

January 17, 2025

City of Bel Aire, Kansas
7651 E. Central Park Ave.,
Bel Aire, KS 67226

Security Bank of Kansas City
Corporate Trust Department
701 Minnesota Avenue, Suite 206
P.O. Box 171297
Kansas City, Kansas 66117

Re: City of Bel Aire, Kansas
Taxable Industrial Revenue Bonds, Series 2024
(Bayside Development Project) (the "Bonds")

Ladies and Gentlemen:

The Bonds maturing on December 31, 2034 in the aggregate principal amount not to exceed \$12,535,000 are subject to redemption at any time upon our instructions to you.

Bayside Development LLC instructs you to call for redemption all outstanding Bonds on the date of sale of the Project, and as sole bondowner of the Bonds, the undersigned waives any notice of such redemption as may be required by Article III of the Trust Indenture dated as of December 1, 2024 authorizing and securing the Bonds.

We further advise that Bayside Development LLC elects to exercise its option to purchase the Project as described in *Section 17.1* of the Lease dated as of December 1, 2024 between the City of Bel Aire, Kansas, as Issuer, and Bayside Development LLC, as Tenant, as authorized by Ordinance No. 727 of the Issuer. Closing is proposed to be on the date of sale of the Project.

Very truly yours,

BAYSIDE DEVELOPMENT LLC

By: _____
Name: Michael Le
Title: Member

BONDHOLDER CONSENT TO REDEMPTION

Re: City of Bel Aire, Kansas
Taxable Industrial Revenue Bonds, Series 2024
(Bayside Development Project) (the “Bonds”)

The undersigned, being a duly authorized representative of Bayside Development LLC, the sole owner of 100% of the outstanding principal amount of the referenced Bonds, consents to the redemption and payment of all outstanding Bonds on the date of sale of the Project, at the redemption price set forth in the Trust Indenture dated as of December 1, 2024 (the “Indenture”) authorizing and securing the Bonds, and waives any notice of such redemption as may be required by the Indenture.

Dated: January __, 2025

BAYSIDE DEVELOPMENT LLC

By: _____
Name: Michael Le
Title: Member

BONDHOLDER'S RECEIPT

Re: City of Bel Aire, Kansas
 Taxable Industrial Revenue Bonds, Series 2024
 (Bayside Development Project) (the "Bonds")

The undersigned, being a duly authorized representative of Bayside Development LLC, the sole owner of 100% the outstanding principal amount of the referenced Bonds, acknowledges payment of all outstanding principal and interest due on the Bonds on the date of sale of the Project (the "Redemption Date"), as well as actual payment of all interest and premium due on the Bonds prior to the Redemption Date, and acknowledges full receipt of all payments due with respect to the Bonds and full satisfaction of all obligations of the City of Bel Aire, Kansas, as issuer of the Bonds, with respect thereto, as well as the obligations of any guarantors of principal and interest on the Bonds with respect thereto.

The undersigned surrenders Bond certificate numbered R-1 and requests that such certificate be cancelled upon the books and records of Security Bank of Kansas City, as Trustee.

Dated: January ____, 2025

BAYSIDE DEVELOPMENT LLC

By: _____
Name: Michael Le
Title: Member

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF BEL AIRE, KANSAS
HELD ON JANUARY 21, 2025**

The governing body met in regular session at the usual meeting place in the city on January 21, 2025, at 7:00 p.m., the following members being present and participating, to wit:

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

Thereupon, there was presented a Resolution entitled:

**A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF BEL AIRE,
KANSAS AUTHORIZING THE REDEMPTION AND PAYMENT OF ITS
TAXABLE INDUSTRIAL REVENUE BONDS, SERIES 2024, (BAYSIDE
DEVELOPMENT PROJECT) AND THE SALE AND CONVEYANCE OF
CERTAIN PROPERTY TO BAYSIDE DEVELOPMENT LLC**

Thereupon, Councilmember _____ moved that the Resolution be adopted. The motion was seconded by Councilmember _____. The Resolution was duly read and considered, and upon being put, the motion for the adoption of the Resolution was carried by the vote of the governing body, the vote being as follows:

Aye: _____.

Nay: _____.

Thereupon, the Mayor declared the Resolution duly adopted and the Resolution was then duly numbered Resolution No. _____ and was signed by the Mayor and attested by the Clerk.

* * * * *

(Other Proceedings)

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

On motion duly made, seconded and carried, the meeting hereupon adjourned.

CERTIFICATE

I certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the City of Bel Aire, Kansas held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

[SEAL]

Clerk

RESOLUTION NO. ____

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF BEL AIRE, KANSAS AUTHORIZING THE REDEMPTION AND PAYMENT OF ITS TAXABLE INDUSTRIAL REVENUE BONDS, SERIES 2024, (BAYSIDE DEVELOPMENT PROJECT) AND THE SALE AND CONVEYANCE OF CERTAIN PROPERTY TO BAYSIDE DEVELOPMENT LLC

WHEREAS, pursuant to Ordinance No. 727 and the Trust Indenture dated as of December 1, 2024, the City of Bel Aire, Kansas (the "Issuer") has previously issued its Taxable Industrial Revenue Bonds, Series 2024 (Bayside Development Project) in the original aggregate principal amount of \$12,535,000 (the "Bonds") to finance the cost of acquiring, constructing and equipping a facility to be used for commercial purposes (the "Project") and leased to Bayside Development LLC, a Kansas limited liability company (the "Tenant"), pursuant to a Lease dated as of December 1, 2024 between the City and the Tenant (the "Lease"); and

WHEREAS, the Tenant desires to provide for the immediate payment of all outstanding Bonds, the redemption premium and interest thereon accruing on the date of sale of the Project (the "Redemption Date"), by surrendering the Bonds for cancellation by Security Bank of Kansas City, Kansas City, Kansas, as Trustee (the "Trustee") for the Bonds; and

WHEREAS, the Tenant has provided the Trustee written notice to redeem all outstanding Bonds on the Redemption Date, and as sole bondowner, the Tenant have waived all notice for the redemption of the Bonds; and

WHEREAS, the Tenant desires to exercise its option to purchase the Project under *Section 17.1* of the Lease and is not in default under the Lease; and

WHEREAS, the Tenant has provided the Issuer written notice of its intent to exercise its option to purchase the Project on the Redemption Date;

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF BEL AIRE, KANSAS:

Section 1. The Mayor and Clerk are authorized and directed to execute and deliver a bill of sale and a release of lease, in substantially the forms submitted to the Governing Body concurrently with the adoption of this Resolution. The Clerk is directed to deliver the executed bill of sale and a release of lease to the Trustee for delivery to the Tenant upon surrender of the Bonds for cancellation as specified in the Lease and provide for the redemption of the outstanding Bonds on the Redemption Date.

Section 2. The Mayor and Clerk are further authorized and directed to sign such other instruments and certificates as shall be necessary and desirable in connection with this Resolution and are further authorized to take such further actions as may be necessary to accomplish the purposes of this Resolution.

Section 3. The Trustee is directed to take all action necessary to accomplish the purpose of this Resolution including providing for notice of redemption of the outstanding Bonds in accordance with the requirements of the Trust Indenture dated December 1, 2024 authorizing and securing the Bonds.

ADOPTED by the governing body of the City of Bel Aire, Kansas on January 21, 2025.

CITY OF BEL AIRE, KANSAS

Mayor

[SEAL]

Attest:

By: _____
Clerk

BILL OF SALE

In furtherance of the terms of a certain Lease dated as of December 1, 2024 between the City of Bel Aire, Kansas, as Assignor, and Bayside Development LLC, a Kansas limited liability company, as Assignee, and for valuable consideration, Assignor transfers, assigns and conveys to Assignee, all personal property purchased with the proceeds of the City of Bel Aire, Kansas, Taxable Industrial Revenue Bonds, Series 2024 (Bayside Development Project).

[SEAL]

ATTEST:

CITY OF BEL AIRE, KANSAS

a municipal corporation

Melissa Krehbiel, Clerk

Jim Benage, Mayor

STATE OF KANSAS)
) SS:
COUNTY OF SEDGWICK)

The foregoing instrument was acknowledged before me this ____ day of January, 2025 by Jim Benage, Mayor, and Melissa Krehbiel, Clerk, of the City of Bel Aire, Kansas, on behalf of the city.

[SEAL]

Notary Public

My appointment expires:

RELEASE OF LEASE

WHEREAS, the City of Bel Aire, Kansas (the "Issuer") has entered into a Site Lease dated as of December 1, 2024 (the "Site Lease") and a Project Lease dated as of December 1, 2024 (the "Project Lease") between the Issuer and Bayside Development LLC, a Kansas limited liability company (the "Tenant"); and

WHEREAS, the Issuer assigned its interest in the Project Lease to Security Bank of Kansas City, Kansas City, Kansas, acting as Trustee for the Issuer and others for the purpose of enforcement of the Tenant's covenants under the Project Lease; and

WHEREAS, the Tenant has exercised its option to purchase the facility described in the Project Lease (the "Project") from the Issuer; and

WHEREAS, all of the Tenant's obligations to the Issuer under the Site Lease and Project Lease have been satisfied;

THEREFORE, the property described in the attached *Schedule I* is released from any claim of the Issuer and the Trustee under the Site Lease and Project Lease as of the date of sale of the Project by the Tenant.

CITY OF BEL AIRE, KANSAS

By: _____
Jim Benage, Mayor

[SEAL]

ATTEST:

By : _____
Melissa Krehbiel, Clerk

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS:
COUNTY OF SEDGWICK)

The foregoing instrument was acknowledged before me this ____ day of January, 2025 by Jim Benage, Mayor, and Melissa Krehbiel, Clerk, of the City of Bel Aire, Kansas, on behalf of the city.

[SEAL]

By: _____
Notary Public

My appointment expires:_____

Security Bank of Kansas City
Kansas City, Kansas

By: _____
Name: Bonnie Mosher
Title: Vice President

STATE OF KANSAS)
) SS:
COUNTY OF SEDGWICK)

This instrument was acknowledged before me this ____ day of January, 2025 by Bonnie Mosher as Vice President and trust officer of the Security Bank of Kansas City, Kansas City, Kansas, a state banking association or corporation.

[SEAL]

Notary Public

My appointment expires: _____
Date

SCHEDULE I

PROPERTY SUBJECT TO LEASE

(A) A leasehold interest in the following described real estate located in Sedgwick County, Kansas:

Lot 7, Block 1, Sunflower Commerce Park 3rd Addition, in the City of Bel Aire, Kansas,
Sedgwick County, Kansas

the real property constituting the “Real Property” as referred to in the Project Lease, subject to Permitted Encumbrances.

(B) The buildings, improvements, equipment, fixtures and personal property now or hereafter acquired, constructed, or installed on the Real Property and financed or refinanced with proceeds of the Bonds.

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 Project Lease, constitute the “Project” as referred to in both the Project Lease and the Trust Indenture.

TRUSTEE'S RECEIPT AND CERTIFICATION

Re: City of Bel Aire, Kansas
Bayside Development Project Revenue Bonds, Series 2024
(Bayside Development Project) (the "Bonds")

The undersigned, on behalf of Security Bank of Kansas City, Kansas City, Kansas, as Trustee with respect to the referenced Bonds, certifies that as of the date hereof, the Trustee has received and cancelled Bond certificate No. R-1 upon the books and records of the Trustee. As of the date hereof, no Bonds remain outstanding under the Trust Indenture dated December 1, 2024 authorizing and securing the Bonds, and all fees and expenses of the Trustee in connection with such Bonds have been paid in full.

Dated: January, __, 2025

Security Bank of Kansas City
Kansas City, Kansas

By: _____
Name: Bonnie Mosher
Title: Vice President