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

In Open Session

Members of the Board of Directors of the University of Louisville Foundation, Inc. met at 12:02 p.m. on April 23, 2026, in the Jefferson Room, Grawemeyer Hall on the University of Louisville Belknap Campus. Members were present and absent as follows:

Present:	Mr. Mark Nickel, Chair Mr. Jerry Abramson Ms. Sofya Alterman Ms. Christy Ames Mr. David Anderson Dr. Gerry Bradley Mr. Scott Brinkman Mr. Ernest Brooks Mr. Matt Carper Ms. Jessica Cole Mr. Chris Dischinger Ms. Jill Force Ms. Mariah Gratz Mr. John Hollenbach Mr. Brian Lavin Mr. Kevin Ledford Ms. Becky Phillips Mr. Jake Smith Mr. Powell Spears Mr. Rudy Spencer Ms. Macy Waddle Dr. Andrew Winters
Absent:	Mr. Al Cornish Mr. Charlie Dahlem
Board Advisor:	Ms. Deborah Lawson
From the Foundation:	Mr. Keith Sherman, Executive Director and COO Ms. Theresa Batliner, Chief Accounting Officer Ms. Gina Lankswert, Director of Operations Mr. Jake Robertson, Manager of Accounting & Financial Reporting Ms. Julie Soule, Executive Assistant
From Legal Counsel:	Mr. Franklin Jelsma, Bricker Graydon Wyatt
From the University:	Dr. Larry Benz, Chair of the Board of Trustees Mr. Jim Broschart, VP for Philanthropy & Alumni Engagement

Mr. Rick Graycarek, EVP for Finance and Administration/CFO
Mr. Larry Hayes, Member of the Board of Trustees
Ms. Sherril Zimmerman, Member of the Board of Trustees

I. Call to Order

Having determined a quorum present, Chair Nickel called the regular meeting to order at 12:02 p.m. No conflicts of interest or appearances of conflicts were identified.

Mr. Nickel expressed his appreciation to Mr. Larry Benz, Chairman of the University of Louisville Board of Trustees, for the collaboration in convening meetings of the two Boards on this date. Mr. Nickel observed that holding the meetings together afforded a meaningful opportunity for the members of each Board to engage directly with one another and to gain a deeper understanding of each Board's respective operations, responsibilities, and priorities. He further noted that such joint engagement reflects the strong partnership between the two Boards and expressed hope that the day's discussions would foster continued cooperation in support of the University's mission.

II. Consent Agenda

Mr. Nickel read the Consent Agenda as follows: Approval of Minutes from the meeting on January 29, 2026. Mr. Abramson made a motion, which Mr. Brooks seconded, to approve the **attached** Consent Agenda. The motion passed.

III. Audit, Compliance & Risk Management Committee Report

Ms. Cole reported that the Audit, Compliance & Risk Management Committee met prior to the Board meeting. The Committee recommended the Board authorize Mr. Sherman, subject to approval by legal counsel, to sign and file tax forms 990 and 990-T for ULF and ULREF. The Board approved the **attached** resolution.

Ms. Cole reported that the Committee received an update on gift and endowment compliance activity from July 2025 through March 2026. During that period, the Foundation funded a total of $40.6 million in endowment and gift accounts.

Compliance remains strong, with 97.6% of University requests meeting donor intent. This reflects the continued effectiveness of the compliance program, which includes partnering with University units to understand the requirements of their donor agreements.

The compliance team continued to provide proactive engagement and support across the University. This work included reviewing new gift agreements in partnership with Philanthropy to ensure clarity of donor intent and compliance requirements prior to acceptance; providing ongoing advisory support to University units on the compliant use of gift and endowment funds; and calculating and delivering FY27 spending policy estimates to the University Budget Office during the third quarter to support institutional planning and resource allocation.

IV. <u>Finance Committee Report</u>

Ms. Force expressed her appreciation to everyone who attended the budget and tax workshops on April 3 and 7, 2026. She noted that no changes had been made since the sessions.

Ms. Batliner reviewed the key budget assumptions in the **attached** consolidated operating budget, which includes ULF and ULREF. She also provided a high-level overview of the **attached** fee schedule for the Administrative Services Agreement between ULF and ULREF which is approved annually by both foundations.

Ms. Force stated that the Finance Committee recommends the Board approve the consolidated operating budget and the Administrative Services Fee Schedule. The Board approved the **attached** resolutions.

Investment Subcommittee Report

Mr. Matt Carper provided an update on the April 22, 2026 Investment Subcommittee meeting. He reported that Prime Buchholz had reviewed investment performance through March 31, 2026. Total assets returned 5.7% for the fiscal year to date, while the main endowment pool returned 5.9% for the same period and 12.9% for the trailing one-year period. He noted that these figures do not yet reflect private equity marks, which are expected to increase the returns.

Mr. Carper also reported on the private capital segment of the portfolio, which has a target allocation of 30% and currently represents 26.8% of the Main Pool, with a market value of $272.2 million. While near-term performance in this segment has faced some headwinds, its long-term performance remains strong, and Prime Buchholz believes attractive opportunities remain going forward.

Finally, Mr. Carper noted that the Committee discussed the investment strategy for the organization's non-endowed assets, including the Gift Account and FHITBO accounts, and specifically considered whether to adopt a more conservative asset allocation. Following a robust discussion, the Committee decided to maintain the current investment strategy, with the understanding that the matter may be revisited in the future.

FY2026 Third Quarter Financial Update

Ms. Batliner shared a high-level overview of the Foundation’s March 31, 2026, financials:

- The Foundation remains financially healthy, with total assets exceeding $1.6 billion, the majority of which are investments or real estate.

- The main endowment pool value was valued at $1.017 billion, an increase of $102 million over its value from March 31, 2025. This growth was achieved despite a 3.8% loss in March. The pool has since recovered nearly $50 million. The investment return for the three months ended March 31, 2026, was (1.9%), while the return for the nine months ended March 31, 2026 was 5.9%. As of the date of this meeting, the fiscal year-to-date stood at 11.1%. She noted that since 2015, the endowment has grown by approximately $550 million while distributing $218 million over the same period.

- The Foundation reported $28.8 million in gift revenue for the fiscal year against budget of $29.2 million. She reminded the Board that this figure does not include athletics, planned gifts, or conditional pledges, all of which may be reported by Philanthropy.

- Support to the University totaled $50.5 million against a budget of $46.7 million, and support to UofL Health totaled $5.7 million against a budget of $1.5 million. There remains $80.1 million available for support, approximately half of which is designated for the School of Medicine.

- Administrative expenses through March 31, 2026, excluding the dormitories and golf course, were higher than budget, primarily due to support payments to the University and UofL Health as well as depreciation and amortization. Support payments to the University exceeded budget primarily due to special allocations approved during the fiscal year for Philanthropy and strategic initiatives. Support payments to UofL Health exceeded budget due to an increase in current-year spending, primarily related to a grant that is set to expire. Depreciation and amortization exceeded budget due to increased property values resulting from the reorganization effective July 1, 2024.

- The majority of expenses attributed to and controlled by the Foundation operations are running favorable to budget.

V. <u>Philanthropy Committee Report</u>

Mr. Spencer noted that the Philanthropy Committee was established as a standing committee in July 2024. As set forth in its charter, the Committee's purpose is to collaborate with the Office of Philanthropy in three areas: assisting in identifying and cultivating donors; supporting the ongoing education of ULF Directors regarding national best practices for university-related foundations and the philanthropic activities of universities; and assisting ULF Directors in their efforts to serve as advocates for the University of Louisville.

Mr. Spencer reported that the Committee met on April 22, 2026. Members received a presentation on the Women in Philanthropy program, which was highlighted as an outstanding example of a university-wide collaborative program that engages donors from across the country.

Mr. Broschart provided an update on the hiring of several positions made possible by the additional funding approved by the Board last year. He also outlined his plans for the additional $5 million in funding approved by the Board for the upcoming fiscal year.

Finally, the Committee discussed Mr. Broschart's planning for a new capital campaign, including an overview of how the campaign may be structured and how the Foundation can contribute to its success.

<u>UofL Vice President of Philanthropy and Alumni Engagement (PAE) Update</u>

Mr. Broschart outlined his plans for the additional funding approved by the Board for the upcoming fiscal year. He provided an update on the hiring of several positions, including several front-line fundraisers. He emphasized that a key strategic priority for the coming year will be strengthening donor engagement and stewardship.

VI. University of Louisville Real Estate Foundation (ULREF) Report

Ms. Gratz provided an update on ULREF and its April 16, 2026, meeting. ULREF reviewed and approved its tax forms (Forms 990 and 990-T) and proposed FY2026-2027 operating budget. ULREF requested that the Audit Committee recommend the ULF Board approve the signing and filing of the tax forms 990 and 990-T, and that the Finance Committee recommend the ULF Board approve the operating budget. The ULF Board approved both recommendations earlier in this meeting. ULREF approved the initial fees for the administrative services that will be paid to ULF in FY2026-2027.

ULREF also approved the engagement of Wexford Development to assist in the development of a conceptual development plan for the Innovation park that will be located on the former Kentucky Trailer property. It will be a transformative project for campus that has been discussed for many years.

VII. Report of the Executive Director

Mr. Sherman stated that the FY27 budget provides $14 million in additional support to the University next year. He noted this is a level of support the Foundation could not have provided five years ago. He thanked Dr. Bradley and Mr. Broschart for presenting thoughtful funding request plans and encouraged the Board to continue supporting these efforts.

Following discussions with Mr. Graycarek, the Foundation has agreed to change its endowment funding model. Rather than reimbursing the University after expenses are incurred, the Foundation will, beginning July 1, provide one-tenth of its annual spending distribution monthly regardless of whether expenses have yet been incurred. Compliance reviews will continue as before, and at fiscal year-end, any unspent or non-compliant funds will be returned and reinvested into the applicable endowment accounts. Mr. Sherman noted this change affects only endowments and should not impact the Foundation's ability to ensure funds are spent consistent with donor intent.

Mr. Sherman stated that site grading is nearly complete for the future UofL Innovation Park. The Foundation and the University, specifically Dr. Jon Klein's office, the CFO's Office, and Planning, Design & Construction, continue to work with Wexford Science and Technology on the project. Design is still being finalized, with infrastructure work expected to begin in late 2026 or early 2027.

Mr. Sherman stated that rumors of the Foundation funding Athletics are false. He added that the University and Athletics receive the same lease terms.

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

Mr. Nickel asked for a motion to go into an executive session to discuss the potential acquisition or sale of real property pursuant to KRS 61.810(l)(b). Ms. Gratz made the motion, which Mr. Spears seconded, to go into an executive session at 12:38 p.m. The motion passed.

IX. Reconvene Open Session

When the open session was reconvened at 12:49 p.m., Mr. Nickel reported that the potential sale of real property was discussed during the executive session. One action was taken:

The Board approved the **attached** resolution authorizing and directing the Executive Director, on behalf of ULREF, to retain a broker and to effectuate the sale of real property at 996 Breckinridge Lane.

X. Report of the Chair

Mr. Nickel stated that he hoped the Board of Trustees leave the meeting with a clear understanding of the Foundation and its current state. He added that when compared to other foundations with similarly large endowments, the Foundation ranks in the top quartile.

Mr. Nickel stated that the Foundation runs a tight, efficient operation and is doing outstanding work. The Foundation and its Board remain fully engaged and enthusiastic about supporting the University and will continue looking for ways to support its mission.

Mr. Nickel expressed his appreciation to Mr. Broschart for his clear and transparent communication with the Philanthropy Committee. He also expressed his appreciation to Mr. Anderson for the transformative gift of $2.5 million made by him and his wife to the College of Business. He further expressed his appreciation to Mr. Sherman for his years of service to the Foundation, noting Mr. Sherman's upcoming retirement and observing that he leaves the Foundation in significantly better condition than he found it.

Mr. Benz thanked the Foundation for its collaboration and for the joint meetings between the two boards. He expressed confidence in the Foundation for the discipline and rigor it has consistently displayed and stated that he would like to see the two boards hold a joint meeting once a year going forward. He noted that the Foundation is, and should remain, independent, observing that the Foundation Board includes five Trustees as well as three constituent trustees.

Dr. Bradley also expressed his appreciation to the Boards for the joint meetings. He thanked Mr. Sherman for his leadership at the Foundation.

XI. Adjournment

Having no further business, the meeting adjourned at 12:55 p.m.

[redacted]

Ernest A. Brooks III, Secretary
University of Louisville Foundation, Inc.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE UNIVERSITY OF LOUISVILLE FOUNDATION, INC.

April 23, 2026

At a duly convened meeting of the Board of Directors (the "**Board**") of the University of Louisville Foundation, Inc., a Kentucky non-profit corporation ("**ULF**"), held on April 23, 2026, the Board adopted the following resolution:

Filing of Tax Forms

WHEREAS, on July 31, 2025, the Board approved the engagement of Deming Malone Livesay & Ostroff ("DMLO") for the purpose of providing tax preparation services.

WHEREAS, Foundation staff worked with DMLO on the preparation of Forms 990 and 990-T.

WHEREAS, the tax forms were distributed to each Board member prior to the informational sessions on April 3 and 7, 2026, to allow for review and discussion of the drafts.

WHEREAS, the Board of Directors of the University of Louisville Real Estate Foundation, Inc. ("ULREF") has reviewed and approved its Form 990 and Form 990-T for the applicable year, and requested that the ULF Audit, Compliance, and Risk Management Committee (the "Audit Committee") recommend to the Board that the Executive Director be authorized, subject to approval of legal counsel, to sign and file said forms on behalf of ULREF; and

WHEREAS, the Audit Committee, having considered ULREF's request, recommends that the Board authorize the Executive Director, subject to approval of legal counsel, to sign and file the Form 990 and Form 990-T on behalf of ULREF; and further recommends that the Board authorize the Executive Director, subject to approval of legal counsel, to sign and file the Form 990 and Form 990-T on behalf of ULF.

RESOLVED, the Board authorizes the Executive Director, subject to approval of legal counsel, to sign and file the following:

1. University of Louisville Foundation (Form 990, 990-T, and any applicable state returns)
2. University of Louisville Real Estate Foundation (Form 990, 990-T)

BOARD ACTION:
Passed X
Did Not Pass ________
Other ____________

[redacted]

Ernest A. Brooks III, Secretary
University of Louisville Foundation, Inc.

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE UNIVERSITY OF LOUISVILLE FOUNDATION, INC.

April 23, 2026

At a duly convened meeting of the Board of Directors (the "**Board**") of the University of Louisville Foundation, Inc., a Kentucky non-profit corporation ("**ULF**"), held on April 23, 2026, the Board adopted the following resolution:

Operating Budget for 2026-2027

WHEREAS, the draft of the consolidated operating budget for Fiscal Year 2026-2027, including ULF and the University of Louisville Real Estate Foundation, Inc. ("ULREF"), was distributed to each Board member prior to the informational sessions on April 3 and 7, 2026, to allow for review and discussion of the draft.

WHEREAS, the ULREF Board has approved and recommended its budget to the ULF Finance Committee for final approved by the ULF Board.

WHEREAS, the Finance Committee recommends the Board approve the consolidated operating budget for Fiscal Year 2026-2027.

RESOLVED, that upon the recommendation of the Finance Committee, the Board approves the consolidated operating budget for Fiscal Year 2026-2027, including the University of Louisville Foundation, Inc. and the University of Louisville Real Estate Foundation, Inc., as presented. (*Summary attached*)

BOARD ACTION:
Passed __X_________
Did Not Pass ________
Other _____________

[redacted]________
Ernest A. Brooks III, Secretary
University of Louisville Foundation, Inc.

UNIVERSITY *of* LOUISVILLE
FOUNDATION

Budget Proposal

Consolidated Budget Overview
(in thousands)

	Proposed Fiscal Year 2027 Budget	Fiscal Year 2026 Forecast
ULF	$ 106,093	$ 120,166
ULREF	36,682	39,143
Total revenues	**142,775**	**159,309**
ULF	84,922	73,171
ULREF	41,450	35,891
Total expenses	**126,372**	**109,062**
ULF	21,171	46,995
ULREF	(4,768)	3,252
Total net income	**$ 16,403**	**$ 50,247**

Key Budget Assumptions

- Investment Returns
  - Blended 5.5% annual return on endowment investments and 3.75% on current use and other investments
  - Total investment assets estimated to be ~$1.2 billion on June 30
- UofL Gifts
  - $36.0 million, ~ 3% higher than current year budget
- UofL Health Gifts
  - $4.0 million, same as current year budget
- Support Payments to UofL
  - $65.5 million annual total; a 16% increase from the current year budget
    - $36.3 million endowment, $24 million current use, $4.7 million FHITBO, $500,000 gift-in-kind
  - Advancement support totals $10.450 million; $5.450 million increase from current year approved budget
  - President's strategic initiatives - $3.0 million
- Foundation Administrative Expenses
  - 8% increase in repairs and maintenance; 5% increase in utilities, professional services and insurance; 3% increase for all other expenses.

Revenues
(in thousands)

- <u>**Investment Returns**</u>
  - Blended 5.5% (endowment) and 3.75% (current use and other) annual returns on ~$1.2 billion of total investments.
- <u>**Gifts**</u>
  - $36.0 million – University gifts
  - $4.0 million – UofL Health
- <u>**Rental Revenues**</u>
  - $300,000 – ShelbyHurst Ground Leases
  - $231,000 – Belknap Campus Ground Leases
- <u>**Other Revenues**</u>
  - $739,000 - ULREF service agreement revenues
  - $400,000 Campus One equity value adjustment

	Proposed FY 27 Budget	FY 26 Forecast	FY 26 Budget
Investment returns, net	$ 64,288	$ 73,663	$ 59,697
Gifts	40,000	44,719	39,000
Rental revenues	531	530	524
Other revenues	1,274	1,254	1,289
Total revenues	**$ 106,093**	**$ 120,166**	**$ 100,510**

Support to UofL

(in thousands)

- **Total support to UofL**
  - Approved endowment funding to departments same as FY26.
  - Increase in Advancement support from FY26 ($10.450M vs $5.0M).
- ***Other Support**
  - In-kind (“non-cash”) contributions ($500K) and President’s strategic initiatives ($3.0M).
- **UofL Health support**
  - FY26 was higher than usual due to grant funding.
- ****Total Available**
  - Estimated total as of July 1, 2026. Total available includes $10M in historical carryover.

	Proposed FY 27 Budget	FY 26 Forecast	FY 26 Budget	Total Available**
Endowment support to UofL	$ 36,316	$ 32,825	$ 29,500	$ 46,316
Current-use support to UofL	24,000	19,087	24,000	50,000
FHITBO support to UofL	4,669	3,208	2,500	5,700
Total Academic Support	**64,985**	**55,120**	**56,000**	**102,016**
Advancement support	10,450	6,711	5,000	
Other support to UofL*	3,500	1,421	425	
Total support to UofL	**78,935**	**63,252**	**61,425**	
Support payments to UofL Health	3,000	6,600	2,000	
Total support to UofL/UofL Health	**$ 81,935**	**$ 69,852**	**$ 63,425**	

Administrative and Other Expenses

(in thousands)

- **Salaries & benefits:**
  - 12 current FTEs
  - 3% wages increase assumption plus related benefits
- **General and other:**
  - 3% increase budgeted for general and administrative.
  - 5% increase budgeted for insurance premiums, utilities, and professional services.
  - 8% increase budgeted for repairs and maintenance
- **Interest expense**
  - 2013 Series Bond

	Proposed FY 27 Budget	FY 26 Forecast	FY 26 Budget
Employee salaries and benefits	$ 1,870	$ 1,617	$ 2,000
Repairs and maintenance	524	486	512
Professional services	486	461	355
Insurance premiums	316	301	371
General, administrative, and other	323	270	335
Utilities	135	130	136
Interest expense	1,542	1,563	1,629
Total overhead	**5,196**	**4,828**	**5,338**
Other expenses (non-cash):			
Depreciation and amortization	291	291	234
Total overhead and other	**$ 5,487**	**$ 5,119**	**$ 5,572**

Endowment Spending Policy Distributions

(in thousands)

- Fiscal Year 2027 spending policy approved at the January 2026 Board meeting.

	FYE 27		FYE 26	
	Amount	**Rate**	**Amount**	**Rate**
Spending Policy:				
Academic units	$ 36,316	4.00%	$ 36,445	4.25%
Administrative fee	9,000	1.00%	6,300	0.75%
Total endowment distributions available	**$ 45,316**		**$ 42,745**	

UNIVERSITY OF LOUISVILLE
REAL ESTATE
FOUNDATION

Budget Proposal

Key Budget Assumptions

- Rental Revenues
  - Includes $2.3M free rent to UofL.
  - No significant new leases or existing leases ending
- Housing Revenues
  - Student cost-per-semester rate to increase by 3%
- TIF Revenues
  - TIF revenues expected to decline due to reduction in the State withholding tax rate.
- Expenses
  - Expenses expected to increase from prior year due to inflation, repairs and maintenance, depreciation and amortization and support payments to UofL.

Revenues Budget

(in thousands)

- **<u>Rental revenues</u>**
  - Includes $2.3M free rent to UofL.
- **<u>Dorms' revenue</u>**
  - Expected to increase student cost-per-semester rate by 3%
- **<u>Other revenue</u>**
  - South Preston garage (near I-65 downtown) and other miscellaneous income from NTS managed properties
  - Campus Two and Three equity value adjustments
  - Dorms miscellaneous revenue
- **<u>Tax increment financing revenues</u>**
  - Tax increment expected to decrease from recent years due to cuts to State withholding tax rate.

	Proposed FYE 27 Budget	FYE 26 Forecast	FYE 26 Budget
Rental revenues	$ 11,057	$ 10,604	$ 8,882
Dorm rental revenue	11,190	10,864	10,781
Tax incremental financing revenues	8,500	11,406	8,000
Golf course revenue	4,227	4,482	4,142
Other revenues	1,288	1,180	983
Investment returns, net	420	607	500
Total revenues	**$ 36,682**	**$ 39,143**	**$ 33,288**

Expense Budget

(in thousands)

- **Support payments to UofL**
  - McConnell Center - $3.5M
  - Free rent - $2.3M
- **Salaries**
  - Dorms and golf course, increase due to rising labor and benefits cost
- **Interest expense**
  - 220 S. Preston Garage
  - Dorms
- **UofL-managed expenses**
  - Proposed budget includes the following expenses managed by UofL
    - Dorms - $11.4 million (includes $2.2 million in depreciation and amortization)
    - Golf Course - $4.5 million (includes $234,000 in depreciation)

	Proposed FY27 Budget	FY26 Forecast	FY26 Budget
Support payments to UofL	$ 5,838	$ 3,841	$ 679
Contributions to/from ULF	2,500	1,800	-
Repairs and maintenance	4,653	4,859	3,985
Employee salaries and benefits	3,909	3,272	3,402
General, administrative, and other	2,695	2,262	2,806
Utilities	2,421	2,309	2,596
Property manager fees	896	508	511
ULF services agreement	739	717	717
Professional services	851	862	1,574
Insurance premiums	331	300	417
Dorm ground lease expense	1,604	-	1,473
Interest expense	1,516	1,685	1,748
Depreciation and amortization	13,497	13,476	10,236
Total expenses	**$ 41,450**	**$ 35,891**	**$ 30,144**

Fiscal Year 2027 Capital Expenditures

Property	Amount		Description
Cardinal Station	$	210,000	Replace HVAC Units, Concrete Repairs
President's Home/Carriage House		125,000	Exterior Renovation
Lee/Floyd Street Property		110,000	Metal Roof Replacement (Hive Building)
North Quad		75,000	New Roof
Brook Street Warehouse		75,000	Interior Demolition
ULF Administration		10,000	New computers
Total capital expenditures	**$**	**595,000**	

Appendix

ULF-ULREF Consolidated FY27 Budget

(in thousands)

	FY27 Budget			FY26 Forecast			
	ULF	ULREF	Total	ULF	ULREF	Total	Change
Revenues:							
Investment returns, net	$ 64,288	$ 420	$ 64,708	$ 73,663	$ 607	$ 74,270	$ (9,562)
Gifts	40,000	-	40,000	44,719	-	44,719	(4,719)
Tax incremental financing revenues	-	8,500	8,500	-	11,406	11,406	(2,906)
Rental revenues	531	11,057	11,588	530	10,604	11,134	454
Dorm rental revenue	-	11,190	11,190	-	10,864	10,864	326
Golf course revenue	-	4,227	4,227	-	4,482	4,482	(255)
Other revenues	1,274	1,288	2,562	1,254	1,180	2,434	128
Total revenues	**106,093**	**36,682**	**142,775**	**120,166**	**39,143**	**159,309**	**(16,534)**
Expenses:							
Support payments to UofL	78,935	5,838	84,773	63,252	3,841	67,093	17,680
Support payments to UofL Health	3,000	-	3,000	6,600	-	6,600	(3,600)
Contributions to/from ULF	(2,500)	2,500	–	(1,800)	1,800	–	–
Repairs and maintenance	524	4,653	5,177	486	4,859	5,345	(168)
Employee salaries and benefits	1,870	3,909	5,779	1,617	3,272	4,889	890
General, administrative, and other	323	2,695	3,018	270	2,262	2,532	486
Utilities	135	2,421	2,556	130	2,309	2,439	117
Property manager fees	–	896	896	-	508	508	388
ULF services agreement	–	739	739	-	717	717	22
Professional services	486	851	1,337	461	862	1,323	14
Insurance premiums	316	331	647	301	300	601	46
Dorm ground lease expense	–	1,604	1,604	-	-	–	1,604
Interest expense	1,542	1,516	3,058	1,563	1,685	3,248	(190)
Depreciation and amortization	291	13,497	13,788	291	13,476	13,767	21
Total expenses	**84,922**	**41,450**	**126,372**	**73,171**	**35,891**	**109,062**	**17,310**
Consolidated net income (loss)	**$ 21,171**	**$ (4,768)**	**$ 16,403**	**$ 46,995**	**$ 3,252**	**$ 50,247**	**$ (33,844)**

University of Louisville Foundation
Consolidated Operating Proposed Budget

(in thousands)

	ULF Standalone Proposed Budget FY 2027	ULDC Proposed Budget FY 2027	ULREF Proposed Budget FY 2027	NTS-Managed Properties Proposed Budget FY 2027	515 W. Market (Fortis-Managed) Proposed Budget FY 2027	Housing Proposed Budget FY 2027	UofL Golf Club Proposed Budget FY 2027	Total Proposed Budget FY 2027	Forecast FY 2026	Annual Budget FY 2026
Revenues										
Investment returns, net	$ 64,288	$ -	$ 420	$ -	$ -	$ -	$ -	$ 64,708	$ 74,270	$ 60,197
Gifts	40,000	-	-	-	-	-	-	40,000	44,719	39,000
Tax incremental financing revenues	-	-	8,500	-	-	-	-	8,500	11,406	8,000
Rental revenues	531	-	5,127	4,953	977	-	-	11,588	11,134	9,406
Dorm rental revenue	-	-	-	-	-	11,190	-	11,190	10,864	10,781
Golf course revenue	-	-	-	-	-	-	4,227	4,227	4,482	4,142
Other revenues	874	400	(62)	1,165	-	185	-	2,562	2,434	2,272
Total revenues	105,693	400	13,985	6,118	977	11,375	4,227	142,775	159,309	133,798
Expenses										
Support payments to UofL	78,935	-	5,730	108	-	-	-	84,773	67,093	62,329
Support payments to UofL Health	3,000	-	-	-	-	-	-	3,000	6,600	2,000
Contributions to/from ULF	-	(2,500)	2,500	-	-	-	-	-	-	-
Repairs and maintenance	-	524	595	1,535	328	1,591	604	5,177	5,345	4,497
Employee salaries and benefits	1,870	-	-	-	-	1,861	2,048	5,779	4,889	5,402
General, administrative, and other	323	-	171	67	-	1,370	1,087	3,018	2,532	3,142
Utilities	19	116	261	667	324	963	206	2,556	2,439	2,733
Property manager fees	-	-	-	854	42	-	-	896	508	511
ULF services agreement	-	-	739	-	-	-	-	739	717	717
Professional services	409	77	309	5	20	305	212	1,337	1,323	1,929
Insurance premiums	316	-	90	96	41	62	42	647	601	788
Dorm ground lease expense	-	-	-	-	-	1,604	-	1,604	-	1,473
Interest expense	1,042	500	-	64	-	1,399	53	3,058	3,248	3,377
Depreciation and amortization	41	250	9,238	1,661	144	2,220	234	13,788	13,767	10,470
Total expenses	85,955	(1,033)	19,633	5,057	899	11,375	4,486	126,372	109,062	99,368
Net income (loss)	$ 19,738	$ 1,433	$ (5,648)	$ 1,061	$ 78	$ -	$ (259)	$ 16,403	$ 50,247	$ 34,430

University of Louisville Foundation Consolidated
Proposed Operating Budget By Property

(in thousands)

Common Name	Address	Total Operating Revenue	Total Operating Expenses	Net Operating Income
Investment Properties:				
Atria Support Center	300 E. Market St.	$ 3,427	$ 1,647	$ 1,780
JD Nichols Garage	220 S. Preston St.	749	618	131
PGA Tour Superstore	996 Breckenridge Ln.	568	72	496
515 Building	515 W. Market St.	977	755	222
	Investment Properties Total	5,721	3,092	2,629
Strategic Properties:				
UofL Research Park (LRP)	2499 S. Brook St.	-	246	(246)
Cardinal Station	215 Central Ave.	1,395	383	1,012
Solae	2441 S. Floyd St.	300	92	208
Brook Street Warehouse	1601 S. Brook St.	4	10	(6)
K-I Lumber	1650 S. Floyd St.	159	65	94
Belknap Small Lots (Baseball Parking)	2901 S. 2nd St.	-	23	(23)
Denny Crum Hall	320 Eastern Pkwy.	100	12	88
North Quad	1940-1980 Arthur St./333 Brandeis Ave.	510	166	344
1820 Arthur Street	1820 Arthur St.	56	2	54
Eastern Parkway Property	302-328 Eastern Pkwy.	12	-	12
ShelbyHurst Campus Land	Various - Infrastructure	603	717	(114)
President's Home/Carriage House	2515 Longest Ave. & Ray Ave.	-	98	(98)
Cardinal Center	1900 S. 3rd St./1901 S. 4th St.	67	6	61
One Innovation Center	201 E. Jefferson St.	456	567	(111)
South Preston Lot	352 E. Market St.	63	12	51
301 Lot Surface Parking	301 E. Jefferson St.	71	16	55
Haymarket Properties	Multiple Addresses	425	300	125
Blankenbaker Crossings	1831 Blankenbaker Pkwy.	251	56	195
	Strategic Properties Total	4,472	2,771	1,701
	Total	**$ 10,193**	**$ 5,863**	**$ 4,330**

University of Louisville Real Estate Foundation
Proposed Operating Budget – Joint Ventures

(in thousands)

		Distributions	Contributions	Net Cash Flow
Campus One	600 N. Hurstbourne Pkwy.	255,000	-	255,000
Campus Two	700 N. Hurstbourne Pkwy.	214,200	-	214,200
Campus Three	500 N. Hurstbourne Pkwy.	51,000	-	51,000
	Total	**$ 520,200**	**$ -**	**$ 520,200**

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE UNIVERSITY OF LOUISVILLE FOUNDATION, INC.

April 23, 2026

At a duly convened meeting of the Board of Directors (the "**Board**") of the University of Louisville Foundation, Inc., a Kentucky non-profit corporation ("**ULF**"), held on April 23, 2026, the Board adopted the following resolution:

Administrative Services Agreement Schedule A

WHEREAS, on April 28, 2022, the Board approved the Administrative Services Agreement between the University of Louisville Foundation, Inc. and the University of Louisville Real Estate Foundation, Inc. attached hereto as Exhibit B.

RESOLVED, that upon the recommendation of the Finance Committee, the Board approves the services and initial fees for fiscal year 2027 as stated in Schedule A attached hereto as Exhibit A.

BOARD ACTION:
Passed X
Did Not Pass ____________
Other ____________

[redacted]

Ernest A. Brooks III, Secretary
University of Louisville Foundation, Inc.

EXHIBIT A

SCHEDULE A

Services and Initial Fees

Effective July 1, 2026

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	**Effective July 1, 2026** **Initial Fees / Unit**	**Description**
Executive Services	$17,200/month	All executive and supervisory services necessary for the operation and administration of ULREF.
Accounting, Treasury, Tax, and other Finance Services	$27,500/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	$12,100/month	Maintenance and administration of real estate, buildings, and structures.
General & Administrative	$4,750/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	External counsel for general business matters
Other	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: - External audit(s) - Landscaping - Janitorial - Architectural - Pest control - Appraisal services - Fire safety and security - Snow removal - Security - Dues/ memberships/ subscriptions - Maintenance supplies
Total Fees	**$61,550/month**	

Exhibit B

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: Jake Robertson
Email: jake.robertson@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. <u>Force Majeure</u>. 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. <u>Severability</u>. 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. <u>Counterparts</u>. 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. <u>Governing Law</u>. 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. <u>Specific Performance</u>. 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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RESOLUTION OF THE BOARD OF DIRECTORS OF THE UNIVERSITY OF LOUISVILLE FOUNDATION, INC.

April 23, 2026

At a duly convened meeting of the Board of Directors (the "**Board**") of the University of Louisville Foundation, Inc., a Kentucky non-profit corporation ("**ULF**"), held on April 23, 2026, the Board adopted the following resolutions:

Sale of Real Property at 996 Breckinridge Lane

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, ULREF is the owner of certain real property located at 996 Breckinridge Lane (the "Property").

WHEREAS, the Board of ULREF requests that ULF authorize the Executive Director to retain a broker and to pursue the sale of the Property.

RESOLVED, the Board hereby authorizes and directs the Executive Director, on behalf of ULREF, to retain a broker and to effectuate the sale of the Property.

BOARD ACTION:
Passed X
Did Not Pass ________
Other ______________

[redacted]
Ernest A. Brooks III, Secretary
University of Louisville Foundation, Inc.