



MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE UNIVERSITY OF LOUISVILLE REAL ESTATE FOUNDATION, INC.

In Open Session

Members of the Board of Directors of the University of Louisville Real Estate Foundation, Inc. met at 9:04 a.m. on April 28, 2022 in the University Club Ballroom. Members were present and absent as follows:

Present: Mr. Steve Gault, Chair Pro Tempore
Mr. Paul Carrico
Ms. Jill Force
Dr. Lori Gonzalez
Ms. Mariah Gratz
Mr. Earl Reed
Mr. Keith Sherman
Mr. Powell Spears
Ms. Sandy Metts Snowden

Absent: Mr. Ken Payne
Mr. Craig Hawley

From the Foundation: Ms. Julie Kroger, Executive Assistant
Mr. Jake Robertson, Senior Accountant
Mr. Justin Ruhl, Controller

From Legal Counsel: Mr. Franklin Jelsma, Wyatt, Tarrant & Combs

Guest: Mr. Kevin Grout, RunSwitch

I. Call to Order

Having determined a quorum present, Chair Pro Tempore Mr. Gault called the regular meeting to order at 9:06 a.m. No conflicts of interest or appearances of conflicts were identified.

II. Consent Agenda

Ms. Gratz made a motion, which Mr. Carrico seconded, to approve the **attached** Consent Agenda as listed: Approval of Minutes, January 27, 2022. The motion passed.

- III. Action Item: Approval of Administrative Services Agreement Schedule A
Mr. Sherman provided a high-level overview of the **attached** Administrative Services Agreement between the University of Louisville Real Estate Foundation and the University of Louisville Foundation agreement and fee schedule. He noted there is no mark up in fees, the Real Estate Foundation pays the actual operational costs incurred by the UofL Foundation to operate the Real Estate Foundation. Mr. Reed made a motion the Board approve the agreement and fees. Ms. Force seconded the motion. The motion passed.
- IV. Action Item: Approval of 2022-2022 Operating Budget
Mr. Gault stated drafts of the proposed budget and tax forms were reviewed at the informational workshops on April 11 and 12, 2022. Ms. Gratz made a motion that the Board approve the **attached** 2022-2023 operating budget. Mr. Spears seconded the motion. The motion passed.
- V. Audit, Compliance and Risk Management Committee Report
Mr. Spears reported the Committee recommends the Board authorize Mr. Sherman, subject to approval of legal counsel, to sign and file the University of Louisville Real Estate Foundation's 990 and 990T tax forms as well as the Louisville Medical Center Development Corporation's 990 tax form. The Board approved the recommendation.
- VI. Property Committee Report
Mr. Gault reported the Property Committee reviewed leasing activities across the portfolio and discussed a few specific business proposals at their meeting on April 18, 2022.
- VII. Information Item: Fiscal Year 2022 Third Quarter Financial Update
Mr. Ruhl reviewed the **attached** third quarter financial presentation highlighting the TIF increment receipts, the consolidated income statements and the statements of position.
- VIII. Report of the Executive Director
Mr. Sherman reported on some of the leasing activities. He noted FirstBuild is going to expand their footprint on the Belknap Campus, the sale of Humana Gym is on track pending a zoning change, and the downtown properties are doing well, the One Innovation Center is 93% full.
- IX. Executive Session to Discuss Potential Acquisition or Sale of Real Property, Specific Business Proposals and Proposed or Pending Litigation
Mr. Reed made a motion at 10:09 a.m., which Mr. Spears seconded, to go into executive session to discuss the potential acquisition or sale of real property, specific business proposals, and proposed or pending litigation pursuant to KRS 61.810(1)(b) (g) and (c). The motion passed.

X. Reconvene Open Session

Open session reconvened at 10:39 a.m., Mr. Gault reported that specific business proposals and the potential acquisition or sale of real property were discussed during the executive session.

Mr. Gault stated the Board had three actions to take. Mr. Jelsma read the **attached** resolutions regarding the gift of a downtown building from Humana Inc., the sale of property at 996 Breckinridge Lane, and the development of a business plan for the KY property.

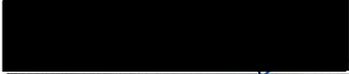
Ms. Snowden made a motion, which Mr. Spears seconded, to approve the receipt of the gift of the building at 515 West Market from Humana, Inc. The motion passed.

Mr. Carrico made a motion, which Mr. Spears seconded, to approve the sale of 996 Breckinridge Lane. The motion passed.

Mr. Reed made a motion, which Mr. Spears seconded, directing the Executive Director to develop a business plan related to the KYT property. The motion passed.

XI. Adjournment

Having no other business, Mr. Reed made a motion to adjourn, which Ms. Force seconded. The meeting adjourned at 10:42 a.m.


Powell Spears, Secretary
University of Louisville Real Estate Foundation, Inc.

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE UNIVERSITY OF LOUISVILLE REAL ESTATE FOUNDATION, INC.**

April 28, 2022

At a duly convened meeting of the Board of Directors (the “**Board**”) of the University of Louisville Real Estate Foundation, Inc., a Kentucky non-profit corporation (“**ULREF**”), held on April 28, 2022, the Board adopted the following resolution:

Administrative Services Agreement

RESOLVED, the Board approves the Administrative Services Agreement, including the initial fees in Schedule A, between the University of Louisville Foundation, Inc. and the University of Louisville Real Estate Foundation, Inc. as attached.

BOARD ACTION:

Passed X

Did Not Pass _____

Other _____



Craig Hawley, Secretary
University of Louisville Real Estate Foundation, Inc.

ADMINISTRATIVE SERVICES AGREEMENT

THIS ADMINISTRATIVE SERVICES AGREEMENT (the "Agreement"), is made and entered into as of May 1, 2022 (the "Effective Date"), by and between the **UNIVERSITY OF LOUISVILLE REAL ESTATE FOUNDATION, INC.** ("ULREF"), and **UNIVERSITY OF LOUISVILLE FOUNDATION, INC.** ("Service Provider"; and with ULREF each a "Party" and collectively, the "Parties").

A. ULREF is organized and operated to receive, hold, invest, and administer property and to make expenditures to and for the benefit of the University of Louisville.

B. The Service Provider is organized and operated to receive, hold, invest, and administer property and to make expenditures to and for the benefit of the University of Louisville.

C. ULREF needs certain services which the Service Provider is able to provide.

D. ULREF and the Service Provider desire to enter into this Agreement in order to formalize and document their agreement concerning the Services (as that term is defined below).

NOW, THEREFORE, in consideration of the foregoing, and the mutual covenants and agreements contained in this Agreement, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, ULREF and the Service Provider, intending to be legally bound, agree as follows:

1. Services. During the Term (as that term is defined in Section 4 below), the Service Provider will provide the services listed on Schedule A to ULREF (the "Services").

2. Monthly Service Fees. In exchange for each of the Services, each month during the Term, ULREF will pay to the Service Provider the Monthly Service Fee indicated next to each of the applicable Services on Schedule A. At the end of each month during the Term, the Service Provider will submit an invoice to ULREF in the amount of the total Monthly Service Fees incurred during such month. Such invoices will be due and payable within thirty (30) business days of receipt. Any invoice not paid within such 30 day period may be assessed finance charges equal to the lower of one and one-half percent (1.50%) per month or the maximum amount permitted by applicable law.

3. Increase of Monthly Service Fees during the Term. If, during the Term, the cost of providing any of the Services increases, the Service Provider may notify ULREF of such increase in cost and request an increase in the Monthly Service Fee applicable to such Service. Upon receipt of documentation establishing that the actual cost of providing the Service has increased directly proportionate to the amount of the requested increase in the Monthly Service Fee, ULREF shall have a period of sixty (60) days from ULREF's receipt of such document to either (i) reject the proposed Monthly Service Fee increase in which case the Service will be deleted from this Agreement and the Service Provider will no longer be obligated to provide such Service to ULREF or (ii) accept the increase in Monthly Service Fee; in either case this shall be accomplished by an amendment to this Agreement.

4. Term. The term of this Agreement (the “Term”) shall begin on the Effective Date and continue through June 30, 2027. Either Party can terminate this Agreement upon thirty (30) days prior written notice to the other Party.

5. Financial Information and Reporting. ULREF shall provide to Service Provider during the Term of this Agreement the following financial information: (i) as soon as it is available after the end of each fiscal year of ULREF beginning with its fiscal year ending June 30, 2021, ULREF’s audited financial statements; and (ii) as soon as it is available after the end of the fiscal year of ULREF beginning with its fiscal year ending June 30, 2021, ULREF’s Form 990, Return of Organization Exempt from Income Tax; and (iii) as soon as it is available beginning with its fiscal year ending June 30, 2021, an operating budget for ULREF for the immediately succeeding fiscal year. ULREF shall also provide to Service Provider’s Board of Directors, a quarterly report, presented by the chairperson of ULREF or his or her designee, on the financial performance of ULREF during the immediately preceding quarter, such quarterly report to include an update on the financial performance of ULREF, any development projects underway or study, and the amount of Tax Increment Financing revenue received year-to-date and during the immediately preceding quarter. ULREF shall also provide to Service Provider, with reasonable promptness, such other financial data and information with respect to ULREF as from time to time may reasonably be requested, including without limitation, any such data or information which may be requested by any governmental or public body or agency having jurisdiction over Service Provider.

6. Performance. The failure of either Party to insist upon strict performance of any provision of this Agreement shall not constitute a waiver of the right to insist upon strict performance of any other provision or the obligation to perform such provision strictly thereafter.

7. Indemnification. The Service Provider agrees, to the extent permitted by law, to indemnify, defend, and hold harmless ULREF, its members, affiliates, officers, managers, employees, agents and clients from and against any and all damages, claims, suits, losses, penalties, judgments, costs, fines, liabilities or expenses of whatever nature that ULREF may incur or suffer relating in any way to (i) to any breach or failure of the Service Provider to perform any of its representations and warranties contained in this Agreement; or (ii) any actual or alleged personal injury, death, economic loss or property damage, whatsoever related to this Agreement caused by the negligence or willful misconduct of Service Provider. The Parties agree to the allocation of liability risk set forth in this Section.

8. Representations and Warranties. The Service Provider represents as follows: (i) it shall use established, sound and professional knowledge, skill, judgment, principles and practices in accordance with the highest professional and industry standards in its provision of the Services under this Agreement; (ii) all work product shall conform to its specifications, requirements and descriptions in Schedule A; (iii) the Service Provider shall comply with all applicable laws, ordinances, codes and regulations in performing the Services under this Agreement; and (iv) it has the right to enter into and provide the Services required by this Agreement. ULREF is entitled to inspect and review all Services provided pursuant to this Agreement for conformity with the Service Provider’s obligations under this Agreement.

9. Relationship of Parties. ULREF and the Service Provider understand and agree that, with respect to and for the purposes of this Agreement, ULREF and the Service Provider are not

partners or joint venturers and nothing in this Agreement shall be construed so as to make them partners or joint venturers or impose any liability as such on either of them. The relationship between ULREF and the Service Provider with respect to and for the purposes of this Agreement shall be that of independent contractors. All employees furnished by the Service Provider are and shall be considered employees of the Service Provider. The Service Provider is solely responsible for the compensation of such employees, including without limitation salary, benefits, and insurance coverage, including but not limited to workers' compensation insurance and other liability insurance. No employee of the Service Provider shall receive any salary or other compensation or benefits from ULREF. The Service Provider shall pay all personnel, administrative, facilities and other costs and expenses necessary or required to provide the Services required to be rendered by it under this Agreement.

10. Notices. All notices and other communications under this Agreement shall be in writing and shall be delivered by hand or mailed by registered or certified mail (return receipt requested) or transmitted by facsimile to the Parties at the following addresses (or at such other addresses for a Party as shall be specified by like notice) and shall be deemed given on the date on which such notice is received:

If to ULREF:

University of Louisville Real Estate Foundation, Inc.
215 Central Avenue, Suite 212
Louisville, Kentucky 40208
Attention: Justin Ruhl
Email: Justin.ruhl@louisville.edu

If to the Service Provider:

University of Louisville Foundation, Inc.
215 Central Avenue, Suite 212
Louisville, Kentucky 40208
Attention: Keith Sherman
Email: keith.sherman@louisville.edu

11. Amendments. No amendments, waivers or modifications of this Agreement shall be made or deemed to have been made unless in writing executed by the Party to be bound thereby.

12. Confidentiality. As a condition to the provision of the Services, each Party agrees to treat any confidential information (i.e., information identified as such and if provided in writing marked as confidential) relating to the other in accordance with the provisions of this Section. Each Party agrees that the confidential information relating to the other will be used solely for the purpose of providing the Services and not for any other business purpose, and that such confidential information will be kept strictly confidential during and after the Term for a period of two (2) years. Each Party agrees to give access to the confidential information of the other Party only to those of its representatives who need to have access to such confidential information in order to provide the Services. Notwithstanding the foregoing, nothing in this Agreement shall prevent either Party from making a disclosure to the extent that such disclosure has been consented

to in writing by the other Party or is required by law, regulation, supervisory authority or other applicable judicial or governmental order. The term "confidential information", when used with respect to a Party, refers to any information concerning that Party, its affiliates and/or subsidiaries, including without limitation their businesses and future prospects, whether prepared by them or their representatives or otherwise, that is furnished or disclosed or learned in connection with this Agreement, whether furnished or disclosed or learned before or after the date of this Agreement, together with any analyses, compilations, studies or other documents prepared by the other Party or any of its representatives that contain or otherwise reflect such information; *provided that*, the term "confidential information" does not include information (i) about a Party that was or becomes generally available to the public other than as a result of a disclosure by the other Party or its representatives or (ii) that was or becomes available on a non-confidential basis from a source other than one of the Parties or its representatives, provided that such source was not known to be bound by any agreement to keep such information confidential, and was not otherwise prohibited from transmitting the information by a contractual, legal or fiduciary obligation.

13. Force Majeure. Neither Party shall be in default of this Agreement or liable to the other Party for any delay or default in performance where occasioned by any cause of any kind or extent beyond its control, including but not limited to, armed conflict or economic dislocation resulting therefrom; embargoes; shortages of labor, raw materials, production facilities or transportation; labor difficulties; civil disorders of any kind; action of any civil or military authorities (including priorities and allocations); fires; floods; and accidents. The dates on which the obligations of a Party are to be fulfilled shall be extended for a period equal to the time lost by reason of any delay arising directly or indirectly from:

A. Any of the foregoing causes, or

B. Inability of that Party, as a result of causes beyond its reasonable control, to obtain instruction or information from the other Party in time to perform its obligations by such dates.

14. Severability. If any provision in this Agreement or the application of such provision to any person or circumstance shall be invalid, illegal or unenforceable, the remainder of this Agreement or the application of such provision to persons or circumstances other than those to which it is held invalid, illegal or unenforceable shall not be affected thereby.

15. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute this Agreement.

16. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky, without giving effect to its conflict of law rules.

17. Specific Performance. Each Party acknowledges that the rights and obligations granted under this Agreement are of a special character which gives them a peculiar and unique value, the loss of which cannot be reasonably or adequately compensated in damages in an action at law. Without limiting either Party's right to pursue all other legal and equitable remedies available to it, each of the Parties agrees that the other Party shall be entitled to injunctive and other equitable

relief (including specific performance) to prevent any violation or continuing violation of this Agreement without the need to introduce evidence of the inadequacy of money damages to remedy such violation.

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SCHEDULE A

Services and Initial Fees

The following Services are covered by this Agreement and the following fees will apply subject to adjustments in accordance with this Agreement. The Service Provider will charge ULREF for actual costs incurred. The initial fees represent the per unit cost of the Services. These amounts may not be exceeded without the mutual consent of the Parties.

Services	<u>Effective May 1, 2022</u> Initial Fees / Unit	<u>Effective July 1, 2022</u> Initial Fees / Unit	Description
Executive Services	\$14,955.90/month	\$15,200/month	All executive and supervisory services necessary for the operation and administration of ULREF.
Accounting, Treasury, Tax, and other Finance Services	\$24,543.67/month	\$25,000/month	Accounting, treasury, cash, receivables, purchasing and payables, and tax services contributed by internal accounting staff to record, pay, track, and report financial activity of ULREF.
Property Manager	\$10,658.17/month	\$10,800/month	Maintenance and administration of real estate, buildings, and structures.
General & Administrative	\$3,500/month	\$4,000/month	Costs of postage, copying, I/T, software, payroll administration, training, travel, bank fees and related account charges, credit card and processing fees, and other miscellaneous general & administrative expenses for shared services vendors.
Legal	Actual Out of Pocket	Actual Out of Pocket	External counsel for general business matters
Other	Actual Out of Pocket	Actual Out of Pocket	All services and related expenses provided by a shared Service Provider not otherwise described above. Examples may include, but not limited to: <ul style="list-style-type: none"> - External audit(s) - Landscaping - Janitorial - Architectural - Pest control - Appraisal services - Fire safety and security - Snow removal - Security - Dues/ memberships/ subscriptions - Maintenance supplies
Total Fees	\$53,657.73/month	\$55,000/month	

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE UNIVERSITY OF LOUISVILLE REAL ESTATE FOUNDATION, INC.**

April 28, 2022

At a duly convened meeting of the Board of Directors (the “**Board**”) of the University of Louisville Real Estate Foundation, Inc., a Kentucky non-profit corporation (“**ULREF**”), held on April 28, 2022, the Board adopted the following resolution:

Operating Budget for 2022-2023

RESOLVED, the Board approves the ULREF operating budget for Fiscal Year 2022-2023 as presented. (Summary attached)

BOARD ACTION:

Passed X

Did Not Pass

Other



Craig Hawley, Secretary
University of Louisville Real Estate Foundation, Inc.

University of Louisville Real Estate Foundation

Consolidated Operating Proposed Budget

(in thousands)

	ULREF Proposed Budget FY 2023	NTS-Managed Proposed Budget FY 2023	Housing Proposed Budget FY 2023	Total Proposed Budget FY 2023	Annual Budget FY 2022	Forecast FY 2022	% to Budget	Actual FY 2021
Revenues								
Net rental revenue	\$ 2,286	\$ 1,455	\$ -	\$ 3,741	\$ 3,832	\$ 4,100	107%	\$ 3,719
Dorm rental revenue	-	-	8,582	8,582	8,186	8,200	100%	7,943
Parking revenue	-	794	-	794	759	800	105%	760
Tax increment financing revenues	9,300	-	-	9,300	6,916	9,300	134%	7,553
Other revenues	473	30	304	806	726	900	124%	708
Total revenues	12,059	2,279	8,886	23,224	20,419	23,300	114%	20,683
Expenses								
Salaries	-	163	1,180	1,343	1,285	1,200	93%	1,181
General and administrative	649	121	1,391	2,160	2,071	1,500	72%	1,627
Professional services	901	152	19	1,072	1,292	1,100	85%	1,300
Utilities	294	236	899	1,428	1,441	1,300	90%	1,397
Repairs and maintenance	325	375	1,401	2,101	1,843	1,800	98%	1,394
Depreciation and amortization	5,167	869	2,832	8,868	8,970	8,900	99%	9,027
Interest expense	330	284	1,736	2,350	2,412	2,400	100%	2,457
Total expenses	7,666	2,198	9,457	19,322	19,315	18,200	94%	18,384
Net income (loss)	\$ 4,393	\$ 81	\$ (571)	\$ 3,902	\$ 1,104	\$ 5,100	462%	\$ 2,299

University of Louisville Real Estate Foundation

Standalone Operating Proposed Budget

(in thousands)

	ULREF Proposed Budget FY 2023	Annual Budget FY 2022	FY 22 Forecast	% to Budget
Revenues				
Net rental revenue	\$ 2,286	\$ 2,483	\$ 2,862	115%
Tax increment financing revenues	9,300	6,916	9,336	135%
Other revenues	473	316	474	150%
Total revenues	12,059	9,715	12,672	130%
Expenses				
General and administrative	649	660	601	91%
Professional services	901	937	834	89%
Utilities	294	281	272	97%
Repairs and maintenance	325	376	302	80%
Depreciation and amortization	5,167	5,277	5,167	98%
Interest expense	330	300	242	81%
Total expenses	7,666	7,831	7,418	95%
Change in net assets	\$ 4,393	\$ 1,884	\$ 5,254	279%

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
UNIVERSITY OF LOUISVILLE REAL ESTATE FOUNDATION, INC.**

April 28, 2022

At a duly convened meeting of the Board of Directors (the “**Board**”) of the University of Louisville Real Estate Foundation, Inc., a Kentucky non-profit corporation (“**ULREF**”), held on April 28, 2022, the Board adopted the following resolution:

Filing of Tax Forms

WHEREAS, Foundation staff worked with DMLO on the preparation of the Form 990s and Form 990Ts.

WHEREAS, the tax forms were shared with each Board member in advance of the informational sessions on April 11 and April 12, 2022 for the Board to review and ask questions about the drafts of the same.

RESOLVED, upon the recommendation of the Audit, Compliance, and Risk Management Committee, the Board hereby authorizes the Executive Director, subject to approval of legal counsel, to sign and file the following:

1. University of Louisville Real Estate Foundation (Form 990, 990-T)
2. Louisville Medical Center Development Corporation (Form 990)

BOARD ACTION:

Passed X

Did Not Pass _____

Other _____



Mr. Craig Hawley Secretary
University of Louisville Real Estate Foundation, Inc.



**Fiscal Year 2022 – Third Quarter
Financial Update**

Executive Summary

LMCDC received a \$6.8 million payment from the KY Department of Revenue related to 2019 HSC TIF increment. We have heard back from the state and our request for 2020 TIF increment is currently under review.

The Humana Gym is on the docket in May to receive zoning approval. We have received an offer on Bed Bath & Beyond. Both properties should close by the end of the fiscal year.

With the increase in expected cash, we are exploring opportunities to reduce principal balances on outstanding debt, including ULF and the KYT loan.

ULREF Consolidated Statements of Position

- A. Cash increase over prior year due to receipt of \$6.8 million payment from KY Department of Revenue related to 2019 HSC TIF increment.
- B. Prior year accounts receivable included a significant balance for insurance billings related to the flood repairs at Community Park, which was an extraordinary event.
- C. Increase in prepaids and other assets related to increase in dorm-related prepaid insurance rates and increase in step rents receivable balances.

	March	
	2022	2021
	<i>(in thousands)</i>	
Assets		
Cash (A)	\$ 18,369	\$ 13,661
Accounts receivable, net (B)	584	1,370
Prepaids and other assets (C)	2,090	1,532
Investments in joint ventures	3,741	4,540
Intangibles, net	90,008	94,496
Capital assets, net	137,572	142,114
Total assets	\$ 252,364	\$ 257,713

See Appendix A for financial statements

ULREF Consolidated Statements of Position (cont'd)

- A. ULREF made a \$1 million principal payment on KYT note in December 2021.
- B. ULREF made \$4.5 million in payments over the past twelve months.

	March	
	2022	2021
	<i>(in thousands)</i>	
Liabilities and net assets		
Liabilities:		
Accounts payable	\$ 266	\$ 641
Other liabilities	2,028	2,057
Debt (A)	56,517	59,422
Due to ULF (B)	12,883	17,477
Total liabilities	71,694	79,597
Net assets	180,670	178,116
Total liabilities and net assets	\$ 252,364	\$ 257,713

See Appendix A for financial statements

ULREF Consolidated Income Statements

- A.** Rental revenues have exceeded budget due to the filling of vacancies at the One Innovation Center and the UofL Innovation properties
- B.** Dorm rental revenue has exceeded budget due to timing.
- C.** A \$6.8 million payment was received from the KY Department of Revenue related to 2019 HSC TIF increment. The budget variance is due to timing.
- D.** Bad debt expense is underbudget due to collections on a One Innovation Center tenant that was expected to be uncollectable

	For the Nine Months Ended March 31,									
	2022		2021		Variance	Budget	Variance			
	<i>(in thousands)</i>									
Revenues										
Net rental revenue	\$	3,269	\$	2,752	\$	517	\$	2,870	\$	399
Dorm rental revenue		7,109		6,478		631		5,873		1,236
Parking revenue		610		567		43		561		49
Tax increment financing revenue		6,836		7,553		(717)		-		6,836
Other revenues		773		822		(49)		556		217
Total revenues		18,597		18,172		425		9,860		8,737
Expenses										
Salaries		882		955		(73)		967		(85)
General and administrative		1,191		1,014		177		1,557		(366)
Professional services		845		918		(73)		925		(80)
Utilities		1,031		1,045		(14)		1,080		(49)
Repairs and maintenance		1,370		1,060		310		1,405		(35)
Depreciation and amortization		6,708		6,784		(76)		6,724		(16)
Interest expense		1,773		1,854		(81)		1,816		(43)
Total expenses		13,800		13,630		170		14,474		(674)
Change in net assets	\$	4,797	\$	4,542	\$	255	\$	(4,614)	\$	9,411

See Appendix A for financial statements

ULREF Debt

Loan	Terms	Fiscal Year of Maturity	Outstanding Principal at March 31, 2022 (in thousands)
220 S. Preston - Permanent Financing \$9.3 million	<ul style="list-style-type: none"> Fixed 3.65% rate 5-year maturity and 20-year amortization, balloon payment at maturity Quarterly principal and interest payments 	2024	\$ 8,056
KYT, LLC – Note Payable \$19.5 million	<ul style="list-style-type: none"> Variable rate - LIBOR plus 1.95% Monthly interest-only payments Principal due in full at maturity 	2024	\$ 11,000
Dorm, LLCs - Northwestern Mutual Loan \$42.0 million	<ul style="list-style-type: none"> Fixed 4.77% rate 20-year amortization Monthly principal and interest payments 	2038	\$ 37,461

Schedule of Cumulative Remaining Payments

<i>(in thousands)</i>	
Year ending June 30,	
2022	\$ 363
2023	1,987
2024	20,067
2025	1,672
2026	1,754
Thereafter	30,674
	\$ 56,517

Debt without Payment Schedule

Outstanding Principal at March 31, 2022	
<i>(in thousands)</i>	
Due to ULF	\$ 12,883

Real Estate Performance

- Campus Two and Campus Three are non-consolidated joint ventures. ULREF is a 51% partner in these JVs. PP&E values are not included on ULREF's balance sheet. JV total capital asset value include infrastructure investments at ShelbyHurst incurred by the Foundation.

	Annualized Cash Flows (Deficit)	Total Cash Investment <i>(in thousands)</i>	Annualized Return (Loss) on Investment
<u>Strategic Properties</u>			
Cardinal Station	1,013	12,752	7.9%
JD Nichols Garage	162	9,125	1.8%
UofL Research Park (LRP)	(302)	8,500	(3.6%)
One Innovation Center	197	7,579	2.6%
Bed Bath & Beyond	453	7,000	6.5%
Solae	192	3,600	5.3%
UofL Optimal Aging	63	3,567	1.8%
K-I Lumber	155	3,441	4.5%
South Preston Lot	46	2,885	1.6%
301 Lot Surface Parking	52	2,826	1.8%
<u>Joint Ventures</u>			
Campus Two	355	3,575	9.9%
Campus Three	276	5,226	5.3%

Historical TIF Increment Receipts

- 2020 State TIF Increment is currently under review by the Kentucky Department of Revenue.
- 2019 and 2020 Metro TIF increments are currently under review by Louisville Metro Revenue.
- The Health Science Campus (HSC) and Belknap Campus TIFs were activated in 2011 and 2014, respectively.

Tax Year	Health Science Campus TIF		Belknap Campus TIF		Total
	State	Metro	State	Metro	
	<i>(in thousands)</i>				
2011	4,632	775	-	-	5,407
2012	4,544	1,443	-	-	5,987
2013	3,819	1,083	-	-	4,902
2014	2,087	1,722	4	36	3,849
2015	2,648	1,653	182	86	4,569
2016	5,191	2,281	-	376	7,848
2017	6,794	2,298	-	360	9,452
2018	7,198	1,911	-	355	9,464
2019	6,836	-	-	-	6,836
Total	\$ 43,749	\$ 13,166	\$ 186	\$ 1,213	\$ 58,314

Appendix A

University of Louisville Real Estate Foundation, Inc.
Consolidated Statements of Financial Position
(in thousands)

	March		Variance
	2022	2021	\$
Assets			
Cash	\$ 18,369	\$ 13,661	\$ 4,708
Accounts receivable, net	584	1,370	(786)
Prepays and other assets	2,090	1,532	558
Investments in joint ventures	3,741	4,540	(799)
Intangibles, net	90,008	94,496	(4,488)
Capital assets, net	137,572	142,114	(4,542)
Total assets	\$ 252,364	\$ 257,713	\$ (5,349)
 Liabilities and net assets			
Liabilities:			
Accounts payable	\$ 266	\$ 641	\$ (375)
Other liabilities	2,028	2,057	(29)
Debt	56,517	59,422	(2,905)
Due to ULF	12,883	17,477	(4,594)
Total liabilities	71,694	79,597	(7,903)
Net assets	180,670	178,116	2,554
Total liabilities and net assets	\$ 252,364	\$ 257,713	\$ (5,349)

University of Louisville Real Estate Foundation, Inc.
Consolidated Statements of Activities
(in thousands)

For the Month Ended March 31,				
2022	2021	Variance	Budget	Variance
\$ 359	\$ 329	\$ 30	\$ 322	\$ 37
848	745	103	661	187
70	63	7	62	8
-	-	-	-	-
181	115	66	49	132
1,458	1,252	206	1,094	364
94	107	(13)	106	(12)
181	592	(411)	172	9
80	118	(38)	92	(12)
153	171	(18)	119	34
141	171	(30)	235	(94)
752	749	3	748	4
195	207	(12)	199	(4)
1,596	2,115	(519)	1,671	(75)
\$ (138)	\$ (863)	\$ 725	\$ (577)	\$ 439

For the Nine Months Ended March 31,				
2022	2021	Variance	Budget	Variance
Revenues				
\$ 3,269	\$ 2,752	\$ 517	\$ 2,870	\$ 399
7,109	6,478	631	5,873	1,236
610	567	43	561	49
6,836	7,553	(717)	-	6,836
773	822	(49)	556	217
18,597	18,172	425	9,860	8,737
Expenses				
882	955	(73)	967	(85)
1,191	1,014	177	1,557	(366)
845	918	(73)	925	(80)
1,031	1,045	(14)	1,080	(49)
1,370	1,060	310	1,405	(35)
6,708	6,784	(76)	6,724	(16)
1,773	1,854	(81)	1,816	(43)
13,800	13,630	170	14,474	(674)
\$ 4,797	\$ 4,542	\$ 255	\$ (4,614)	\$ 9,411

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
UNIVERSITY OF LOUISVILLE REAL ESTATE FOUNDATION, INC.**

April 28, 2022

At a duly convened meeting of the Board of Directors (the “**Board**”) of the University of Louisville Real Estate Foundation, Inc., a Kentucky non-profit corporation (“**ULREF**”), held on April 28, 2022, the Board adopted the following resolution:

515 W. Market Street

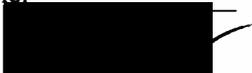
RESOLVED, based upon the recommendation of the Property Committee and after discussion of anticipated operating costs, the Board hereby approves receipt of the gift of the building located at 515 West Market from Humana, Inc. The Executive Director is authorized and directed, on behalf of ULREF, to negotiate definitive documentation of such gift on terms which are acceptable to and approved by the Property Committee.

BOARD ACTION:

Passed X

Did Not Pass _____

Other _____



Craig Hawley, Secretary
University of Louisville Real Estate Foundation, Inc.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
UNIVERSITY OF LOUISVILLE REAL ESTATE FOUNDATION, INC.**

April 28, 2022

At a duly convened meeting of the Board of Directors (the “**Board**”) of the University of Louisville Real Estate Foundation, Inc., a Kentucky non-profit corporation (“**ULREF**”), held on April 28, 2022, the Board adopted the following resolutions:

996 Breckinridge Lane – Bed, Bath, & Beyond Property

RESOLVED, based upon the recommendation of the Property Committee, the Board hereby approves and authorizes the sale of 996 Breckinridge Lane, the property commonly referred to as Bed, Bath & Beyond building. The Board authorizes and directs the Executive Director, on behalf of URLEF, to negotiate and finalize such sale, including definitive documentation on terms and conditions which he, in consultation with legal counsel, believes to be commercially reasonable.

BOARD ACTION:

Passed X

Did Not Pass

Other



Craig Hawley, Secretary
University of Louisville Real Estate Foundation, Inc.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
UNIVERSITY OF LOUISVILLE REAL ESTATE FOUNDATION, INC.**

April 28, 2022

At a duly convened meeting of the Board of Directors (the “**Board**”) of the University of Louisville Real Estate Foundation, Inc., a Kentucky non-profit corporation (“**ULREF**”), held on April 28, 2022, the Board adopted the following resolutions:

Business Plan for KYT Property

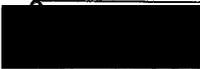
RESOLVED, the Board authorizes and directs the Executive Director and staff to continue to develop a business plan relating to the KYT property and potential for constructing building(s) on such property for lease to potential tenants.

BOARD ACTION:

Passed X

Did Not Pass

Other



Craig Hawley, Secretary
University of Louisville Real Estate Foundation, Inc.