



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 9:05 a.m. on October 23, 2025, in the Foundation's Board Room in Cardinal Station, 215 Central Avenue. Members were present and absent as follows:

Present: Mr. Powell Spears, Chair Pro Tem
Mr. Scott Brinkman
Mr. Charlie Dahlem
Mr. Jake Smith

Absent: Ms. Mariah Gratz

From the ULF Board: Dr. Gerry Bradley
Mr. Mark Nickel

From the Foundation: Mr. Keith Sherman, Executive Director and COO
Mr. Jake Robertson, Manager of Accounting & Financial Reporting
Ms. Julie Soule, Executive Assistant

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

I. Call to Order

Having determined a quorum present, Chair Pro Tem Spears called the regular meeting to order at 9:05 a.m. No conflicts of interest or appearances of conflicts were identified.

II. Consent Agenda

Mr. Spears read the Consent Agenda as follows: Approval of Minutes from the July 24, 2025, meeting. Mr. Brinkman made a motion, which Mr. Dahlem seconded, to approve the Consent Agenda. The motion passed.

III. Report of the Executive Director

Mr. Sherman provided an overview of the **attached** financial presentation. He noted the balance sheet is strong with limited debt, which has been reduced over the past year and is continuing to be paid down. The Foundation's cash position is good.

IV. Executive Session to Discuss Potential Acquisition or Sale of Real Property and a Specific Business Proposal Pursuant to KRS 61.810(1)(b)(g) and (g)

Mr. Brinkman made a motion at 9:25 a.m., which Mr. Dahlem seconded, to go into an executive session to discuss the potential acquisition or sale of real property and a specific business proposal pursuant to KRS 61.810(1)(b) and (g). The motion passed.

V. Reconvene Open Session

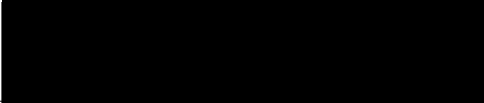
When the open session was reconvened at 10:18 a.m., Mr. Spears reported that the potential acquisition of real property and a specific business proposal were discussed during the executive session. There was no action.

VI. Other Business

Mr. Sherman provided an update on the real estate portfolio, indicating that its performance remains in line with expectations.

VII. Adjournment

Having no further business, Mr. Smith made a motion to adjourn, which Mr. Brinkman seconded. The motion passed and the meeting adjourned at 10:28 a.m.



Charles J. Dahlem, Secretary
University of Louisville Real Estate Foundation, Inc.



**FINANCE UPDATE AS OF
SEPTEMBER 30, 2025**

EXECUTIVE SUMMARY

THROUGH SEPTEMBER 30, 2025

Financial Results:

- ULREF's balance sheet remains strong with over \$18 million in cash and short-term investments and a year-over-year reduction in debt of \$3 million.

TIF:

- ULREF recorded a receivable for \$9.75 million for 2023 increment related to the HSC TIF. The payment was received from the State in October.

Real Estate:

- The Sheriff's office began paying rent at 515 W. Market Street.

ULREF Consolidated Income Statements

A. LMCDC received \$9.75 million from the State for 2023 increment related to the HSC TIF. Tax year 2022 and 2023 withholding information for both TIFs has been submitted to Louisville Metro and is currently under review.

Q1 financial information related to the Dorm LLCs is not included in this presentation.

	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Budget</u>	<u>Variance</u>
	<i>(in thousands)</i>				
Revenues					
Investment returns, net	\$ 104	\$ 40	\$ 64	\$ 61	\$ 43
Gifts	-	-	-	-	-
Tax incremental financing revenues (A)	9,745	8,376	1,369	2,000	7,745
Rental revenues	2,379	2,360	19	2,285	94
Other revenues	1,525	1,307	218	1,269	256
Total revenues, excl. dorms	13,753	12,083	1,670	5,615	8,138

ULREF

Consolidated Income Statements (cont'd)

A. Support payments to UofL represent free rents provided to the University for certain properties. Support is tracking ahead of budget due to the increased property values established through the ULF-ULREF reorg.

Q1 financial information related to the Dorm LLCs is not included in this presentation.

	2025	2024	Variance	Budget	Variance
	<i>(in thousands)</i>				
Expenses					
Support payments to UofL (A)	354	354	-	170	184
Repairs and maintenance	537	523	14	524	13
Property manager fees	673	743	(70)	725	(52)
Utilities	355	385	(30)	421	(66)
Interest expense	37	32	5	50	(13)
Employee salaries and benefits	180	174	6	179	1
Professional services	120	71	49	215	(95)
Insurance premiums	59	107	(48)	73	(14)
General, administrative, and other	587	854	(267)	538	49
Depreciation and amortization	2,806	2,334	472	1,950	856
Total operating expenses, excl. dorms	5,708	5,577	131	4,845	863
Other income (expenses)					
Dorm-related revenues	-	2,326	(2,326)	2,771	(2,771)
Dorm-related expenses	-	(3,026)	3,026	(2,771)	2,771
Total dorm-related income (expenses)	-	(700)	700	-	-
Consolidated net income (loss)	8,045	5,806	2,239	770	7,275

ULREF Consolidated Statements of Position

- A. TIF proceeds held in money market account currently earning 4.1%.

Q1 financial information related to the Dorm LLCs is not included in this presentation.

	September	
	2025	2024
	<i>(in thousands)</i>	
Assets		
Cash	\$ 5,789	\$ 5,705
Accounts receivable, net	11,319	10,670
Prepays and other assets	8,795	8,776
Short-term investments (A)	12,899	12,575
Intangibles, net	149,657	158,323
Real estate and other capital assets, net	233,656	223,122
Total assets	\$ 422,115	\$ 419,171

ULREF Consolidated Statements of Position (cont'd)

- A. ULREF made an accelerated payment of \$1.5 million on the 220 S. Preston garage loan in September.

	September	
	2025	2024
	<i>(in thousands)</i>	
Liabilities and net assets		
Liabilities:		
Accounts payable	\$ 1,128	\$ 1,804
Other liabilities	2,461	5,013
Debt (A)	33,706	36,940
Total liabilities	37,295	43,757
Net assets	384,820	375,414
Total liabilities and net assets	\$ 422,115	\$ 419,171

Q1 financial information related to the Dorm LLCs is not included in this presentation.

Investment Properties Performance: Internal Rate of Return

(\$'s,000's)

- Properties held primarily for financial return
- Purpose:
 - Generate income (rent, lease payments)
 - Capital appreciation
 - Provide a hedge against inflation and diversify the portfolio

Address	Investment (in thousands)	Five-Year Internal Rate of Return	Ten-Year Internal Rate of Return	Major Tenants
300 E. Market Street	7,640	1.7%	11.6%	Atria Senior Living
220 S. Preston Street	15,190	-3.3%	-0.2%	Parking garage
996 Breckenridge Lane	7,250	4.9%	5.5%	PGA SuperStore
515 W. Market Street	10,421	7.2%	8.6%	Jefferson Co. Sheriff
600 N. Hurstbourne Pkwy	8,795	10.1%	9.9%	Churchill Downs
700 N Hurstbourne Pkwy	3,757	12.3%	12.2%	Steel Technologies
500 N. Hurstbourne Pkwy	5,311	9.3%	9.5%	Ventas

Investment Properties Performance: Cash on Cash Return

(\$'s,000's)

A. ULREF made an accelerated payment of \$1.5 million on the 220 S. Preston garage loan in September.

Address	Annualized Cash Flows (Deficit) <i>in thousands</i>	Investment <i>in thousands</i>	Annualized Return (Loss) %	Major Tenants
300 E. Market Street	(178)	7,640	-2.3%	Atria Senior Living
220 S. Preston Street	(1,202)	15,190	-7.9%	Parking garage
996 Breckenridge Lane	468	7,250	6.5%	PGA SuperStore
515 W. Market Street	20	10,421	0.2%	Jefferson Co. Sheriff
600 N. Hurstbourne Pkwy	490	8,795	5.6%	Churchill Downs
700 N Hurstbourne Pkwy	214	3,757	5.7%	Steel Technologies
500 N. Hurstbourne Pkwy	367	5,311	6.9%	Ventas

Debt

Loan	Terms	Maturity Date	Outstanding Principal September 30, 2025 <i>(in thousands)</i>
Dorm, LLCs - Northwestern Mutual Loan \$42 million	<ul style="list-style-type: none"> Fixed 4.77% rate 20-year amortization Monthly principal and interest payments 	December 2038	\$ 32,284
220 S. Preston - Permanent Financing \$9.3 million	<ul style="list-style-type: none"> Daily SOFR plus an unadjusted spread of 125 basis points plus a SOFR adjustment of 10 basis points - 5.76% Quarterly principal payments of \$116,754, with a final installment due on June 1, 2029 	June 2029	\$ 1,422

Schedule of Cumulative Remaining Payments

<i>(in thousands)</i>	
Year ending June 30,	
2026	1,961
2027	2,306
2028	2,396
2029	2,160
2030	2,122
Thereafter	22,761
	\$ 33,706

Debt without Payment Schedule

Outstanding Principal at September 30, 2025	
<i>(in thousands)</i>	
ULDC LOC	\$ 14,634