CentreVenture
Urban Development Bank

Utilization of the Urban Development Bank

1. The initial City of Winnipeg investment of $10 million is targeted to be used to invest in:
    - Properties that are held for future development
    - Temporary investments in development projects like Centre Village and the Bell Hotel
    - Interest bearing loans and mortgages
        - The interest earnings are used as revenue for CentreVenture's general operating. This interest is a significant portion of CentreVenture's revenues. In 2012 interest revenue was $494K representing more than 50% of total operating revenues.
2. Community investments of $500K to $1 million are made annually. These investments are made in the form of grants, expenses incurred to complete development transactions and full or partial contributions of properties to development transactions.

Continuity of Urban Development Bank

The Urban Development Bank is comprised of the following balances in CentreVenture's financial statements

as of December 31 in '000's	2007	2008	2009	2010	2011	2012
UDB	$ 7,923	$ 9,310	$ 9,384	$ 9,554	$ 8,927	$ 8,150
Invested in capital assets	$ 2,159	$ 1,002	$ 1,738	$ 1,138	$ 1,194	$ 1,032
	$ 10,082	$ 10,312	$ 11,122	$ 10,692	$ 10,121	$ 9,182

Activity during each year

Balance beginning of year	$ 10,082	$ 10,312	$ 11,122	$ 10,692	$ 10,121	
Transfer of prior surplus		$ 1,645				
Transfer of operating surplus			$ 110	$ 33	$ 31	
Community investments	$ (963)	$ (960)	$ (460)	$ (496)	$ (820)	
Investment in capital assets	$ (82)	$ 125	$ (71)	$ (33)	$ (34)	
Sale of MEC	$ 1,275					
Operating loss Centre Village			$ (8)	$ (75)	$ (79)	
Bad debts mortgages and loans					$ (35)	
	$ 10,312	$ 11,122	$ 10,693	$ 10,121	$ 9,184	

- Prior to 2009 CentreVenture had access to a City of Winnipeg land bank. CV could purchase any property in the land bank for $1. The ensuing gain on disposition was recorded as a gain in CV's general operating funds.

Urban Development Bank Balances invested in the following

as of December 31 in '000's	2007	2008	2009	2010	2011	2012
Bell Hotel and Centre Village Housing*						$ 579
Mortgages and Loans (excluding YFC)						$ 7,059
Property held for resale						$ 1,036
CentreVenture capital assets						$ 373
Other						$ 137
	$ -	$ -	$ -	$ -	$ -	$ 9,184

*Currently seeking transfer of these assets to a social NPO organization. At the time this occurs the UDB will be reduced as a result of the transfer of this investment equity to the recipient NPO organization.

CentreVenture Development Corporation - Urban Bank Statement of Operations (by project) in thousands	2008	2009	2010	2011	2012	Total
311 Portage Costs associated with purchase and resale Development of Center Point Hotel/Office/Retail space			(77,666)	(6,532)	(272,066)	(356,264)
666 Main Sale of Bell Annex building and associated cost of subdivision of land with Sun Wah. Development of office/retail space 9000 sq. ft				(36,465)	(85,575)	(122,040)
Carlton Inn Legal and accounting costs associated with the purchase of the Carlton Inn					(171,390)	(171,390)
St Regis Legal and accounting costs associated with the purchase of the St Regis Hotel				(11,139)	(316,792)	(327,931)
Main & Higgins YFC land assembly		(4,802)	(60,120)	84,374		19,452
SHED Costs relating to the development of the SHED program				(124,587)	119,783	(4,804)
7 Argyle Sale of 7 Argyle Development of 85 residential rental units		(20,592)	367,932	(4,932)		342,408
261/265 Portage Avenue Bldg net costs of sale Development of 75 residential rental units	(43,358)	(34,264)	(521,541)			(599,163)
United Way Land assembly costs of the United Way site		(573,325)	21,323			(552,002)
260 Princess Land was granted to China Town Development Corporation as part of land closing for the United Way Building Development of residential 48 rental units			(18,878)	(299,213)		(318,091)
Waterfront Sale of land @ 530 Waterfront - development of 21 condo units Streetscaping for Waterfront public ways	415,731	(126,151)	(38,198)			251,382
WRHA Land assembly for WRHA	4,506	(30,000)				(25,494)
Central Park Grant for redevelopment of park	(1,003,005)					(1,003,005)
297/299 Portage Ave Sale of building to MEC	- 1,153,915					1,153,915
Other Misc projects	(214,948)	(171,732)	(133,157)	(98,674)	(128,282)	(746,793)
Urban Bank Total	- 312,841	(960,866)	(460,305)	(497,168)	(854,322)	(2,459,820)
Centre Village			(8,123)	(74,855)	(79,834)	(162,812)