

Memorandum

To: United Way Board of Directors

From: Building Sale Task Force

Date: April 7, 2017

Re: 1 Lafayette Court

The purpose of this memorandum is to update you on the status of the sale of 1 Lafayette Court, Greenwich, CT (the "Property") and effort to secure new office space:

- On January 25th, we entered into a purchase and sale agreement (the "Agreement") with 1 Lafayette Court LLC ("Purchaser") for a sale of the Property.
- Purchaser is an affiliate of Diego Reyes and Craig Stapleton.
- The purchase price is \$2,500,000.
- The purchase price was subsequently reduced to \$2,495,000.
- Purchaser has posted a \$175,000 earnest money deposit (the "Deposit") which became non-refundable on February 24th.
- The closing is scheduled for April 25^h.
- We would lease back the Property for up to 120 days; the first 60 days would be rent free; thereafter rent would be \$7,750 per month. We would be responsible for operating expenses during the term of the lease.
- We have identified three potential new Greenwich office locations: 55 Old Field Point Road, 530 Old Post Road and 81 Holly Hill Lane.
- We are negotiating lease terms with each landlord, and expect to decide on a new location in the next two weeks.
- The size of the new office space ranges from 2,000 to 2,650 sf.
- The rent for the new office space is expected to average from \$65,000 to \$80,000 per year or \$32.00 to \$38.00 per square foot over the 10-year lease term.
- These estimates are consistent with our original budget for office space.

Submitted by:

Patrick J. Sullivan