

## **Report on the Corporation Sole**

In May 2008 the Special Convention of the Diocese adopted governance revisions stipulating that the Corporation Sole be merged or otherwise incorporated into the Diocesan Corporation to the extent feasible by January 1, 2011. However, the Convention resolution also provided that if such a merger or other incorporation would result in a loss of assets to the combined entity, the Corporation Sole shall continue to survive to the extent necessary to preserve its assets.

As previously reported to Convention, a conclusion was reached that the assets and liabilities of the Corporation Sole could be transferred to the Diocesan Corporation without significant costs ***except for the real property holdings***. Transfers of real property in California are subject to significant real estate transfer taxes; religious and nonprofit entities are not exempt from these transfer taxes. In December 2009 the assets of the Corporation Sole other than its real estate properties were transferred to the Diocesan Corporation.

The balance sheet of the Corporation Sole as of December 31, 2020 (shown in the following pages) reflects the 32 real estate properties which continue to be held by the Corporation Sole.

Respectfully submitted,

B. Bradley Barber, Treasurer

August 24, 2020