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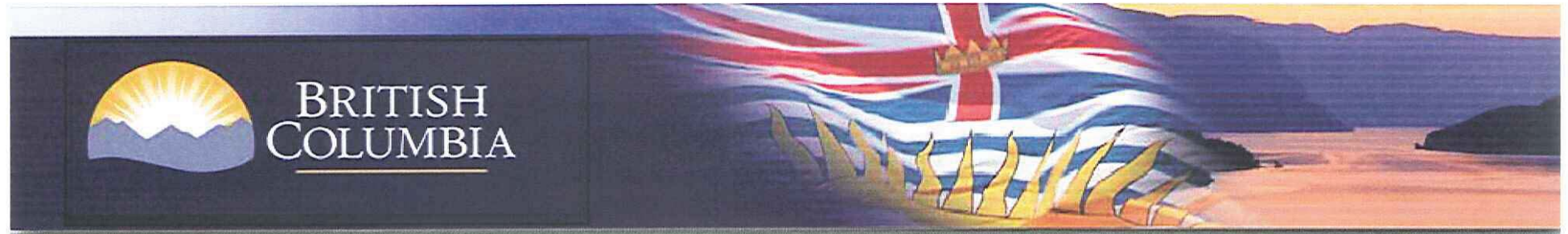


Release of Assets for Economic Generation Brief

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Program and Purpose

- Release of Assets for Economic Generation (RAEG) program is a centrally-led consolidated initiative to realize gains from surplus assets within the B.C. public sector
- Goal is to generate economic activity in communities and to help balance budget
- Over the years, various government entities have been selling surplus assets. (Since 1981, almost 1500 surplus government properties have been sold in B.C.)
- 100 surplus properties identified. Represent less than two per cent of government's overall property portfolio
- Estimated net gain of \$500 million in 2013/14 and 2014/15.
- Fiscal target of \$350 million set for 2013/14.



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Structure And Rationale cont..

- The majority of surplus property inventory came from three sectors, education, healthcare and transportation.
- In the case of the SUCH sectors, proceeds for the sales go back to the entities.
- Treasury Board through Minister of Finance has overall responsibility for the program. The Deputy Minister of Technology, Innovation and Citizens' Services is responsible for the delivery of the program.
- Project team is comprised of professionals with expertise in marketing, First Nations consultation and negotiation, environmental investigation and communications.



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Risk Management

- To be conservative gains were based on assessed values.
- Expect the market price to outperform assessed values (25%-30% for some high value properties).
- 75% of properties in urban areas.
- Colliers International confirmed demand is high and competition is fierce for development land in Metro Vancouver.



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Major Risks and Current Status

- Election year
- First Nations
- Municipalities
- Detailed marketing plans with due diligence on each property have been completed
- Current status