

LETTER FROM THE CFO ACCOMPANYING THE 2018 FINANCIAL STATEMENTS

The 2018 audited financial report for The Rector, Church-Wardens, and Vestrymen of Trinity Church, in the city of New-York, prepared in accordance with generally accepted accounting principles (GAAP), is complete and available on Trinity's website.

Trinity's strong financial foundation continues to provide the resources to support its ministry, parish programs and outreach. Trinity spent \$76.6 million on its ministry activities in 2018, which included \$27.9 million for its parish programs and outreach ministries; \$14.8 million in grants, gifts and its assessment to the Diocese of New York to further the good works of others; \$8.7 million for operating and maintenance expenses for Trinity Church, St. Paul's Chapel, and its other mission properties; \$5.2 million in digital outreach and ministry communications, which includes webcasting of services, concerts, and religious education programming; and \$14.6 million for institutional and programmatic support. The expenses for Trinity's numerous programs were partially offset by contributions and donations and preschool tuition. St. Margaret's House, a Trinity-sponsored housing facility for low-income seniors and mobility-impaired people, is funded by rental payments from tenants and assistance from the U.S. Department of Housing and Urban Development.

Trinity has been making significant investments in the preservation and enhancement of its historic and iconic buildings that support its ministries and neighborhood. In addition to the funding of ministry activities, Trinity spent \$17.4 million on mission properties capital projects in 2018. More than half of that amount was spent on construction costs for the multi-year rejuvenation of Trinity Church. Significant progress has been made on the building of 76 Trinity Place, which will house Trinity Commons, a dynamic home for Trinity's worshipping community and our neighbors, with engaging programming to serve lower Manhattan and beyond. The building is expected to open in the spring of 2020.

Trinity continued to make strides in diversifying its endowment while maintaining its long-term ownership of the remaining legacy of the original land grant given by Queen Anne of England in 1705. As the controlling partner of the joint venture with Norges Bank Investment Management and Hines, Trinity consolidates all of the joint venture's financial results in Trinity's financial statements. In 2018, Trinity's share of the return from commercial real estate operations was \$371 million, which includes a \$169 million gain on the sale of a 99-year estate-for-years to the Disney Corporation at 4 Hudson Square, \$89 million of operating income, and \$113 million of unrealized appreciation in fair value of its real estate assets. Trinity's diversified portfolio of financial investments yielded a net loss of \$215 million as the result of more challenging equity markets in 2018.

Trinity is guided by its core values of faith, integrity, inclusiveness, compassion, social justice, and stewardship of the legacy bestowed over 300 years ago to sustain and support its mission, in perpetuity.



Susan MacEachron, *Chief Financial Officer*