



ASSET PRESERVATION  
ADVISORS

# MUNICIPAL BOND PORTFOLIO MANAGEMENT

Q1 2026

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  
**\$11.4B**  
AUM (3/31/26).

FOUNDED  
**MORE  
THAN 35**  
YEARS AGO.

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

**APA ADVANTAGE**

**11.4B**

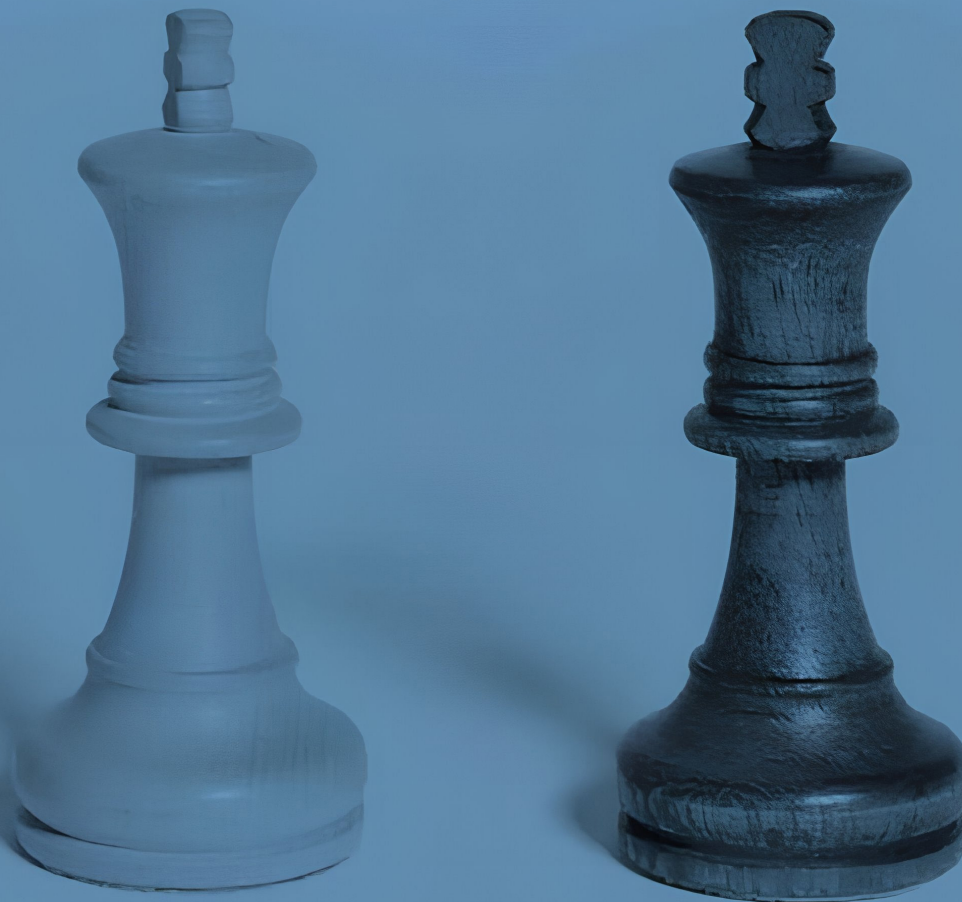
ASSETS UNDER  
MANAGEMENT  
AS OF 3/31/26

**28**

DEDICATED  
PROFESSIONALS  
MARCH 2026

INVESTMENT  
COMMITTEE AVERAGE  
EXPERIENCE

**25+**  
YEARS



**CREDIT  
RESEARCH  
GROUP**

CAREER  
ANALYST  
EXPERIENCE

**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](mailto: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



**Aim to unlock excess yield, spread, and annual income for client portfolios**

### OVERLOOKED OPPORTUNITIES

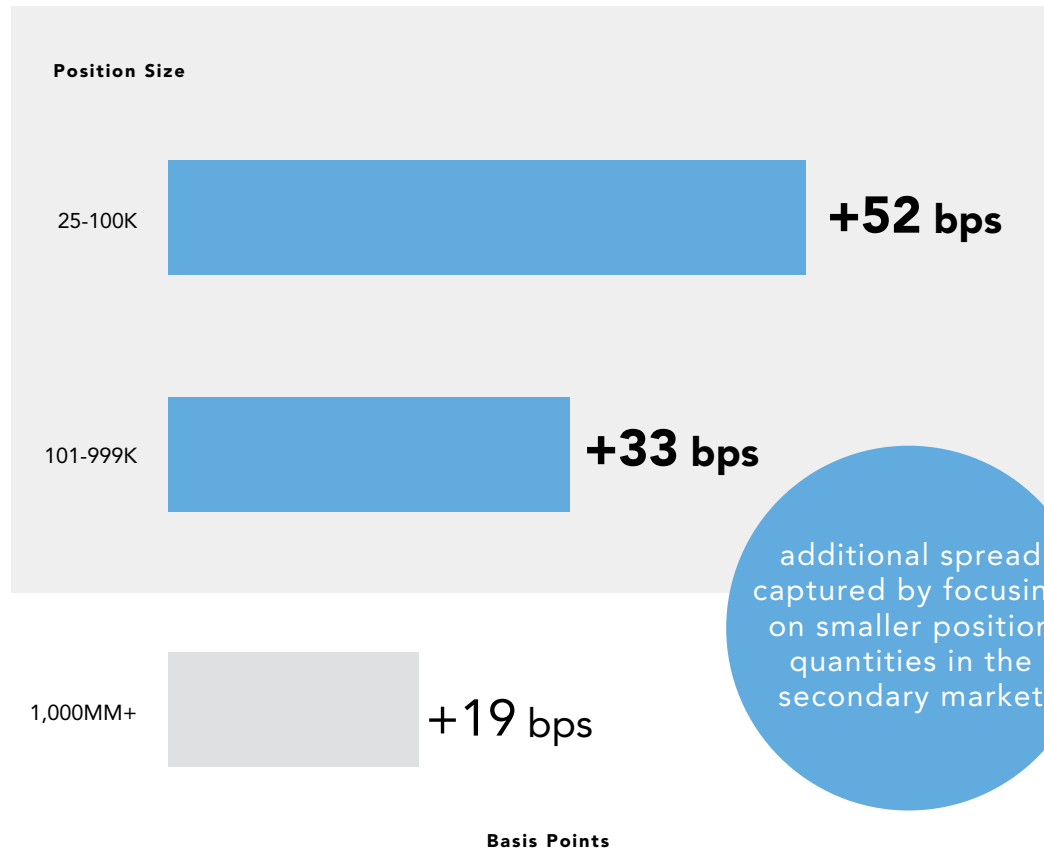
Engage in smaller blocks and odd lots that larger firms tend to ignore



**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.

CONVERSATIONS

01

COMPREHENSIVE EVALUATION

We begin each client relationship with a thorough assessment of your client's financial goals, risk tolerance, and tax needs.



02

TAX EFFICIENCY ANALYSIS

Each portfolio is constructed with tax efficiency as a guiding principle, based on the client's individual tax considerations.



CREDIT RESEARCH GROUP

03

CUSTOMIZED STRATEGY

Using the evaluation and tax analysis, we create investment strategies that align with client goals while minimizing tax liabilities.



04

MARKET EXPERTISE

As municipal bond experts, we actively search both primary and secondary markets for unique opportunities that match client specific needs.



TRADING TEAM

05

WEALTH PRESERVATION, BOND BY BOND

We provide detailed reports and updates on your portfolio, dedicated to safeguarding your wealth, bond by bond.



PORTFOLIO MANAGERS



RELATIONSHIPS

# INVESTMENT PROCESS

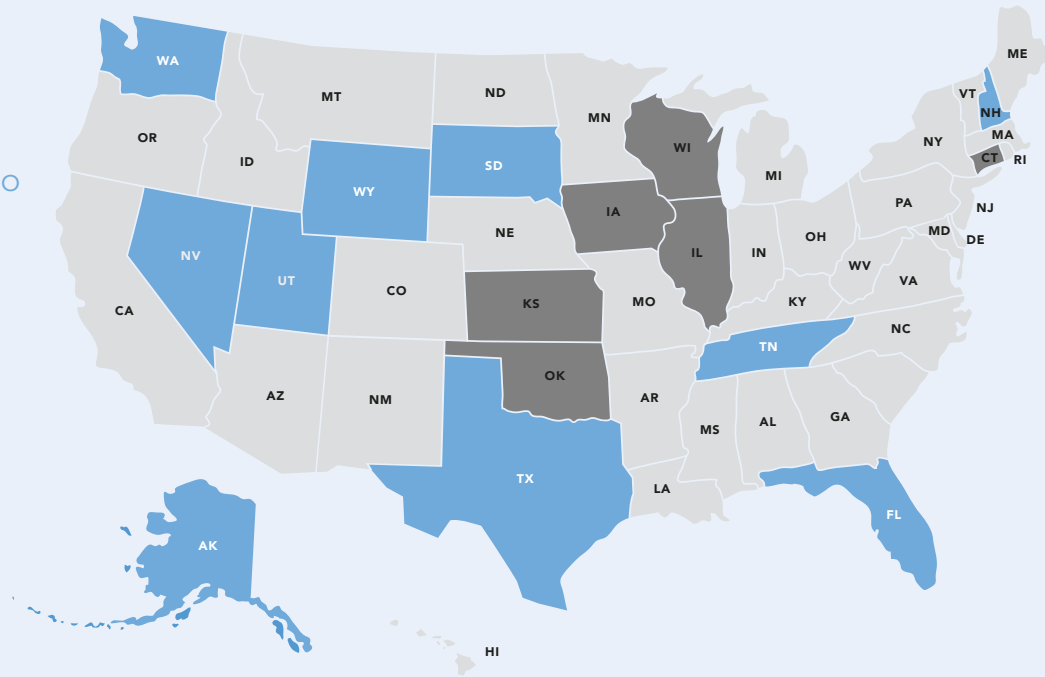
APA FOCUSES ON TAILORING PORTFOLIOS TO MEET THE UNIQUE INVESTMENT GOALS AND TAX SENSITIVITIES OF EACH CLIENT.

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 March 2026

\*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

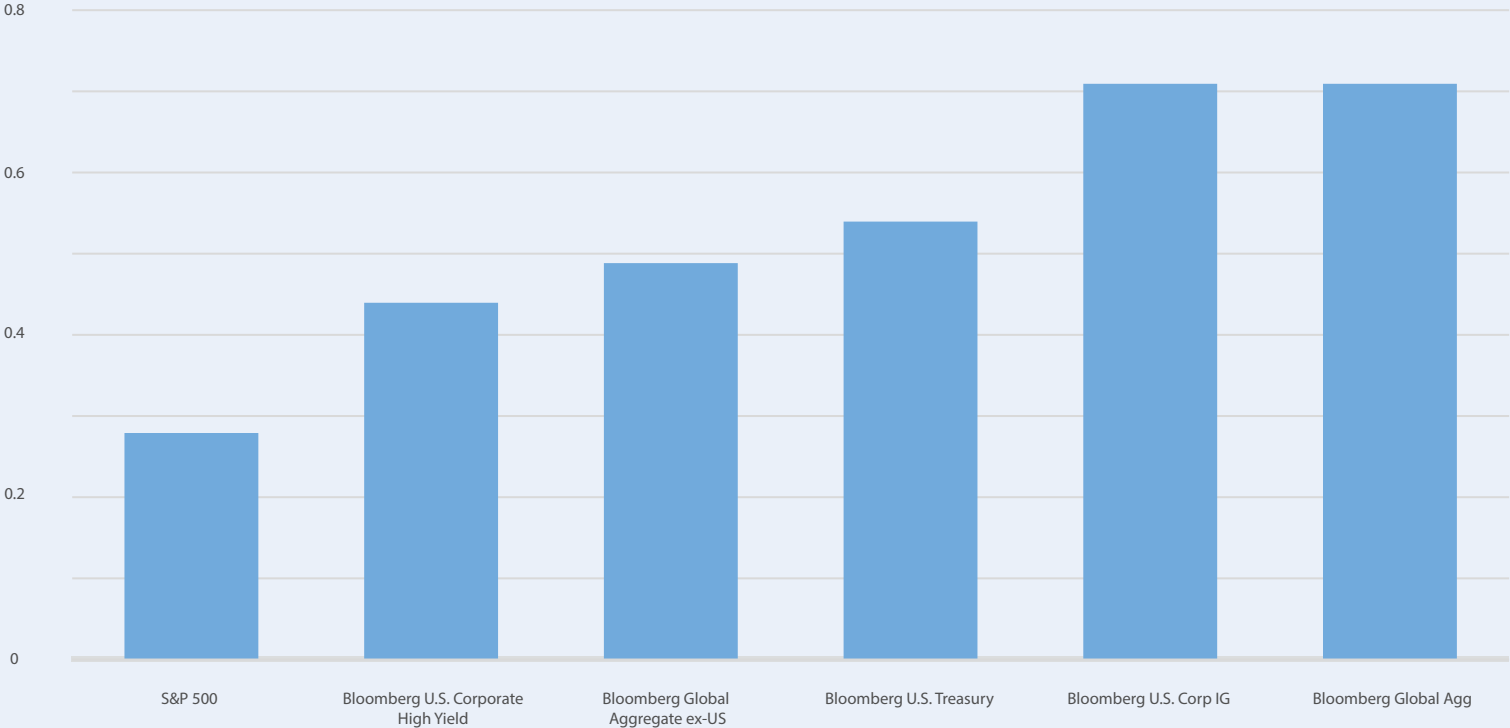
GENERAL OBLIGATIONS	ESSENTIAL SERVICE REVENUE BONDS
Use of Funds	Use of Funds
Tax Base (assessed value)	Net Assets
Economy (unemployment, etc.)	Operating Margins
Wealth (median household income, poverty, etc.)	Debt Service Coverage
Top Ten Taxpayers	Total Operating Revenues
General Fund Reserves (as % 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 March 2026

# ASSET CLASS CORRELATION

Correlation with municipal bonds, January 2007-March 2026

**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 March 2026

# 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 tiers<sup>1</sup>

Higher default risk, even at top ratings

#### DIVERSIFICATION

 Thousands of AA and above issuers

Limited to 2 AAA and 17 AA issuers<sup>2</sup>

#### YIELD

 Taxable-equivalents often beat corporates

Lower after-tax yields for high earners

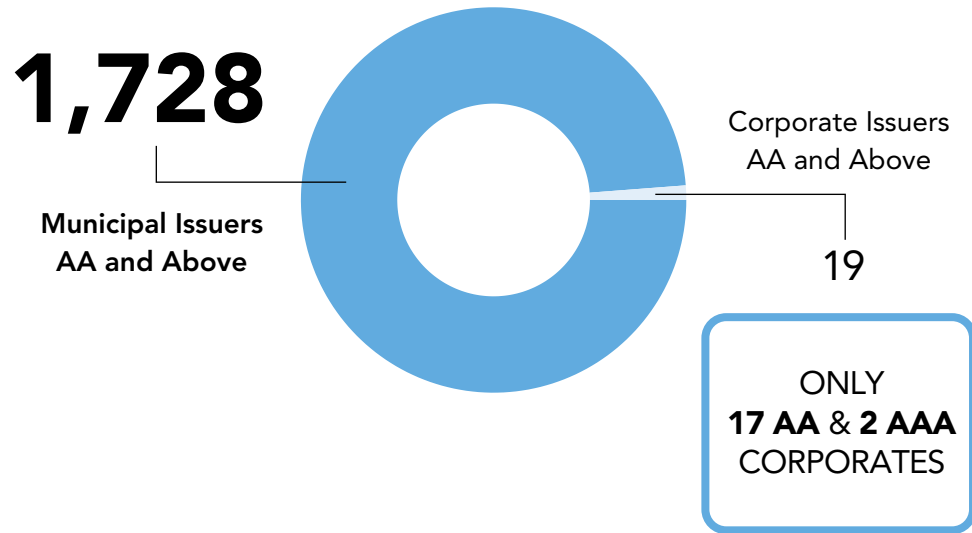
<sup>1</sup>S&P Global 2024

<sup>2</sup>Bloomberg & S&P March 2026

# TAX-EXEMPT MUNIS VS. CORPORATES

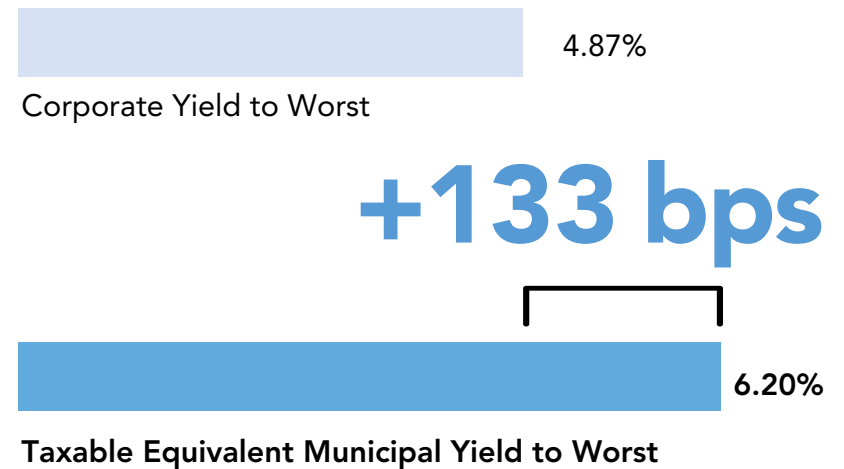
## HIGHER CREDIT QUALITY

Achieving quality and diversification with only corporates poses challenges.



Quantity of AA and Above S&P Ratings for Corporates vs. Municipals  
Source: Bloomberg 3/31/26

## HIGHER TAX-EQUIVALENT YIELDS



ICE BofA AA US Corporate Index vs. ICE BofA AA US Municipal Securities Index - TEY\*  
Source: Bloomberg 3/31/26

\*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

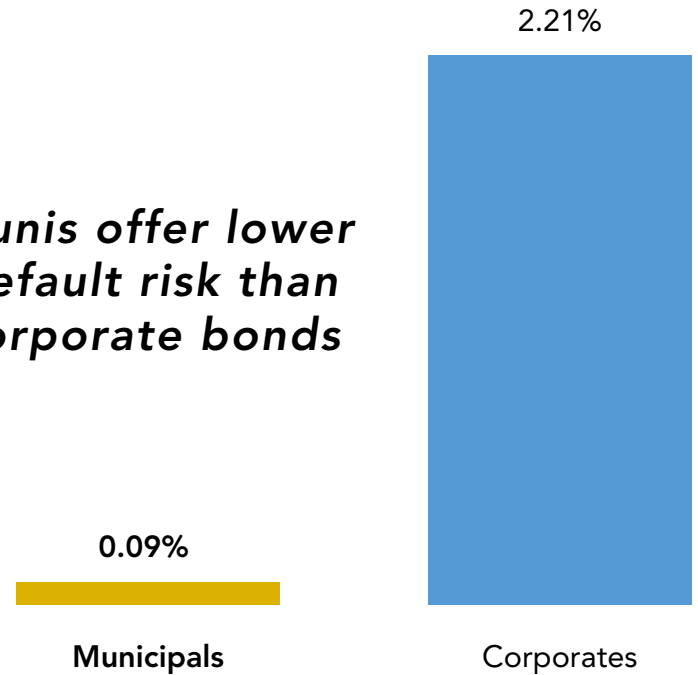
Bloomberg Municipal Bond	0.28
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*With a lower correlation to equities than corporates, munis provide more stability amid market volatility.*

Correlations of Corporate and Municipal Indices to S&P 500, January 2007 to March 2026  
Source: Zephyr 3/31/26

## LOWER DEFAULT RATES

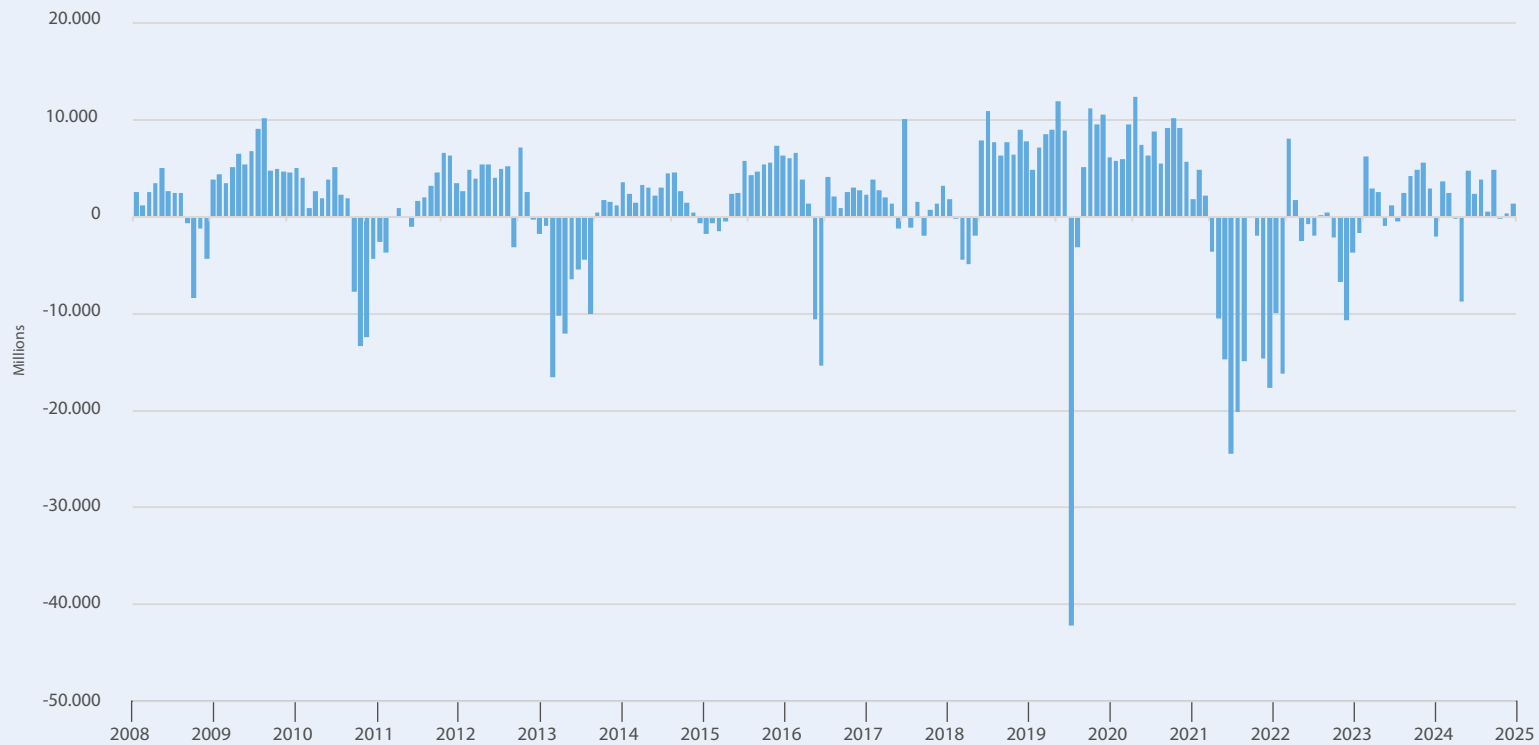
*Munis offer lower default risk than corporate bonds*



Investment-Grade, 10-Year Cumulative Default Rates Average, 1970 to 2023  
Source: Moody's

## 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



**ERGEN BANJA**  
ANALYST



**PEYTON BOGARD, CFA**  
SENIOR ASSOCIATE



**TRISHA BROUSSARD**  
SENIOR VICE PRESIDENT / PORTFOLIO MANAGER



**KATELIN BUTKUS**  
DIRECTOR OF FINANCE & OPERATIONS



**PETE CORRELL**  
ANALYST



**BRANDON DURNWALD**  
MUNICIPAL ANALYST



**BOB FARMER**  
SENIOR MANAGING DIRECTOR



**MARY GREALY**  
INVESTOR RELATION ASSOCIATE



**TARA HART**  
CCO



**BRANDON HODGE**  
ASSOCIATE, TRADING & OPERATIONS



**PAUL NOLAN**  
CO-DIRECTOR OF RESEARCH



**LAUREN OLSEN, CFA**  
DIRECTOR PORTFOLIO MANAGER



**WESLEY POND, CFA**  
SENIOR VICE PRESIDENT / PORTFOLIO MANAGER



**MATTHEW RIGGLE**  
CO-DIRECTOR OF RESEARCH



**JORDAN SAXON**  
EXECUTIVE ASSISTANT



**COURTNEY TAYLOR**  
ASSOCIATE



**HENRY TRAPNELL**  
ASSOCIATE



**KYLE TURNIER**  
DIRECTOR OF INVESTOR RELATIONS



**KARIM VIRANI**  
MUNICIPAL ANALYST



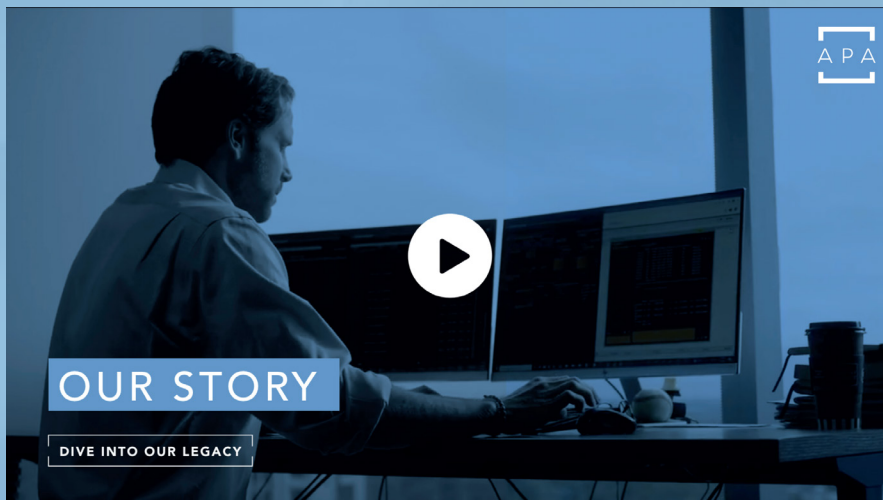
**THOMAS WELCH**  
VICE PRESIDENT TRADER

## 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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