



# THE URBAN DEVELOPMENT CORPORATION OF TRINIDAD AND TOBAGO LIMITED

## TT\$213,000,000.00

### 8-YEAR 3.35% FIXED RATE BOND DUE OCTOBER 31, 2020 For Auction on October 29, 2012

Guaranteed by the Government of the Republic of Trinidad and Tobago

Agent - Central Bank of Trinidad and Tobago, Eric Williams Financial Complex, St. Vincent Street, Port-of-Spain

"The Trinidad and Tobago Securities and Exchange Commission has not in any way evaluated the merits of the securities offered hereunder and any representation to the contrary is an offence."

# INFORMATION MEMORANDUM

## THE BONDS

1. The URBAN DEVELOPMENT CORPORATION OF TRINIDAD AND TOBAGO Limited ("UDECOTT") proposes to raise TT\$213,000,000.00 through the issue of 8-Year bonds with a fixed coupon rate. The Bonds will be issued in one tranche on October 31, 2012 pursuant to a Trust Deed between UDECOTT and First Citizens Trustee Services.

The Bonds will be issued with the following features:

Approximately TT\$213,000,000.00 3.35% Fixed Rate Bonds due October 31, 2020.

The Central Bank of Trinidad and Tobago will auction the Bonds via the single price auction system.

As far as possible, applicants will be allotted bonds to the fullest extent of their applications.

The auction will be opened at 1:00pm on October 23, 2012 and closed at 1:00pm on October 29, 2012.

## TERMS OF ISSUE

### 1. Authority

These Bonds will be issued pursuant to the Bye-Laws of the URBAN DEVELOPMENT CORPORATION OF TRINIDAD AND TOBAGO Limited.

### 2. Use of Proceeds

The proceeds of the Bond will be applied by UDECOTT towards the payment of the outstanding balance on two (2) bonds financed by the Home Mortgage Bank, namely, a TTS44 million Bond for the acquisition by UDECOTT of lands south of Memorial Park and a TT\$300 million Bond issued to enable UDECOTT to undertake various projects.

These Bonds are eligible for inclusion in the Statutory Fund of Insurance Companies and will be considered as assets in and originating in Trinidad and Tobago within the meaning of Sections 46 (1) and 186 (1) respectively of the Insurance Act, 1980 and will also be accepted without limit for appropriate deposit purposes in accordance with Section 29 of the Insurance Act.

### 3. Date of Issue

The date of issue of the bonds is October 31, 2012.

### 4. Agent

The Central Bank of Trinidad and Tobago has been appointed sole and exclusive agent for the raising and management of this issue of Bonds.

### 5. Method of Payment

The Government will meet the associated debt service obligations.

Payment will be made in Trinidad and Tobago dollars.

### 6. Security

The principal monies and interest represented by the Bonds will be charged upon and are payable out of the Consolidated Fund and are secured on the Revenues and Assets of the Republic of Trinidad and Tobago.

### 7. Interest

Interest is payable semi-annually on October 31 and April 30. Interest will accrue from October 31, 2012 and the first payment will be made on April 30, 2013. Interest will be calculated at a rate of 3.35% per annum on a 365-day basis.

### 8. Business Day

In the event that a payment date occurs on a day other than a Business Day, such payment will be made on the Business Day following that date.

### 9. Redemption

Any bond forming part of this issue, if not previously cancelled or redeemed by purchase in the open market, will be repaid at par on October 31, 2020.

### 10. Applications and General Arrangements

Applications must be made through the designated Government Securities Intermediaries that are listed at the end of this Information Memorandum. Intermediaries must enter bids based on completed application forms, into the electronic auction system. Applications must be for \$1,000.00 face value or multiples thereof. No allotment will be made for any amount less than \$1,000.00 face value.

Government Securities Intermediaries appointed by the Central Bank will act as counterparties to the Central Bank in the auction and will thereafter provide a secondary market for the bonds. Bids can be placed competitively or non-competitively by submitting the relevant application form, along with payment to a Government Securities Intermediary. The minimum allotment that can be obtained through a non-competitive bid is \$1,000.00 face value and the maximum is \$100,000.00 at a price established in the competitive side of the auction. This price is the minimum price, when the successful bids are ordered from the highest price to the lowest price and may be at par, premium or a discount.

A register of bondholders will be held in book-entry form at the Central Bank of Trinidad and Tobago.

The Information Memorandum is available at [www.central-bank.org.tt](http://www.central-bank.org.tt). Application Forms and Transfer of Ownership Forms may be obtained at the offices of all Government Securities Intermediaries.

## THE ISSUER

### 1. Overview

Launched on December 28, 1994, the Urban Development Corporation of Trinidad and Tobago Limited (UDECOTT) a limited liability company, registered under the Companies Act Chapter 81:01, was incorporated in 1994 and specializes in project management. The Corporation's line Ministry is the Ministry of Housing, Land and Marine Affairs.

Under the oversight of a Board of Directors, with day to day management by a Chief Executive Officer and a core of highly trained and experienced professionals, UDECOTT is charged with bringing the infrastructural aspects of the Government's innovation for lasting prosperity to reality.

UDECOTT delivers on its mandate by using two approaches:

- Project Manager
- Development Facilitator

The specific approach selected depends on the type of project, the context of development and the requirements of the stakeholders. UDECOTT can be retained as a Project Manager by Government Ministries to provide project development services beginning with the project conception and ending with delivery of the completed project. In this role, UDECOTT acts as an agent and provides the following specific services:

- Project identification and formulation
- Feasibility studies
- Planning and environmental studies
- Procuring consulting services for architectural and engineering design
- Procuring contractors for infrastructure and building construction
- Arranging construction management services
- Preparing project budgets
- Assisting with project financing negotiations
- Providing financial management and reporting services.
- UDECOTT as Development Facilitator
- UDECOTT can be retained as Development Facilitator and function essentially as a consultant. UDECOTT will undertake responsibility for the physical, economic, financial and environmental planning of a project and will mobilize the resources to implement the project.

Key objectives of the Urban Development Corporation of Trinidad and Tobago Limited (UDECOTT) include:

- The development of social infrastructural projects, inclusive of hospitals, police stations and fire stations;
- The development of the capital city, Port of Spain, as a business and financial centre;
- The regeneration of the city of San Fernando as the energy centre of the country;
- The development of 13 major urban centres identified in the National Physical Development Plan.

### Mission Statement

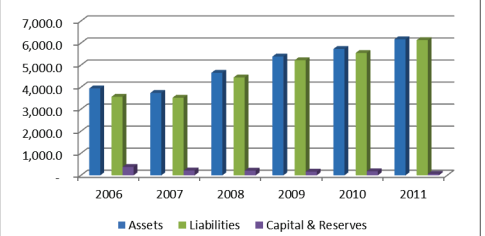
UDECOTT's mission is to fulfil its role as one of Government's primary developers through physical development and the rehabilitation of urban and other designated areas in accordance with aesthetically pleasing, environmentally sound and commercially viable principles. The Mission was set in the context of the country's vision for innovation for lasting prosperity. The visualisation of the urban centre of the 21st century is one of a portrait of communities in which the critical needs of the people are provided for; interests and culture, history and education, entertainment and government are all balanced with commerce.

## 1. Financial Information

Over the past six years UDECOTT's asset base has grown by over 50% as at December 2011 and currently stands at TT\$6.1 billion. Leasehold properties have decreased by 19% due to the divestment of the housing portfolio. Land vested in UDECOTT by the state via

Details	Audited		Unaudited			
	2006	2007	2008	2009	2010	2011
	\$M	\$M	\$M	\$M	\$M	\$M
Assets	3,939.1	3,735.1	4,648.5	5,384.8	5,731.8	6,169.3
Liabilities	3,560.7	3,519.3	4,437.9	5,217.2	5,548.8	6,130.6
Capital & Reserves	378.4	215.8	210.6	167.6	183.0	65.7
	3,936.1	3,735.1	4,648.5	5,384.8	5,731.8	6,196.3

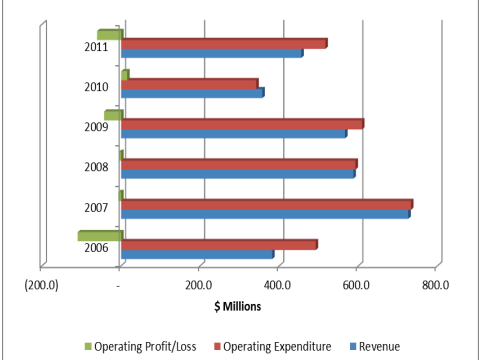
Balance Sheet Information



While Operating losses over this period have fluctuated, coupled with the economic downturn, UDECOTT's project portfolio has steadily grown as indicated by the company's strong revenue figures. The company's fees are earned mainly from Construction works. UDECOTT is also exploring the field of Facility Management as downstream source of income in addition to its core business activities.

Details	Audited	Unaudited \$M				
	2006	2007	2008	2009	2010	2011
Revenue	382.1	726.1	587.3	566.2	357.1	455.8
Operating Expenditure	492.0	733.0	592.6	609.2	341.7	516.5
Operating Profit/Loss	(109.9)	(6.9)	(5.3)	(43.0)	15.4	(60.7)

Operating Results

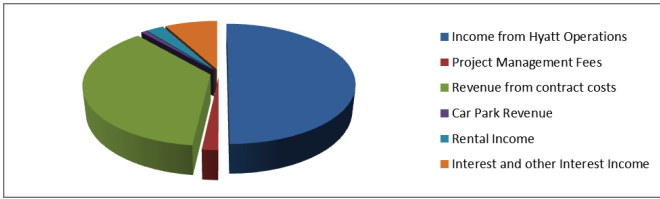




**THE URBAN DEVELOPMENT CORPORATION OF TRINIDAD AND TOBAGO LIMITED**

**Contribution to Income**

The company's income as at December 2011 of \$456 million was derived as follows:



The Company continues to implement strategies geared towards improving its operating ratio. In addition, the company is engaged in aggressive collection initiatives in terms of rentals and project collections.

**Operating Expenditure and Contract Costs**

Expenditure December 2011	Value (\$'000)	(%)
Administration Costs	69,528,280	13.46%
Depreciation	1,745,167	0.34%
Finance Costs	69,108,613	13.38%
Operating Costs - Hyatt	171,470,329	33.19%
Running Costs	12,810,455	2.48%
Staff Costs	23,611,031	4.57%
Vehicle Expenses	692,913	0.13%
Contract Costs	167,620,226	32.45%
<b>Total Operating Expenditure</b>	<b>516,587,014</b>	<b>100%</b>

Please note the figures used in this report are from the draft copies of UDeCOTT's Balance Sheet and Profit & Loss Account for the period December 31, 2007 to December 31, 2011.

**Debt Profile**

The company held long term borrowings as at 31 December 2011 in the sum of TTD \$6.7B with the following financial institutions:

Royal Bank (Trinidad and Tobago) Trust Limited	0.2B
Citibank (Trinidad) Limited	0.6B
Scotiabank (Trinidad and Tobago) Limited	0.7B
Home Mortgage Bank (HMB)	0.7B
First Citizens Bank Limited (FCB)	1.0B
First Caribbean International Bank (FCIB)	0.6B
Republic Finance & Merchant Bank	2.4B

**Royal Bank (Trinidad and Tobago) Trust Limited - TTD \$0.2B**

This sum is comprised of government guaranteed fixed rate bonds which were to initially finance the construction of the CR/UBH Interchange, with funds subsequently re-directed to various Housing Projects. The current effective interest rate is 7.00%.

**Citibank (Trinidad) Limited - TTD\$0.6B**

These Government-guaranteed fixed rate bonds were used to finance the construction of the Ministry of Education Tower. The current effective interest rate is 5.63% and the facility is secured by a government guarantee.

**Scotiabank (Trinidad and Tobago) Limited - TTD \$0.7B**

This facility was used to finance the construction of the Chancery Lane Administrative Complex. The current effective interest rate is 5.50% and the facility is secured a government guarantee.

**Home Mortgage Bank (HMB) - TTD \$0.7B**

The Home Mortgage Bank provided financing for five (5) separate facilities inclusive of two bonds which were used for the construction of following:

1) Acquisition of Lands South of Memorial Park (TTD44M):  
The current effective interest rate is 9.50% and the facility is secured by debenture and collateral mortgage over the properties.

2) Real Spring Housing Development Project, Valsayn (TTD170.0M)  
The current effective rate is 8.00% and the facility is secured by a mortgage over the property at Real Spring Valsayn.

3) UDeCOTT Head Office Building (TTD33.9M)

The current effective interest rate is 7.00% and the facility is secured by a mortgage over property at 38-40 Sackville Street, Port-of-Spain.

4) Ministry of Public Administration Building (now the Office of the Prime Minister) (TTD108M):  
The current effective interest rate is 7.00% and the facility is secured by a mortgage over property at 13-15 St. Clair Avenue.

5) Various Housing Projects (TTD\$300.0M)  
The current effective interest rate is 9.50% and the facility is secured by collateral mortgages over development projects for the construction of inter alia, various housing projects. Collateral over lands include but are not limited to the following: Purcell Street, Todd Street and Coffee Street, San Fernando; Canaan Road, Church Street and Chin Aleong Road, La Romaine; as well as lands at Scarborough, Tobago - Scarborough Financial Complex and Scarborough Library.

**First Citizens Bank Limited (FCB) - TTD\$1.0B**

Three (3) separate loan facilities totalling TTD\$1.0 Billion were used to Finance the following:

- Brian Lara Cricket Academy (TTD \$497M):  
The current effective interest rate is 6.35% and the facility is secured by government guarantee.
- TTD \$230.1M Facility:  
The current effective interest rate is 5.25% and the facility is secured by a government guarantee. This facility was used to finance payments to contractors on various Government Projects previously funded under the Public Sector Investment Programme (PSIP).
- TTD \$319M Facility:  
The current effective interest rate is 6.35% and the facility is secured by a government guarantee. This facility was used to finance payments to contractors on various Government Projects previously funded under the Public Sector Investment Programme (PSIP).

**First Caribbean International Bank (FCIB) - TTD \$0.6B**

This amount is made up of a loan which was used to Finance the outfitting of the Port-of-Spain International Waterfront. The current effective interest rate on this facility is 5.84% and the facility is secured by a government guarantee

**Republic Finance & Merchant Bank - TTD \$2.4B**

This amount is made up of two (2) loan tranches i.e. TTD \$1.65B and TTD 0.75M, which were both taken to Finance the construction of the Government Campus Plaza Project (GCP). The current effective interest rate is 5.86% and the facility is secured by a government guarantee.

**2. Organizational Structure**

While UDeCOTT has a reporting relationship to the Ministry of Housing, Land and Marine Affairs, it is a private company that is wholly-owned by Government and which is responsible to the Corporation Sole, the Minister of Finance.

The Board of Directors of UDeCOTT are as follows:

Ms. Jearlean John	(Chairman)
Dr. Victoria Phillips-Jerome	Director
Mr. Glenn Parmassar	Director
Mr. Damian Hares	Director

Mr. Shankar Bidaisee	Director
Mr. Eli Zakour	Director
Mr. Charles Balkaran	Director
Mr. Kissoon Gannes	Director

The UDeCOTT Executive Management Team consists of the following:

**Chief Executive Officer**

**Mr. Kurt Ramlal**

Mr. Ramlal, a Fellowship Chartered Accountant, FCCA, has 13 years' experience in Finance, Management, IT and Project Management with an international company in the oil and gas industry. Further to this, he has regional consulting experience in financial management and has attended numerous seminars and workshops in Finance, IT and Project Management in the USA and the Caribbean.

**Chief Financial Officer**

**Ms. Solange Henry**

Ms. Henry, an MBA graduate from the Arthur Lok Jack School of Business, with ACCA Certification, has 5 years senior managerial experience in Auditing and Finance within the state sector. Ms. Henry also has financial consulting experience within the state sector and is a professional member of the Institute of Internal Auditors (IIA). Ms. Henry has worked extensively on policy design and has successfully implemented numerous financial management and accounting procedures.

**Chief Information Officer**

**Ms. Jassodra Gumansingh**

Ms. Gumansingh has an MBA from John Hopkins University, Maryland with 7 years senior managerial experience in Information Technology. With a further 12 years at an international development bank in the USA, Ms. Gumansingh has a broad range of experience in Research, Finance and E-Government initiatives.

**Chief Operating Officer**

**Mrs. Greer Quan**

Mrs. Quan, LLB, from the University of London, has over 10 years senior managerial experience in financing, banking and operations. As a past Assistant VP - Legal at one of the leading banks in Trinidad & Tobago, Mrs. Quan joined the Corporation as an Executive Manager charged with the responsibility of acquiring all private sector financing for our projects. To date, Mrs. Quan has acquired over TTD\$4billion in financing for our projects.

Mrs. Quan now oversees all operational aspects of the Corporation and since her appointment, has successfully relocated our Temporary Parliament on time and on budget.

**Chief Personnel Officer**

**Ms. Sarah Awai-King**

Ms. Awai-King, an MA graduate in Strategic Customer Service Management, from the Nottingham Trent University in the UK, has 14 years' senior managerial experience in all aspects of Human Resources Management in Trinidad & Tobago and the UK.

Ms. Awai-King has extensive training and experience in job analysis and the design and development of performance management systems.

Ms. Awai-King was also a Senior Lecturer in Human Resources Management, Compensation Management, Organizational Behaviour and Industrial Relations.

**Corporate Secretary**

**Mr. Brahma Beharrysingh**

Mr. Beharrysingh, an Attorney at law and also possesses a BA from the University of the West Indies.

Mr. Beharrysingh has worked as Legal Counsel with a government ministry for over 4 years as well as has served on the Occupational Safety and Health Authority (OSHA) Board of Directors.

**Chief Construction Engineer**

**Mr. David Campbell**

Mr. Campbell, PE., CCM, MAPE is a Certified Construction Manager with over 22 years project management experience in the construction industry in Trinidad & Tobago and the USA. With an MSc in Civil Engineering from Virginia Tech, USA, Mr. Campbell is a registered engineer in both Trinidad & Tobago and the USA and has successfully delivered multimillion dollar projects.

**Programme Director**

**Mr. Pedro Torres**

Mr. Torres has more than 30 years' experience in the construction industry and has worked extensively throughout the Caribbean and the USA.

With a BSc in Civil Engineering from the New Jersey Institute of Technology, Mr. Torres has professional membership with the American Society of Civil Engineers.

He has successfully delivered multimillion projects with a specific focus on quality and cost.

**List of Government Securities Intermediaries**

Institution	Contact Addresses
ANSA Merchant Bank Limited	11c Maraval Road Port of Spain  Tel: 623-8672 Fax: 624-8763
Bourse Securities Limited*	96 Maraval Road Port of Spain Tel: 628-9100 Fax: 624-1603
First Citizens Investment Services Limited*	Ground Floor, Furness Court Corner Richmond Street and Independence Square Port of Spain  Tel. 623-7815/5153 Fax. 624-4544
Citicorp Merchant Bank Limited	12 Queen's Park East Port of Spain  Tel. 625-1046; 623-3344 Fax: 624-1719
First Citizens Bank Limited	Corporate Centre 9 Queen's Park East Port of Spain  Tel: 624-3178 Fax: 627-4548
Intercommercial Bank Limited	Ground Floor Furness Building Port of Spain Tel: 665-4425 Fax: 665-6663
Republic Bank Limited	9-17 Park Street Port of Spain Tel: 625-4411 Fax: 624-1296
RBC Merchant Bank Limited	Corner Broadway and Independence Square Port of Spain  Tel: 625-3511 Fax: 624-5212
Scotia Trust and Merchant Bank (Trinidad and Tobago) Limited	Scotia Centre 56-58 Richmond Street Port of Spain  Tel: 625-3566 Fax: 623-4405
First Caribbean International Bank (Trinidad and Tobago) Limited	74 Long Circular Road Maraval Port of Spain  Tel: 628-4685 Fax: 625-8906
Trinidad and Tobago Unit Trust Corporation *	Corner Richmond Street and Independence Square Port of Spain  Tel: 624-8648 Fax: 624-4729

Note: \* Intermediaries designated to accept non-competitive bids from the public. Applications will be accepted by these intermediaries up to 12:00 noon on Friday 26<sup>th</sup> October, 2012.