

TERMINATION OF LEASE

WHEREAS, the City of Lawrence, Kansas (the "City") has previously issued its Industrial Revenue Bonds (DST Realty of Lawrence, Inc. Project) Series 2001 (the "Bonds"), in the aggregate original principal amount of \$9,000,000, to acquire, construct and equip certain commercial facilities, including the real property described in **Exhibit A** hereto (the real property, building, equipment and improvements financed in whole or in part out of proceeds of the Bonds being collectively referred to as the "Project"); and

WHEREAS, the Bonds were issued pursuant to Ordinance No. 7331 (the "Ordinance") and a Trust Indenture dated as of April 1, 2001 (the "Indenture"), between the City and U.S. Bank, N.A., as successor to Firststar Bank, N.A. (the "Trustee"); and

WHEREAS, in connection with the issuance of the Bonds, the City and DST Realty of Lawrence, Inc., a Kansas corporation (the "Lessee"), entered into a Lease dated as of April 1, 2001 (the "Lease"); and

WHEREAS, the City filed a Memorandum of Lease Agreement with the Douglas County Register of Deeds on April 2, 2001, which Memorandum of Lease Agreement was recorded in Book 704, Page 565; and

WHEREAS, the Project was leased by the City to the Lessee for an initial term effective upon delivery of the Lease and terminating on payment of the Bonds, unless terminated earlier in accordance with the Lease; and

WHEREAS, the City assigned its interest in the Lease (except for certain rights set forth therein) to the Trustee pursuant to an Assignment of Lease dated as of March 5, 2001 (the "Assignment"); and

WHEREAS, the Lessee has made provision for payment of all amounts payable under the Lease, including payment of all outstanding Bonds and all fees, taxes, penalties, costs and expenses of the Trustee and the City, and the City is conveying the Project to the Lessee;

WHEREAS, City, Lessor and Trustee desire to terminate the Assignment and the Lease as of the Effective Date.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING THE CITY, THE TRUSTEE AND THE LESSEE DO HEREBY STATE AND DECLARE:

That as of the Effective Date, the Assignment and the Lease are terminated and of no further force and effect, and the real property situated in Douglas County, Kansas being more particularly described in **Exhibit A** attached hereto and incorporated herein, and affected by the Assignment and the Lease, is hereby released from any covenants, provisions, agreements, encumbrances and conditions within the Lease.

IN WITNESS WHEREOF, the parties named above have caused this Termination of Lease to be duly executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by their duly authorized officers, as of the ____ day of _____, 2012.

CITY OF LAWRENCE, KANSAS

Mayor

[SEAL]
ATTEST:

City Clerk

STATE OF KANSAS)
) SS.
COUNTY OF DOUGLAS)

On this ____ day of _____, 2012, before me, a Notary Public in and for said State, personally appeared **ARON E. CROMWELL** and **JONATHAN M. DOUGLASS**, to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Lawrence, Kansas, a municipal corporation duly authorized, incorporated and existing under and by virtue of the Constitution and laws of the State of Kansas, and that the seal affixed to the foregoing instrument is the corporate seal of said City, and that said instrument was signed and sealed on behalf of said City by authority of its governing body, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said City.

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

Notary Public - State of Kansas

[SEAL]

My appointment expires _____.

EXHIBIT A

The following described real estate located in Douglas County, Kansas, to wit:

Lot 9, in Grandview Heights, a Subdivision in the City of Lawrence, as shown by the recorded plat thereof, together with that portion of vacated 5th Street accruing thereto; in Douglas County, Kansas; and

Lots 1, 2, 3, 4, 5 and 6, in The Bluffs II, a Replat of Lot 4 of a Replat of California Street Addition and a portion of Block 48, West Lawrence, in the City of Lawrence, as shown by the recorded plat thereof; in Douglas County, Kansas.