

THURSDAY, APRIL 27TH AT 10AM

PREVIEW: WEDNESDAY, APRIL 12TH AT 2PM

www.SalinaKSAuction.com





Former State of Kansas Office Building, is a 1-story brick building containing approximately 5,000 square feet on a 16,875 square foot parcel with 14 striped parking spaces. The property is zoned C1, Restricted Business District. 10% Buyer's Premium.

Online bidding opens Wed, April 20, 2023 at 10AM CDT. *Sale subject to State of Kansas government approval.*



For more info: Info@SalinaKSAuction.com **1-800-257-4161**

IN COOPERATION WITH West Central AUCTION COMPANY



Table of Contents

Section

Property Information	1
Terms and Conditions of Auction	2
Street & Aerial Maps	3
Assessor Information	4
Building Plans	5
Redacted Appraisal	6
Preliminary Title Commitment	7
Purchase & Sale Agreement	8
Draft Quitclaim Deed	9
Wiring Instructions	10



Section 1

Property Information

AUCTION – LIVE & ONLINE

5,000± SF Office Building on 16,875± SF Parcel Thursday, April 27, 2023, 10AM Preview April 12, 2023, 2PM

LOCATION:	203 N. 10 th St	reet, Salina, KS 67401
DESCRIPTION:	Building cont parcel with 14 Business Dis go with the sa however, the potential plum	of Kansas Department of Labor Office Building, is a 1-story brick aining approximately 5,000 square feet on a 16,875 square foot striped parking spaces. The property is zoned C1, Restricted trict. All of the existing desks, chairs, and cubicle partitions will ale of the building. Building has generally been well-maintained; building potentially needs a new boiler, AC condensing unit and nbing fixture repair/replacement due to major area freeze in 1. State estimate of repair \$53,350.
PROPERTY ID:	SALINE COUI	NTY APN 081-11-0-40-24-010.00-0
TAXES:	•	PT). PLEASE NOTE THAT THIS PROPERTY WILL BE REASSESED HASE AND WILL BE ASSESSED PROPERTY TAXES
VALUATION:	\$240,600 MAF	KET VALUE PER SALINE COUNTY APPRAISER'S OFFICE
UTILITIES:	Water: Sewer: Storm: Power: Gas: Phone/CATV:	City of Salina City of Salina City of Salina Evergy Kansas Gas Service Cox Communications
ZONING:	City of Salina	: C-1 – Restricted Business District
ON-SITE PARKING:	14 Spaces	

TERMS: See Terms, Conditions and Details in the following Section.

Information Disclaimer

The data provided in this due diligence packet was compiled from a number of sources, including the public records, as a courtesy to the potential bidder. It is NOT intended to include all of the documentation affecting the subject property, but merely a partial collection of some of the frequently requested documentation. A potential bidder should not rely upon the information provided as his sole source of due diligence material. It is each bidder's sole responsibility to accomplish his due diligence in whatever manner he deems advisable. Although all information is derived from sources believed to be correct, neither the broker nor the seller make any warranty or representation as to the validity or accuracy of any information provided.



Section 2

Terms and Conditions of Auction

Terms and Conditions of the Auction

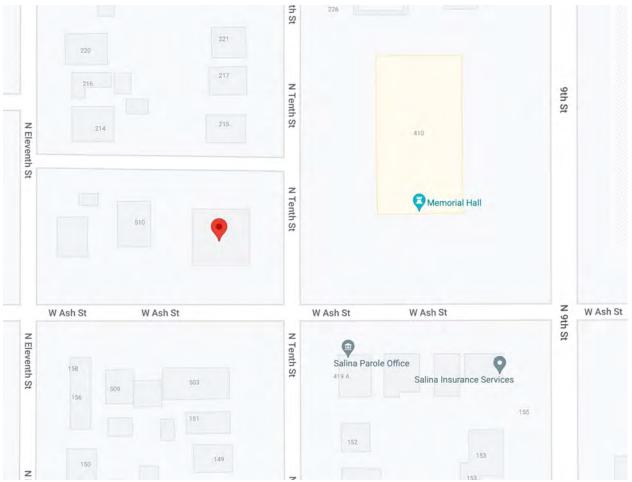
- Real Estate Terms: Sold to the highest bidder, subject to State of Kansas approval. All existing personal property within the Building will be conveyed with the real estate. Opening Bid: \$100,000. 10% Buyer Premium. Earnest Money Deposit of 10% of the Total Purchase Price (Winning Bid + Buyer's Premium) due on Auction Day, Personal or Business Check. Balance due at Closing. Closing to be within 30 days of State of Kansas approval. Property is sold AS-IS, WHERE-IS with no representations or warranties of any kind other than marketable title.
- Online/App Terms: Higgenbotham App is downloaded from the Apple[™] App Store or Google[™] Play Store for smartphone and tablet devices or can bid with laptop/desktop computer at www.SalinaKSAuction.com. \$5,000 credit card authorization required in order to bid online. Sold to the highest bidder, subject to State of Kansas approval. All existing personal property within the Building will be conveyed with the real estate. Opening Bid \$100,000. 10% Buyer Premium. Upon the Auction Closing, successful bidder will execute and return Purchase and Sale Agreement by email and wire the Earnest Money Deposit equal to 10% of the Total Purchase Price (Winning Bid + Buyer's Premium) to Kansas Secured Title within 24 hours of hammer. Balance due at Closing. Closing to be within 30 days of State of Kansas approval.
- **Directions to Property:** From Interstate I-35, take the State Street exit and go east. Turn left onto North Broadway Blvd. and then turn left onto West Ash Street. Continue on West Ash Street and then turn left onto 10th Street. The building will be on your left.
- **Buyer Due Diligence:** Buyers shall rely on their own information, judgement, and inspection of the property and records. All announcements from the Auction block take precedence over any printed or advertised material. This property will be sold subject to any applicable Federal, State, and/or local Government Regulations. This property sold AS IS, WHERE IS. Not responsible for accidents, injuries or any communicable diseases, including COVID-19. 20230427.



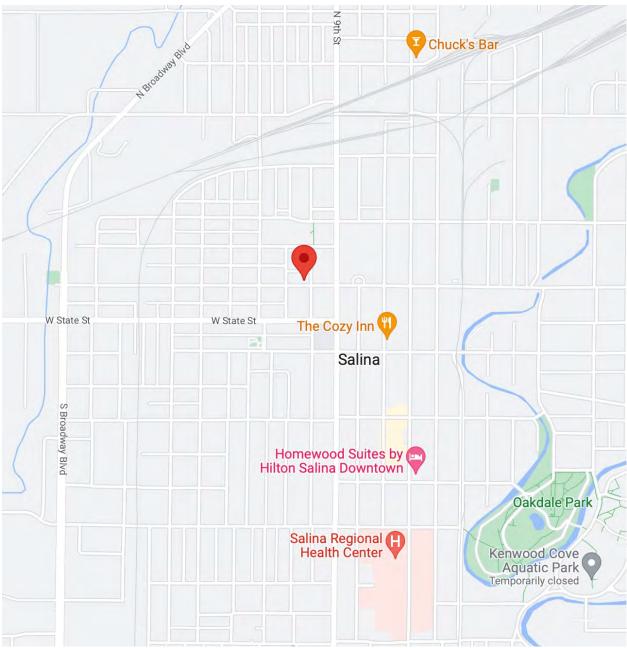
Section 3

Street & Aerial Maps

STREET MAP 1



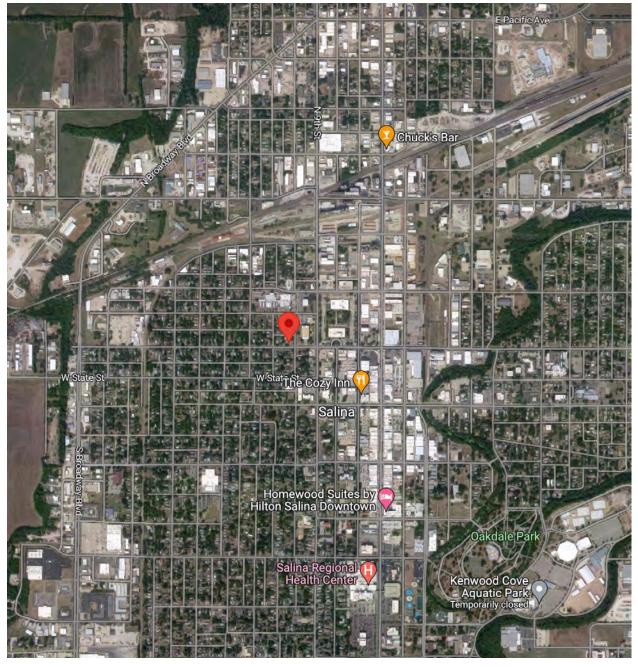
STREET MAP 2



AERIAL MAP 1



AERIAL MAP 2





Section 4

Assessor Information

Parcel Search Print

Property Record Card

Quiick Ref :R3772	Tax Year : 2023	Parcel ID:	
OWNER NAME	AND ADDRESS		70' Office (Low Rise) 72' 5000 sf 72'
Owner Name	EMPLOYMENT SECURITY DIVISION	I, DEPT OF LABOR	10' 10' 30'
Owner Address	Attn: KANSAS STATE OF COMMER(66612-1354	CE DEPT 1000 SW JACKSON ST #STE 100 TOPEKA, KS	

PROPERTY SITUS ADDR / TRACT DESC

Property Address Legal Description 03 N 10TH ST, Salina, KS 67401

BRISTOL'S ADD, S11, T14, R3, Lot 9 - 10

MARKET LAND INFORMATION

Method	Sqft
Туре	Primary Site - 1
ACSF	16875
Eff FF	
Depth	

GENERAL PROPERTY INFORMATION

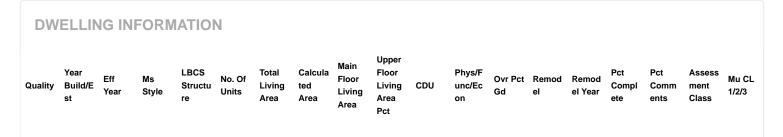
Property Class	Living Units	Zoning	Neighborho od	Map / Routing	Tax Unit Group
Commercial & Industrial			506	081	001

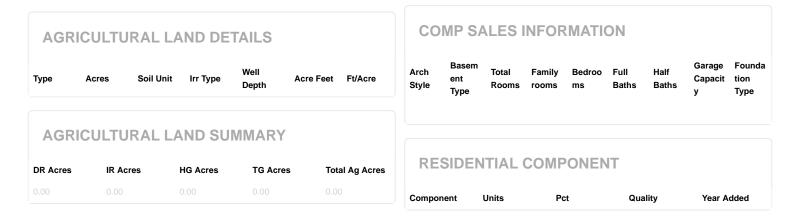
CURRENT APPRAISED VALUE

Class	Land	Building	Total
E	113,910.00	126,690.00	240,600.00
Total:	113,910.00	126,690.00	240,600.00

PREVIOUS APPRAISED VALUE

Class	Land	Building	Total
E	104,810.00	231,580.00	
Total:	104,810.00	231,580.00	

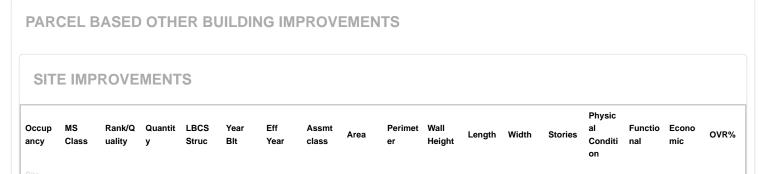








MANUFACTU	JRED HOUSING CC	MPONENTS			
Code	Units	Pct	Quality	Year	



Improve C	Average 1	1970	10			1	Normal/	Normal/	
ments							AV	Average	

SITE IMPROVEMENTSIMPROVEMENT COMPONENTS

Descript	on	Un	its		Perce	nt	Α	rea		Other	Units		Rank		Year	Add	
SITI	MS Class	ROVE Rank/Q uality	MENT Quantit y	S LBCS Struc	Year Bit	Eff Year	Assmt	Area	Perimet er	Wall Height	Length	Width	Stories	Physic al Conditi	Functio nal	Econo mic	OVR
te iprove ents	С	Average	1		1970			10					1	on Normal/ AV	Normal/ Average		

Description	Units	Percent	Area	Other Units	Rank	Year Add
Common Brick Wall	124					

COMMER	CIAL			APAF	RTMENT	DATA			
BUILDING		IMPROVE	MENT	1	2	3 4	-	6	7 8
INFORMA	TION	COST SU		units: 0					
lbcs structure	2101 Office building			br type:					
code	(low rise 1-4 stories)	building rcn	764220	baths:					
bldg no & name	1 JOB SERVICE	building value	343900						
	CENTER	other impr rcn	39810	CALC	ULATE		S		
identical units	1	other impr value	15920						
no. of unit	0			cost land	cost building	cost total	income value	market value	mra value
unit type:				113910		473730	240600		


SEC	TION year	1						SE		1 COM	PONE	NTS			
nk	build	eff year	levels	stories	area	perim	height	code	code	units	pct	size	other	rank	year
C/2.33	1970		01/01		5000	292	12	code	desc	unito	por	3126	other	Turik	year
phys/fund	:								Stud -						

/econ	ovr %	rsn	net area	inc use	rcn	% gd	882	Brick Veneer		100		
86601	0 ION 1 C		5000	053	764223	45	612	Warmed and Cooled Air		100		
	ION I C			DUILD	ING		8065	Canopy, Retail Wood	40			



Section 5

Building Plans



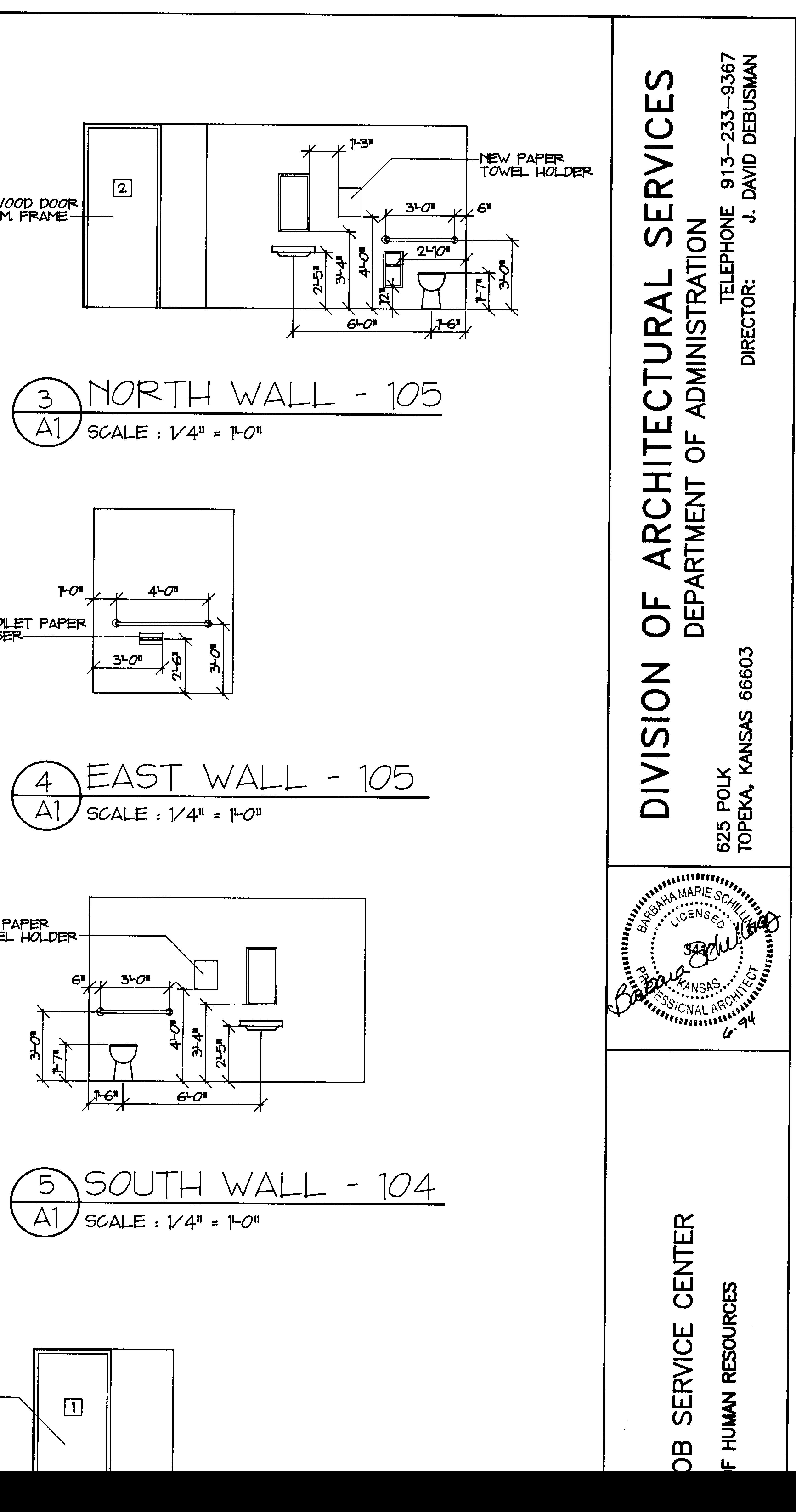
DEMOLITION NOTES

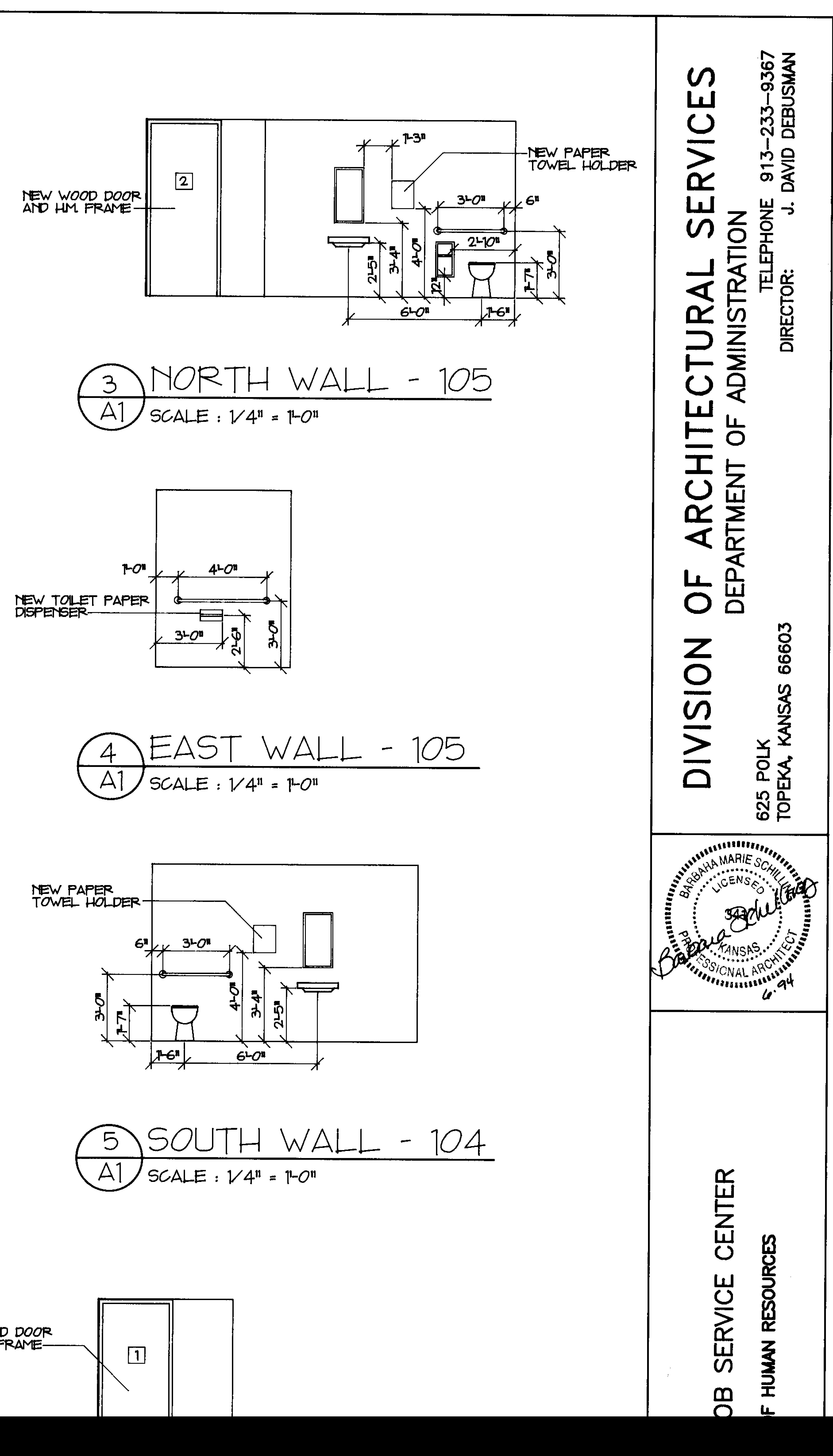
- IN REMOVE EXISTING DOOR, FRAME AND HARDWARE. ENLARGE OPENING TO ACCEPT NEW DOOR AND FRAME.
- PEMOVE EXISTING TOILET PARTITION.
- 3 REMOVE EXISTING CERAMIC TILE FLOOP.
- PEMOVE EXISTING MASONRY WALL AS REQUIRED TO ACCESS PLUMBING. SALVAGE CERAMIC WALL TILE TO REPAIR DAMAGED TILES ON OTHER WALLS. REMOVE TILE TO NEAREST INSIDE CORNER.
- 5 REMOVE EXISTING MIRROR.
- © REMOVE EXISTING PAPER TOWEL HOLDER AND TRASH CAN.
- \bigcirc REMOVE EXISTING GRAB BARS AND TOILET PAPER DISPENSER.
- > REMOVE EXISTING SANITARY NAPKIN DISPOSAL
- PEMOVE PORTION OF EXISTING MASONRY PLUMBING CHASE WALL.

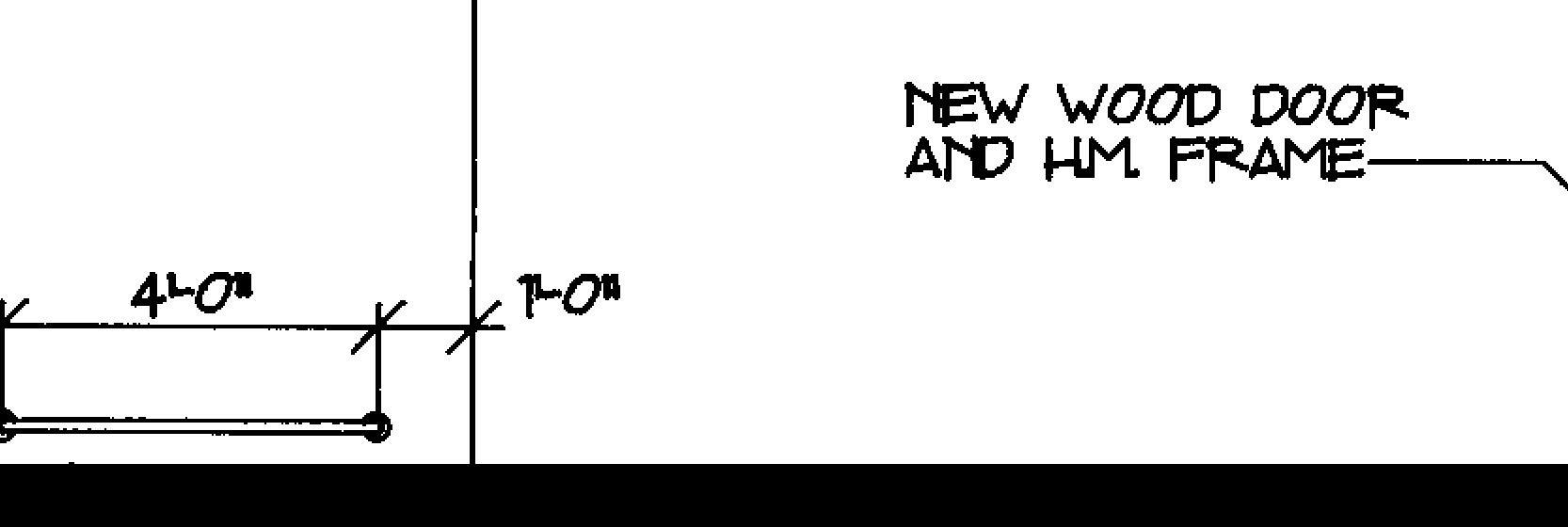
CONSTRUCTION NOTES

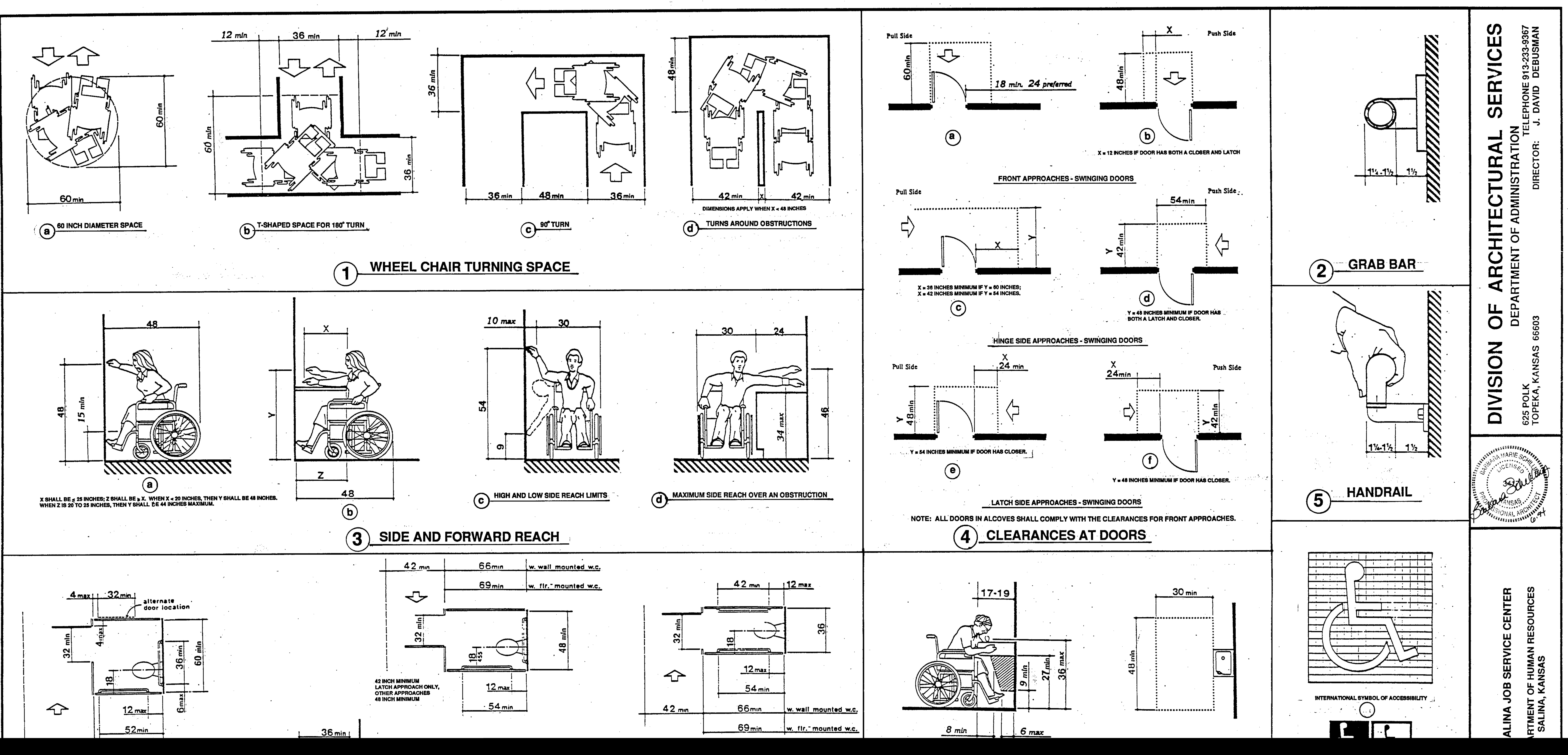
- (1) INSTALL NEW 3-0" X 7-10" WOOD DOOR AND H.M. FRAME. STYLE AND MATERIAL TO MATCH EXISTING.
- (2) REPAIR EXISTING MASONRY WALL INSTALL 1/2" GYPBOARD OVER MASONRY AND PAINT.
- (3) PATCH ALL CERAMIC WALL TILE THAT CONTAIN HOLES OR IS CRACKED. USE SALVAGED CERAMIC WALL TILE.
- (4) REPAIR EXISTING PLASTER CEILING AS REQUIRED AND PAINT WITH EPOXY PAINT.

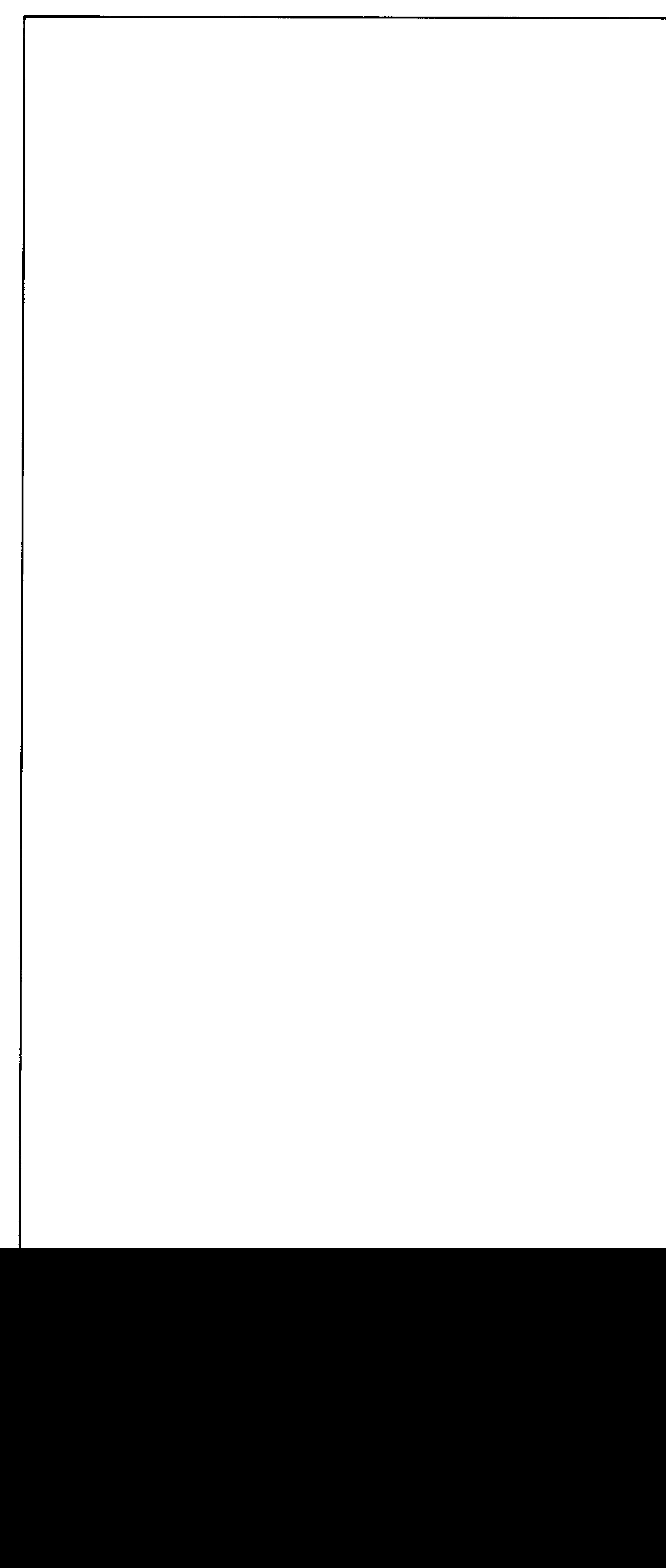
- (5) INSTALL NEW GRAB BARS.
- 6) INSTALL NEW MIRROR.
- 7) INSTALL NEW PAPER TOWEL HOLDER.
- (8) INSTALL NEW SOAP DISPENSER.
- (9) INSTALL NEW EPOXY FLOOR. SLOPE TO DRAIN.
- (10) REINSTALL SANITARY NAPKIN DISPOSAL
- 11) NEW 4" CONC. MAS. BLOCK END WALL OF EXISTING MASONRY PLUMBING CHASE, FINISH WALL TO MATCH EXISTING ADJACENT WALL SURFACE.

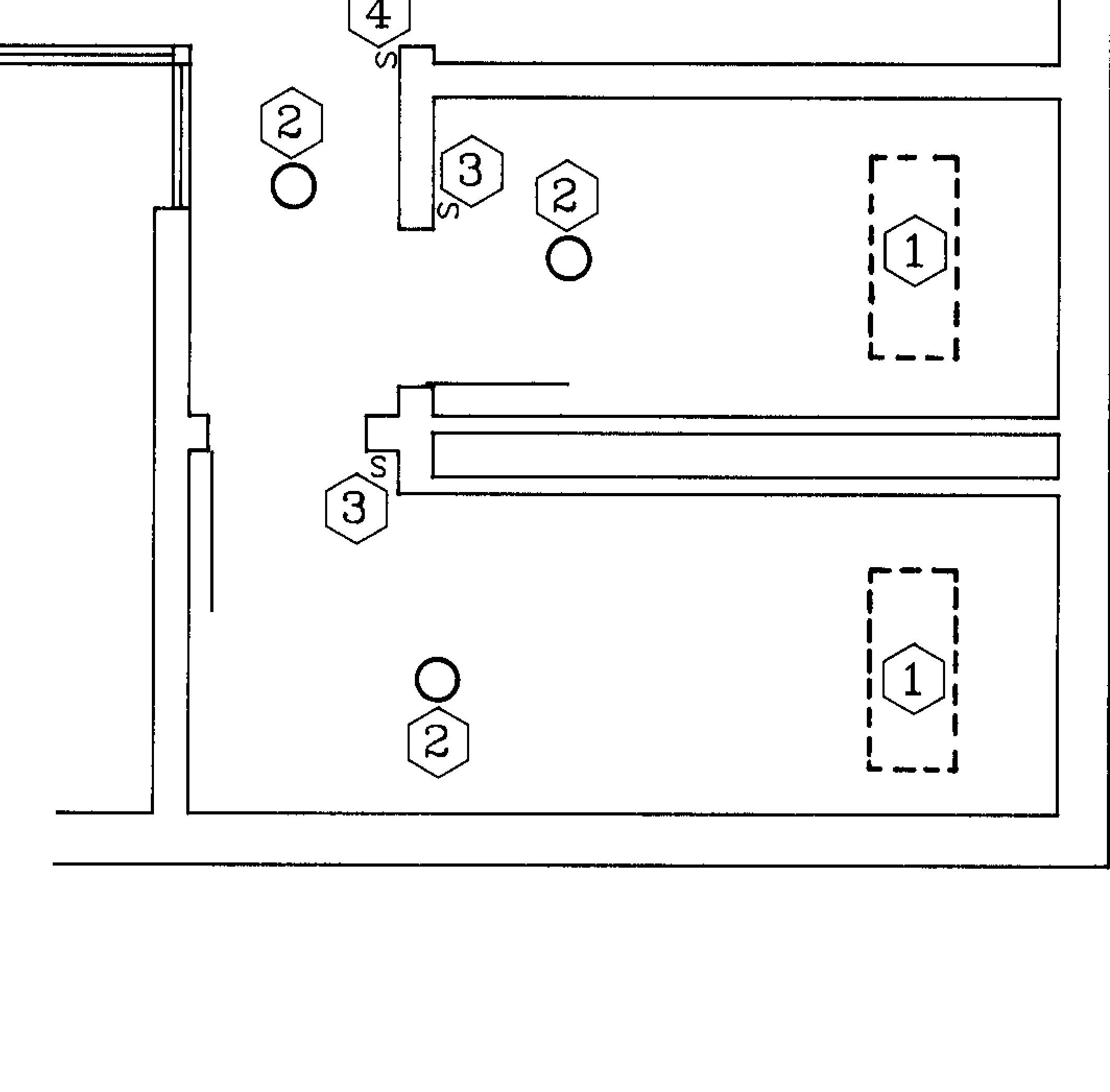






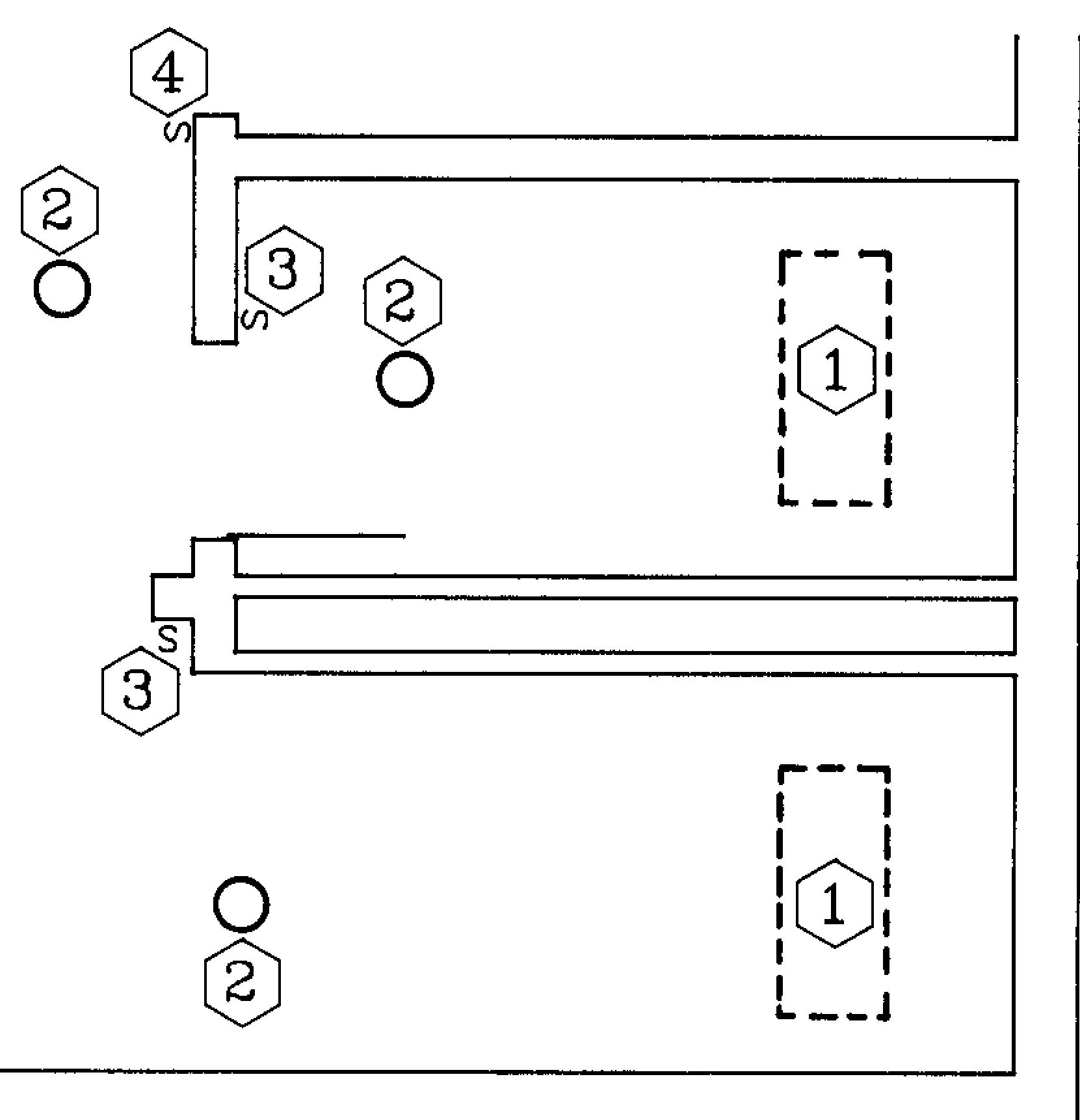






NOTES : 0 Existing fluorescent fixture to remain. Clean and relamp.

- 2 Existing incandescent fixture to remain. Clean and relamp.
- Remove existing S.P.S.T. switch. Maintain circuit continuity.
- 4 Existing S.P.S.T. switch to remain.
- 5 Provide new S.P.S.T. switch. Relocate as required to accommodate new door location. Connect to existing circuitry.



ELECTRICAL DEMOLITION PLAN

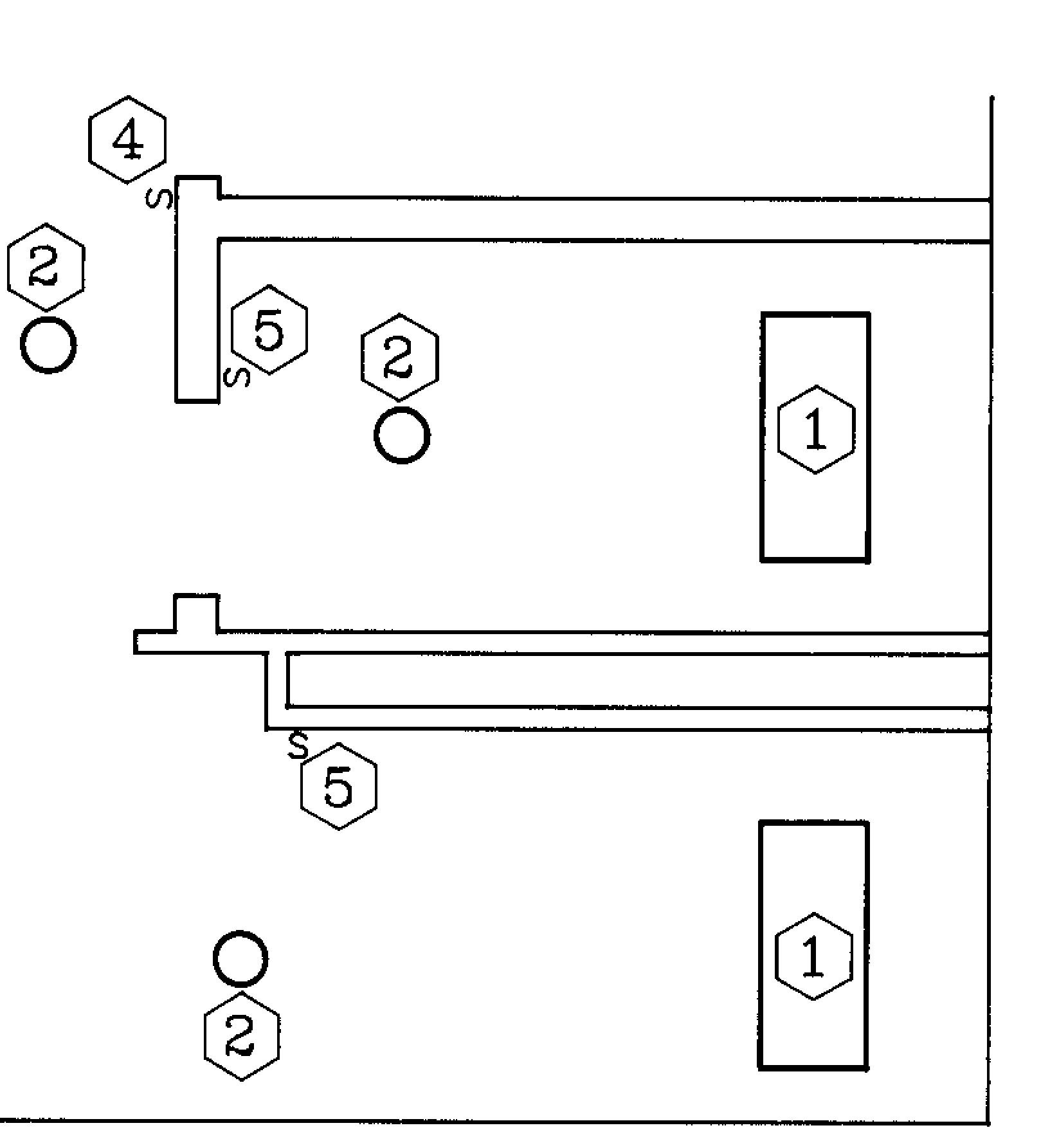
SCALE

PARTIAL ELECTRICAL PLANSSCALE1/4'' = 1'-0''

FLUORESCENT FIXTURE

INCANDESCENT FIXTURE

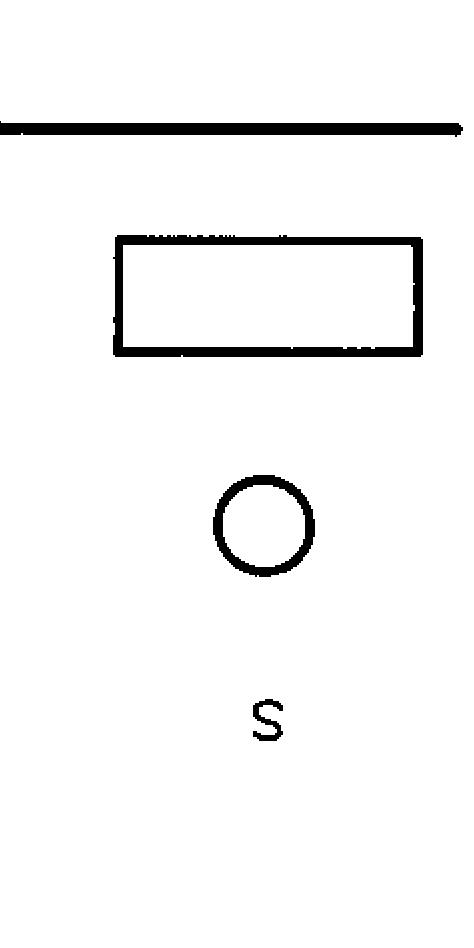
S.P.S.T. SWITCH



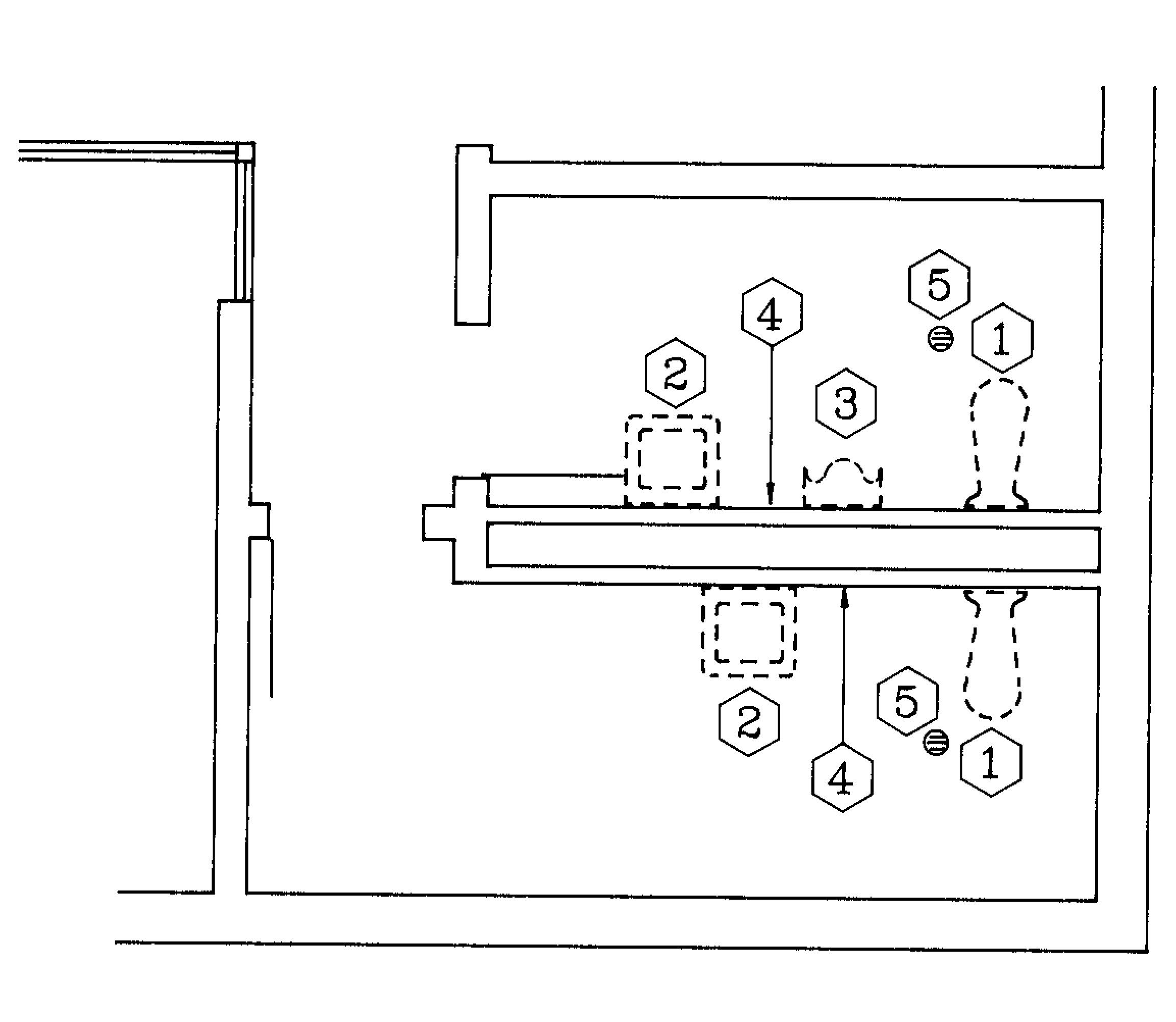
NEW ELECTRICAL PLAN

NORTH

SYMBOLS LIST



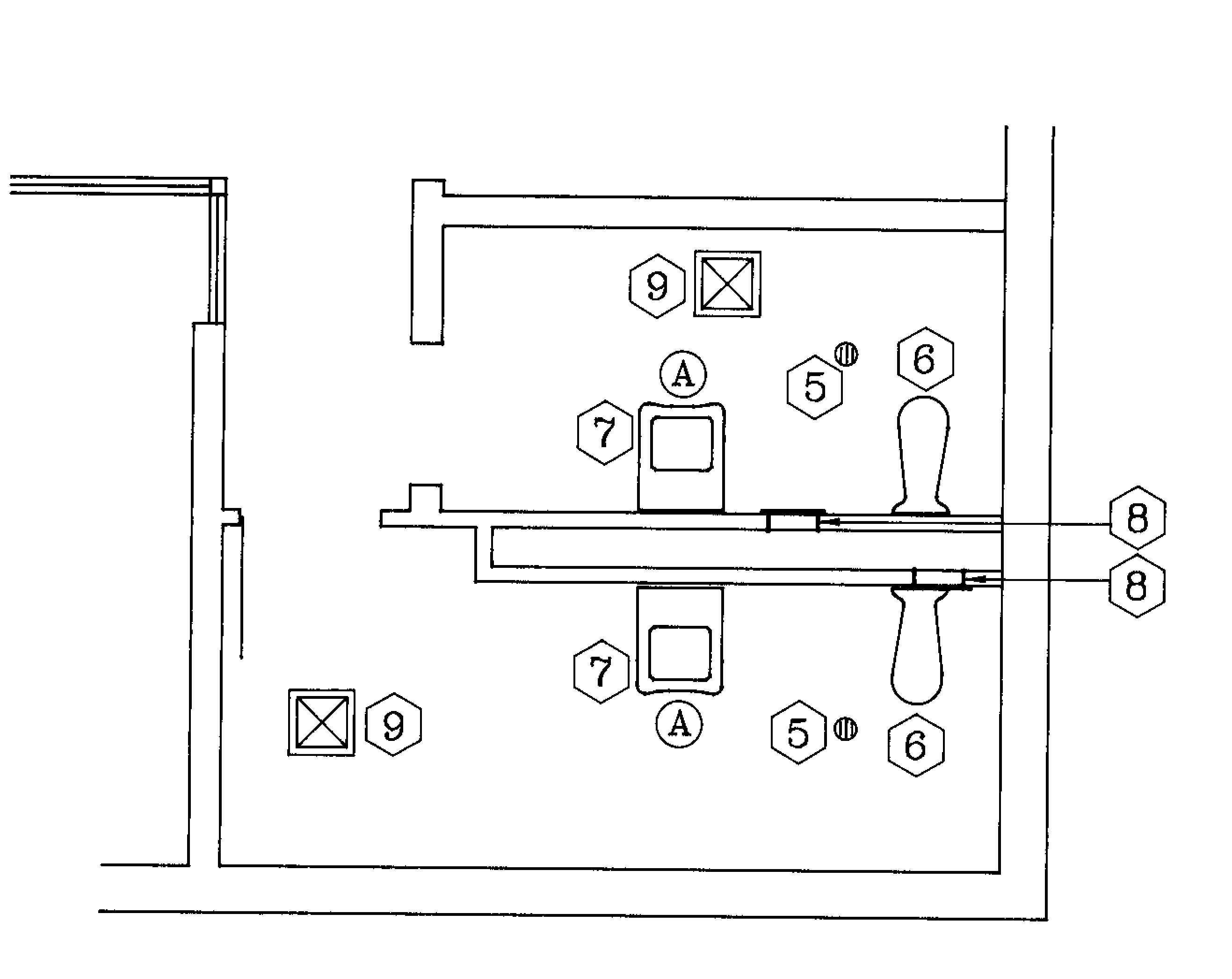
OB SERVICE CENTER	ARLE CEN 1127 TANS SIONAL	NOISIN	OF ARCHITECTURAL SERVICES DEPARTMENT OF ADMINISTRATION
DF HUMAN RESOURCES		625 POLK TOPEKA, KANSAS 66603	DIRECTOR:



MECHANICAL DEMOLITION PLAN

NOTES :

1	Remove existing water closet and make ready for relocation. Remove existing flush valve.	6	Install existing wate revise rough-ins a
2	Remove existing wall hung lavatory and faucet. Cap rough—ins for future.		new location. References exact location.
3	Remove existing urinal and flush valve. Patch back as required.	7	Install new wall hu Revise rough—ins a location. Refer arc
4	Sawcut walls as required for relocation of existing fixtures. Refer new mechanical plan this sheet.		location.
5	Existing floor drain to remain. Revise elevation as	8	Remove existing exand reinstall.
	required to accommodate slope of new floor.	9	Remove existing su





SYMBOLS LIST

SUPPLY AIR DIFFUSER

EXHAUST GRILLE

PLUMBING FIXTURE TYPE

water closet and new flush valve. s as required to accommodate new efer architectural drawings for

hung lavatory and faucet. Refer spec. is as required to accommodate new architectural drawings for exact

g exhaust grille. Clean

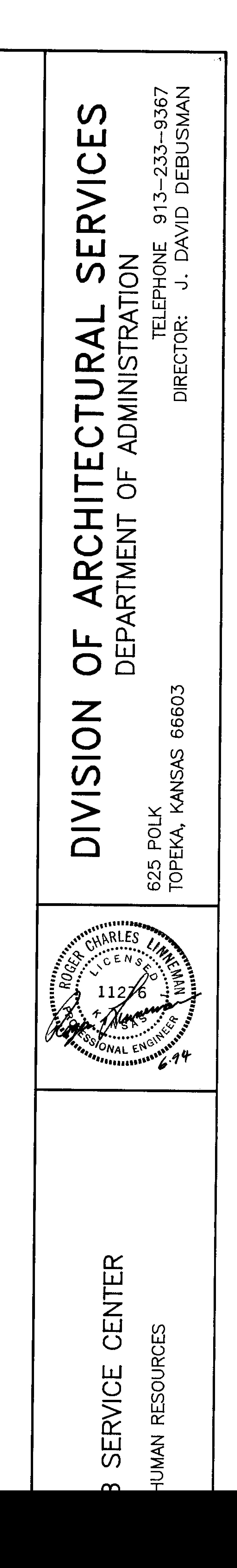
<u>supply air diffuser,</u>

NEW MECHANICAL PLAN

NORTH

//

T (\mathbf{A})





Section 6

Redacted Appraisal



REAL ESTATE APPRAISAL



OF Office Building 203 N 10 Street Salina, Kansas 67401

FOR

Kansas Department of Administration 700 SW Harrison, Ste. 1200 Topeka, Kansas 66603

> DATE OF VALUE January 23, 2023

PREPARED BY

Clinton N. Glaser



February 6, 2023

Bobby Kosmala Deputy Director of Leasing & Real Estate Kansas Department of Administration 700 SW Harrison, Ste. 1200 Topeka, Kansas 66603

Dear Mr. Kosmala:

Re: Appraisal of Real Estate at 203 N 10th Street in Salina, Kansas.

As requested, the property captioned above has been viewed and appraised. A written appraisal report is provided. This appraisal has been completed in conformance to the guidelines of the Uniform Standards of Professional Appraisal Practice and the Appraisal Institute's Code of Ethics.

Thank you for using our appraisal services. If you have any questions regarding the estimates of market value, please feel free to contact us at your convenience.

Respectfully Submitted,

· Clinon N. yen

Clinton N. Glaser Real Estate Appraiser

TABLE OF CONTENTS

PREFACE

LETTER OF TRANSMITTAL

CONTENTS

1
2
5
6
7
8
9
12
14
24

ADDENDA

ENGAGEMENT LETTER DEFINITION OF LIQUIDATION VALUE COMPARABLE SALES AND MAP GENERAL ASSUMPTIONS AND LIMITING CONDITIONS DEFINITIONS QUALIFICATIONS OF THE APPRAISER STATE LICENSE PRIVACY POLICY

SUMMARY OF SALIENT DATA

Property Type	Office
Location	203 N 10th Street, Salina, Kansas
Legal Description	The abbreviated legal description from the assessor's records is as follows: BRISTOL'S ADD, S11, T14, R3, Lot 9 - 10.
Site	$\pm 16,875$ square feet, or ± 0.39 acres, per county records.
Zoning	C-1, Restricted Business District
Improvements	The site is improved with a 5,000 square foot office building built in 1970. A further description is provided later in the report.
Ownership and Sales History	According to public records, title is held by Department of Labor, Employment Security Division. There have been no sales within the past three years. The property is not listed for sale; however, it is planned to sell at auction in the near future per the client.
Occupancy	The property has been vacant since February 2021.
Assessed Valuation and Taxes	The 2022 county value is \$336,390. The property is not taxed.
Ownership Interest Valued	Fee Simple
Fixtures and Equipment	Only the real property has been considered. No equipment is included in the scope of this appraisal.
Scope of the Appraisal	Please refer to the Scope of Work section of the report.
Definitions	Please refer to the Addenda for the definition of market value and other selected terms used in this report.
Type of Appraisal Report	Written Appraisal Report
Highest and Best Use As Vacant As Improved	Residential development Office

Client	Kansas Department of Administration
Intended Use	Estimate value for future sale required by Kansas State Statute; no other use is intended.
Intended User	Kansas Department of Administration; no other user is intended.
Date of Field Visit	January 23, 2023
Effective Date of the Appraisal	January 23, 2023
Date of Report	February 6, 2023
Valuation Conclusion	
Fee Simple Liquidation Value - As Is	
Exposure Period	Based on a review of comparable sales data, the estimated exposure period for liquidation value is two months.

SCOPE OF WORK

Summary The client requested the liquidation value, as is, of an office building in Salina, Kansas. The property is appraised in the fee simple estate. A written appraisal report is provided. A scope of work adequate to provide a reliable indication of value has been utilized. As part of the appraisal assignment, the subject property and neighborhood **Property Visit** were visited and viewed. Pictures of the subject and neighborhood were taken. Data Collection After the property visit, the local and regional market was researched for data. Data was collected on all items that affect the value of the subject. These factors include Area and City Data, Neighborhood Data, Site and Improvement Data, Highest and Best Use Analysis, and the application of the three approaches deemed necessary to develop a credible value. Data was obtained from public records, the client, the property owner, real estate agents, our internal database, and various other sources. The land and building areas are based on county records. Real estate appraisers generally use three approaches to value known as: The Valuation Cost Approach, Sales Comparison Approach (also known as the Market Data Approach) and the Income Capitalization Approach. The sales comparison and the income approaches are developed. Due to the age of the property, a typical buyer would not consider the cost approach. Additionally, it is concluded this approach would not provide credible results. For these reasons, the cost approach is not developed.

SALINA & SALINE COUNTY AREA ANALYSIS

General

Salina is in Saline County in central Kansas. The city lies at the intersection of Interstate 70 and Interstate 135. It is approximately 170 miles west of the Kansas City metro and ± 90 miles north of Wichita.

Population & Households

Population and household growth are an important determinant of demand for real estate development. Growth generally indicates that more development will be needed in the future. Census data was obtained from a national data service provider. Population and household growth are summarized next.¹

POPULATION GROWTH

	Census	Census	Annualized	Census	Annualized
	2000	2010	Change	2020	Change
City of Salina	45,679	47,707	0.44%	46,889	-0.17%
Saline County	53,597	55,606	0.37%	54,303	-0.23%
State of Kansas	2,688,418	2,853,118	0.60%	2,934,582	0.29%

Salina Saline County have all shown a minor decline from the 2010 Census to the 2020 Census. Salina and Saline County are expected to remain stable to gradually declining in the near future. The state of Kansas, since 2000 has shown steady growth over the last twenty years and expected to continue to over the next five years.

HOUSEHOLD GROWTH

	Census	Census	Annualized	Census	Annualized
	2000	2010	Change	2020	Change
City of Salina	18,523	19,404	0.47%	19,120	-0.15%
Saline County	21,436	22,416	0.45%	21,959	-0.20%
State of Kansas	1,037,891	1,112,096	0.69%	1,129,227	0.15%

Like population, Salina and Saline County have experienced a similar decline like population. Kansas has had consistent annual growth in households over the time span shown.

Income

The following table summarizes median household income for Salina, Saline County and Kansas.²

MEDIAN HOUSEHOLD INCOME						
	Census	Census	Annual			
	2000	2020	% Change			
City of Salina	\$36,066	\$50,490	2.00%			
Saline County	\$37,308	\$52,200	2.00%			
State of Kansas	\$40,624	\$62,087	2.64%			

The median household income in all three areas has increased between 2000 and 2020. Both Salina and Saline County are below state levels.

¹ 2000 Census Profiles of General Demographic Characteristics

² 2020 Census Profiles of General Demographic Characteristics

Employment Data

The tables below show the unemployment rates for Saline County compared to the state of Kansas since 2015. The rates shown are as of December of their respective years.

UNEM	PLOYMENT	RATES ³
Year	Saline Co	Kansas
2015	3.3%	3.9%
2016	3.7%	4.0%
2017	2.6%	3.5%
2018	2.9%	3.3%
2019	2.9%	3.1%
2020	3.4%	4.7%
2021	2.2%	3.3%

Unemployment rates for Saline County have been historically below Kansas averages. Saline County has experienced a relatively stable unemployment rate since 2015. Both Saline County and the State have rebounded in unemployment since peaking in April 2020 due to COVID-19. Saline County was 9.6% and Kansas was 12.6%.

Below shows the industry break up for Saline County. Health care, manufacturing, and retail trade are among the highest in the county.

SALINE COUNTY COMBINED INDUSTRY SECTOR⁴

Industry	%	Industry	%
Agricultural, Forestry, Fishing & Hunting	0.3%	Real Estate, Rental & Leasing	0.9%
Mining, Quarrying, Oil & Gas Extraction	0.0%	Professional, Scientific & Technical Services	5.4%
Utilities	0.2%	Management and Enterprises	2.6%
Construction	4.8%	Administration & Support	4.5%
Manufacturing	21.8%	Educational Services	1.6%
Wholesale Trade	3.8%	Health Care and Social Assistance	22.4%
Retail Trade	12.4%	Arts, Entertainment, and Recreation	0.7%
Transportation & Warehousing	3.6%	Accommodation and Food Services	9.0%
Information	0.4%	Other Services	2.6%
Finance and Insurance	3.2%	Public Administration	0%

Transportation

Interstate 70 is a two-way, two-lane interstate with tolls that extends east/west through the entire northern portion of the state of Kansas. Interstate 135 is a two-way, two-lane highway that extends north/south through the western portion of the city. The interstate turns into Highway 81 north of Salina, into Nebraska. The Salina Regional Airport services private and commercial airplanes. United Airlines provides daily air service to Denver International Airport and Chicago O'Hare International Airport.

Development

There has been numerous recent development and redevelopment projects. Most has occurred downtown. Some of the notable new developments include the Salina Fieldhouse (2016), Homewood Suites (2018), The Alley (2018), and The Yard (2021). Some of the redevelopment projects include the Lee Lofts (2020) and multiple restaurants and retail shops downtown. Overland Property Group announced Phases 2, 3 and 4 which will add 80 new apartment units and commercial space.

Other development includes a Scooter's Coffee on S Ohio St. (2021), a Freddy's on E Crawford St. (2022), A McAlister's Deli off of S 9th St., (2022), and two Club Car Washes, one just off of S 9th St. (2019) and one on S Broadway Blvd. (2019). There has been sparse new commercial and industrial development in other areas of Salina. Finally, there has been several new residential developments.

Summary

Salina and Saline County have experienced a stable to slightly declining population since 2010. This trend is expected to continue into the near future. The area is expected to remain economically stable. Most new development is expected to be residential with limited new commercial development.

³ Kansas Department of Labor

⁴ On the Map, Work Area Profile Analysis 2019

⁴ City - Data

LOCATION MAP



SMOKY HILL APPRAISAL, INC.

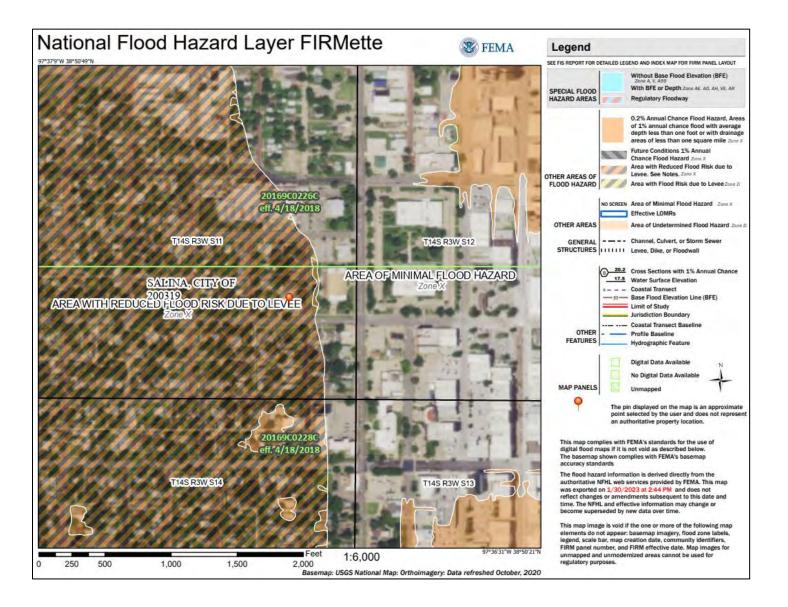
AERIAL PLAT MAP



SITE ANALYSIS

General	The property has an address of 203 N 10th Street in Salina, Kansas.
Size	$\pm 16,875$ square feet, or ± 0.39 acres, according to county records.
Shape	Rectangle
Topography	Nearly level
Soils	A soil analysis was not performed. It is assumed that the site would support those uses deemed to be the highest and best use of the land.
Access/Streets	Access is adequate and provided by N 10th Street and W Ash Street.
Frontage and Visibility	Good
Utilities	All utilities and city services are available.
Flood Zone	The property is in Flood Zone X but is in an area that is levee protected.
Nearby Properties	Nearby properties are mostly residential. The subject is about two blocks west of downtown.
Easements & Encroachments	No atypical easements noted. No obvious encroachment noted during our property visit.
Hazards and Nuisances	No obvious hazards or nuisances were observed during our field visit.
Zoning	The site is zoned C-1, Restricted Business District. This district provides for a restricted commercial alternative to multiple-family development adjacent to arterial streets and highways, and at the same time avoiding the typical strip commercial development. A very limited number of non-retail businesses are permitted, such as business and professional offices, medical and dental clinics, mortuaries and banks. Maximum height: 30 ft. Setbacks: Front Yard: 25 ft., Side Yard: 8 ft., Maximum lot coverage: 30%

FLOOD MAP



IMPROVEMENTS ANALYSIS

GENERAL

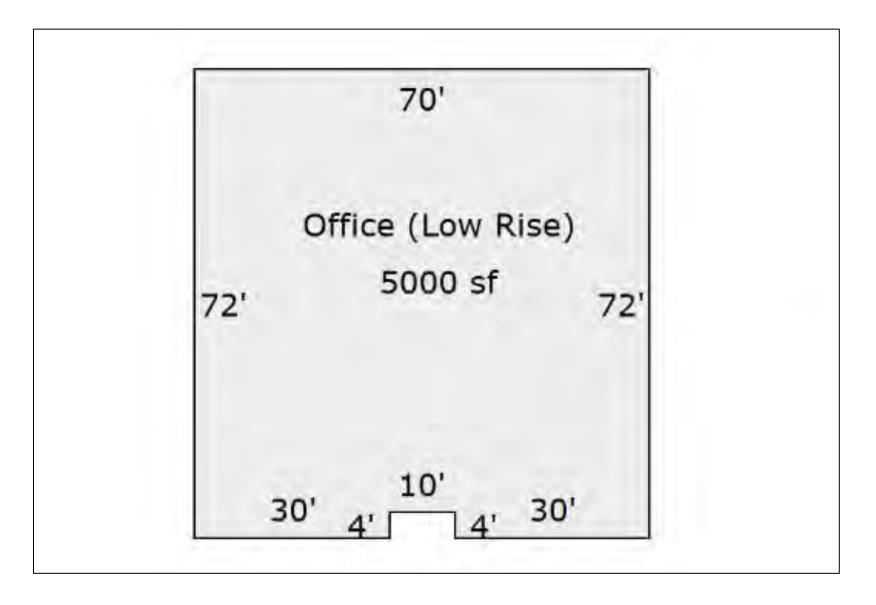
The property is improved with a 5,000 square foot office building built in 1970. It is mostly open with cubical area, private offices, conference room, bathrooms, and a kitchenette. The property has been vacant since February 2021 when a freeze resulted in damage to the mechanical, plumbing, and heating/cooling. The jacket was cracked on the boiler. The AHU hot water coil and water supply lines were damaged. Quotes and estimates were provided to fix the HVAC system and plumbing. The estimated cost was \$53,350. A further description of the building is below.

SUMMARY OF IMPROVEMENTS

Foundation	Reinforced concrete
Framing and Exterior Walls	The building is a Class C style construction with a brick exterior.
Interior Walls	Interior walls are mostly a mixture of painted block and exposed brick.
Windows	The building does not have any windows besides the glass entry.
Doors	Interior doors are mostly solid wood in wooden frames.
Roof	The building has a flat roof with rolled roofing application. The building services manager reported it was in working condition.
Floors	Flooring is mostly carpet squares, which were installed in 2017. The bathrooms have tile.
Ceilings	The ceilings are suspended acoustic tile.
Plumbing	The building has a set of public men's and women's restrooms and a set of private office men's and women's restrooms. There is also a kitchenette with a small sink. Also, refer to previous comments under general.
Mechanical Equipment	The HVAC system was damaged and not in working condition. It needs replaced or requires significant repairs. See previous comments under general table.
Site Improvements	The building has a concrete parking lot with approximately 10 private stalls.
Design, Layout, and Efficiency/Utility	The building was designed for office use. The building is function for office use with needed repairs to HVAC and plumbing.

Condition	Average with exception of deferred maintenance regarding HVAC and plumbing.
Quality	Average
Year Built	1970
Effective Age (Years)	25
Economic Life	The Marshall Valuation Service indicates an economic life new of 50 years for property like the subject. We estimate the economic life new to be 50 years.

FLOOR SKETCH



PHOTOGRAPHS



PHOTO 1: FRONT - EAST ELEVATION



PHOTO 2: SIDE - SOUTH ELEVATION



PHOTO 3: BACK – WEST ELEVATION

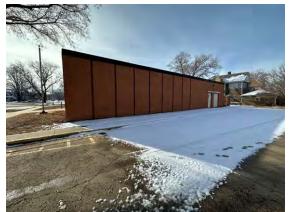


PHOTO 2: SIDE - NORTH ELEVATION



PHOTO 5: INTERIOR



PHOTO 6: INTERIOR - PRIVATE OFFICE



PHOTO 7: INTERIOR - PRIVATE OFFICE



PHOTO 8: INTERIOR - BOARD ROOM



PHOTO 9: BATRHOOM



PHOTO 10: BATHROOM



PHOTO 11: W ASH STREET



PHOTO 12: N 10TH STREET

HIGHEST AND BEST USE

This section seeks to determine the most profitable use of the subject land, as if it were vacant as well as the improved property. Refer to the Definition pages in the Addenda for a full definition of highest and best use.

The appraisal problem did not warrant an intensive highest and best use study, in which a survey of the local market would have been conducted to determine supply and demand factors to determine the feasibility of alternative uses. Our conclusion of highest and best use is based on our experience, historical data, and observation of the market. This is an inferred analysis.

The Site if Vacant

Physically Possible	The site contains a total area of $\pm 16,875$ square feet or ± 0.39 acres. It has adequate access with all utilities available.
Legally Permissible	The highest and best use of a property must also be legally permissible. Private deed restrictions and municipal restrictions of zoning are the most common considerations. To our knowledge, there are no private deed restrictions on this property which negatively affect the value of the site.
	The property is zoned C-1, Restricted Business District. The primary permitted uses include business/professional offices, medical/dental clinics, mortuaries, and banks. It is noted the property is surrounded by residential properties.
Financially Feasible	Of those physically possible and legally permissible uses, we must determine which are financially feasible. More specifically, which uses are likely to produce an income or return equal to or greater than the amount needed to satisfy operating expenses, financial obligations, and capital amortization. All uses that are expected to produce a positive return are regarded as financially feasible.
	The property is surrounded by residential properties. There has been new residential development nearby. There has been little new commercial development near the subject. Commercial development is not deemed feasible. Residential development is deemed feasible with rezoning.
Maximally Productive	Of the financially feasible uses, the use that provides the highest price or value is the highest and best use.
	Considering all the above, the highest and best use, as vacant, is to rezone to residential to allow residential development. Considering the adjacent properties are residential; rezoning for residential is expected to be approved.

HIGHEST AND BEST USE AS IMPROVED

The subject is improved with a 5,000 square foot office building built in 1970. The building is in average condition with the exception of the deferred maintenance regarding HVAC and plumbing. Repairs to these items is required. Based on the above, the highest and best use, as improved, is for continued office use with the needed repairs regarding the deferred maintenance.

SALES COMPARISON APPROACH

The market was researched for sales that would provide a good indication of value for the property being appraised, the following were selected for presentation. The essential data for each sale is shown in the Sales Comparison Adjustment Table. Additional information about the sales is included in the addenda.

The Sales Comparison Adjustment Table follows. It is a presentation of the essential data for each sale and the adjustments we deemed necessary. Adjustments are made using either a quantitative adjustment or qualitative adjustment. An adjustment greater than 1.00 indicates that an upward quantitative adjustment is necessary, and an adjustment less than 1.00 indicates that a downward quantitative adjustment is necessary. Qualitative adjustments are used if adequate data is not available to quantify an adjustment. These are made using a plus (+) or minus (-) sign. The qualitative adjustments are then weighed and considered in the reconciliation of the approach. The most consistent indicator of value is the sale price per square foot and adjustments are made on this basis.

It is noted \$53,000 was quoted/estimated to repair the deferred maintenance regarding HVAC and plumbing. The building will first be valued assuming it did not have deferred maintenance. Then at the end of the approach, this amount will be deducted.

SALES COMPARISO				2		2		Α		F		6	
Sale	Subject	1		2		3		4		5		6	
Address	203 N 10th Street	1809 S Ohio Str	reet	1939 S Ohio St	reet	1612 E Iron Av	enue	123 Indiana Av	enue	1805 S Ohio S	treet	301 W Ash Str	reet
City	Salina	Salina		Salina		Salina		Salina		Salina		Salina	
Sale Date	1/23/2023	4/1/2021		2/11/2020		10/1/2019		9/17/2019		11/15/201	В	5/30/2017	
Sale Price (SP)	N/A												
Area (SF)	5,000	5,750		2,100		2,525		3,450		7,800		2,307	
SP/\$SF	N/A												
Grantor	N/A	CKF Addiciton Trea Inc.	itment,	Paula Johnson	Trust	Sharon S. Walls	Trust	Roy M. Wilbur	Trust	Central Kansas Fo	undation	Ingermanson I,	, LLC
Grantee	N/A	Kelly Kitchene	er	Levi Huncovk	sy	William & Kayla F	Roberts	Indiana 123,	LLC	Leon Hannenbau	m Trust	Housing Specialis	ts, LLC
Adjustments:		Attribute	Adj.	Attribute	Adj.	Attribute	Adj.	Attribute	Adj.	Attribute	Adj.	Attribute	Adj.
Property Rights Conveyed	Fee Simple	Fee Simple		Leased Fee		Leased Fee		Fee Simple		Fee Simple		Fee Simple	
Cash Equivalency	Typical	Typical		Typical		Typical		Typical		Typical		Typical	
Conditions of Sale	Liquidation	Typical/Superior	0.75	Typical/Superior	0.75	Typical/Superior	0.75	Typical/Superior	0.75	Typical/Superior	0.75	Typical/Superior	0.75
Market Conditions	1/23/2023	4/1/2021	1.03	2/11/2020	1.03	10/1/2019	1.05	9/17/2019	1.05	11/15/2018	1.13	5/30/2017	1.15
Adjusted Sale Price Adjusted Price / Sq. Ft.				•		I		I		I		•	
Location Size (GBA)	Salina 5,000	Similar 5,750		Similar 2,100		Similar 2,525		Similar 3,450		Similar 7,800		Similar 2,307	
Age/Condition	1970/Average	1976/Average	0.98	1977/Average	0.99	1930/Average	1.08	1981/Average	1.00	1974/Average	1.00	1936/Average	1.11
Quality/Design Wall Height (ft.) Basement	Average 12 No	Similar 14 No		Similar 10 No		Similar 10 No		Similar 12 1/2, finished	0.95	Similar 15 No		Similar 12 No	
Land/Building Ratio	3.38	1.78	1.04	2.75	1.01	4.46	0.98	3.44	1.00	2.96	1.01	4.34	0.98
Total Adjustment Indicated Subject V Ft.	alue Per Sq.		1.02		1.00		1.06		0.95		1.01		1.09
Additional Qualitative / Necessary	Adjustment		None		None		None		None		None		None

Explanation for Adjustments

Property Rights – The subject is valued in the fee simple estate. The sales are similar and do not need adjustments.

Financing Terms - The comparable sales have typical financing terms; no adjustments are necessary.

Conditions of Sale - This category evaluates buyer or seller motivation. Conditions of sale may include bank sale, tax deferral, sale to political subdivisions, assemblage, sales under duress, court-ordered sales, or related party transactions, etc. All the comparable sales are arm's-length sales with a typical marketing period. This is superior to the subject as it is being appraised with liquidation value. The sales are adjusted downward 25 percent to account for the expected discount due to a shortened marketing period and the seller being motivated to sell.

Market Conditions - The market conditions adjustment is based upon the change in property values that have occurred in the market between the date of the comparable sale and the valuation of the subject. Statewide market condition data was reviewed by Costar for office properties. The sales are adjusted accordingly.

Location – This category considers the demand for and desirability of the subject in comparison to the sales. The sales are all in Salina and deemed similar. No adjustments are needed.

Size (GBA) – This category takes into consideration the size of the comparable sales in relation to the subject. Typically, as the size decreases the sales price per unit increases and vice versa. This is since there are more purchasers for smaller properties than for larger ones and because larger properties introduce economies of scale. The sales are deemed similar and not adjusted.

Age and Condition - This category takes into consideration the age and condition of the comparable sales in relation to the subject. The effective age of the subject was previously estimated. The effective age of the comparable sales was also estimated as of the date of sale. The differences in effective ages of the subject and comparable sales were adjusted for the estimated contributory value of the building (excluding land value). The adjustment is based on an economic life new of 50 years.

Quality/Design - This category measures the overall construction quality and design of the subject when compared to the comparable sales. The subject is average quality office. The sales are similar and not adjusted.

Wall Height - No adjustments are needed for wall height.

Basement – The subject does not have a basement. All the sales are similar except for Sale 4 which included a ½ basement that was finished. Based on a review of sale research, there is often little premium paid for commercial properties with basements. After review, this sale is adjusted downward five percent.

Land to Building Ratio - This category takes into consideration the land to building ratio of the comparable sale in relation to the subject. Typically, as the land to building ratio increases, the sale price per square foot increases due to additional land available for parking and other amenities. The comparable sales have been adjusted accordingly.

Sales Comparison Value Indication – Liquidation Value

After adjustments, the sales indicate a value between **and and per square** foot. A typical buyer would pay towards the lower end of the range due to the property being vacant for nearly two years which creates uncertainty in the condition of the building.

After review, the sales indicate a value of per square foot before the \$53,000 deduction for the deferred maintenance required for HVAC and plumbing. The calculations and value indication from the sales comparison approach is:

SALES COMPARISON VALUE INC	DICATION
Value Per Sq. Ft.	
Sq. Ft. (GBA)	5,000
Equals	
Less Repairs/Deferred Maintenance	<u>-\$53,000</u>
Value Indication	

INCOME APPROACH

Income producing real estate has value to potential purchasers because of its capability to produce a future cash flow. This approach to value reflects the intentions and behaviors of the investor/purchaser in the market. The value of an income producing property is the present worth of its anticipated future benefits. The property being appraised is an income producing property and therefore the income capitalization approach is applicable. A direct capitalization approach is developed.

For similar reasons as in the income approach, \$53,000 in deferred maintenance will be deducted at the end of the approach.

GROSS INCOME ESTIMATE

The subject is currently vacant and was previously owner occupied. Therefore, comparable rents are used to estimate the gross income for the subject. Rent is based on a modified gross basis with the tenants paying for utilities and routine maintenance. The landlord is responsible for taxes, insurance, management, and structural items. Below are comparable leases.

LEASE SUMMARY TABLE								
#	City	Leased SF	Age/Condition	Lease Type	Rent / SF	Notes		
1	Junction City	2,370	1965/1969/Good	MG		Sup. Condition, includes basement.		
2	Salina	3,216	1925/Ren.	MG		Sup. condition and location		
3	Salina	3,000	1978/Average	MG		Partial basement.		
4	Salina	672	1925/Average	MG		Smaller, similar location		
5	Salina	3,680	1930/Average	MG		Inf. condition, similar location		
Averages		2,588						

Office Rent Reconciliation

After review of the above data, market rent is applied at per square foot, modified gross.

Vacancy and Collection Loss

Vacant data was reviewed by Costar. Costar shows the statewide current vacancy rate for office properties is 9.30% with a five-year average of 7.70%. They show Salina has a current office vacancy of 4.90% with a five-year average of 6.50%. After review, vacancy of 7.0% is applied.

Expenses

Rent is based on modified gross. The landlord is responsible for taxes, insurance, management, and structural items. Below the expenses for the landlord/owner are explained.

Property Taxes: The subject is not taxed as it is a state agency and nonprofit. Its current county value is \$336,390. A typical buyer would expect a lower assessment considering the sales approach and based on a review of the assessments of the comparable sales. Below is a summary of the of the comparable sales.

COMPARABLE ASSESSMENT TABLE							
Property	Assessed Val.	AV/SF	SC Adj.	Adj./SF	Qual. Adj.		
Subject	\$336,390	\$67.28	N/A	N/A	N/A		
Sale 1	\$275,000	\$47.83	1.02	\$48.78	None		
Sale 2	\$141,500	\$67.38	0.99	\$66.71	None		
Sale 3	\$140,000	\$55.45	1.07	\$59.33	None		
Sale 4	\$225,000	\$34.88	0.95	\$33.14	None		
Sale 5	\$500,000	\$64.10	1.01	\$64.74	None		
Sale 6	\$130,000	\$56.35	1.12	\$63.11	None		

Based on the above and considering the deferred maintenance repairs, the tax expense is based on per square foot or a county value of \$225,000. This is then applied to the 25% commercial tax rate and the mill levy of 0.135720. This indicates a tax expense of This is applied.

Insurance – Based on a review of comparable expense data, an expense of per square foot is applied.

Management - A five percent management expense is applied.

Utilities – The tenant is responsible for utilities.

Repairs/Maintenance – The tenant is responsible for routine maintenance. The landlord is responsible for structural items. This is implied in the cap rate and therefore an expense is not made.

Given the previously discussed inputs, the reconstructed operating income statement follows.

RECONSTRUCTED OPER	ATING	STATEM	ENT T	ABLE		
Gross Potential Income	5,000	Sq. Ft.	@		Per Sq. Ft. is	
Less: Vacancy and Collection	on Loss			7.0%		
Effective Gross Income						
Less: Operating Expenses Fixed Expenses Taxes Insurance Total Fixed Expenses				=	_	
Variable Expenses Management Utilities Repairs/Maintenance Total Variable Expenses		5.09	6	Tenant Tenant	_	
Total Operating Expenses						
Net Operating Income						

Capitalization Rate

The net operating income before depreciation and debt service will be capitalized using an overall capitalization rate. This rate provides for a return on the investment in the land and improvements and a return of the improvements in the form of recapture.

Sales Extraction – Several cap rates were extracted from sales which are summarized in the following table:

EXTR	EXTRACTED CAPITALIZATION RATES								
Sale	Property Type	Address	City	Yr. Built	Sale Date	Sale Price	Cap Rate		
Α	Industrial	1510 State Street	Salina	1983	Aug-21		%		
В	Industrial	600 N U.S. Hwy. 81	McPherson	1971	May-21		%		
С	Office	115 E Euclid Street	McPherson	1920/2016	Feb-21		%		
D	Retail	2012 S Ohio Street	Salina	1972	Jun-21				

Loan/Equity Rate Development

An alternative method of estimating the overall capitalization rate is using a loan/equity analysis. Market terms are estimated. The 4th Quarter 2022 Realty Rates survey indicates equity dividend rates averaging 11.87 percent and ranging between 7.27 and 15.64 percent for office properties. An equity dividend rate of 12.0 is applied. Using this data, a capitalization rate is calculated.

MORTGAGE EQUITY ANALYSIS TABLE							
Inputs:							
Mortgage Interest Rate							
Amortization Period (Yrs.)			20				
LTV Ratio			75%				
Equity Dividend Rate							
Capitalization Rate Calcula	tion:						
	Rate		LTV Ratio	Weighted Rate			
Loan (Mortgage Constant)		х	75%				
Equity (Equity Dividend Rate)		х	25%				
Indicated Overall Capitalizati	on Rate						

Realty Rates Investor Survey

Also considered is data provided by the 4th Quarter 2022 *Realty Rates Investor Survey*. The pertinent data from the survey is summarized below.

		OFFICE - AL	I TYPES				
ltem	Input	OF TIGE - AL	LITTLO		1	· · · · · ·	OAR
Minimum	1 mpax			1			
Spread Over 10-Year Treasury	1.05%	DCR Techn	ique	1.10	0.04 9780	0.80	4.38
Debt Coverage Ratio	1.10	Band of Inv	estment Teo	hnique	•		
Interest Rate	3.95%	Mortgage		80%	0.049780	0.039824	
Amortization	40	Equity		20%	0.072702	0.014540	2
Mortgage Constant	0.049780	OAR					5.44
Loan-to-Value Ratio	80%	Surveyed Ra	ites				5.11
Equity Dividend Rate	7.27%						
Maximum							
Spread Over 10-Year Treasury	5.66%	DCR Technique 2.15 0.118591 0.50		0.50	12.75		
Debt Coverage Ratio	2.15	Band of Inv	estment Teo	hnique			
Interest Rate	8.56%	Mortgage	1.000	50%	0.118591	0.059296	
Amortization	15	Equity		50%	0.156410	0.078205	
Mortgage Constant	0.118591	OAR					13.75
Loan-to-Value Ratio	50%	Surveyed Ra	ites				12.93
Equity Dividend Rate	15.64%						
Average							
Spread Over 10-Year Treasury	2.86%	DCR Techn	ique	1.63	0.070067	0.68	7.69
Debt Coverage Ratio	1.63	Band of Inv	estment Teo	hnique			
Interest Rate	5.76%	Mortgage		68%	0.070067	0.047295	
Amortization	30	Equity		33%	0.118741	0.038591	
Mortgage Constant	0.070067	OAR					8.59
Loan-to-Value Ratio	67.5%	Surveyed Ra	Surveyed Rates				
Equity Dividend Rate	11.87%	1		1.1			

Capitalization Rate Summary

Primary weight is given to the rates extracted from the market sales. However, all of the cap rates from the sales are from normal marketed sales. This is superior to the subject. Based on review, a cap rate of 10.0% would be indicated if appraised as market value. A higher rate is expected as the subject is appraised under liquidation value. Previously in the sales comparison approach, a 25% deduction was made. If this were applied to the cap rate of 10.0%, it would indicate a liquidation cap rate of 12.50%. This is applied.

Income Approach Value Indication – Liquidation Value

The indicated value from the income approach is as follows.

INCOME APPROACH VALUE IND	CATION
NOI	
Cap Rate	
Equals	
Less Repairs/ Deferred Maintenance	-\$53,000
Totals	
Value Indication	

FINAL VALUE RECONCILIATION

VALUE INDICATION						
Cost Approach	Not Developed					
Sales Comparison Approach						
Income Approach						
Final Value Indication						

The cost approach was not deemed credible and therefore not developed. The sales comparison approach was developed by analyzing six sales in Salina. The data within the sales comparison approach is deemed credible. The income approach was also developed, and the data is deemed credible.

After review, the reconciled fee simple liquidation value is **The value is effective January** 23, 2023.

CERTIFICATION

I certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- The compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- Clinton N. Glaser physically visited the property for this assignment.
- No significant professional assistance was provided to the person signing this report.
- As of the date of this report, Clinton N. Glaser has completed the Standards and Ethics Education Requirement of the Appraisal Institute for Practicing Affiliates.
- Clinton N. Glaser has not performed any services related to the subject property within the threeyear period immediately preceding acceptance of this assignment.

Clinon N. yen

Clinton N. Glaser, Certified General Real Estate Appraiser License No: G-3290

Division Of Property Valuation 300 SW 29th Street PO Box 3506 Topeka, KS 66601-3506



Phone: 785-296-2365 Fax: 785-296-2320 www.ksrevenue.org Laura Kelly, Governor

Mark Burghart, Secretary

January 5, 2023

Bobby Kosmala Deputy Director of Leasing & Real Estate Kansas Department of Administration Office of Facilities & Property Management 700 SW Harrison, Ste 1200 Topeka, KS 66603

RE: Appraisal of Real Property Pursuant to K.S.A. 75-3043a

Dear Mr. Kosmala:

Pursuant to your revised request of January 5, 2023, and in accordance with K.S.A. 75-3043a, I hereby appoint the following appraisers eligible to determine the market value of property located in Dodge City, Ford County, Kansas and Salina, Saline County, Kansas. One appraiser may be chosen for real properties valued \$200,000 and under. If the value is over \$200,000, K.S.A. 75-3043a requires three disinterested appraisers be selected.

Cannon Lechtenberg & Assoc.	Oswalt Appraisal	Gustin Appraisal	Smoky Hill Appraisal
Attn: Ann Roehm	Attn: Alan Oswalt	Attn: Keith Gustin	Attn: Clinton Glaser
2908 N. Plum, Ste B	5855 Dolittle Dr.	2315 Donald Dr.	105 S. 5 th St
Hutchinson, KS 67502	Garden City, KS 67846	Hays, KS 67601	Salina, KS 67401
(620) 728-1310	(620) 290-6069	(785) 635-0486	(785)404-1075
annroehm@canvalue.com	alanoswalt@yahoo.com	info@gustinapp.com	clint@smokyhillapp.com
	www.oswaltappraisals.com	https://gustinapp.com	www.smokyhillapp.com

These appraisal reports should at minimum meet all requirements and standards of the "Uniform Standards of Professional Appraisal Practice (USPAP)."

The first property is generally described as 2308 First Avenue, Dodge City, Kansas 67801. The second property is generally described as 203 N. 10th St., Salina, Kansas 67401.

It is my understanding you will contact the appraisers to arrange a meeting to discuss the type of appraisal required and to negotiate fees. The fee of the appraisers is to be paid by the Kansas Department of Administration and the appraisal report is to be filed with your office.

Sincerely,

David A Harper

David N. Harper, AAS, RMA Director, Division of Property Valuation

DNH:llk

cc: Roehm Oswalt Gustin Glaser

DEFINITION OF LIQUIDATION VALUE

The term liquidation value is defined in The Dictionary of Real Estate Appraisal, Fifth Edition as follows:

The most probable price that a specified interest in real estate property is likely to bring under all of the following conditions:

- 1. Consummation of a sale within a short time period.
- 2. The property is subjected to market conditions prevailing as of the date of valuation.
- 3. Both the buyer and the seller are acting prudently and knowledgeably.
- 4. The seller is under extreme compulsion to sell.
- 5. The buyer is typically motivated.
- 6. Both parties are acting in what they consider their best interests.
- 7. A normal marketing effort is not possible due to the brief exposure time.
- 8. Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
- 9. The price represents the normal consideration for the property sold, unaffected by special or creative financing concessions granted by

anyone associated with the sale.

Improved Sale No. 1



Property Identification Record ID Property Type Address Tax ID Latitude, Longitude

Sale Data

QR Number

Grantor Grantee Vendor Sale Date Deed Book/Page Property Rights Conditions of Sale Financing

Sale Price Cash Equivalent Adjusted Price

<u>Land Data</u> Land Size 96 Commercial, Office 1809 S Ohio Street, Salina, Saline County, Kansas 67401 0850993002005003020 W38.811990, N-97.593957 20467

CKF Addiction Treatment, Inc. Kelly Kitchener Salina Homes April 01, 2021 1392/365 Fee Simple Arm's-length, advertised New Ioan



0.235 Acres or 10,250 SF

Improved Sale No. 1 (Cont.)

Zoning Topography Utilities Shape Flood Info Access	PC-3, Planned Commercial Zoning Level All available Rectangle No Paved
General Physical Data	
Building Type	Single Tenant
Gross SF	5,750
Construction Type	C
Roof Type	Flat
Foundation	Concrete
Electrical	Adequate
HVAC	Central
Stories	1
Floor Height	14
Year Built	1976
Condition	Average
<u>Indicators</u> Sale Price/Gross SF Floor Area Ratio Land to Building Ratio	0.56 1.78:1

<u>Remarks</u>

Property was listed on the open market. Property was vacant when sold. Building includes a small office. Property was bought and now used as insurance office.

Improved Sale No. 2



Property Identification

Record ID Property Type Address Tax ID Latitude, Longitude QR Number

Sale Data

Grantor Grantee Sale Date Deed Book/Page Property Rights Conditions of Sale Financing Verification

Sale Price Cash Equivalent Adjusted Price

Land Data

Land Size Topography Utilities Shape Flood Info Access

107

Commercial, Office 1939 S Ohio Street, Salina, Saline County, Kansas 085-099-30-0-20-06-007.00-0 W38.809649, N-97.593358 20483

Paula Johnson Trust Levi Huncovksy February 11, 2020 1367/1258 Leased Fee Arm's-length Cash Other sources: County records



0.133 Acres or 5,775 SF Nearly level All available Rectangle No Paved

Improved Sale No. 2 (Cont.)

<u>General Physical Data</u>	
Building Type	Single Tenant
Gross SF	2,100
	0
Construction Type	С
Roof Type	Flat
Foundation	Concrete
Electrical	Adequate
HVAC	Central
Stories	1
Floor Height	10
Year Built	1977
Condition	Average
<u>Indicators</u>	
Sale Price/Gross SF	
Floor Area Ratio	0.36
Land to Building Ratio	2.75:1
8	

Improved Sale No. 3



Property Identification Record ID Property Type Address Tax ID Latitude, Longitude **QR** Number

Sale Data

Grantor Grantee Sale Date **Deed Book/Page Property Rights Conditions of Sale** Financing Verification

Sale Price Cash Equivalent Adjusted Price

Land Data Land Size Topography Utilities

106 Commercial, Office 1612 E Iron Avenue, Salina, Saline County, Kansas 67401 085-094-18-0-20-09-002.00-0 W38.839966, N-97.585825 18137

Sharon S. Walls Trust William & Kayla Roberts October 01, 2019 1362/473 Leased Fee Arm's-length, private New loan Sharon Walls; Other sources: County records



0.258 Acres or 11,250 SF Nearly level All available

Improved Sale No. 3 (Cont.)

Shape	Rectangle
Flood Info	No
Access	Paved
<u>General Physical Data</u> Building Type Gross SF	Single Tenant 2,525
Construction Type	C
Roof Type	Flat
Foundation	Concrete
Electrical	Adequate
HVAC	Central
Stories	1
Floor Height	10
Year Built	1930
Condition	Average
<u>Indicators</u> Sale Price/Gross SF Floor Area Ratio Land to Building Ratio	0.12 8.21:1

<u>Remarks</u> Per seller, sale is arm's-length and sold privately. It was reported roof was about five years old and other structural items in good condition. Property demised into two suites.

Improved Sale No. 4



Property Identification

Record ID Property Type Address Tax ID Latitude, Longitude QR Number

Sale Data

Grantor Grantee Sale Date Deed Book/Page Property Rights Conditions of Sale Financing Verification

Sale Price Cash Equivalent Adjusted Price

Land Data Land Size Topography Utilities Shape Flood Info

105

Commercial, Office 123 Indiana Avenue, Salina, Saline County, Kansas 67401 085-094-18-0-20-08-008.00-0 W38.839265, N-97.589218 18127

Roy M. Wilbur Trust Indiana 123, LLC September 17, 2019 1361/1844 Fee Simple Arm's-length New Ioan Buyer employee; Other sources: County records



0.273 Acres or 11,875 SF Nearly level All available Rectangle No

Improved Sale No. 4 (Cont.)

Access	Paved
<u>General Physical Data</u> Building Type Gross SF	Single Tenant 3,450
Construction Type Roof Type Foundation Electrical HVAC Stories Floor Height Year Built Condition	D Gable, re-roofed when bought Concrete Adequate Central 1 12 1981 Average
<u>Indicators</u> Sale Price/Gross SF Floor Area Ratio Land to Building Ratio	0.29 3.44:1

Remarks

Per buyer employee, property was in average condition when bought but interior was dated and completely redone. There is a 1,725 square foot finished basement. When bought building had shake roof that was redone when bought. Also, there were two suites on main level when bought but they took out portion of center wall and made one.

Improved Sale No. 5



Property Identification Record ID Property Type Address Tax ID Latitude, Longitude QR Number

Sale Data

Grantor Grantee Sale Date Property Rights Conditions of Sale Financing

Sale Price Cash Equivalent Adjusted Price

Land Data Land Size Zoning 94 Commercial, Office 1805 S Ohio Street, Salina, Saline County, Kansas 67401 0850993002005002000 W38.812309, N-97.593699 20464

Central Kansas Foundation Leon Hannenbaum Trust November 15, 2018 Fee Simple Arm's-length Cash



0.530 Acres or 23,087 SF PC-3, Planned Commercial Zoning

Improved Sale No. 5 (Cont.)

Topography	Nearly level
Utilities	All available
Shape	Rectangle
Flood Info	No
Access	Paved
<u>General Physical Data</u> Building Type SF	Single Tenant 7,800
Construction Type	C
Roof Type	Flat
Foundation	Concrete
Electrical	Adequate
HVAC	Central
Stories	1
Floor Height	15
Year Built	1974
Condition	Average
<u>Indicators</u> Sale Price/Gross SF Floor Area Ratio Land to Building Ratio	0.34 2.96:1

<u>Remarks</u>

Unable to reach buyer or seller. However, county records show property was advertised and sold between unrelated parties. Property was renovated for office use. Ohio frontage and visibility.

Improved Sale No. 6



Property Identification

Record ID Property Type Address Tax ID Latitude, Longitude QR Number

Sale Data

Grantor Grantee Sale Date Deed Book/Page Property Rights Conditions of Sale Financing Verification

Sale Price Cash Equivalent Adjusted Price 108 Commercial, Office 301 W Ash Street, Salina, Saline County, Kansas 67401 085-081-12-0-30-17-006.01-0 W38.842534, N-97.611733 310507

Ingermanson I, LLC Housing Specialists, LLC May 30, 2017 1329/713 Fee Simple Arm's-length, private New Ioan Buyer; Other sources: County records



Land Data Land Size Topography Utilities Shape Flood Info Access	0.230 Acres or 10,019 SF Nearly level All available Rectangle No Paved
<u>General Physical Data</u> Building Type Gross SF	Single Tenant 2,307
Construction Type	C
Roof Type	Flat
Foundation	Concrete
Electrical	Adequate
HVAC	Central
Stories	1
Floor Height	12
Year Built	1936
Condition	Average
<u>Indicators</u> Sale Price/Gross SF Floor Area Ratio Land to Building Ratio	0.23 4.34:1

Improved Sale No. 6 (Cont.)

Remarks

Per buyer, sale is arm's-length and sold privately but Wilson Realty was involved. It was previously a pawn shop and mostly open. He renovated and now uses as office. Half the roof was good when bought and the other half needed new coating.

Comparable Sales Map



GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

The appraisal and the appraisal report do not constitute an inspection of the improvements. The appraiser(s) performed only a visual inspection of the immediately accessible areas and the appraisal cannot be relied upon to disclose conditions or defects in the improvements. In addition, regardless of who receives a copy of the appraisal, unless specifically stated in the appraisal, they are not an intended user of it.

The following assumptions and limiting conditions may or may not be applicable to every assignment:

This appraisal report has been made with the following general assumptions:

- 1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
- 2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
- 3. Responsible ownership and competent property management are assumed.
- 4. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
- 5. All engineering studies are assumed to be correct. The plot plans and illustrative material in this report are included only to help the reader visualize the property.
- 6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.
- 7. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.
- 8. It is assumed that the property conforms to all applicable zoning and use regulations and restrictions unless a nonconformity has been identified, described, and considered in the appraisal report.
- 9. It is assumed that all required licenses, certificates of occupancy, consents and other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the opinion of value contained in this report is based.
- 10. It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
- 11. Unless otherwise stated in this report, the existence of hazardous materials, pollutants, fungi or microbes commonly known as mold (collectively referred to as "environmental hazards") that may or may not be present on the property, was not observed by the appraiser. The appraiser is not trained in environmental engineering, is not qualified to detect environmental hazards, and has not investigated whether environmental hazards are present on or in the property. The presence of substances such as asbestos, urea formaldehyde foam insulation and other environmental hazards may affect the value of the property. The estimate of value is predicated on the assumption that there are no environmental hazards on or in the property that would cause a loss in value. No responsibility is assumed for the presence of environmental hazards. To conduct an environmental assessment of the property, the intended user is urged to retain an environmental engineer.

This appraisal report has been made with the following general limiting conditions:

- 1. Any allocation of the total value estimated in this report between the land and the improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
- 2. Possession of this report, or a copy thereof, does not carry with it the right of publication.
- 3. The appraiser, by reason of this appraisal, is not required to give further consultation or testimony or to be in attendance in court with reference to the property in question unless arrangements have been previously made.
- 4. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales or other media without the prior written consent and approval of the appraiser.

Additional assumptions and limiting conditions:

- 1. Any opinions of value provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the opinion of value, unless such proration or division of interests has been set forth in the report.
- 2. If only preliminary plans and specifications were available for use in the preparation of this appraisal, the analysis is subject to a review of the final plans and specifications when available.
- 3. Any proposed improvements are assumed to have been completed unless otherwise stipulated, so any construction is assumed to conform with the building plans referenced in the report.
- 4. The appraiser assumes that the reader of user of this report has been provided with copies of available building plans and all leases and amendments, if any, that encumber the property.
- 5. If no legal description or survey was furnished, the appraiser used the county tax plan to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, it may be necessary for this appraisal to be adjusted.
- 6. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions.
- 7. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey or analysis of the property to determine whether or not it is in conformity with the various detailed requirements of ADA. It is possible that a compliance survey of the property and a detailed analysis of the requirements of the ADA would reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative impact upon the value of the property. Since the appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.
- 8. This appraisal report is not intended to be used and shall not be used by real estate syndications, real estate investment trusts, limited partnership or other individuals or entities in the solicitation of investors. The appraiser shall not be liable for violations or alleged violations of the Securities Act of 1933 or 1934 and the amendments thereto, or any state blue sky or securities law or similar federal or state law.

DEFINITIONS

Unless otherwise noted, all definitions are those set forth by the Appraisal Institute, in the *Dictionary of Real Estate Appraisal*, Sixth Edition.

Easement: The right to use another's land for a stated purpose.

Eminent Domain: The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the *taking's clause*, guarantees payment of just compensation upon appropriation of private property.

Fee Simple Estate: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Going-Concern Value: 1. An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern* or *market value of the total assets of the business*.

2. The market value of an established and operating business including the real property, financial assets, and the intangible assets of the business.

Goodwill:

- 1. Unidentifiable intangible assets.
- 2. The amount by which the acquisition price exceeds the fair value of identified assets.
- 3. The intangible asset arising as a result of name, reputation, customer loyalty, location, products, and similar factors not separately identified. (International Glossary of Business Valuation Terms)
- 4. The intangible asset arising as a result of elements such as name, reputation, customer loyalty, location, products, and related factors not separately

identified and quantified. (ASA Glossary)

Grantee: A person to whom property is transferred by deed or to whom property rights are granted by a trust instrument or other document.

Grantor: A person who transfers property by deed or grants property rights through a trust instrument or other document.

Highest & Best Use:

- 1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permission, physical possibility, financially feasible, and maximum productivity.
- 2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
- 3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal land Acquisitions)

Leased Fee Estate (Interest): The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

Leasehold Improvements: Improvements or additions to leased property that have been made by the lessee.

Leasehold Interest: The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

Lessee: One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement.

Lessor: One who conveys the rights of occupancy and use to others under a lease agreement.

Liquidation Value: The most probable price that a specified interest in property should bring under the following conditions:

- 1. Consummation of a sale within a short time period.
- 2. The property is subjected to market conditions prevailing as of the date of valuation.
- 3. Both the buyer and seller acting prudently and knowledgeably.
- 4. The seller is under extreme compulsion to sell.
- 5. The buyer is typically motivated.
- 6. Both parties are acting in what they consider to be their best interests.
- 7. A normal marketing effort is not possible due to the brief exposure time.
- 8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
- 9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Market Value: The most probable price which a property should bring in a competitive and open market under all condition's requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is consummation of a sale as of a specified date and passing of title from seller to buyer under conditions whereby:

- 1. Buyer and seller are typically motivated.
- 2. Both parties are well informed or well advised and acting in what they consider their best interests.
- 3. A reasonable time is allowed for exposure in the open market.
- 4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

Obsolescence: One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external.

Uniform Standards of Professional Appraisal Practice (USPAP): In the professional United States. standards. developed for appraisers and users of appraisal services by the Appraisal Standards Board of The Appraisal Foundation, that are required for use in federally related transactions. Compliance with USPAP is also required in certain appraisals by state certification and licensing boards.

¹ Source: Office of the Comptroller of the Currency, effective date August 24, 1990.

QUALIFICATIONS OF THE APPRAISER

CLINTON N. GLASER Certified General Real Estate Appraiser

Clint is the owner of Smoky Hill Appraisal and is a certified general real estate appraiser in the State of Kansas. He is currently pursuing the MAI designation from the Appraisal Institute.

Prior to Smoky Hill Appraisal, Clint worked for Iowa Appraisal & Research Corporation in Des Moines, Iowa and Mercer, Webb & Associates in Liberal, Kansas. Clint has experience appraising a wide variety of property types, both commercial and agricultural. Clint grew up in Ellsworth, Kansas and now resides in Salina.

Licenses, Certifications, & Education

- Certified General Real Property Appraiser State of Kansas G-3290
- B.S. in Agricultural Economics with specialty in Finance, Kansas State University

Professional Involvement

- Appraisal Institute Practicing Affiliate
- Kansas Society of Farm Managers and Rural Appraisers (member)

Community Involvement

• Saline County Fair Board



Address: 105 S 5th Street Salina, Kansas 67401

Phone: (785) 404-1075

Email: clint@smokyhillapp.com



STATE LICENSE



PRIVACY NOTICE

The implementation of the Gramm-Leach-Bliley Act, effective July 2001, requires all financial service companies (including appraisers) to notify their clients of their (the company's) policies to protect your non-public information.

If you have questions, you can contact us at (785) 404-1075.

Smoky Hill Appraisal understand our clients' concerns about the privacy their information collected by us. Our company is dedicated to protecting the confidentiality and security of non-public personal information we co9llect about our customers in accordance with applicable laws and regulations. This notice refers to the Company by using terms "us", "we", and "our". This notice describes our privacy policy and describes how we treat non-public personal information that we receive from our clients.

WHY WE COLLECT AND HOW WE USE INFORMATION

We collect and use information for business purposes with respect to our real estate appraisal and consulting services. We gather this information to evaluate our clients' request for property appraisal and consulting, and to process these requests according to the Uniform Stands of Professional Appraisal Practice, as well as particular requirements an appraisal reviewer may require.

HOW WE COLLECT INFORMATION

We require our appraisers and staff to protect the confidentiality of the information we receive from you. We also maintain physical, electronic, and procedural safeguards designed to protect information. When you, your lender, or your attorney orders an appraisal on your behalf, we hold this request in strict confidence. For example, we will not divulge to unrelated parties whether we are or whether we are not completing an appraisal for you. Once the appraisal document has been completed, we will not, unless requested by you, your lender/your attorney (see intended user section of appraisal report) divulge the results of this report to anyone other than the intended user.

TO WHOM INFORMATION MAY BE DISCLOSED

- The intended users of our services
- Peer review groups as may be required to continue our professional designations
- Law enforcement, regulatory, governmental agencies, courts or parties therein pursuant to a subpoena or court order.
- A review appraiser, performing a review of your appraisal.



Section 7

Preliminary Title Commitment



Kansas Secured Title, Inc. - Topeka 3497 SW Fairlawn Road Topeka, Kansas 66614 Phone: 785-271-9352 Fax: 785-272-4984

Transaction Information

The information in this section is provided as a courtesy and is not a part of the commitment.

KST	File SN060234	Loan No.	Customer File
		Your Closer is:	
Corey Thomas		785-379-2691	clthomas@kstitle.com
	If KST is to handle	closing and a closer is not listed please	contact our office.
		Your Title Officer is	
Greg Haehl		785-217-9001	ghaehl@kstitle.com
Buyer:	Purchaser with contractual rights under a purchase agreement with the vested owner as identified at Item 4 below		
Seller: State of Kansas			
Property	Address: 203 N 10 Salina, K		

CALL OUR OFFICE TO VERIFY WIRE INSTRUCTIONS BEFORE YOU WIRE ANY FUNDS ***DO NOT RELY ON EMAILED WIRE INSTRUCTIONS FROM ANY SOURCE***

INFORMATION FROM THE COUNTY TAX RECORDS:

Tax ID 081-11-0-40-24-010.00-0	
Taxes for 2021:	
General Tax:	\$0.00
Special Assessments:	\$0.00
Total:	\$0.00
2021 taxes are exempt.	

VESTING DEED:

General Warranty Deed from Wallace C. Farrar and Alfreda V. Farrar, husband and wife, to The Employment Security Division, State Labor Department of Kansas, recorded December 31, 1965, in <u>Book 263, Page 17</u>.

THIS COMMITMENT CONTAINS HYPERLINKS TO CERTAIN DOCUMENTS. ITEMS WHICH ARE <u>BLUE AND UNDERLINED</u> ARE HYPER-LINKS AND THE REFERENCED DOCUMENTS MAY BE VIEWED BY CLICKING THEM.

FEES FOR ENDORSEMENTS WILL BE QUOTED UPON REQUEST

E-RECORDING: OUR COMPANY E-RECORDS IN ALL COUNTIES WHERE THIS SERVICE IS OFFERED. An electronic recording service fee of \$5.00 per document will be assessed at the time of recording.

CLOSING FUNDS, pursuant to KSA 40-1137(c), funds for closing in excess of \$2,500.00 must be in the form of a wire transfer or bank issued check (cashier's, tellers, money order).

RECORDING FEES are generally \$21.00 for the first page and \$17.00 for each additional page of each document. Recording fees for releases and assignments of a single mortgage will be \$20.00 for the first page and \$4.00 for each additional page.

ANY DEED to be recorded must be accompanied by a Kansas Real Estate Sales Validation Questionnaire (original form, in triplicate) unless a valid exemption is stated on the face of the deed pursuant to KSA 17-1437.

REAL ESTATE TAXES are billed on November 1 of the tax year and are due and payable at that time. The first half becomes delinquent on December 20 of the tax year; the second half becomes delinquent on May 10 of the following year.

COMMITMENT FOR TITLE INSURANCE ISSUED BY CHICAGO TITLE INSURANCE COMPANY

NOTICE

IMPORTANT—READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and the Commitment Conditions, Chicago Title Insurance Company, a Florida Corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Policy Amount and the name of the Proposed Insured.

If all of the Schedule B, Part I—Requirements have not been met within 180 Days after the Commitment Date, this Commitment terminates and the Company 's liability and obligation end.

CHICAGO TITLE INSURANCE COMPANY

By:

(gmi / Maii L President

Countersigned Kansas Secured Title, Inc. - Topeka

<u>N__=</u>Z_

This page is only a part of a 2016 ALTA® Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; and Schedule B, Part II-Exceptions.

Copyright 2006-2020 American Land Title Association. All rights reserved. The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.



SN060234 Page 2 of 8

COMMITMENT FOR TITLE INSURANCE Issued by Chicago Title Insurance Company

SCHEDULE A

File N	No: SNO	60234	Revision.	Customer File)
1.	1. Commitment Date: September 16, 2022, 8:00 am				
2. Policy to be issued:					
	(a)	•	Purchaser with contract as identified at Item 4 be	tual rights under a purchase Now	Premium Amount: agreement with
	(b)	2006 ALTA® Loar Proposed Insured: Proposed Policy A			Premium Amount:
3.	The e	estate or interest in th	e Land described or ref	erred to in this Commitment	is Fee Simple.

4. The Title is, at the Commitment Date, vested in:

The Employment Security Division, State of Labor Department of Kansas

5. The Land is described as follows:

Lot 9 and Lot 10, in Bristol's Addition to the City of Salina, Saline County, Kansas.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; and Schedule B, Part II-Exceptions.

Copyright 2006-2020 American Land Title Association. All rights reserved. The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.



SN060234 Page **3** of **8**

COMMITMENT FOR TITLE INSURANCE Issued by Chicago Title Insurance Company SCHEDULE B, PART I

Requirements

All of the following Requirements must be met:

- 1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
- 2. Pay the agreed amount for the estate or interest to be insured.
- 3. Pay the premiums, fees, and charges for the Policy to the Company.
- 4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
- 5. FURNISH executed Owner's Affidavit and Certification as prescribed by the Company.
- 6. For each policy to be issued as identified in Schedule A, Item 2; the Company shall not be liable under this commitment until it receives a designation for an Amount of Insurance acceptable to the Company. As provided in Commitment Condition 4, the Company may amend this commitment to add, among other things, additional exceptions or requirements after the designation of the Proposed Insured.
- 7. For each policy to be issued as identified in Schedule A, Item 2; the Company shall not be liable under this commitment until it receives a designation for a Proposed Insured, acceptable to the Company. As provided in Commitment Condition 4, the Company may amend this commitment to add, among other things, additional exceptions or requirements after the designation of the Proposed Insured.

End of Requirements

This page is only a part of a 2016 ALTA® Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; and Schedule B, Part II-Exceptions.

Copyright 2006-2020 American Land Title Association. All rights reserved. The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.



Page 4 of 8

Commitment for Title Insurance (8-1-16) Schedule B

COMMITMENT FOR TITLE INSURANCE Issued by Chicago Title Insurance Company SCHEDULE B, PART II Exceptions

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

- 1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I-Requirements are met.
- 2. Rights or claims of parties in possession not shown by the public records
- 3. Easements or claims of easements, not shown by the public records.
- 4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land.
- 5. Any lien or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
- 6. Taxes or special assessments which are not shown as existing liens by the public records.
- 7. General and special taxes for the year 2022 and subsequent years.
- 8. Easements, restrictions, reservations, building set-back lines, notes and access limitations which are shown on the plat recorded in Plat <u>Book A-1, Page 143</u>.
- 9. Ordinance No. 81-8890, recorded January 27, 1982, in <u>Book 126, Page 233</u>, providing for the of vacation of a portion of an East-West alley.

End of Exceptions

This page is only a part of a 2016 ALTA® Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; and Schedule B, Part II-Exceptions.

Copyright 2006-2020 American Land Title Association. All rights reserved. The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.



COMMITMENT CONDITIONS

1. **DEFINITIONS**

- (a) "Knowledge" or "Known": Actual or imputed knowledge, but not constructive notice imparted by the Public Records.
- (b) "Land": The land described in Schedule A and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
- (c) "Mortgage": A mortgage, deed of trust, or other security instrument, including one evidenced by electronic means authorized by law.
- (d) "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
- (e) "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.
- (f) "Proposed Policy Amount": Each dollar amount specified in Schedule A as the Proposed Policy Amount of each Policy to be issued pursuant to this Commitment.
- (g) "Public Records ": Records established under state statutes at the Commitment Date for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge.
- (h) "Title": The estate or interest described in Schedule A.
- 2. If all of the Schedule B, Part I—Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company 's liability and obligation end.
- **3.** The Company's liability and obligation is limited by and this Commitment is not valid without:
 - (a) the Notice;
 - (b) the Commitment to Issue Policy;
 - (c) the Commitment Conditions;
 - (d) Schedule A;
 - (e) Schedule B, Part I—Requirements; and
 - (f) Schedule B, Part II—Exceptions; and
 - (g) a counter-signature by the Company or its issuing agent that may be in electronic form.

4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company shall not be liable for any other amendment to this Commitment.

5. LIMITATIONS OF LIABILITY

- (a) The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured 's good faith reliance to:
 - (i) comply with the Schedule B, Part I Requirements;
 - (ii) eliminate, with the Company's written consent, any Schedule B, Part II Exceptions; or
 - (iii) acquire the Title or create the Mortgage covered by this Commitment.
- (b) The Company shall not be liable under Commitment Condition 5(a) if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
- (c) The Company will only have liability under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; and Schedule B, Part II-Exceptions.

Copyright 2006-2020 American Land Title Association. All rights reserved. The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.



SN060234 Page 6 of 8

- (d) The Company's liability shall not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Conditions 5(a)(i) through 5(a)(iii) or the Proposed Policy Amount.
- (e) The Company shall not be liable for the content of the Transaction Identification Data, if any.
- (f) In no event shall the Company be obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I—Requirements have been met to the satisfaction of the Company.
- (g) In any event, the Company's liability is limited by the terms and provisions of the Policy.

6. LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT

- (a) Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
- (b) Any claim must be based in contract and must be restricted solely to the terms and provisions of this Commitment.
- (c) Until the Policy is issued, this Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.
- (d) The deletion or modification of any Schedule B, Part II—Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.
- (e) Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.
- (f) When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

7. IF THIS COMMITMENT HAS BEEN ISSUED BY AN ISSUING AGENT

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for the purpose of providing closing or settlement services.

8. PRO-FORMA POLICY

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

Kansas Secured Title, Inc. - Topeka/Title Midwest, Inc.

PRIVACY POLICY

We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal and/or financial information. We agree that you have a right to know how we will utilize the personal information you provide us. Therefore, we have adopted this Privacy Policy to govern the use and handling of your personal information.

APPLICABILITY

This Privacy Policy governs our use of the information that you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity.

TYPES OF INFORMATION

Depending upon which of our services you are utilizing, the type of nonpublic personal information that we may collect include:

Information we receive from you on applications, forms and in other communications to us, whether in writing, by telephone or any other means; Information about your transactions with us, our affiliated companies, or others; and; Information we receive from a consumer-reporting agent.

USE OF INFORMATION

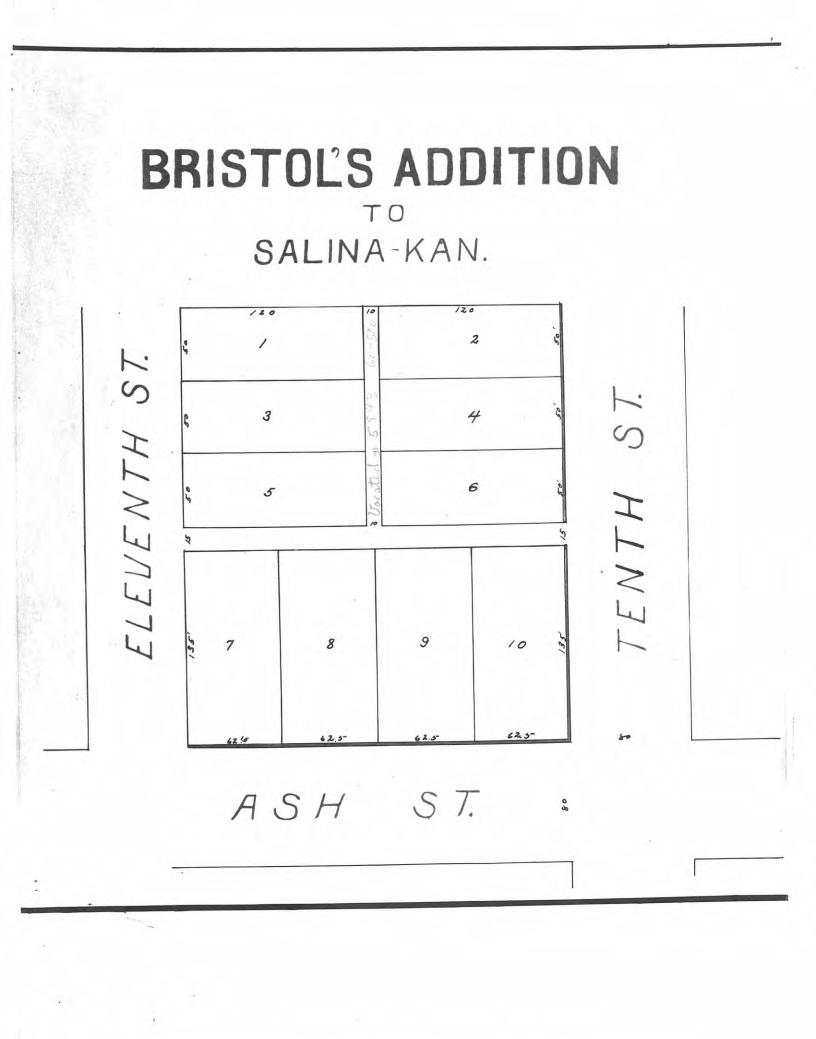
We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insures, property and casualty insurers and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom our affiliated companies have joint marketing agreements.

FORMER CUSTOMERS

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

CONFIDENTIALITY AND SECURITY

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities that need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.



Heep

Mise Book. 126 Pape 233

CONSOLIDATED-SALINA

Affidavit of Publication

Following is a true and correct copy of _____Ordinance_Number_81-8890

together with proof of publication of the same.

AFFIDAVIT

I Paul G. Webb

being first duly sworn according to law declare that I am the_____Advertising Manager______ of the _____Salina_Journal_____ a newspaper published in the City of Salina, Saline County, Kansas, and of a general circulation in said city, and continually and uninterruptedly published for more than one year prior to the date of the attached_______ ____Ordinance_Number_81_8890_____ and that said__Ordinance_Number_81_8890_____ was correctly published of the date of _______December_18_______, and further I say not.

Paul G, Webb

Subscribed and sworn to before me_____

December 18	
OT.	annon
D, L. Harrison	Notary Public
D. L. HARRISON D. L. HARRISON MY PUBLIC SIAIE OF KANSAS MY APPT. EXPIRES JULY 31, INS	

STATE OF KANS	AS SE (N.)	FILED FOR RECORD
	JAN 27 19	82 AND DULY RECORDED AT PAGE

(Fublished in the Salina Journal, December 18, 1981) ORDINANCE NUMBER 81-8870 AN ORDINANCE PROVIDING FOR THE VACATION OF A PORTION OF AN EAST. WEST ALLEY IN BRISTOL ADDITION , TO THE CITY OF SALINA, SALINE COUNTY, KANSAS. BE IT ORDAINED by the Board of Commissioners of the City of Salina, Kantos Joseffon J. That a partition of a City of and Dirity of Salina, Kantos Inter City of Salina, Singer City of Salina, Saline, County, Kantos Inter 11 Interfet was intered and the salina of the Tent Singer to the wasi linefal to T, Brissol Addition, be and the sear the Bristy vacated, provided how over the Bristy vacated, provided how over the Bristy of the Singer to the saling Salina, Salina, County, Kantos Inter 11 Salina, Saline, County, Kantos Inter 11 Salina, Saline, County, Kantos Inter 11 Salina, Salina, County, Kantos Inter 11 Salina, Saline, County, Kantos Inter 11 Salina, Saline, County, Kantos Salina, Saline, S

nlo	Ace
-----	-----



Section 8

Purchase & Sale Agreement



AUCTION PURCHASE AND SALE AGREEMENT

THIS AUCTION PURCHASE AND SALE AGREEMENT (the "Agreement") is made and entered into as of _____ day of ______, 2023, by and between the State of Kansas Department of Administration on behalf of the State of Kansas Department of Labor (the "Seller") and ______ (the "Purchaser(s)"), for the property located at 203 N. 10th Street, Salina, KS 6741 and further described in Exhibit A of this Agreement and recites and provides as follows:

<u>RECITALS</u>

WHEREAS, the Seller owns the Property as more particularly described on Exhibit A and by this reference made a part hereof (collectively, the "Property");

WHEREAS, Purchaser desires to purchase the Property and has submitted an offer for purchase as part of an auction (the "Offer");

WHEREAS, the Offer is subject to the Terms & Conditions of Auction Sale, as defined on the Auctioneer's website at <u>www.higgenbotham.com</u> and in the Property Information Package for the Property and by this reference made a part hereof; and

WHEREAS, Seller agrees to sell the Property subject to the terms and provisions of this entire Agreement.

AGREEMENT

NOW, THEREFORE, for and in good consideration of the mutual promises, covenants and conditions set forth herein, the receipt and sufficiency of which is acknowledged, the parties hereto agree as follows:

Section 1. <u>Sale and Purchase</u>. Subject to the terms and conditions hereof, Seller shall sell, and Purchaser shall purchase the Property. The last date upon which this Agreement is signed shall be hereinafter referred to as the "Commencement Date."

Section 2. <u>Offer</u>. This Agreement, when signed by Purchaser and submitted to Seller, shall be irrevocable for SIXTY (60) business days from the date of submission, and shall not be withdrawn for any reason by Purchaser. If not accepted by Seller within that time by delivery of a signed copy of this Agreement to the Purchaser, this Agreement and the Purchaser's offer shall become null and void and the Deposit held by the Escrow Agent shall be promptly returned to the Purchaser.

Section 3. Purchase Price. The purchase price for the Property shall be_

		DOLLARS (\$)
(the "Pu	chase Price"). The Purchase Price includes the 10% Buyer's Pre	mium based on the following:	
Α.	High Bid Price:	\$	
В.	Buyer's Premium (equal to 10% of the High Bid Price)	\$	
C.	Total Purchase Price (equals A + B)	\$	
D.	Earnest Money Deposit (10% of the Total Purchase Price)	\$	

The Purchase Price shall be payable as follows:

- A. <u>Deposit</u>. An Earnest Money Deposit (the "Deposit") of \$______ of the Purchase Price shall be held in a Real Estate Trust Account by the Escrow Agent and is non-refundable upon mutual execution of the Agreement between Purchaser and Seller, unless otherwise specified herein. The Deposit is due at the time of the Purchaser signing this Agreement.
- B. <u>Remaining Balance</u>. The balance of the Purchase Price, less the Deposit, is to be paid at Closing, as hereinafter defined, in cash, by wire transfer or other immediately available funds.

Section 4. <u>Title Commitment, Exceptions, and Auction Terms</u>

A. <u>Title Commitment.</u> As part of the Property Documents, Seller delivered the most recent title commitment or policy, if any, in its possession to the Purchaser (the "Existing Title"). Purchaser has waived any objections to the Existing Title.

- B. <u>Permitted Exceptions.</u> Purchaser shall accept title to the Property, subject to the following exceptions (the "<u>Permitted</u> <u>Exceptions</u>"):
 - 1. Those matters affecting or relating to the title to, or the survey of, the Property which are of record on the Commencement Date or which would be disclosed by a current and accurate survey and physical inspection of the Property.
 - 2. The lien of non-delinquent taxes, assessments and other usual and customary charges assessed against the owners of real property in the state in which the Land is located.
 - 3. All building and zoning laws, codes and regulations affecting the Property, including all proffers, special exceptions, conditions, site plan approvals, and other similar matters, if any, relating to the zoning of the Property.
 - 4. All Permitted Exceptions provided for in Exhibit A.
- C. <u>Auction Terms & Conditions.</u> The Auction Terms and Conditions as posted on the Auctioneer's website at <u>www.higgenbotham.com</u> and in the Property Information Package for this Property are hereby incorporated into this Agreement as fully as if copied herein verbatim. To the extent that any term or condition of the Terms and Conditions may be in conflict with this Agreement, except for announcements made the day of the auction, it is the intention of the Purchaser and Seller that this Agreement shall control.

Section 5. Closing.

- A. Closing shall take place at a date which shall be no later than THIRTY (30) days from the Commencement Date, the last date upon which this Agreement is signed. The Seller will not sign this agreement until the State of Kansas Finance Council approves this transaction, which shall be within the SIXTY (60) day period the Offer is tendered for.
- B. The Escrow Agent shall be Kansas Secured Title ("Escrow Agent"), unless otherwise chosen differently by Seller.
- C. At the Closing, Seller shall convey to Purchaser, by Quitclaim Deed, insurable fee simple title to the Property free and clear of liens, claims, interests and encumbrances, subject only to standard permitted exceptions and existing easements and other conditions outlined within this Agreement. Seller shall deliver possession of the Property to the Purchaser as of the date of Closing. The Purchaser accepts all previously disclosed matters of title provided by the Auction Firm and Seller prior to auction.
- D. At the Closing, Escrow Agent shall deliver to Seller a settlement statement in form and substance reasonably satisfactory to Purchaser and Seller and such other documents, certificates and instruments as may reasonably be required to convey the Property to Purchaser.

Section 6. <u>Closing Costs</u>. Notwithstanding anything to the contrary contained herein, the costs of Closing shall be paid as follows:

By Purchaser:

- A. Escrow Agent's closing fee;
- B. All Transfer Tax and Recording fees;
- C. Escrow Agent's document preparation fee; and,
- D. All premiums, fees and costs associated with the issuance of any lender and/or owner title policy.
- E. A per diem of \$250 per day if the Purchaser does not close on or before the Closing Date and the delay in the Closing is the fault of the Purchaser.

By Seller:

A. Preparation of Quitclaim Deed and other Seller's documents required hereunder.

Section 7. <u>Brokerage/Auctioneer Fees</u>. Seller shall pay to Higgenbotham Auctioneers International Limited, Inc., an auctioneer's fee pursuant to a separate written agreement. Other than ______ as broker for the Purchaser, the Purchaser represents and warrants to the Seller that it has not taken any action and is not aware of any facts that may give rise to a commission or brokerage fee being due as a result of the transfer of the Property. The Purchaser shall indemnify and hold the Seller harmless from and against any claims made for a commission due.

Section 8. <u>Taxes and Assessments</u>. All past due and accrued real property taxes shall be pro-rated at Closing. The water rates and sewer charges, if any, shall be prorated and adjusted to the date of Closing. Buyer should not rely on the Seller's current property taxes as the amount of property taxes that the buyer may be obligated to pay in the year subsequent to purchase. A change of ownership or property improvements triggers reassessments of the property that could result in higher property taxes. If you have any questions concerning valuation, contact the real estate assessor's office for Saline County for information.

Section 9. <u>Seller's Representations</u>.

- A. The Seller represents to Purchaser the following:
 - 1. The Seller has authority to sell the Property and is authorized to deliver a Quitclaim Deed, and such other documents that are customary and necessary to convey the Property to the Purchaser.

Section 10. Property Condition and Development Obligations.

- A. <u>Disclaimer</u>. Seller has not made, does not make and specifically disclaims any representations, warranties, promises, covenants, agreements or guarantees of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, concerning or with respect to: (a) the nature, quality or condition of the Property, including, without limitation, the water, soil and geology; (b) the suitability of the Property for any and all activities and uses which Purchaser may conduct thereon; (c) the compliance of the Property or its operation with any laws, rules, ordinances or regulations of any applicable governmental authority or body; (d) the habitability, merchantability or fitness for a particular purpose of the Property; (e) the presence of any endangered or threatened species on the Property, as well as the suitability of the Property as habitat for any of those species; (f) the accuracy or completeness of any materials provided to Purchaser under the provisions of this Agreement or otherwise; or (g) any other matter with respect to the Property. Without limiting the foregoing, Seller does not make and has not made any representation or warranty regarding the presence or absence of any hazardous substance on, under or about the property or the compliance or non-compliance of the property with any and all federal, state or local environmental laws, ordinances, regulations, orders, decrees or rules regulating, relating to or imposing liability or standards of conduct concerning any hazardous substances.
- Acknowledgment of Inspection. Purchaser acknowledges and agrees that (a) Purchaser has had the opportunity to inspect the B. Property, (b) if this transaction is consummated, Purchaser will be purchasing the Property pursuant to Purchaser's independent examination, study, inspection and knowledge of the Property, and (c) Purchaser is relying upon its own determination of the value and condition of the Property and not on any information provided or to be provided by Seller. Purchaser is relying solely upon its own inspections, investigations, research and analyses in entering into this Agreement and is not relying in any way upon any representations or warranties (except those expressly provided in this Agreement), statements, plans, specifications, cost estimates, studies, reports, descriptions, quidelines or other information or material furnished by Seller or its representatives to Purchaser or its representatives, whether oral or written, express or implied, of any nature whatsoever regarding any such matters. Purchaser further acknowledges that any references by Seller, its broker(s), advisors, attorneys, consultants and Higgenbotham Auctioneers International Limited, Inc. regarding square footage, dimensions or area measurements for land or improvements thereon are approximate and were provided by Seller without representation to their accuracy. Purchaser acknowledges and agrees that verification or determination of the accuracy of such information is the responsibility of Purchaser. With respect to any personal property being conveyed hereunder, Purchaser shall not rely on any list of such property compiled by Seller, but rather, Purchaser shall compile its own list for review by Seller, which list, if approved by Seller, shall be countersigned by Seller as evidence of the list's accuracy, and such list shall constitute the personal property to be conveyed to Purchaser at Closing.
- C. <u>AS IS</u>. THE OCCURRENCE OF THE CLOSING WILL CONSTITUTE AN ACKNOWLEDGMENT BY PURCHASER THAT THE PROPERTY WAS ACCEPTED WITHOUT REPRESENTATION OR WARRANTY, STATUTORY, EXPRESS OR IMPLIED, AND OTHERWISE IN AN "AS IS, WHERE IS, AND WITH ALL FAULTS" CONDITION BASED SOLELY ON PURCHASER'S OWN INSPECTION THEREOF AND IN ACCORDANCE WITH ANY REVIEW OF THE PROPERTY CONDUCTED BY PURCHASER. THE SALE OF THIS PROPERTY IS NOT CONTINGENT UPON THE PURCHASER OBTAINING A CERTIFICATE OF OCCUPANCY.
- D. <u>RELEASE</u>. PURCHASER HEREBY RELEASES SELLER AND ANY SERVICER, AGENT, REPRESENTATIVE, MANAGER, AUCTIONEER, AFFILIATE, OFFICER, PARTNER, SHAREHOLDER OR EMPLOYEE OF SELLER (A "SELLER RELATED PARTY") FROM ALL CLAIMS, LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES WHICH PURCHASER OR ANY PARTY RELATED TO OR AFFILIATED WITH PURCHASER (A "PURCHASER RELATED PARTY") HAS OR MAY HAVE ARISING FROM OR RELATED TO ANY MATTER OR THING RELATED TO THE PHYSICAL CONDITION OF THE PROPERTY, ANY CONSTRUCTION DEFECTS, ANY ERRORS OR OMISSIONS IN THE DESIGN OR CONSTRUCTION OF THE PROPERTY AND ANY ENVIRONMENTAL CONDITIONS AT, IN, ON OR UNDER THE PROPERTY, AND PURCHASER WILL NOT LOOK TO SELLER OR ANY SELLER RELATED PARTY IN CONNECTION WITH THE FOREGOING FOR ANY REDRESS OR RELIEF.
- E. <u>SURVIVAL</u>. THE ACKNOWLEDGMENTS AND AGREEMENTS OF PURCHASER SET FORTH IN THIS SECTION 10 WILL SURVIVE THE CLOSING.
- F. <u>PERSONAL PROPERTY</u>; <u>INTANGIBLE PROPERTY</u>. SELLER MAKES NO REPRESENTATIONS OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AS TO SELLER'S TITLE TO THE PERSONAL PROPERTY OR THE INTANGIBLE PROPERTY.

Section 11. <u>Condemnation</u>. If, prior to or during the Closing, all or any material part of the Property shall be condemned by governmental or other lawful authority, Purchaser shall have the option of: (a) completing the purchase, in which event all condemnation proceeds or claims thereof shall be assigned to Purchaser, or (b) terminating this Agreement, in which event this Agreement shall be terminated, and this Agreement shall then be deemed null and void, none of the parties hereto shall then have any further obligation to any other party hereto or to any third party, and the Seller shall return the Deposit in full to the Purchaser.

Section 12. <u>Risk of Loss</u>. All risk of loss or damage to the Property by fire, windstorm, casualty or other cause is assumed by Purchaser on the Closing Date. All risk of loss or damage to the Property by fire, windstorm, casualty or other cause prior to Closing shall be the responsibility of the Seller. Seller has no obligation to repair or replace the Property if damaged prior to Closing. If the Property is damaged or destroyed prior to Closing, Purchaser may terminate this Agreement and receive the Deposit paid with no claim for consequential damages arising from the damage or destruction of the Property.

Section 13. <u>Purchaser Default</u>. If Purchaser shall default in the performance of any terms and conditions of this Agreement, or if the Closing shall not occur on or before the Closing Date because of the fault of Purchaser, then Seller, at its option, shall have the right to retain the Deposit paid as property of the Seller for damages the determination of which is difficult or incapable of determination. By retaining the Deposit, Seller does not waive any rights or remedies it may have because of Purchaser's default. It is intended hereby that all of the rights and remedies of Seller available either pursuant to the terms of this Agreement, or under the law or otherwise, are cumulative and not exclusive of any other such right or remedy.

Section 14. <u>Default by Seller</u>. If Seller fails or refuses to deliver the Quitclaim Deed on or before the Closing Date upon receipt of the Purchase Price from the Purchaser, then Purchaser shall have the right to terminate this Agreement, in which event this Agreement shall then be deemed null and void, and the Seller shall return the Deposit in full to the Purchaser.

Section 15. <u>Assignment</u>. This Agreement may be assigned to any third party by the Purchaser with prior written consent of the Seller, which consent may be reasonably withheld in the Seller's sole and absolute discretion, provided, however any assignment by Purchaser shall not relieve the Purchaser of any liability hereunder.

Section 16. <u>Costs</u>. Except as otherwise specified in this Agreement, each Party hereto shall pay all of its own costs and expenses incurred in connection with the transactions contemplated hereunder, including, without limitation, any fees and disbursements of its accountants and counsel.

Section 17. <u>Notices</u>. All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given when mailed, by registered or certified mail, return receipt requested, or by overnight courier, or if faxed, in any case when received by the other party or parties. Any such demand, notice or communication hereunder shall be deemed to have been received on the date delivered to or received at the premises of the addressee (as evidenced, in the case of registered or certified mail, by the date noted on the return receipt). Notice for any party may be given by its respective counsel. Notices shall be directed to the following addresses (or such other addresses as may hereafter be furnished to the other party by like notice):

To Seller:	State of Kansas Department of Administration 700 SW Harrison, Suite 1200 Topeka, KS 66603
	(785) 296-0156 Phone
To Auctioneer:	Higgenbotham Auctioneers International Limited, Inc. ATTN: Martin E. Higgenbotham 1629 Shepherd Road Lakeland, FL 33811 (863) 644-6681 Phone (863) 644-6686 FAX
To Escrow Agent:	Kansas Secured Title ATTN: Corey Thomas, KST File No. SN600234 3497 SW Fairlawn Road Topeka, KS 66614 (785) 379-2691 Phone (785) 272-4984 FAX

Section 18. <u>Entire Agreement</u>. This Agreement contains the entire agreement between Seller and Purchaser, and there are no other terms, conditions, promises, undertakings, statements or representations, expressed or implied, concerning the sale contemplated by this Agreement.

Section 19. <u>Modification</u>. The terms of this Agreement may not be amended, waived or terminated orally, but only by an instrument in writing signed by the Seller and Purchaser.

Section 20. <u>Counterparts</u>. This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

Section 21. <u>Severability of Provisions</u>. Any part, provision, representation, warranty or covenant of this Agreement that is prohibited or unenforceable or is held to be void or unenforceable in any particular jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, the parties hereto waive any provision of law that prohibits or renders void or unenforceable any provision hereof.

Section 22. <u>Captions</u>. The captions and paragraph headings contained herein are for convenience only and shall not be used in construing or enforcing any of the provisions of this Agreement.

Section 23. <u>Acceptance</u>. This Agreement when signed on behalf of Purchaser shall be deemed an offer and shall remain in effect until SIXTY (60) days from the date of submission. If not accepted by Seller within that time by Seller by delivery of a signed copy of this Agreement to the Purchaser, this Agreement and the Purchaser's offer shall become null and void. THIS SALE IS SUBJECT TO THE APPROVAL OF THE STATE OF KANSAS FINANCE COUNCIL, KSA 75-6609(b)(2).

Section 24. <u>Exhibits</u>. The exhibits to this Agreement are hereby incorporated and made a part hereof and are an integral part of this Agreement.

Section 25. <u>Successors</u>. This Agreement shall inure to the benefit of and bind the parties hereto and their respective successors and assigns. This Agreement cannot be assigned by the Purchaser to any party without the prior written consent of the Seller. It is intended and agreed that the covenants provided in this Agreement shall be covenants running with the land binding to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by, the Seller, or any successor thereto, against Purchaser, and every successor in interest to the Property or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

Section 26. <u>Governing Law and Court of Exclusive Jurisdiction</u>. This Agreement and all documents and instruments referred to herein shall be governed by the laws of the State of Kansas. Any disputes between the Seller and Purchaser regarding this Agreement will be decided exclusively by courts within the State of Kansas.

Section 27. <u>Time of Essence</u>. TIME IS OF THE ESSENCE with respect to each and every provision of this Agreement. Whenever any action must be taken (including the giving of notice or the delivery of documents) under this Agreement during a certain period of time (or by a particular date) that ends (or occurs) on a weekend or federal holiday, then such period (or date) shall be extended until the next succeeding business day.

Section 28. <u>Patriot Act.</u> Purchaser is not, and will not be, a person or entity with whom Seller is restricted from doing business under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, H.R. 3162, Public Law 107 56 (commonly known as the "USA Patriot Act") and Executive Order Number 13224 on Terrorism Financing, effective September 24, 2001 and regulations promulgated pursuant thereto (collectively, the "Anti Terrorism Laws"), including, without limitation persons and entities named on the Office of Foreign Asset Control Specially Designated Nationals and Blocked Persons List.

Section 29. <u>Non-Foreign Seller</u>. Seller represents that at the time of acceptance of this Agreement and at the time of Closing, Seller is not a "foreign person" as such term is defined in the Foreign Investments in Real Property Tax act of 1980 (26 USC Section 1445(f) et. Sec) ("FIRPTA"). If either the sales price of the property exceeds \$300,000.00 or the Purchaser does not intend to use the property as a primary residence then, at the Closing, and as a condition thereto, Seller shall furnish to Purchaser an affidavit, in a form and substance acceptable to Purchaser, signed under penalty of perjury containing Seller's United States Social Security and/or taxpayer identification numbers and a declaration to the effect that Seller is not a foreign person within the meaning of Section "FIRPTA."

IN WITNESS HEREOF, Purchaser and Seller agree that the Date of this Agreement shall be the date the Seller executes this Agreement.

SELLER:

State of Kansas Department of Administration on behalf of the State of Kansas Department of Labor

PURCHASER:

behalf of the State of Kansas Department of Labor	(Print Name)
(Signature)	(Signature)
(Print Name)	Date of Purchaser's Offer
lts:	(Print Name)
	(Signature)
	Date of Purchaser's Offer

<u>EXHIBIT A</u>

Property Address

203 N. 10th Street, Salina, KS 67401

Legal Description

That shown in the Commitment for Title Insurance with Effective Date of March 6, 2023 at 8:00AM

Description of the Property

A 1-story Office Building containing approximately 5,000± square feet on land totaling approximately 16,875± square feet.

Permitted Exceptions to Title

Those shown in the Commitment for Title Insurance with Effective Date of March 6, 2023 at 8:00AM

INDIVIDUAL: PURCHASER(S):		
	(Print Name)	(Print Name)
PURCHASER'S		
ADDRESS:		<u>^</u>
PURCHASER'S	Office:	Fax:
PHONE:		
	Home	_E-mail:
PURCHASER'S		
ATTORNEY:		
ADDRESS:		
PHONE:	Fax:	



Section 9 Draft Quitclaim Deed

QUIT CLAIM DEED

File No.: SN060234

State of Kansas, Department of Administration Pursuant to KSA 75-6609,

convey and quitclaim(s) to

all the following REAL ESTATE in the County of SALINE, and the State of Kansas, to-wit:

Lot 9 and Lot 10, in Bristol's Addition to the City of Salina, Saline County, Kansas.

Commonly known as: 203 N 10th St, Salina, KS 67401

for the sum of one dollar and other good and valuable consideration.

EXCEPT AND SUBJECT TO: Easements, restrictions and assessments of record, and all the taxes and assessments that may be levied, imposed or become payable hereafter.

Dated this _____ day of _____, 2023.

_____, Secretary Department of Administration

State of Kansas, County of SALINE §

The foregoing instrument executed was acknowledged before me this _____ day of ______, 2023, by ______, Secretary, Department of Administration, State of Kansas, pursuant to KSA 75-6609.

Notary Public

My appointment expires:_____



Section 10

Wiring Instructions



Service Beyond Expectation Kansas Secured Title, Inc. - Topeka 3497 SW Fairlawn Rd. Topeka KS 66614 Phone 785-271-9352 Fax 785-272-4984

Wiring Instructions

Receiving Bank:

Routing #:

Credit to:

Account #:

Reference:

Bankers' Bank of Kansas 555 N Woodlawn St Bldg 5 Wichita, KS 67208 101104805

Alliance Bank (785) 271-1800 3001 SW Wanamaker Rd Topeka, KS 66614 101114798

Kansas Secured Title, Inc. - Topeka Settlement Account #10010999 Borrower's Name KST file No. SN060234

Documents

Visit us on the web at: kstshawnee.com

May be emailed to docs@kstitle.com

Vice President

FRAUD ALERT: If you receive an email, or any other communication that appears to be generated from our office, containing new, revised or altered bank wire instructions, consider it suspect and call our office at a number you trust. Our bank wire instructions seldom change.

Serving Kansas in the Counties of: Butler Cowlev Douglas Franklin Geary Greenwood Harper Jackson Jefferson Johnson Leavenworth **McPherson** Miami Montgomery Neosho Pottawatomie Riley Saline Sedgwick Shawnee Sumner Wyandotte