



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 9:01 a.m. on January 22, 2026, in the Foundation's Board Room in Cardinal Station, 215 Central Avenue. Members were present and absent as follows:

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

Absent: Ms. Mariah Gratz

From the ULF Board: Mr. Mark Nickel

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

From Legal Counsel: Mr. Franklin Jelsma, Bricker Graydon Wyatt

I. Call to Order

Having determined a quorum present, Chair Pro Tem Dahlem called the regular meeting to order at 9:01 a.m. No conflicts of interest or appearances of conflicts were identified.

Mr. Sherman introduced and welcomed Ms. Batliner to her first Board meeting.

II. Consent Agenda

Mr. Dahlem read the Consent Agenda as follows: Approval of Minutes from the October 23, 2025, meeting. Mr. Smith made a motion, which Mr. Brinkman seconded, to approve the Consent Agenda. The motion passed.

III. Report of the Executive Director

Ms. Batliner provided an overview of the **attached** financial presentation. She noted the balance sheet is solid with over \$17 million in short-term investments and a year-over-year reduction in debt of \$3.5 million. ULREF has received over \$10.1 million in TIF

increment, \$9.75 million for 2023 increment related to the HSC TIF and \$412,000 for 2022 increment related to the Belknap TIF.

Mr. Sherman provided an overview of the real estate portfolio. The portfolio is performing as expected. Highlights include:

- *1831 Blankenbaker Parkway*: The Foundation received Blankenbaker Crossings Retail Center as a gift in fulfillment of a pledge to the University of Louisville.
- *Tallman property*: ULREF will be receiving commercial property in Ohio through a bequest. The property will be sold upon receipt, with all proceeds directed to support the University.
- *Research Park*: The University has secured funding for the first building. The Foundation has commenced site preparation, which includes clearing trees and saplings, grinding concrete and brick debris, removing dumped waste, and grading the site.
- Discussions with the University regarding potential future development of the Solae property and Cardinal Center are ongoing.

IV. Executive Session to Discuss Potential Acquisition or Sale of Real Property Pursuant to KRS 61.810(1)(b)

Mr. Smith made a motion at 9:33 a.m., which Mr. Brinkman seconded, to go into an executive session to discuss the potential acquisition or sale of real property pursuant to KRS 61.810(1)(b). The motion passed.

V. Reconvene Open Session

When the open session was reconvened at 9:56 a.m., Mr. Dahlem reported that the potential acquisition of real property was discussed during the executive session.

Mr. Dahlem read the **attached** resolution regarding the sale of real property located at 515 W. Market Street. Upon a motion by Mr. Brinkman, seconded by Mr. Smith, the Board approved the resolution.

VI. Other Business

Mr. Sherman reviewed the **attached** Banking Authority resolution, noting the addition of Ms. Batliner as an approved signatory. Upon a motion by Mr. Dahlem, seconded by Mr. Smith, the Board approved the resolution.

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 10:00 a.m.



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



**FINANCE UPDATE AS OF
DECEMBER 31, 2025**

EXECUTIVE SUMMARY

THROUGH DECEMBER 31, 2025

Financial Results:

- ULREF's balance sheet is solid with over \$17 million in short-term investments and a year-over-year reduction in debt of \$3.5 million.

TIF:

- ULREF has received over \$10.1 million in TIF increment, \$9.75 million for 2023 increment related to the HSC TIF and \$412,000 for 2022 increment related to the Belknap TIF. The State has issued a preliminary calculation for 2023 increment related to the Belknap TIF which is currently being reviewed.

Real Estate:

- ULREF's portfolio of properties is performing as expected.

ULREF

Consolidated Income Statements

- A. ULREF received \$9.75 million from the State for 2023 increment related to the HSC TIF and \$412,000 from Louisville Metro for 2022 increment related to the Belknap TIF. Louisville Metro is working on calculations for the 2022 increment for the HSC TIF and 2023 increment for both TIFs.
- B. Rental revenues tracking ahead of budget and prior year primarily due to Jefferson County Sherriff lease at 515 building effective 7.1.25.

| | For the Six Months Ended December 31, | | | | |
|---|---------------------------------------|---------------|----------------|--------------|--------------|
| | 2025 | 2024 | Variance | Budget | Variance |
| | <i>(in thousands)</i> | | | | |
| Revenues | | | | | |
| Investment returns, net | \$ 227 | \$ 191 | \$ 36 | \$ 121 | \$ 106 |
| Tax incremental financing revenues (A) | 10,157 | 8,376 | 1,781 | 4,000 | 6,157 |
| Rental revenues (B) | 5,492 | 4,610 | 882 | 4,628 | 864 |
| Other revenues | 494 | 5,839 | (5,345) | 450 | 44 |
| Total revenues, excl. dorms & golf | 16,370 | 19,016 | (2,646) | 9,199 | 7,171 |

ULREF

Consolidated Income Statements (cont'd)

- A.** Support payments to UofL represent free and discounted rents provided to the University for certain properties. Support is tracking ahead of budget and prior year due to the increased property values established through the ULF-ULREF reorg and the inclusion of four additional properties for which the University receives free rent.
- B.** Professional services tracking below budget due to timing of certain projects.
- C.** Depreciation and amortization tracking ahead of budget due to increased property values established through ULF-ULREF reorg.

Financial information related to the Dorm LLCs and golf course for FY25 is presented through November.

| | For the Six Months Ended December 31, | | | | |
|---|---------------------------------------|--------------|----------------|--------------|--------------|
| | 2025 | 2024 | Variance | Budget | Variance |
| | <i>(in thousands)</i> | | | | |
| Expenses | | | | | |
| Support payments to UofL (A) | 1,115 | 708 | 407 | 340 | 775 |
| Repairs and maintenance | 894 | 912 | (18) | 885 | 9 |
| Property manager fees | 444 | 427 | 17 | 463 | (19) |
| Utilities | 586 | 639 | (53) | 723 | (137) |
| Interest expense | 77 | 173 | (96) | 100 | (23) |
| Employee salaries and benefits | 363 | 232 | 131 | 359 | 4 |
| Professional services (B) | 71 | 226 | (155) | 393 | (322) |
| Insurance premiums | 85 | 134 | (49) | 146 | (61) |
| General, administrative, and other | 703 | 877 | (174) | 527 | 176 |
| Depreciation and amortization (C) | 5,498 | 5,307 | 191 | 3,781 | 1,717 |
| Total operating expenses, excl. dorms & golf | 9,836 | 9,635 | 201 | 7,717 | 2,119 |
| Other income (expenses) | | | | | |
| Dorm-related revenues | 4,304 | 5,424 | (1,120) | 5,542 | (1,238) |
| Dorm-related expenses | (4,281) | (5,489) | 1,208 | (5,542) | 1,261 |
| Total dorm-related income (expenses) | 23 | (65) | 88 | – | 23 |
| Other income (expenses) | | | | | |
| Golf-related revenues | 1,989 | 2,088 | (99) | 2,098 | (109) |
| Golf-related expenses | (1,739) | (2,028) | 289 | (2,001) | 262 |
| Total golf-related income (expenses) | 250 | 60 | 190 | 97 | 153 |
| Consolidated net income (loss) | 6,807 | 9,376 | (2,569) | 3,628 | 3,179 |

ULREF Consolidated Statements of Position

A. TIF proceeds held in money market account currently earning 3.6%.

Financial information related to the Dorm LLCs and golf course for FY25 is presented through November.

| | December | |
|---|-----------------------|-------------------|
| | 2025 | 2024 |
| | <i>(in thousands)</i> | |
| Assets | | |
| Cash | \$ 7,132 | \$ 5,066 |
| Accounts receivable, net | 1,301 | 1,142 |
| Prepays and other assets | 8,400 | 8,225 |
| Short-term investments (A) | 17,795 | 25,714 |
| Investments in joint ventures | 8,068 | 8,856 |
| Intangibles, net | 147,491 | 156,156 |
| Real estate and other capital assets, net | 224,798 | 220,709 |
| Total assets | \$ 414,985 | \$ 425,868 |

ULREF Consolidated Statements of Position (cont'd)

A. ULREF prepaid \$1.5 million on the 220 S. Preston loan in FY26.

Financial information related to the Dorm LLCs and golf course for FY25 is presented through November.

| | December | |
|---|-----------------------|-------------------|
| | 2025 | 2024 |
| | <i>(in thousands)</i> | |
| Liabilities and net assets | | |
| Liabilities: | | |
| Accounts payable | \$ 2,009 | \$ 1,316 |
| Other liabilities | 2,756 | 1,775 |
| Debt (A) | 32,609 | 36,115 |
| Total liabilities | 37,374 | 39,206 |
| Net assets | 377,611 | 386,662 |
| Total liabilities and net assets | \$ 414,985 | \$ 425,868 |

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 | Total Investment (in thousands) | Five-Year Internal Rate of Return | LTD Internal Rate of Return | Major Tenants |
|-------------------------|------------------------------------|-----------------------------------|-----------------------------|-----------------------|
| 300 E. Market Street | 7,640 | N/A | N/A | Atria Senior Living |
| 220 S. Preston Street | 15,190 | -7.5% | -5.0% | Parking garage |
| 996 Breckenridge Lane | 7,250 | 4.7% | 4.5% | PGA SuperStore |
| 515 W. Market Street | 10,421 | N/A | -7.8% | Jefferson Co. Sheriff |
| 600 N. Hurstbourne Pkwy | 8,795 | 4.7% | 10.0% | Churchill Downs |
| 700 N Hurstbourne Pkwy | 3,757 | 17.6% | 16.4% | Steel Technologies |
| 500 N. Hurstbourne Pkwy | 5,311 | 31.5% | 9.7% | Ventas |

Five-Year IRR N/A due to the following:

- 300 E. Market: Estimated sale proceeds do not cover the remaining debt obligations associated with the building.
- 515 W. Market: ULREF has only held this property for four years.

Investment Properties Performance: Cash on Cash Return

(\$'s,000's)

- 220 S. Preston made a \$1.5 million accelerated principal payment 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 | (14) | 7,640 | -0.2% | Atria Senior Living |
| 220 S. Preston Street | (1,365) | 15,190 | -9.0% | Parking garage |
| 996 Breckenridge Lane | 464 | 7,250 | 6.4% | PGA SuperStore |
| 515 W. Market Street | 46 | 10,421 | 0.4% | Jefferson Co. Sheriff |
| 600 N. Hurstbourne Pkwy | 372 | 8,795 | 4.2% | Churchill Downs |
| 700 N Hurstbourne Pkwy | 214 | 3,757 | 5.7% | Steel Technologies |
| 500 N. Hurstbourne Pkwy | 209 | 5,311 | 3.9% | Ventas |

Debt

| Loan | Terms | Maturity Date | Outstanding Principal December 31, 2025 (in thousands) |
|---|---|---------------|---|
| 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 | \$ 31,561 |
| 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 | \$ 1,305 |

Does not include \$257 in debt issuance costs, which is netted against debt on the balance sheet.

Schedule of Cumulative Remaining Payments

| <i>(in thousands)</i> | |
|-----------------------|------------------|
| Year ending June 30, | |
| 2026 | 1,121 |
| 2027 | 2,306 |
| 2028 | 2,396 |
| 2029 | 2,160 |
| 2030 | 2,122 |
| Thereafter | 22,761 |
| | \$ 32,866 |

Debt without Payment Schedule

| Outstanding Principal at December 31, 2025 | |
|--|----------|
| <i>(in thousands)</i> | |
| ULDC LOC | \$ 9,747 |

Appendix A

Historical TIF Increment Receipts

- ULREF has received the following increment payments in FY26.
 - 2023 HSC – State - \$9,745
 - 2022 Belknap – Metro - \$412
- The calculation for the 2023 State increment for the Belknap TIF is currently being reviewed.
- Louisville Metro is still working on calculations for the following.
 - 2022 HSC
 - 2023 HSC
 - 2023 Belknap

| 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 | 6,837 | 1,788 | - | 433 | 9,058 |
| 2020 | 8,680 | 1,557 | - | 441 | 10,678 |
| 2021 | 8,580 | 2,166 | - | 391 | 11,137 |
| 2022 | 8,376 | | - | 412 | 8,788 |
| 2023 | 9,745 | | | | 9,745 |
| Total | 79,131 | 18,677 | 186 | 2,890 | 100,884 |

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

January 22, 2026

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 ("**Foundation**"), held on January 22, 2026, the Board adopted the following resolutions:

Sale of Real Property at 515 W. Market Street

WHEREAS, the University of Louisville Foundation, Inc. ("**ULF**") is the sole member of University of Louisville Real Estate Foundation, Inc., a Kentucky nonprofit corporation ("**ULREF**").

WHEREAS, an opportunity has arisen to sell real property located at 515 W. Market Street ("**Property**").

RESOLVED, the Board requests ULF approve its sale of the Property, pursuant to the terms and conditions discussed.


RESOLVED, subject to ULF's approval, the Board hereby authorizes and directs Keith Sherman, on behalf of ULREF, to negotiate and work with counsel to finalize the sale of the Property, pursuant to the terms and conditions discussed, including negotiating, executing and delivering any and all documents necessary to effectuate such sale.

BOARD ACTION:

Passed X

Did Not Pass

Other



Charles J. Dählem, Secretary
University of Louisville Foundation, Inc.



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

JANUARY 22, 2026

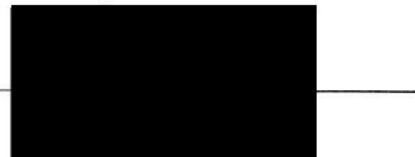
RESOLVED THAT:

- (1) PNC Bank and Republic Bank (“Banks”) are designated depositories of funds of the University of Louisville Real Estate Foundation, Inc. (“Foundation”).

- (2) This resolution applies to all accounts under the University of Louisville Real Estate Foundation, Inc. name as well as its subsidiaries, including 515 Building, LLC, 248 W. Market LLC (TIN: 88-4359614), 300 E. Market LLC (TIN: 85-3854313), CCG Louisville LLC (TIN: 46-3848960), Community Park, LLC (TIN: 32-0519828), Johnson Hall, LLC (TIN:38-4028321), and Kurz Hall, LLC (TIN:61-1817917).

- (3) The following officer of the Foundation, listed below, is authorized to open and/or close Accounts, delegate and delete check signers, obtain Treasury Management services, sign checks on, or withdraw funds from, the Accounts and the Banks are authorized to pay and charge the Accounts for checks or withdrawal requests:

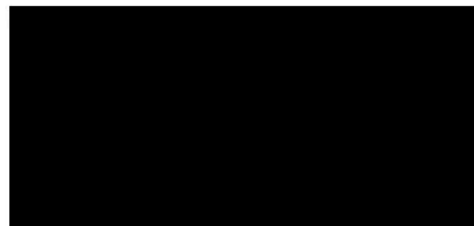
Keith M. Sherman
Executive Director
and Chief Operating Officer



- (4) The following employee of the Foundation, listed below, is authorized to obtain Treasury Management services and sign checks on or withdraw funds from the Accounts as agents of the Foundation and the Banks are authorized to pay and charge the Accounts for checks or withdrawal requests subject to the conditions of paragraph (5) of this Resolution:

Theresa Batliner
Chief Accounting Officer

Chris Montgomery
Manager, Investment and Tax Reporting




- (5) The following limitations shall apply to the signature authority of the above named Foundation officer and employee: (a) for amounts less than \$50,000 – one signature which may be mechanical; (b) for amounts equal to, or greater than, \$50,000 – two signatures, one of which must be the Foundation’s Executive Director and one of which may be mechanical.
- (6) The officer and employee named above have provided specimen signature herein and are authorized to sign signature cards and Accounts agreements.
- (7) The Secretary of the Board of Directors is authorized and directed to deliver for and on behalf of the University of Louisville Real Estate Foundation, a certificate of this resolution to the banks.
- (8) The Banks are authorized to rely upon this Resolution until the banks have received written notice of any amendment or recession of the resolution.

Certificate

I certify that I am the duly qualified Secretary of the Board of Directors of the University of Louisville Real Estate Foundation, Inc., that the foregoing is a true copy of a resolution adopted at the regular meeting of such Board which was duly held on the 22nd day of January 2026, at which meeting a quorum was present, and a majority of members present voted in favor of the adoption of such resolution. I further certify that such resolution is still in full force and effect.

Dated this 22nd day of January, 2026.



Charles J. Daniem, Secretary
University of Louisville Foundation, Inc.