



ASSET PRESERVATION
ADVISORS

MUNICIPAL BOND PORTFOLIO MANAGEMENT

Q4 2025

CARING FOR CLIENT PORTFOLIOS, BOND BY BOND

SINCE OUR FOUNDING IN 1989, ASSET PRESERVATION ADVISORS (APA) HAS SPECIALIZED IN DELIVERING THE HIGHEST LEVEL OF CUSTOMIZATION AND ACTIVE MANAGEMENT OF MUNICIPAL BOND PORTFOLIOS FOR REGISTERED INVESTMENT ADVISORS, FAMILY WEALTH OFFICES AND INSTITUTIONAL CLIENTS.

WE ARE SPECIALISTS

BASED IN
ATLANTA,
GEORGIA.

ASSETS FOR CLIENTS
**IN MORE
THAN 45**
STATES.

MANAGEMENT
OF MUNICIPAL BOND
PORTFOLIOS IN
SMA.



BOUTIQUE MUNICIPAL
MANAGER WITH
\$11.1B
AUM (12/31/25).

FOUNDED
**MORE
THAN 35**
YEARS AGO.

FOCUSED ON
A SINGLE
**FIXED
INCOME**
ASSET CLASS.

APA ADVANTAGE

11.1B

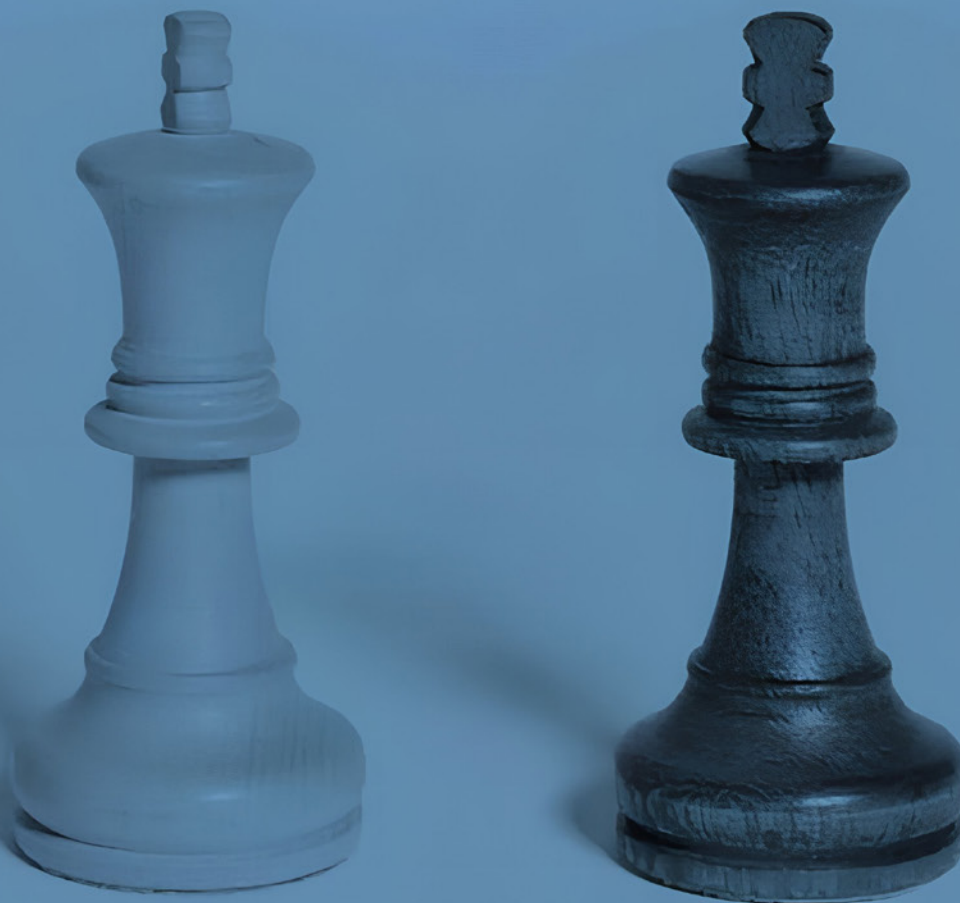
ASSETS UNDER
MANAGEMENT
AS OF 12/31/25

28

DEDICATED
PROFESSIONALS
DECEMBER 2025

INVESTMENT
COMMITTEE AVERAGE
EXPERIENCE

25+
YEARS



**CREDIT
RESEARCH
GROUP**

CAREER
ANALYST
EXPERTISE

**TRADING
TEAM**

CAPTURING
MARKET
INEFFICIENCIES

**PORTFOLIO
MANAGERS**

CONTINUOUS
OVERSIGHT

BUILT AROUND THE ADVISOR

ADVISORS ARE OUR CLIENTS. YOUR SUCCESS IS OUR MISSION.



**WHITE-GLOVE
ADVISOR SUPPORT**



**ACTIVE TAX
LOSS HARVESTING**



**WEEKLY MARKET
INSIGHTS**



**UNLIMITED PORTFOLIO
MANAGER ACCESS**



**CUSTOM CLIENT
REPORTING**



**PROSPECTIVE PORTFOLIO
ANALYSIS**



**BESPOKE PORTFOLIO
DESIGN**



**MONTHLY
COMMENTARY**



**SAMPLE
PORTFOLIOS**

FULLY CUSTOMIZABLE AND CLIENT CENTRIC

EMPOWERING ADVISORS THROUGH BESPOKE PORTFOLIO DESIGN



GEOGRAPHIC PREFERENCES

State-Specific Mandates
 Exposure Targets & Limits
 State & Municipal Exclusions



PORTFOLIO STRUCTURE & RISK PARAMETERS

Maturity Limits & Ranges
 Duration Targets
 Minimum Coupon



LIQUIDITY & INCOME PLANNING

Liquidity Reserves
 Income Targets
 Cash Flow Timing



INVESTMENT POLICIES & VALUES ALIGNMENT

Investment Policy Statements
 Values-Aligned Mandates
 Exclusionary Criteria

Need something not listed?

We support advisors with bespoke portfolio solutions. Email info@assetpreservationadvisors.com to get started.

EXECUTION ADVANTAGE OF BOUTIQUE MANAGER

We've built a 35-year network of 100+ broker dealers, giving us institutional reach without sacrificing boutique flexibility. By leveraging this scale and capitalizing on market inefficiencies, we seek to eliminate the hidden costs of buying bonds.



100+

BROKER-DEALER
RELATIONSHIPS

INVESTMENT PROCESS

HIGH-CONVICTION ISSUE SELECTION

EFFICIENT BID-SIDE TRADE EXECUTION

ACTIVE MANAGEMENT & CREDIT MONITORING

BESPOKE PORTFOLIO CONSTRUCTION



35+

YEARS
EXPERIENCE

NIMBLE AGILITY OF A BOUTIQUE, WITH INSTITUTIONAL REACH.

A FOCUS ON THE SECONDARY MARKET

EFFICIENT EXECUTION

Focus on overlooked areas of the market and seek to capture trading inefficiencies



Unlock excess yield, spread, and annual income for client portfolios

OVERLOOKED OPPORTUNITIES

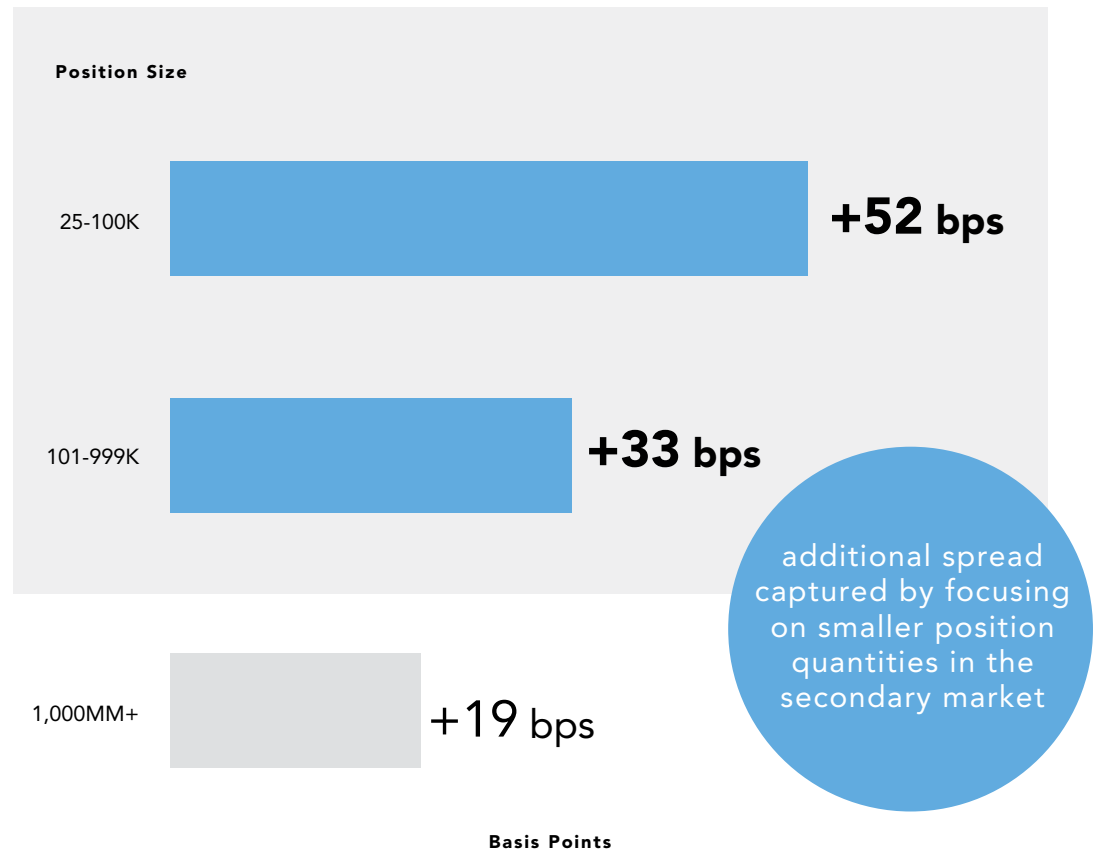
Engage in smaller blocks and odd lots that larger firms tend to ignore



Target excess income

SMARTER SIZING, BETTER PRICING

APA'S VALUE ADD

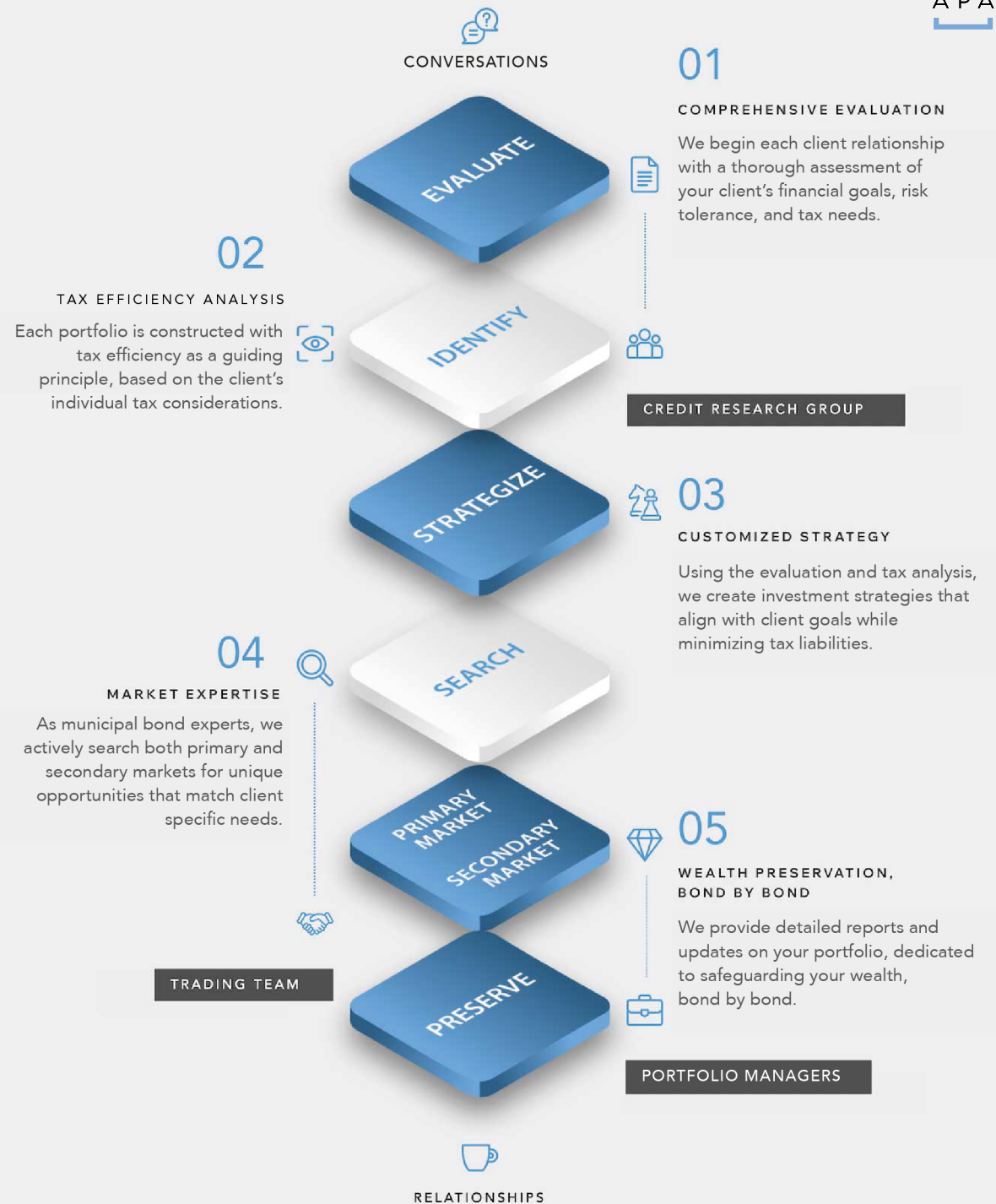


Source: MSRB January 2012 – December 2024

OUR FRAMEWORK FOR PRESERVING YOUR HERITAGE

EVALUATE. IDENTIFY.
STRATEGIZE. SEARCH.
PRESERVE.

AT EVERY STAGE OF OUR
PERSONALIZED APPROACH,
WE SEEK THE PERFECT
COMBINATION
THAT MINIMIZES TAXES
AND MAXIMIZES CLIENT
BENEFITS.



INVESTMENT PROCESS

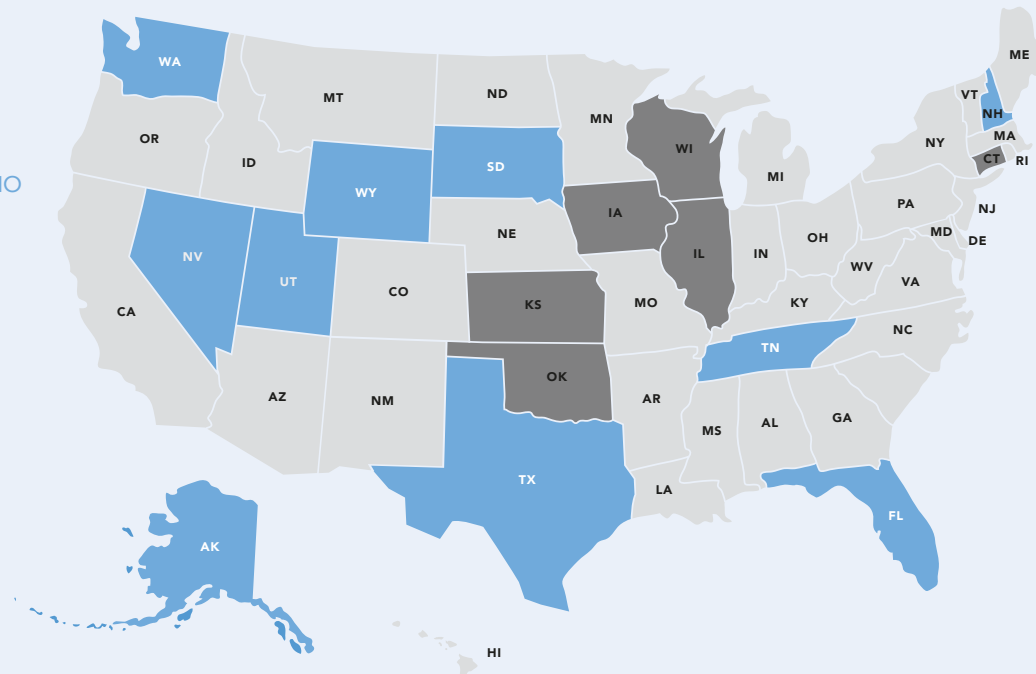
APA FOCUSES ON TAILORING PORTFOLIOS TO MEET THE UNIQUE INVESTMENT GOALS AND TAX SENSITIVITIES OF EACH CLIENT.

Within a state-specific portfolio, APA generally targets an in-state allocation of approximately 50-80%. However, this can be adjusted to meet a client's custom mandate.

STATES WITH NO EARNED INCOME TAX

NATIONALLY DIVERSIFIED PORTFOLIO

WASHINGTON
TEXAS
FLORIDA
ALASKA
SOUTH DAKOTA
NEW HAMPSHIRE
WYOMING
NEVADA
UTAH*
TENNESSEE



STATES THAT TAX INTEREST ON IN-STATE BONDS

NATIONALLY DIVERSIFIED PORTFOLIO

IOWA
WISCONSIN
ILLINOIS
OKLAHOMA
CONNECTICUT
KANSAS

Source: APA December 2025

*Utah does not tax bonds issued within the state, and also does not tax bonds issued in states that do not tax Utah bonds (WA, TX, FL, AK, SD, WY, NV, TN, NH).

APA FOCUSES ON TAILORING PORTFOLIOS TO MEET THE UNIQUE INVESTMENT GOALS AND TAX SENSITIVITIES OF EACH CLIENT.

Combined Fed + State Tax Rate	Tax-Free Yield						
	2.75%	3.00%	3.25%	3.50%	3.75%	4.00%	4.25%
	Taxable-Equivalent Yield						
30%	3.93%	4.29%	4.64%	5.00%	5.36%	5.71%	6.07%
32.5%	4.07%	4.44%	4.81%	5.19%	5.56%	5.93%	6.30%
35%	4.23%	4.62%	5.00%	5.38%	5.77%	6.15%	6.54%
37.5%	4.40%	4.80%	5.20%	5.60%	6.00%	6.40%	6.80%
40%	4.58%	5.00%	5.42%	5.83%	6.25%	6.67%	7.08%
42.5%	4.78%	5.22%	5.65%	6.09%	6.52%	6.96%	7.39%
45%	5.00%	5.45%	5.91%	6.36%	6.82%	7.27%	7.73%
47.5%	5.24%	5.71%	6.19%	6.67%	7.14%	7.62%	8.10%
50%	5.50%	6.00%	6.50%	7.00%	7.50%	8.00%	8.50%

For informational purposes only, individual client experience may differ.

INVESTMENT PROCESS

APA'S DEDICATED CREDIT RESEARCH GROUP FOCUSES ON MAINTAINING THE INVESTMENT APPROACH OUR FIRM HAS RELIED ON FOR MORE THAN 30 YEARS; AN EMPHASIS ON ASSET PRESERVATION WHILE EVALUATING THE RISK/REWARD IN EXPLOITING MARKET INEFFICIENCIES.

APA reviews each credit on a continuous basis, employing both a top-down and bottom-up approach to determine a proprietary credit opinion and rating. Within the rigorous credit review process, there are several main inputs that help shape APA's propriety research which are used to identify bonds that we believe offer above market value for their rating category. Some examples are outlined in the table below.

CREDIT REVIEW PROCESS KEY INPUTS

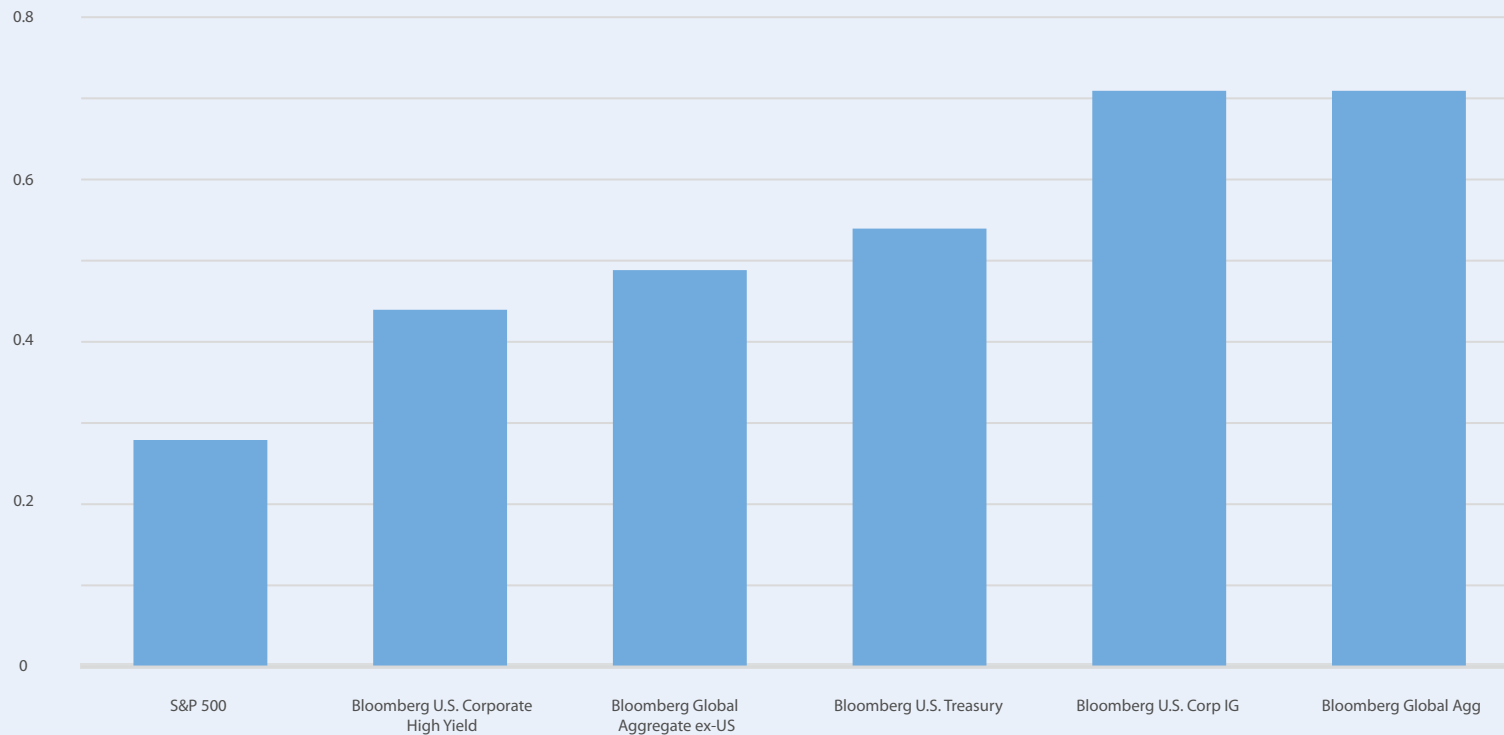
GENERAL OBLIGATIONS	ESSENTIAL SERVICE REVENUE BONDS
Use of Funds	Use of Funds
Tax Base (assessed value)	Net Assets
Economy (unemployment, etc.)	Operating Margins
Wealth (median household income, poverty, etc.)	Debt Service Coverage
Top Ten Taxpayers	Total Operating Revenues
General Fund Reserves (as % of expenses)	Taxpayer Concentration
Liquidity (days' cash on hand)	Liquidity (days' cash on hand)
Debt Levels (as % of full value and per capita)	Debt Ratios (long-term debt to capital)
Fixed Costs (pensions and OPEBs)	Covenants (bondholder protections)

Source: APA December 2025

ASSET CLASS CORRELATION

Correlation with municipal bonds, January 2007-December 2025

HISTORICALLY, MUNIS HAVE HAD A LOW CORRELATION WITH TAXABLE BONDS AND WITH THE S&P 500 INDEX.



There are approximately 50,000 different state and local governments and other issuing authorities.

Source: Zephyr December 2025

TAX-EXEMPT MUNIS VS. CORPORATES

TAX-EXEMPT MUNIS PROVIDE THE KEY INGREDIENTS FOR HIGH-QUALITY PORTFOLIOS



TAX-EXEMPT MUNIS



CORPORATES

STABILITY



Stable, predictable revenue sources

Earnings-driven; sentiment and sector risk

CREDIT QUALITY



Lower default rates across rating tiers¹

Higher default risk, even at top ratings

DIVERSIFICATION



Thousands of AA and above issuers

Limited to 2 AAA and 15 AA issuers²

YIELD



Taxable-equivalents often beat corporates

Lower after-tax yields for high earners

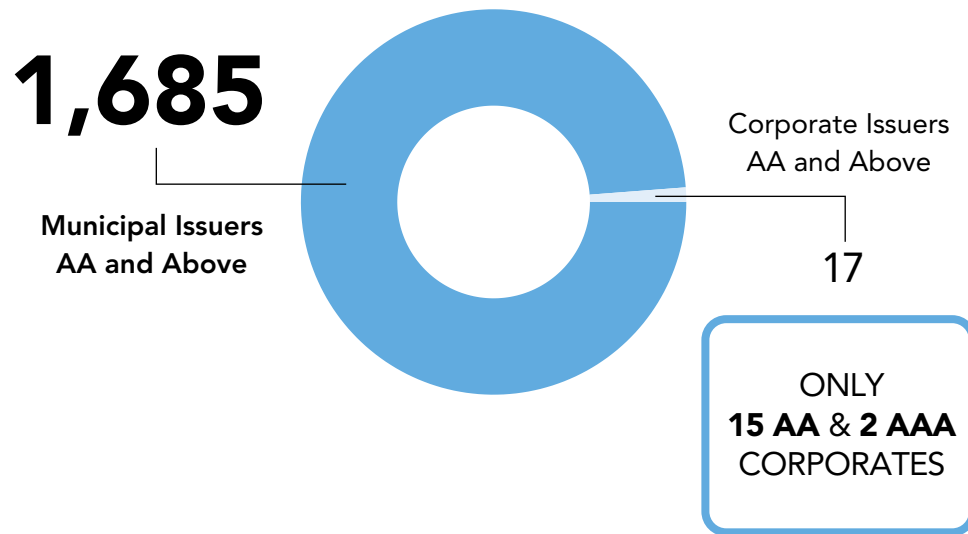
¹S&P Global 2024

²Bloomberg December 2025

TAX-EXEMPT MUNIS VS. CORPORATES

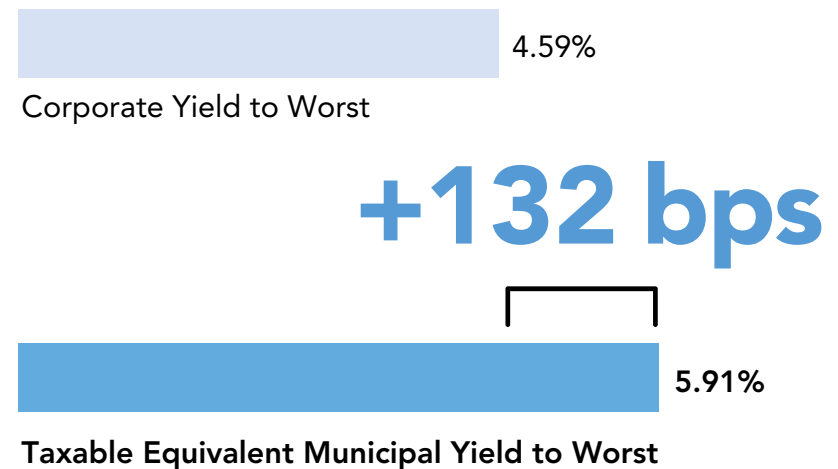
HIGHER CREDIT QUALITY

Achieving quality and diversification with only corporates poses challenges.



Quantity of AA and Above S&P Ratings for Corporates vs. Municipals
Source: Bloomberg 12/31/2025

HIGHER TAX-EQUIVALENT YIELDS



ICE BofA AA US Corporate Index vs. ICE BofA AA US Municipal Securities Index - TEY*
Source: Bloomberg December 2025

*Tax-equivalent yield (TEY) is calculated by dividing the portion of the account's yield that is tax-exempt (one minus the specified tax rate) and adding that amount to the portion, if any, of the account's yield that is not tax-exempt. Estimated TEY shown is calculated for the highest federal tax bracket of 37% and includes the 3.8% net investment income tax (NIIT) that applies to individuals whose modified adjusted gross income (MAGI) exceeds certain thresholds. TEY does not reflect tax credits, exemptions, deduction limitations, or alternative minimum tax (AMT). This calculation is for illustration purposes only and is not intended to be a substitute for specific, individualized tax planning advice. In light of individual circumstances, APA recommends consultation with a qualified tax advisor or CPA.

TAX-EXEMPT MUNIS VS. CORPORATES

LOWER CORRELATION TO EQUITIES



Bloomberg U.S. Corporate High Yield



Bloomberg U.S. Corporate Investment-Grade

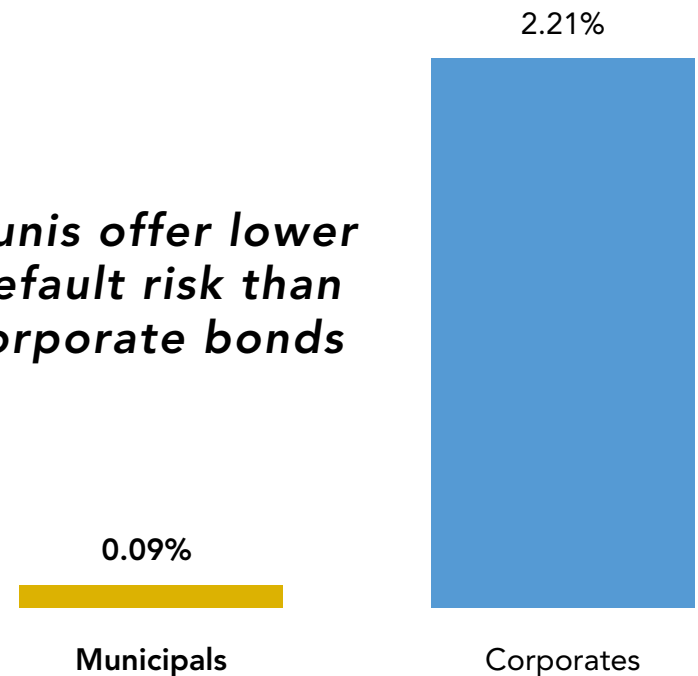


Bloomberg Municipal Bond

With a lower correlation to equities than corporates, munis provide more stability amid market volatility.

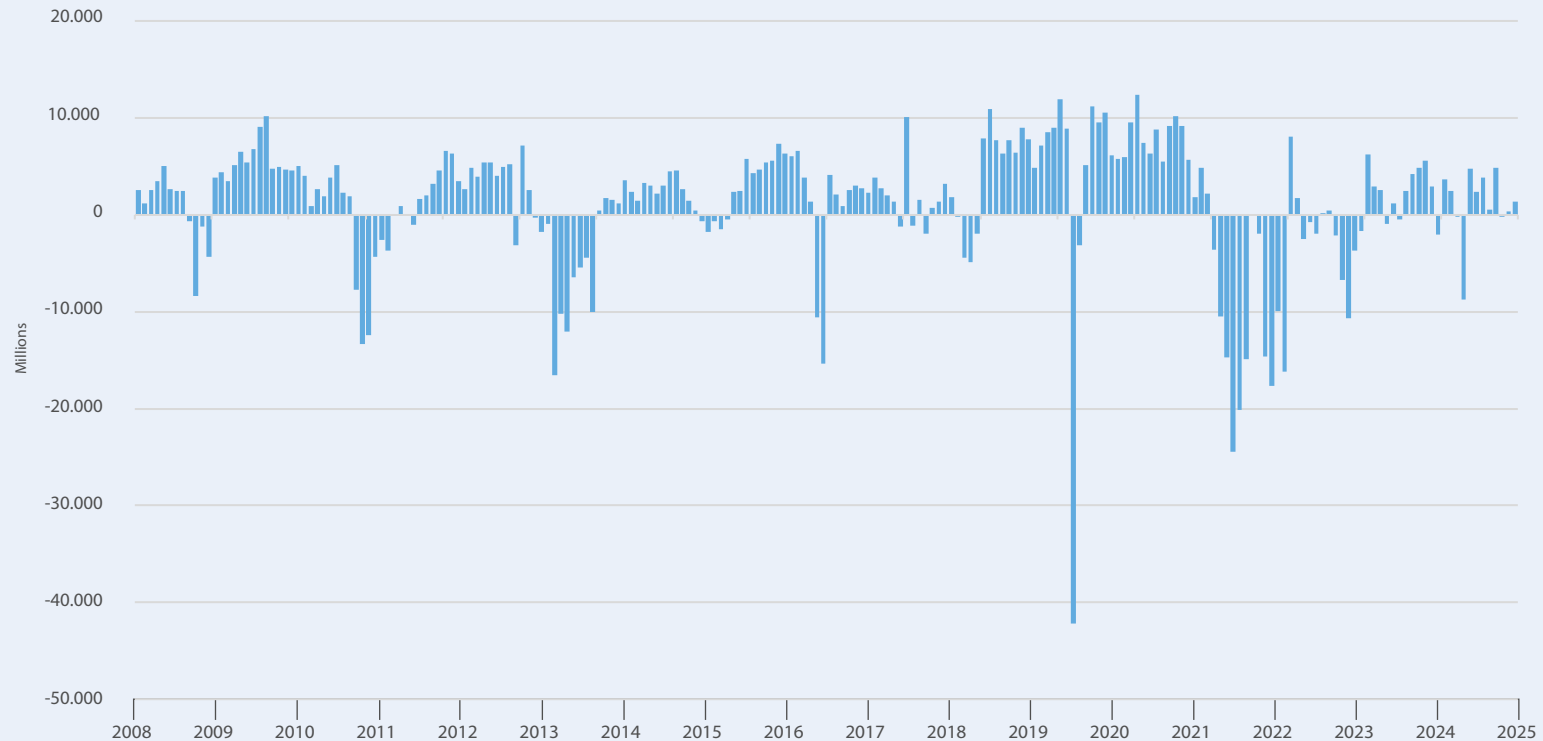
LOWER DEFAULT RATES

Munis offer lower default risk than corporate bonds



ICI MONTHLY MUNICIPAL FUND FLOWS

HISTORICALLY, MUNICIPAL FUND OUTFLOW CYCLES HAVE BEEN FOLLOWED BY PERIODS OF VIGOROUS INFLOWS AND PRICE REBOUNDS.



Source: Fund flows shown monthly between December 2008 and December 2025 according to the Investment Company Institute (ICI).
Past performance not indicative of future results. Please see the attached disclosures.

MEET OUR TEAM



KENNETH R. WOODS
CHAIRMAN /
PARTNER



CHARLES R. DOTY
CO-CEO /
PARTNER



KEVIN B. WOODS
CO-CEO / CIO /
PARTNER



PATRICIA H. HODGMAN
PRESIDENT /
PARTNER



KYLE GERBERDING
MANAGING DIRECTOR /
PORTFOLIO MANAGER /
PARTNER



LORI COHANE
MANAGING DIRECTOR /
PORTFOLIO MANAGER



OVADYA "OV" ARYEH
MANAGING DIRECTOR /
PORTFOLIO MANAGER



WESLEY WILLIAMS
COO /
PARTNER



BOB FARMER
SENIOR MANAGING
DIRECTOR



BRANDON DURNWALD
MUNICIPAL ANALYST



BRANDON HODGE
ASSOCIATE, TRADING
& OPERATIONS



COURTNEY TAYLOR
ASSOCIATE



ERGEN BANJA
ANALYST



HENRY TRAPNELL
ASSOCIATE



JORDAN SAXON
EXECUTIVE
ASSISTANT



KARIM VIRANI
MUNICIPAL
ANALYST



KATELIN BUTKUS
DIRECTOR OF FINANCE
& OPERATIONS



KYLE TURNIER
DIRECTOR
OF INVESTOR
RELATIONS



LAUREN OLSEN, CFA
DIRECTOR
PORTFOLIO MANAGER



MARY GREALEY
INVESTOR
RELATION
ASSOCIATE



MATTHEW RIGGLE
CO-DIRECTOR
OF RESEARCH



PAUL NOLAN
CO-DIRECTOR
OF RESEARCH



PETE CORRELL
ANALYST



PEYTON BOGARD
SENIOR
ASSOCIATE



TARA HART
CCO



THOMAS WELCH
VICE PRESIDENT
TRADER



TRISHA BROUSSARD
SENIOR VICE PRESIDENT /
PORTFOLIO MANAGER



WESLEY POND, CFA
SENIOR VICE PRESIDENT /
PORTFOLIO MANAGER

ABOUT US

AT APA, WE BELIEVE THAT EVERY INVESTMENT IS A PROMISE OF THE FUTURE, AND IT'S OUR DUTY TO TURN THAT PROMISE INTO REALITY. OUR BOUTIQUE APPROACH MAKES US YOUR TRUSTED PARTNER.

WITH OVER 30 YEARS OF EXPERIENCE IN THE MUNICIPAL BOND MARKET, WE ARE CONFIDENT WE WILL FIND THE PERFECT COMBINATION TO MEET YOUR GOALS FOR YOUR CLIENT PORTFOLIOS.

WE ARE HERE TO METICULOUSLY CARE FOR EVERY DETAIL. CLIENT BY CLIENT. BOND BY BOND.



Scan the code and
dive into our legacy

LEARN MORE ABOUT US



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MORE INFORMATION ABOUT APA INCLUDING ITS INVESTMENT STRATEGIES AND OBJECTIVES CAN BE OBTAINED BY VISITING WWW.APABONDS.COM. A COPY OF APA'S DISCLOSURE STATEMENTS, CRS, AND PART 2 OF FORM ADV ARE AVAILABLE BY VISITING OUR WEBSITE. OUR FORM ADV CONTAINS INFORMATION REGARDING OUR FIRM'S BUSINESS PRACTICES AND THE BACKGROUNDS OF OUR KEY PERSONNEL. PLEASE CONTACT APA AT 404-261-1333 IF YOU HAVE ADDITIONAL QUESTIONS.