
2025 UPSES Acquisition Fund Report

We have some great news in that we have fulfilled, My Aunt, Mary Alice Gonsalves's dream of the Hall buying more property, at it is still going! She passed in 2013 and left \$1M and started the Acquisition fund, and only Acquisition. Over the years this had grown to around \$2.9M with Minimal outside donations made, my sister has donated a couple of times. The fund purchased the building for \$2.5M and still has \$434,912 and grew 8.28% in 2025.

We were luck to have some great community members in the George Alameda and Lou Brito who bought the Original Star-Kist warehouse across the street from the Hall, as that was Lou's first job. The families decided to finally sell, and I had shared that the Hall would be interested, luckily Mary Alice had the forward thinking to set up this fund so we could. With a donation on the price, the Hall was able to purchase the building outright and still keep the fund going. Preserving our little corner of Point Loma as a developer that purchase the strip mall on the Canon side of the block had shown interest also. I am sure we will see an apartment monstrosity rising soon, but the Avenida de Portugal side ok, for now.

The building is held in an LLC (Limited Liability Corporation) with the Only Member being the UPSES Hall. For those of you that do not know, the reason for the LLC is to protect the Hall. Commercial properties are held in LLC as it protects the owner. Had the building be owned by the UPSES directly, if anyone slipped or fell, they could sue the hall for EVERYTHING. However, as it is an LLC, they can only sue for what is in the LLC. It helps set up legal barriers to isolate assets. I feel all our properties should be in LLC's.

The building is leased until 2028 and the rent goes into an operational fund that keeps the Hall from having to spend any money. This will be used to repair the building so that it is a more viable rental come the end of the lease when we plan on upping the rent. Main repairs are, Plumbing, Landscape, Sidewalks, paint, roof and electrical. Any overage goes back into the Acquisition fund so that we can look at other properties, as there may be some coming available at some point on the Hall's block.

I would like to thank Mary Alice for he forethought and planning which made this a reality.

I would also like to reach out again for donations. We need to work together to make sure our Hall is around for generations.

- A donation from an IRA to 501(c)(3) can be a direct transfer from your IRA to a qualified 501(c)(3) charity that is Tax-free, counts towards Required Minimum Distributions (RMDs).
- A donation from a 401K to 501(c)(3) (Estate Planning) is to name the 501(c)(3) as a beneficiary in your 401(k) plan. This is very tax efficient as the charity pays no income tax on the distribution, reducing estate taxes for heirs.

Respectfully submitted by,

Ricardo da Rosa, Chair