

RESIDENTIAL LEASE AGREEMENT

THIS RESIDENTIAL LEASE AGREEMENT (this "Lease") is made and entered into on this 31st day of October, 2023, by and among **KARBANK HOLDINGS LLC**, a Delaware limited liability company ("Landlord") having an address c/o Karbank Real Estate Company LLC, 2000 Shawnee Mission Parkway, Suite 400, Mission Woods, Kansas 66205; **JOANNE M. GAAR** having an address c/o John L. Gaar, AIA, Finke + Williams Architecture, 8787 Renner Boulevard, Suite 100, Leawood, Kansas 66219 ("Tenant"); and **THE JOANNE MAUREEN GAAR TRUST** dated 11/1/1994 ("Guarantor"),

W-I-T-N-E-S-S-E-T-H:

WHEREAS, Tenant has long lived in a single-family home located at 2322 West 51st Street, Westwood, Kansas (such home, together with the land and all appurtenances and all fixtures, is the "Property", which is Johnson County, Kansas parcel number RP30000001 0011); and

WHEREAS, pursuant to that certain Real Estate Purchase Agreement, dated August 21, 2023 (the "Contract"), between Landlord, as buyer, and Guarantor, as seller, Landlord has purchased the Property from Guarantor; and

WHEREAS, pursuant to the Contract, Landlord's purchase of the Property was intended to be subject to a lease of the Property to Tenant, and this Lease is intended to be such lease to Tenant; and

WHEREAS, it is the intent of this Lease that Tenant may live, rent-free, for the remainder of her life at the Property provided, however, that Tenant or Guarantor timely pay, during such tenancy, all of the real estate taxes and assessments and homeowners' association dues assessed against the Property, all of the utility charges for the Property, all premiums for all homeowners' or renter's fire and extended coverage insurance for the Property and all premiums for liability insurance for the Property and all of the operating costs for the Property (including without limitation the costs of all repairs, maintenance and replacements at the Property) during the term of this Lease; and

NOW THEREFORE, Landlord, Tenant and Guarantor hereby agree as follows.

1. Property.

- 1.1** Landlord hereby leases to Tenant, and Tenant hereby demises from Landlord, the Property, on and subject to the terms contained herein.
- 1.2** The Property has been furnished by Tenant, and all of the furnishings, appliances, furniture and other personal property now located on the Property or to be located on the Property during the Term (as defined in Section 2 hereof) belonging to Tenant shall remain the personal property of Tenant. Accordingly, Landlord is leasing the Property to Tenant in ABSOLUTELY "AS IS" CONDITION.

2. Term; Surrender.

2.1 The term of this Lease (the "Term") shall commence on the date hereof (the "Commencement Date") and shall end on a day (the "Expiration Date") which shall be the earlier of **(a)** Guarantor's and Tenant's surrender of the Property to Landlord, or **(b)** the day which is not later than thirty (30) days after Tenant's death, unless sooner terminated in accordance herewith.

2.2 On the Expiration Date, Tenant (or Guarantor and Tenant, as the context shall require) shall **(a)** surrender the Property to Landlord, after first having removed, from the Property, all of Tenant's personal property and the personal property of any third parties) and **(b)** deliver to Landlord a notice disclaiming any further interest in the Property as of the Expiration Date,

3. No Rent: Tenant shall not be obligated to pay any rent for the Property, provided, however, that Tenant shall timely pay all of the costs described in Sections 4, 5, 6 and 7 hereof.

4. Utilities. Tenant shall at her expense pay all charges for all utilities serving the Property, including electricity, gas, water and sewer, gas, telephone, Internet service, cable television, natural gas, trash collection, lawn and shrub care and snow and ice removal services. Tenant shall be solely responsible for contacting the foregoing utility providers, commencing or maintaining any utility service and arranging for billing and payment.

5. Real Estate Taxes and Assessments. Tenant shall at her expense pay (or at Landlord's option, reimburse Landlord for) all real estate taxes and assessments and homeowners' dues assessed against the Property (collectively, "Taxes") within ten (10) days of Landlord's request thereof.

6. Insurance and Indemnity.

6.1 Landlord shall, throughout the Term, maintain liability, fire and replacement cost extended coverage insurance on the Property. All such insurance shall be for the sole benefit of Landlord and under its sole control. Tenant shall pay the costs of such insurance within ten (10) days of Landlord's billing Tenant therefore.

6.2 Tenant shall, throughout the Term and at its expense, maintain "all risk" (fire, extended coverage, theft, vandalism, etc.) coverage on all of Tenant's personal property and fixtures in or on the Property in an amount equal to the replacement cost thereof, it being understood that, with respect to Tenant's personal property or fixtures, Landlord shall neither be responsible for any loss or damage nor carry any insurance whatever on any of such property or fixtures.

6.3 Tenant covenants at all times to indemnify, defend and hold Landlord harmless from all loss, liability, cost or damages that may occur or be claimed with respect to any person or persons, entity or property on or about the Property resulting from any act done or omission by or through Tenant, its agents, employees, invitees, or any person on the Property by reason of Tenant's use or occupancy

or resulting from Tenant's non-use or possession of the Property and any and all loss, cost, liability, or expense resulting therefrom. Tenant further covenants and agrees to maintain at its expense, at all times during the Term, renter's insurance with a responsible insurance company, licensed to do business in the State of Kansas satisfactory to Landlord, properly protecting and indemnifying Landlord and Landlord's mortgagees (if any) for a single combined limit of not less than Five Hundred Thousand (\$500,000.00) Dollars for personal injury, bodily injury, death or property damage with respect to the Property. Tenant shall furnish Landlord with a certificate or certificates of insurance regarding such insurance so maintained by Tenant, naming Landlord and Landlord's mortgagees as additional insureds and stating that such insurance may not be modified or cancelled, nor the coverage thereunder reduced, except upon thirty (30) days' prior written notice to Landlord and Landlord's mortgagees.

7. **Maintenance, Repairs and Replacements; Inspections.** Tenant shall at her expense and sole discretion maintain the roof, foundations, structure, walls, paving, plumbing, heat and air conditioning systems, all appliances, all landscaping and irrigation and any and all other components of or systems at the Property, so that the residence is habitable. Tenant and Landlord do not anticipate any needed repairs, and they intend to transfer the Property as part of the Contract "as-is" with all defects to the residence and intend that Tenant maintain the property in habitable condition during the Term. Tenant shall cause all of the costs thereof to be timely paid so that no liens against the Property shall be filed (and Tenant shall, at tenant's expenses within ten [10] days' of Landlord's request therefor, clear any such liens that are filed). Landlord shall have no maintenance, repair or replacement obligations, as to the Property or any part thereof, whatever.

8. **Alterations.** Tenant may make alterations, additions or improvements to the Property without Landlord's, but Tenant shall not allow any mechanic's or materialmen's liens to be filed against the Property. In the event that any such liens are filed, Tenant shall at its expense cause such liens to be cleared or bonded over.

9. **Pets.** Tenant shall be allowed to have and keep no more than one (1) dog on the Property.

10. **Residential Use Only; Compliance With Law and Regulation.** The Property may be used by Tenant only for her residential purposes, and shall in no event be used by Tenant for commercial purposes (including, without limitation, renting to other persons). The Property may be occupied only by Tenant and any caretaker hired for Tenant's benefit for so long as Tenant is living at the Property. Tenant agrees not to use the Property for any purpose contrary to applicable law, ordinance, or regulation, and further agrees to prevent any disorderly conduct, noise or nuisance whatsoever in or about the Property. Tenant agrees to prevent overloading or abuse of floors, walls, electrical apparatus and wiring, and to prevent any use of the Property which would render Landlord's insurance void and/or Landlord's insurance risk more hazardous or costly. Tenant has examined the Property at the time of execution of the Lease and accepts them in their present condition. Tenant expressly assumes all risks of any kind or nature to Tenant's personal property located at the Property, and in no event shall Landlord be held liable for any damage to or loss or destruction of such personal property. In no event shall Tenant ever store, keep, or maintain on the Property any gasoline or any other flammable or explosive or hazardous substance except for

reasonable quantities of cleaning solutions for use at the Property.

11. Quiet Enjoyment.

11.1 So long as Tenant is not in default hereunder, Landlord covenants to respect Tenant's right of quiet enjoyment of the home on the Property.

11.2 Landlord and/or Landlord's agents may enter the Property at reasonable hours and upon reasonable notice (except in the event of emergency) to examine or to do anything Landlord may reasonably be required to do hereunder or which Landlord reasonably may deem necessary for the good of the Property and to show the Property to Landlord's lenders or architects or contractors or to any prospective purchaser. If Tenant fails to maintain the Property (including without limitation the lawns, shrubs, sidewalks, driveways and parking lots) in good and sanitary order, condition and repair as required by this lease, or if the Property are damaged by the negligent or willful act or omission of Tenant or any of its agents, employees, invitees or licensees, Landlord shall have the right but no obligation, in addition to all other rights and remedies available to Landlord under this lease or by law, to enter the Property and to do such acts and expend such funds at the expense of Tenant as are reasonably required to keep the Property in good and sanitary order, condition and repair. Any amount so expended by Landlord and that were incurred directly as the result of the residence being uninhabitable and associated repairs or maintenance made by Landlord that rendered the residence habitable shall be reimbursed by Tenant within ten (10) days from the date of Landlord's notice of the amounts so expended. Landlord shall have no liability to Tenant for any damage, inconvenience or interference with the use of the Property by Tenant resulting from Landlord's performance of maintenance or repair or replacement work.

12. No Assignment or Sublease. Tenant shall not assign its interest in this Lease or sublease or license any of the Property without Landlord's prior written consent, which Landlord may withhold in Landlord's sole and absolute discretion, and Tenant acknowledges that Landlord has leased the Property to Tenant on the terms and conditions set forth herein based on Landlord's assessment of Tenant's character and Landlord's perception of Tenant's and Guarantor's ability to perform all of Tenant's obligations hereunder.

13. Casualty. If the Property is damaged by a casualty, such as (for example and without limitation) fire, and which renders the Property unfit for residential use, Tenant shall vacate the Property and remove all of her personal property from the Property and surrender the Property to Landlord, and upon such surrender (and notice from Tenant and Guarantor that they are surrendering the Property to Landlord pursuant to Section 2.2 hereof), the Term shall end on such date of surrender and notice. If the Property is substantially damaged by a casualty, such as (for example and without limitation) fire, which is caused by the fault or negligence of Tenant, or Tenant's guests or invitees, Tenant shall continue to pay all of the costs described in Sections 4, 5, 6 and 7 through the Expiration Date.

14. Default.

- 14.1** Tenant's failure to timely pay all of the costs described in Sections 4 through 7 hereof, or to perform any covenant under this Lease, after ten (10) days' notice to cure, shall constitute an event of default hereunder.
- 14.2** Upon the occurrence of an event of default, Landlord may at any time, in addition to any other remedy provided herein or under Kansas law, evict Tenant in accordance with the laws of the State of Kansas regarding forcible entry and detainer, and all sums payable by Tenant to Landlord, to the end of the Term, shall be immediately due and payable.
- 14.3** Upon termination of the Lease, Tenant shall peacefully surrender the Property to Landlord, and Landlord may, upon, or at any time after such termination, without further notice, re-enter the Property and repossess it by force, summary proceedings, ejectment, or otherwise, and may dispossess Tenant and remove Tenant and all other persons and property from the Property. At any time after such termination, Landlord may re-rent the Property or any part thereof, in the name of Landlord or otherwise for such term (which may be greater or less than the period which would otherwise have constituted the balance of the term of this Lease) and on such conditions as Landlord, in its sole discretion, may determine, and may collect and receive the rents therefor. No such termination of the Lease shall relieve Tenant of its liability and obligations under the Lease, and such liability and obligations shall survive any such termination.

15. Landlord's Liability. Recourse by Tenant for any claim against Landlord shall at all times be limited to Landlord's interest in the Property, and Tenant hereby waives any right to assert any claims against any other interest of Landlord or of Landlord's members, managers, principals or affiliates. The term "Landlord" as used in this lease, so far as agreements on the part of Landlord to be performed are concerned, shall be limited to mean the owner of the landlord's interest in the Property at the time in question; in the event of any transfer of such interest (except for transfers as security), the particular lessor named herein shall be automatically freed and relieved from and after the date of such transfer of any and all liability for acts then to be performed by Landlord hereunder.

16. Estoppel Certificates; Subordination.

- 16.1** Upon Landlord's request, Tenant shall execute, acknowledge and deliver an estoppel certificate prepared by Landlord stating, if the same be true, that this Lease is a true and exact copy of the lease between the parties hereto and that there are no amendments hereof (or stating what the amendments are) that the same is then in full force and effect and that, to the best of Tenant's knowledge, there are no offsets, defense or counterclaims with respect to the payment of rent reserved hereunder or in the performance of the other terms, covenants and conditions hereof on the part of Tenant to be performed, and that as of such date, no default has been declared hereunder by either party hereto, and that Tenant, at the time, has no knowledge of any facts or circumstances which it might reasonably believe would give rise to a default by either party.

Notwithstanding anything to the contrary contained herein, without relieving Tenant of its obligation under this Section, Tenant's failure to execute, acknowledge and deliver to Landlord such estoppel certificate within ten (10) days after written demand shall constitute the acknowledgment of Tenant that all matters set forth in such instrument are true and correct.

- 16.2** This Lease shall be subject and subordinate to any mortgage now or at any time hereafter constituting a lien or charge upon all or any portion of the Property. Tenant shall at any time hereafter on demand execute any instruments, releases or other documents which may be required by any such mortgagee for the purpose of subjecting and subordinating this lease to the lien of any such mortgage. Landlord may from time to time grant such utility, access or other easements on or over the Property provided, however, that no such easement grant shall disturb Tenant's use or enjoyment of the home on the Property.

17. Holding Over. Tenant acknowledges that any holdover would significantly damage Landlord. If Tenant or Guarantor shall, without Landlord's written consent, continue to occupy the Property after the expiration of the Term, Landlord shall be entitled to damages therefor and Tenant hereby consents to Landlord immediately taking possession of the Property and evicting Tenant without any need to obtain a court order.

18. Binding Effect. The duties and obligations of this Lease shall extend to and be binding jointly upon the parties hereto and their respective heirs, successors and assigns.

19. Section Headings. Section headings employed herein are for convenience of reference only and shall not in any manner be construed as enlarging or limiting the meaning of any text hereof.

20. Choice of Law and Forum. The laws of the State of Kansas shall govern the interpretation, validity, performance and enforcement of this Lease. In the event of any litigation regarding this Lease, such litigation shall be conducted exclusively in the State courts of Johnson County, Kansas, and the parties expressly subject themselves to the jurisdiction of such courts. In the event that this Lease should become the subject of litigation, including upon appeal, between Landlord and Tenant, the court shall award a reasonable attorney's fee as part of the costs to the substantially prevailing party in such litigation.

21. Severability. If any provision of the Lease should be invalid and unenforceable, the remaining provisions shall nevertheless remain unaffected and continue in full force and effect as valid and enforceable.

22. Entire Agreement. This Lease contains the entire understanding of the parties respecting the subject matter hereof. There are no representations, warranties, covenants, or undertakings other than those expressly set forth herein. This Lease is the complete agreement between Landlord and Tenant concerning the Property. There are no oral agreements, understandings, promises or representations between Landlord and Tenant affecting this Lease. All prior negotiations and understandings between Landlord and Tenant with respect to the Property shall be of no force or effect and shall not be used to interpret this Lease. Landlord and Tenant

expressly agree that there are and shall be no implied warranties of merchantability, habitability, fitness for a particular purpose or of any other kind arising out of this Lease and there are no warranties which extend beyond those expressly set forth in this Lease.

23. Modification, Waiver. A modification or waiver of any of the provisions of this Lease shall be effective only if made in writing and executed with the same formality as the Lease. The failure of either party to insist on strict performance of any of the provisions of this Lease shall not be construed as a waiver of any default.

24. Notices. In any case for which notice is required, it will be presumed that notice has been given when delivered by hand or three days following its being sent by overnight delivery service (i.e. FedEx or UPS) or by certified mail, return receipt requested, to the address of either party as set forth in the first paragraph of this Lease or as designated by either party in writing to the other.

25. Time of the Essence. Time is of the essence as to all of Tenant's obligations hereunder.

26. Unconditional Guaranty: Guarantor and Tenant acknowledge that Landlord would not enter in this Lease without the full and unconditional guaranty, by Guarantor, of all of Tenant's obligations hereunder, and Guarantor hereby unconditionally guarantees all of Tenant's obligations hereunder. Landlord may recover from Guarantor any sums or performance owed hereunder or any damages or losses suffered hereunder without first pursuing claims therefore against Tenant, and Guarantor hereby acknowledges the choice of law and forum provisions, and attorneys' fees provisions, provided herein, all of which are deemed to be incorporated into this guaranty and which shall be applicable to Guarantor.


27. Counterparts and Facsimiles. This Lease may be executed in any number of counterparts, each of which shall be effective upon delivery and thereafter shall be deemed an original, and all of which shall be taken to be one and the same instrument, for the same affect as if all parties hereto had signed the same signature page. Facsimile signatures shall for all purposes be regarded as originals.

28. Tenant's Cooperation. Tenant shall cooperate with and consent to any and all applications in the name of Landlord (or its designee[s], including, without limitation, the City of Westwood, Kansas and Unified School District No. 512, Johnson County, State of Kansas) pertaining to the Property or any portions thereof including, without limitation, applications regarding zoning, platting, development plans, TIF districts, etc. If requested by Landlord (or its designee[s]), Tenant shall evidence such cooperation and/or consent in writing or by executing necessary documents, within three (3) days of any request by Landlord (or its designee[s]). Landlord shall ensure that Tenant's cooperation and/or consent herein shall not impair Tenant's use of the home on the Property as a residence during the term of the Joanne Gaar Lease.

[Signatures commence on the following page]

IN WITNESS WHEREOF, Landlord, Tenant and Guarantor have executed this Lease as of the day and year first above written.

KARBANK HOLDINGS LLC, as Landlord

By: 
~~a Manager~~ Adam Feldman, Authorized Agent

JOANNE MAUREEN GAAR, as Tenant

 . POA

THE JOANNE MAUREEN GAAR TRUST dated 11/1/1994, as Guarantor

By: 
John L. Gaar, Trustee