



Selling the Chelan property

Benefits From Selling the Property

- Remove burden of staff managing tenants
- Avoid upcoming maintenance costs
- Improve use of resources to support our mission

Selling the Chelan property

Real Estate Process

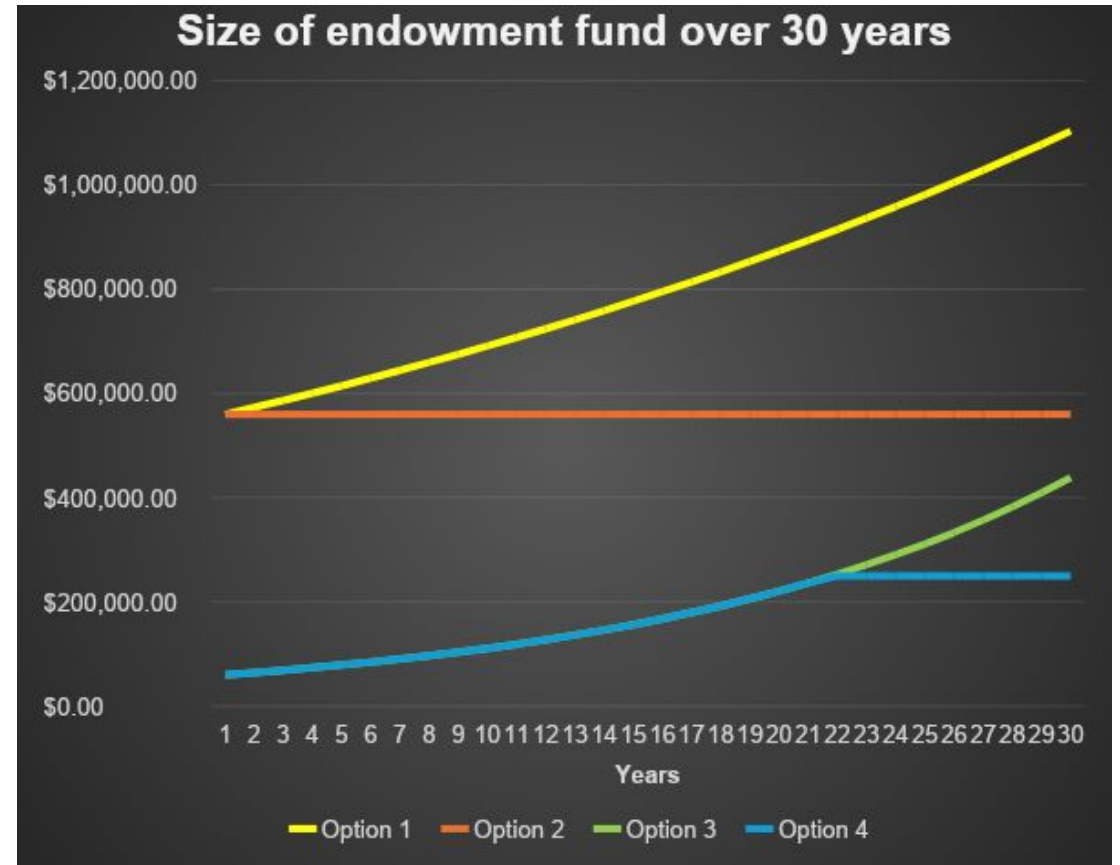
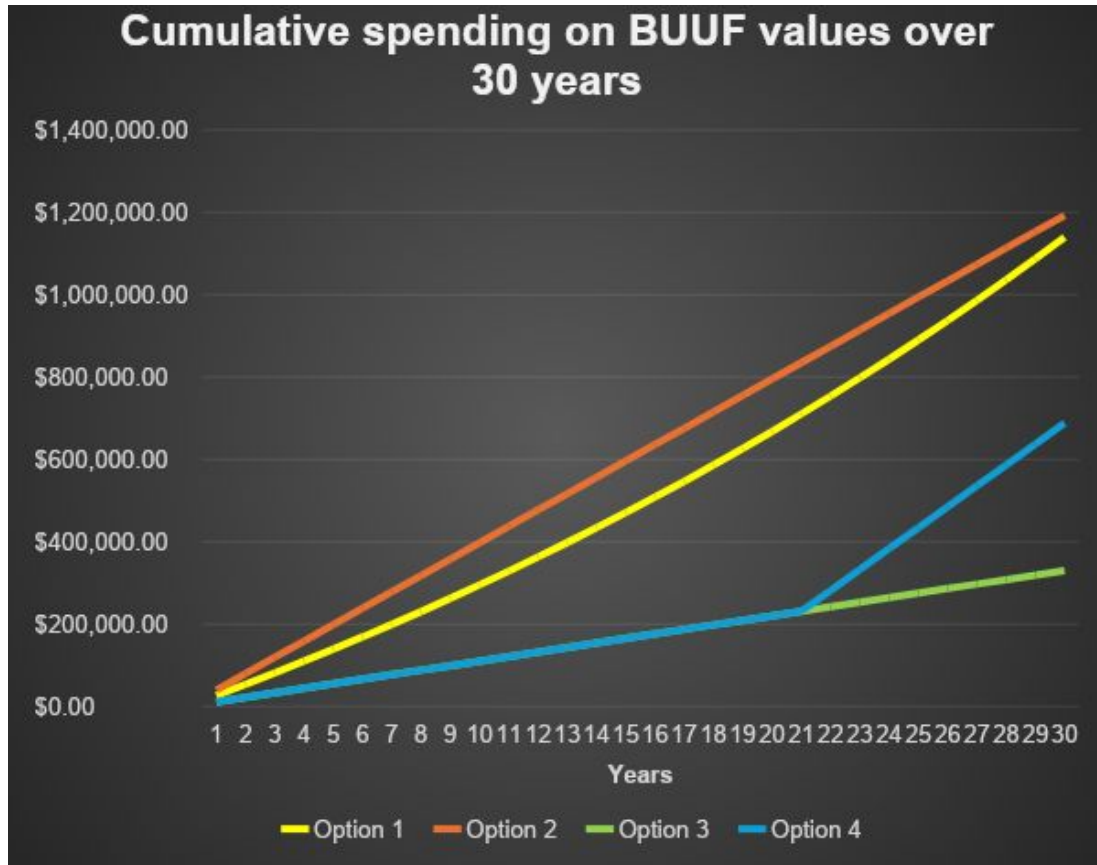
- Work with an agent to list and sell (~6% fee on sale).
- Contract an appraiser to solidify value (informal value at \$500,000 - \$700,000).
- Give tenants reasonable notice and assistance.
- It's a complex property— it may take 6 or more months to sell.

Proposed use of Chelan sale proceeds

UUA Common Endowment Fund

- 7.1% historical returns.
- Funded investments that reflect UU values.
- Managed by UUA investment professionals.
- ~\$39,000 a year could be used without spending principal (with entire estimated sale of \$500,000 going to fund + current funding amount).
- Creates incentives for more people to fund this with large gifts.

Potential spending on BUUF values 30 years into the future



Options considered in this projection

- Option 1: Fully fund endowment, spend 2/3, reinvest 1/3 of the proceeds
- Option 2: Fully fund endowment and spend all proceeds yearly
- Option 3: Keep Chelan and spend net rental income
- Option 4: Keep Chelan, spend all proceeds after endowment reached \$250k

Proposed use of Chelan sale proceeds

Proposed approval process for endowment fund use:

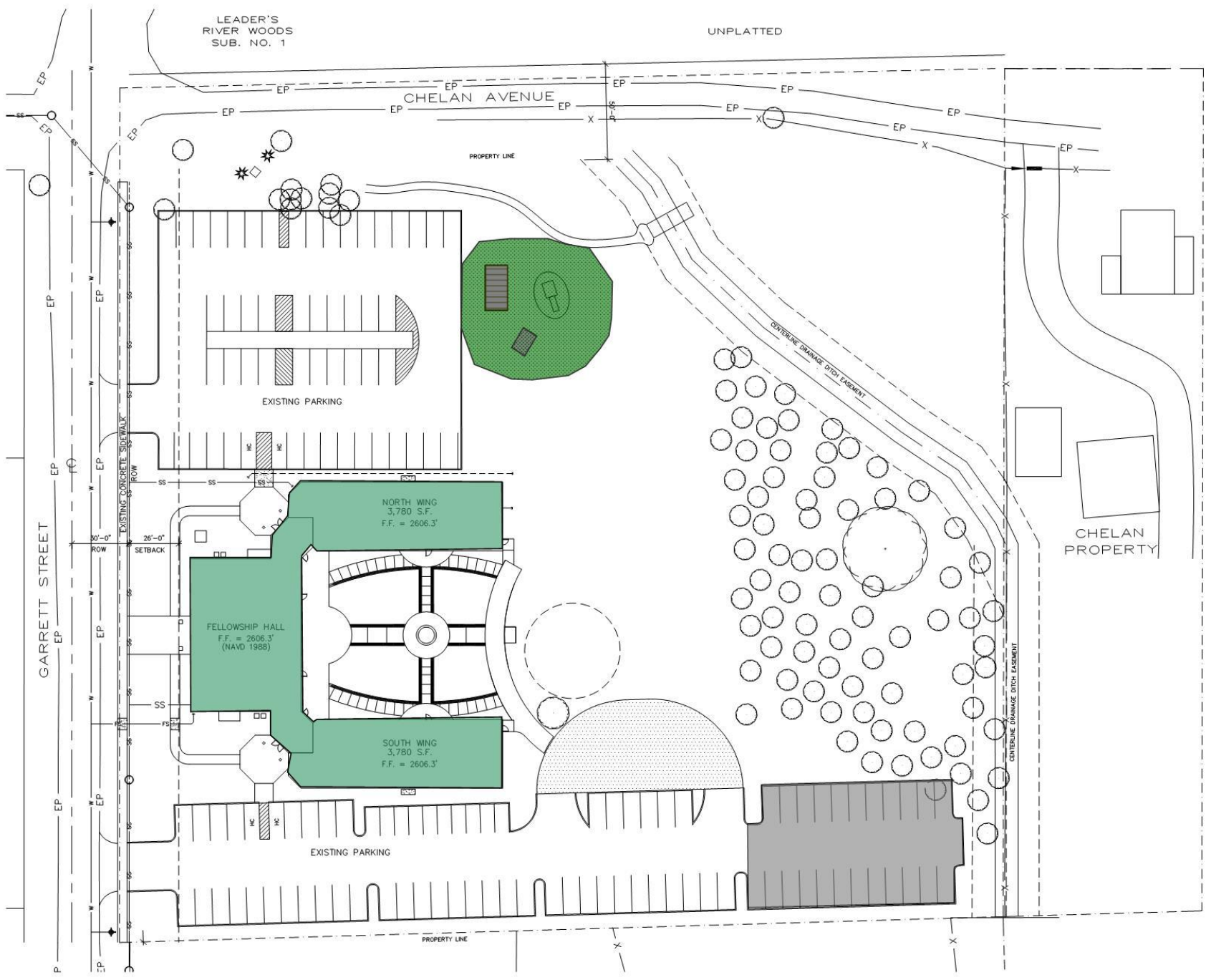
- Board sets priorities for use of endowment proceeds based on program needs and financial health
- Yearly allowable endowment expenditures would be determined by the annual budget process approved by the congregation

Hybrid Option

Sell Half, Keep Half

LEADER'S RIVER WOODS
SUB. NO. 1

UNPLATTED



Proposed use of Chelan sale proceeds

BUUF Endowment Fund Charter

- Currently invested in UUA Common Fund (~\$60,000)
- *Restriction 1* - cannot use any returns until fund is over \$250,000
- *Restriction 2* – if minimum threshold is met, the board use up to 2% of total per year
- *Restriction 3* - spending beyond 2% requires congregational approval
- *Restriction 4* - cannot be used for operational expenses, but can be used for program expenses, including some salaries