

GILMORE & BELL, P.C.
MAY 19, 2022

**HOMESTEAD SENIOR RESIDENCES BEL AIRE, LLC
AS TENANT AND PURCHASER**

AND

**CITY OF BEL AIRE, KANSAS
AS ISSUER**

BOND PURCHASE AGREEMENT

**\$8,000,000
MULTIFAMILY HOUSING REVENUE BONDS
SERIES 2022
(HOMESTEAD SENIOR RESIDENCES BEL AIRE, LLC)**

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**CITY OF BEL AIRE, KANSAS
MULTIFAMILY HOUSING REVENUE BONDS
SERIES 2022**

(HOMESTEAD SENIOR RESIDENCES BEL AIRE, LLC)

Dated: JUNE 1, 2022

THIS AGREEMENT entered into as of June 1, 2022 (the "Sale Date"), between Homestead Senior Residences Bel Aire, LLC, a Kansas limited liability company (the "Tenant", the City of Bel Aire, Kansas (the "Issuer") and Homestead Senior Residences Bel Aire, LLC, Holton, Kansas (the "Purchaser"), collectively referred to herein as the "Parties." All capitalized terms not specifically defined herein shall have the same meaning as defined in the hereinafter referenced Indenture and Project Lease, unless some other meaning is plainly indicated.

SECTION 1. RECITALS.

(a) The Issuer proposes to issue and sell the Bonds identified above (the "Bonds") to provide funds to acquire, construct and equip a senior residence facility (the "Project") located within the corporate limits of the Issuer, to be leased by the Issuer to the Tenant pursuant to a Project Lease dated as of June 1, 2022 (the "Project Lease").

(b) Pursuant to the constitution and laws of the State of Kansas, including K.S.A. 12-1740 *et seq.* (the "Act"), the Bonds are limited obligations of the Issuer payable solely from the Trust Estate under the Indenture (hereinafter defined), including payments derived by the Issuer from the Project Lease. The Bonds will be dated June 22, 2022, will contain such other terms and provisions as are set forth in an ordinance duly passed by the governing body of the Issuer on May 17, 2022 (the "Ordinance"), and other proceedings and determinations related thereto as authorized and governed by the provisions of a Trust Indenture (the "Indenture") dated June 1, 2022 between the Issuer and Security Bank of Kansas City, Kansas City, Kansas, as trustee (the "Trustee").

(c) In order to induce the Issuer to enter into this Bond Purchase Agreement and to purchase the Bonds at a price and bearing interest at the rate or rates set forth in the Indenture, the Issuer and the Tenant have joined in this Bond Purchase Agreement.

(d) The proceeds of the sale of the Bonds are to be applied:

- (i) to provide for accrued interest through the date of Closing;
- (ii) to provide funds to pay Project Costs (as defined in the Indenture); and
- (iii) to pay expenses related to Bond issuance;

all as set forth in the Project Lease, Ordinance and Indenture.

SECTION 2. PURCHASE, SALE AND DELIVERY OF THE BONDS.

(a) On the basis of the representations, warranties and covenants contained herein and in the other agreements and documents referred to herein, and subject to the terms and conditions herein set

forth, the Purchaser agrees to purchase from the Issuer and the Issuer agrees to sell to the Purchaser the Bonds not later than 12:00 Noon, applicable Central time on June 22, 2022, or such other place, time or date as shall be mutually agreed upon by the Issuer and the Purchaser, at the purchase price set forth on *Exhibit A* attached hereto (the "Purchase Price"). The date of such delivery and payment is herein called the "Issue Date," the hour and date of such delivery and payment is herein called the "Closing Time" and the transactions to be accomplished for delivery of the Bonds on the Issue Date shall be herein called the "Closing." The Bonds shall be issued under and secured as provided in the Indenture and the Bonds shall mature December 31, 2032 and bear interest at the rate set forth in the Bonds. The Bonds shall contain such other provisions as are described in the Indenture.

(b) The Parties acknowledge and agree that: (1) the purchase and sale of the Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the Issuer and the Purchaser; and (2) in connection with such transaction, the Purchaser is acting solely as a principal and not as an agent or a fiduciary of any of the Issuer or the Tenant.

(c) The Bonds are purchased by Purchaser under the following conditions: (i) the Bonds are not being registered or otherwise qualified for sale under the "Blue Sky" laws; (ii) Purchaser will hold the Bonds as one single debt instrument, (iii) no CUSIP numbers will be obtained for the Bonds, (iv) no official statement or other similar offering document has been prepared in connection with the private placement of the Bonds, and (v) the Bonds will not close through the DTC or any similar repository and will not be in book entry form.

(d) The delivery of the Bonds shall be made in definitive form, as fully registered bonds (in such denominations as the Purchaser shall specify in writing at least 48 hours prior to the Closing Time duly executed and authenticated; provided, however, that the Bonds may be delivered in temporary form. The Bonds shall be available at least 24 hours prior to the Closing Time.

SECTION 3. REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF THE PURCHASER

By the execution hereof the Purchaser hereby represents, warrants and agrees with the Issuer and the Tenant that as of the date hereof and at the Closing Time:

(a) Purchaser has taken all necessary corporate action and is authorized to purchase the Bonds and to execute and perform this Bond Purchase Agreement.

(b) Purchaser is knowledgeable and experienced in financial and business matters and is capable of evaluating investment merit and risks associated with its purchase of the Bonds. The Purchaser has been furnished and has reviewed the provisions of the Ordinance, Indenture and Project Lease relating to the authorization of and security for payment of the Bonds. Prior to the execution hereof Purchaser also obtained and examined such financial records and information necessary in order to enable itself to fully evaluate the terms and provisions of the Bonds and of the Indenture and Project Lease authorizing their issuance and providing for the payment thereof and the financial and investment merits and risks associated with the purchase of the Bonds. On the basis of such information, materials and Purchaser's investigation, Purchaser has made the decision to purchase the Bonds and has not relied upon any representations of the Issuer or any of its officers or employees with respect to the Project, the Tenant or security for payment of the Bonds.

(c) Purchaser is purchasing the Bonds as an investment for its own account and not with a view to the sale, redistribution or other disposition thereof in the ordinary course of business in a transaction not

amounting to a public offering as contemplated by Section 4(2) of the Securities Act of 1933, as amended. Purchaser acknowledges that (1) the Bonds will not be registered under the Securities Act of 1933, as amended or any applicable state securities law, (2) the Bonds may not be transferred unless, in the opinion of counsel acceptable to the Issuer and the Trustee, such transfer will not cause a violation of the Securities Act of 1933, as amended, or any applicable state securities law and that (3) language consistent with the foregoing restrictions will appear in the registration and transfer provisions of the Indenture.

SECTION 4. ISSUER'S REPRESENTATIONS.

The Issuer represents, covenants and warrants, to the best of its knowledge and belief, as follows, all of which will continue in effect subsequent to the Closing:

(a) The Issuer is a municipal corporation incorporated as a city of the second class under the laws of the State of Kansas.

(b) The governing body of the Issuer did enact the Ordinance; it has been signed by a duly authorized official of the Issuer, it has been published once in the official city newspaper as required by law, and it is presently in full force and effect and has not been amended or modified.

(c) The Issuer has full power and authority to execute and deliver the Indenture, the Site Lease, the Project Lease, the Bond Purchase Agreement and any and all other documents reasonably necessary in connection with the Indenture, the Project Lease, the Site Lease and the Bond Purchase Agreement (the "Issuer Documents"); the Issuer Documents have been duly executed and delivered by the Issuer in the manner authorized and constitute legal, valid and binding obligations of the Issuer in accordance with their terms, except to the extent limited by or subject to bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights, principles of equity or the exercise of judicial discretion.

(d) The execution, delivery and performance of the Issuer Documents will not conflict with or constitute on the part of the Issuer a material breach or default under any agreement, indenture or instrument known to it to which the Issuer is a party or by which it is bound.

(e) The Issuer has duly and validly authorized the taking on its behalf of any and all actions necessary to carry out and give effect to the transactions contemplated to be performed on its part by the Ordinance and the Issuer Documents.

(f) There is not now pending or, to the knowledge of the officials of the Issuer, threatened any litigation seeking to restrain or enjoin the issuance or delivery of the Bonds, or contesting or questioning (i) the validity of the Bonds, (ii) the proceedings or authority under which they are issued, (iii) the existence of the Issuer, (iv) the authority of the Issuer to enact the Ordinance or enter into the Issuer Documents, or (v) the Issuer's pledge of the Project, the revenues therefrom and the Trust Estate under the Indenture as security for the payment of the Bonds.

(g) Any certificate signed by an official of the Issuer and delivered to the Purchaser shall be deemed a representation by the Issuer to the Purchaser as to the truth of the statements made in such certificate.

SECTION 5. REPRESENTATIONS OF THE TENANT.

The Tenant makes the following representations as of the Closing, all of which will continue in effect subsequent to the Closing:

(a) The Tenant is a duly formed Kansas limited liability company, duly authorized to do business under the laws of the State of Kansas.

(b) The Tenant has full power and authority to enter into, execute and deliver the Site Lease, the Project Lease, and this Bond Purchase Agreement (the "Tenant Documents"), and to perform its obligations thereunder, all of which have been duly authorized by all proper and necessary corporate action, and no consent or approval of parties not signatories to this Bond Purchase Agreement or of any public authority other than the Issuer is necessary to carry out the same.

(c) The execution, delivery and performance by the Tenant of the Tenant Documents will not conflict with or constitute a material violation or breach of or a default under its articles of organization or operating agreement, or any mortgage, indenture, deed of trust, contract, instrument or agreement binding on it or affecting its property, or any provision of law or order, rule, regulation, ordinance or decree of any court, government or governmental body having jurisdiction over the Tenant or any of its property.

(d) To the actual knowledge of the members of the Tenant and the officers of the Tenant signing this Bond Purchase Agreement, there is no litigation, proceeding or investigation by or before any court, public board or body, pending, or threatened, against or affecting the Tenant, its officers or property, challenging the validity of the Tenant Documents, or seeking to enjoin any of the transactions contemplated by such instruments or the performance by the Tenant of its obligations thereunder, or challenging the acquisition or operation of the Project. Further, no litigation, proceeding, or investigation is pending or, to the knowledge of the officer of the Tenant signing this Bond Purchase Agreement, threatened, against the Tenant, its officers, members or property except (i) that arising in the normal course of the its business operations, and being defended by or on behalf of the Tenant, in which the probable ultimate recovery and estimated defense costs and expenses, in the opinion of the management of the Tenant will be entirely within applicable insurance policy limits (subject to applicable self-insurance, retentions and deductibles), or (ii) that which, if determined adversely to the Tenant, would not, in the opinion of the management of the Tenant, materially adversely affect the Tenant's operations or condition, financial or otherwise.

SECTION 6. REPRESENTATIONS TO SURVIVE CLOSING.

The representations, warranties, agreements, and indemnities of the Issuer, the Tenant and the Purchaser contained herein will survive the Closing and any investigation made by or on behalf of the Issuer, the Purchaser, the Tenant of any matters described in, or related to, the transactions contemplated hereby and by the Site Lease and the Project Lease.

SECTION 7. CONDITIONS OF CLOSING.

The Purchaser's obligations to purchase the Bonds are subject to fulfillment of the following conditions at or before Closing:

(a) The representations of the Issuer and the Tenant hereunder must be true on and as of the Issue Date and must be confirmed by certificates dated as of the Closing;

(b) Neither the Issuer nor the Tenant has defaulted in the performance of any of their respective covenants hereunder;

- (c) The Purchaser must receive at the Closing:
- (i) an opinion of Bond Counsel, dated as of the Closing, in form and substance satisfactory to the Purchaser and its counsel.
 - (ii) an opinion of counsel for the Tenant, dated as of the Closing, in form and substance satisfactory to Bond Counsel and to the Purchaser and its counsel confirming the Tenant's representations as set forth in paragraphs (a) through (d) inclusive of *Section 5* of this Bond Purchase Agreement.
 - (iii) an opinion of counsel for the Issuer, dated as of the Closing, in form and substance satisfactory to Bond Counsel and to the Purchaser and its counsel, confirming the Issuer's representations set forth in paragraphs (a) through (g) inclusive of *Section 4* of this Bond Purchase Agreement.
 - (iv) a certificate or certificates, satisfactory in form and substance to Bond Counsel and the Purchaser and its counsel, of an authorized official of the Issuer dated the date of the Closing to the effect that (A) each of the representations of the Issuer set forth in *Section 4* hereof is true, accurate and complete in all material respects as of the Closing, and each of the agreements of the Issuer set forth in this Bond Purchase Agreement to be complied with at or prior to the Closing has been complied with; and (B) no litigation is pending, or to such official's knowledge, threatened, to restrain or enjoin the issuance or delivery of the Bonds, or contesting or questioning the validity of the Bonds, the proceedings or authority under which they are issued, the existence of the Issuer, the authority of the Issuer to enact the Ordinance or enter into the Indenture, the Project Lease or the Bond Purchase Agreement, or the Issuer's pledge of the Project, the revenues therefrom and the Trust Estate under the Indenture as security for the payment of the Bonds, and (C) that none of the proceedings authorizing issuance of the Bonds or execution and delivery of the bond documents has been repealed, revoked or rescinded.
 - (v) a certificate or certificates, satisfactory in form and substance to Bond Counsel and to the Purchaser and its counsel, of a member of the Tenant, dated the date of Closing to the effect that each of the representations of the Tenant set forth in *Section 5* hereof is true, accurate and complete in all material respects as of the Closing, and each of the agreements of the Tenant set forth in this Bond Purchase Agreement to be complied with at or prior to the Closing has been complied with as of such time.
 - (vi) Such additional certificates, legal and other documents, listed on a closing agenda to be approved by Bond Counsel and counsel to the Purchaser, as the Purchaser may reasonably request to evidence performance or compliance with the provisions hereof and the transactions contemplated hereby and by the Indenture and Project Lease, or as Bond Counsel shall require in order to render its opinion, all such certificates and other documents to be satisfactory in form and substance to the Purchaser.

(d) At Closing, there shall not have been any adverse change in the business, property or financial condition of the Tenant from that furnished to the Purchaser which, in the judgment of the Purchaser, is material and makes it inadvisable to proceed with the sale of the Bonds; and the Purchaser

shall have received a certificate from the Tenant that no material adverse change has occurred or, if such a change has occurred, full information with respect thereto.

SECTION 8. THE PURCHASER'S RIGHT TO CANCEL

The Purchaser shall have the right to cancel the obligation hereunder to purchase the Bonds (such cancellation shall not constitute a default for purposes of **Section 1** hereof) by notifying the Issuer, the Tenant in writing or by facsimile of its election to make such cancellation prior to the Closing Time, if at any time after the execution of this Bond Purchase Agreement and prior to the Closing Time, the market price or marketability of the Bonds, or the ability of the Purchaser to enforce contracts for the sale of the Bonds, shall be materially adversely affected by any of the following events:

(a) Any legislation, ordinance, rule or regulation shall be introduced in or be enacted by the Legislature of the State or by any other governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State shall be rendered, or litigation challenging the law under which the Bonds are to be issued shall be filed in any court in the State.

(b) A stop order, ruling, regulation or official statement by, or on behalf of, the SEC or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby, is in violation or would be in violation of any provision of the 1933 Act, the 1934 Act or the Trust Indenture Act of 1939, as amended.

(c) Legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, to the effect that obligations of the general character of the Bonds, or the Bonds, including all the underlying obligations, are not exempt from registration under or from other requirements of the 1933 Act or the 1934 Act.

(d) A material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange.

(e) The New York Stock Exchange or any other national securities exchange, or any governmental authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Purchaser.

(f) Any general banking moratorium shall have been established by federal, New York or Kansas authorities.

(g) A material default has occurred with respect to the obligations of, or proceedings have been instituted under the Federal bankruptcy laws or any similar state laws by or against, any state of the United States or any city located in the United States having a population in excess of one million persons or any entity issuing obligations on behalf of such a city or state.

(h) Any proceeding shall be pending or threatened by the SEC against the Issuer.

(i) A war involving the United States shall have been declared, or any conflict involving the armed forces of the United States shall have escalated, or any other national emergency relating to the effective operation of government or the financial community shall have occurred.

(j) A default by or a moratorium initiated by the United States in respect to payment of any direct obligation of, or obligation the principal of and interest on which is fully and unconditionally guaranteed as to full and timely payment by, the United States of America.

SECTION 9. PAYMENT OF EXPENSES

If the Bonds are sold by the Issuer to the Purchaser, except as hereinafter set forth, all expenses and costs for the authorization, preparation, issuance, delivery and sale of the Bonds shall be paid by the Tenant out of the proceeds of the Bonds or other Tenant funds. Such expenses and costs shall include, but not be limited to: (1) the fees and disbursements of Bond Counsel; (2) the fees and disbursements of the Issuer's legal counsel; (3) fees and disbursements of the Tenant's legal counsel; (4) costs associated with obtaining municipal bond insurance or municipal bond ratings relating to the Bonds, if any; (5) the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Bonds, this Bond Purchase Agreement and all other agreements and documents contemplated hereby; (6) fees of the Trustee; and (7) all costs and expenses of the Issuer relating to the issuance of the Bonds, including the Origination Fee. The Purchaser shall be responsible for payment of the costs of qualifying the Bonds for sale in the various states chosen by the Purchaser, all advertising expenses in connection with the offering of the Bonds, the fees and disbursements of the Purchaser's legal counsel and all other expenses incurred by the Purchaser in connection with the offering, sale and distribution of the Bonds.

SECTION 10. NOTICES AND OTHER ACTIONS.

All notices, demands and formal actions hereunder will be in writing mailed, faxed or delivered to:

The Issuer:	City of Bel Aire, Kansas 7651 E. Central Park Ave. Bel Aire, Kansas 67226
The Tenant and Purchaser:	Homestead Senior Residences Bel Aire, LLC 603 Pennsylvania Holton KS 66436

Copies of all notices sent to the Lessor shall also be sent to Lessor's investor member at WNC Housing, L.P., 17782 Sky Park Circle, Irvine, California 92614-6404, Attn: Melanie Wenk, and any cure tendered on behalf of Lessor by a member of Lessor shall be accepted or rejected as if same had been tendered by Lessor.

SECTION 11. MISCELLANEOUS

(a) This Bond Purchase Agreement shall be binding upon the Parties and their respective successors. This Bond Purchase Agreement and the terms and provisions hereof are for the sole benefit of only those persons, except that the representations, warranties, indemnities and agreements of the Issuer and the Tenant contained in this Bond Purchase Agreement shall also be deemed to be for the benefit of the person or persons, if any, who control the Purchaser (within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act). Nothing in this Bond Purchase Agreement is intended or shall be construed to give any person, other than the persons referred to in this Paragraph, any legal or equitable right, remedy or claim under or in respect of this Bond Purchase Agreement or any provision contained

herein. All of the representations, warranties and agreements of the Issuer contained herein shall remain in full force and effect, regardless of: (1) any investigation made by or on behalf of the Purchaser, (2) delivery of and payment for the Bonds; or (3) any termination of this Bond Purchase Agreement.

(b) For purposes of this Bond Purchase Agreement, “business day” means any day on which the New York Stock Exchange is open for trading.

(c) This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Kansas.

(d) This Bond Purchase Agreement may be executed in one or more counterparts, and if executed in more than one counterpart, the executed counterparts shall together constitute a single instrument.

(e) This Bond Purchase Agreement may not be assigned by either party without the express written consent of the other party.

SECTION 12. EFFECTIVE DATE

This Bond Purchase Agreement shall become effective upon acceptance hereof by the Issuer.

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Upon your acceptance of the offer, the foregoing agreement will be binding upon you and the Purchaser. Please acknowledge your agreement with the foregoing by executing the enclosed copy of this Bond Purchase Agreement and returning it to the undersigned.

Tenant and Purchaser:

HOMESTEAD SENIOR RESIDENCES BEL AIRE, LLC,
a Kansas limited liability company

By: Homestead Senior Housing Bel Aire LLC
Its: Managing Member

By: Homestead Affordable Housing, Inc.
Its: Manager and Sole Member

By: _____
Name: Thomas A. Bishop
Title: President
Date: _____

Accepted and agreed to as of
the date first above written.

CITY OF BEL AIRE, KANSAS

By: _____
Mayor

Date: _____

ATTEST:

(Seal)

By: _____
City Clerk