the right, said curve to the right having a radius of 765.00 feet, a central angle of 07°14'01", a chord bearing of N85°12'50"E, and a chord distance of 96.52 feet, thence along the said curve to the right, 96.58 feet; thence N88°49'50"E, 412.54 feet to the POINT OF BEGINNING.

Said tract CONTAINS: 562,148 square feet or 12.905 acres of land, more or less.

(B) The buildings, improvements, equipment, fixtures and personal property now or hereafter acquired, constructed, or installed with proceeds of the 2013 Bonds, including but not limited to the following:

An approximately 200 unit apartment complex made up of 20 buildings with 180,000 total, combined building square feet, all of wood frame construction with brick and siding exteriors and including management office space, pool facilities, laundry facilities, and maintenance and storage facilities. The Project will also include all parking, landscaping, and all other improvements ancillary thereto.

The property described in paragraphs (A) and (B) of this Schedule I, together with any alterations or additional improvements properly deemed a part of the Project pursuant to and in accordance with the provisions of Sections 10.3 and 10.4 of the Lease, constitute the "Project" as referred to in both the Lease and the Indenture.