



REPORT ON FINANCIAL RESULTS FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2017

November 24, 2017 – For Immediate Release

Toronto, Ontario – Mitchell Cohen, Chief Executive Officer and President of Urbanfund Corp. (TSX-V: UFC) (“Urbanfund” or the “Company”), confirmed today that the Company filed its unaudited interim condensed consolidated financial statements for the three- month and nine-month periods ended September 30, 2017 (the “Financial Statements”).

Results from Operations

For the nine-month period ended September 30, 2017, the Company reported rental revenues of \$4,119,105 compared to \$3,675,433 for the corresponding nine-month period in 2016. Rental revenues increased by \$443,672, is primarily attributable to the lease up by the Company of its 48 Weber Street (“Kitchener”) and the 11-13 Edvac Drive, Brampton (“Edvac Property”) properties coming online.

For the nine-month period ended September 30, 2017, the Company reported rental expenses of \$2,223,464 compared to \$2,015,376 for the corresponding nine-month period in 2016. The increase in rental expenses of \$208,088 is primarily attributable to the costs relating to 48 Weber and the Brampton Property. Overall, rental expenses remained relatively consistent with the prior nine-month period.

For the nine-month period ended September 30, 2017, the Company reported financing costs of \$737,718 compared to \$686,456 for the corresponding nine-month period in 2016. The increase in financing costs of \$51,262 is attributable to the related mortgages for 48 Weber, the Brampton Property and the non-revolving term facility.

For the nine-month period ended September 30, 2017, the Company reported income before income taxes of \$2,660,688 compared to \$2,469,061 for the corresponding nine-month period 2016. The increase in income before taxes of \$191,627 is primarily attributable to an increase in interest income relating to the loan receivable from a private company, in which the Company invested, and the fair market value adjustment relating to marketable securities. Income before income taxes remained relatively stable for the nine-month period ended September 30, 2017 versus the corresponding nine-month period in 2016, however, the current period income represents Urbanfund’s realization of its share of profit from the investment in the One Bloor Street East project, whereas the prior period primarily represents a fair value adjustment related to 48 Weber.

Funds from Operations

Funds from operations for the three-month and nine-month periods ended September 30, 2017 and 2016 were as follows:

	Three-months ended September 30,		Nine-months ended September 30,	
	2017	2016	2017	2016
Income before income taxes	197,865 \$	223,674 \$	2,660,688 \$	2,469,061
Adjustments:				
Interest and dividend income	(15,078)	(10,241)	(83,017)	(35,503)
Fair value adjustment on marketable securities	(3,336)	13,838	(76,953)	(14,496)
Realized loss on foreign currency translation	-	-	-	94,700
Unrealized gain (loss) on foreign currency translation	1,898	(437)	3,674	2,929
Fair value adjustment on investment properties	5,532	12,265	86,066	(1,744,396)
FFO	186,881	239,099	2,590,458	772,295

See “Non-IFRS Measures” below.

Cash Flows

Cash flow provided by operating activities represents the primary source of liquidity to fund dividends, debt service, capital improvements and proposed acquisitions. The Company's cash flow from operating activities is dependent upon the occupancy level of its income properties, the rental rates on its leases, the collectability of rent from its tenants and the level of property operating expenses. Material changes in these factors may adversely affect Urbanfund's net cash flow from operating activities and liquidity. See "Risks and Uncertainties".

Changes in cash for the three-month and nine-month periods ended September 2017 and 2016 were as follows:

	Three-months ended September 30,		Nine-months ended September 30,	
	2017	2016	2017	2016
Cash provided by (used in) operating activities	\$ (9,803)	\$ 13,622	\$ 2,445,209	\$ 205,140
Cash provided by (used in) investing activities	203,660	(414,166)	(947,573)	(2,862,460)
Cash provided by (used in) financing activities	(545,195)	2,449,534	(1,193,235)	3,285,967
Net change in cash and cash equivalents	(351,338)	2,048,990	304,401	628,647
Cash and cash equivalents, beginning of period	8,618,371	6,254,925	7,962,632	7,675,268
Cash and cash equivalents, end of period	\$ 8,267,033	\$ 8,303,915	\$ 8,267,033	\$ 8,303,915

Statement of Financial Position

As of September 30, 2017, total assets were \$68,360,762 compared to \$66,752,087 as of December 31, 2016, increase of \$1,608,675 is primarily due to the acquisition of the Company's 51-59 Scott Street, Kitchener property acquisitions, net additions to properties under development, offset with the repayment of the investment in the One Bloor Street East project.

Dividends

The Company confirmed on June 17, 2015 that it had adopted a dividend policy (the "Dividend Policy"), a dividend reinvestment plan for holders of common shares in the capital of the Company (the "Common Shares") and a dividend reinvestment plan for the holder of Series A, first preferred shares (the "Preferred Shares") in the capital of the Company (collectively, the "DRIP").

As part of the Company's long-term strategy to maximize shareholder value, the board of directors has approved the implementation of the Dividend Policy. Pursuant to the Dividend Policy, as amended by the board resolution on June 14, 2017, the Company intends to pay an annual aggregate dividend of \$0.01 per Common Share and \$0.01 per Preferred Share, payable quarterly in the amount of \$0.0025 per Common Share and Preferred Share. The record date for dividends is anticipated to be set as the last business day of March, June, September and December in each year and the payment date in each case is anticipated to be approximately two weeks from the record date.

The DRIP is a voluntary program permitting holders of Common Shares and Preferred Shares to automatically, and without charge, reinvest dividends to acquire additional Common Shares at a specified discount to the volume-weighted average market price calculated as of the date of the dividend payment. The Company has reserved an aggregate of 2,000,000 Common Shares for the issuance to participants enrolled in the DRIP. During the three-month period September 30, 2017, the Company issued 161,807 common shares for an aggregate issue price of \$87,055 to shareholders participating in the DRIP.

During 2017, the Company made dividend payments on each of: (i) January 15, 2017 to shareholders of record as of December 31, 2016; (ii) April 15, 2017 to shareholders of record as of March 31, 2017; and (iii) July 17, 2017 to shareholders of record as of June 30, 2017; (iii) October 16, 2017 to the shareholders of record as of September 30, 2017.

The declaration and payment of future dividends and the quantum of any such dividends will be subject to the Company's board of directors' determination, in its discretion, taking into account, among other things, business performance, financial condition, growth plans and expected capital requirements, statutory solvency tests, as well as any contractual restrictions on such dividends, including any agreements entered into with lenders to the Corporation or its subsidiaries. There can be no assurance that dividends will be paid at the intended rate or at any rate in the future.

Subsequent Events

On October 5, 2017, Urbanfund refinanced its existing first mortgage relating to its Belleville property totaling \$10,150,000 with a 5-year term at 3.95%. The additional funds of \$7,450,000, unrelated to the Belleville property, were contributed as capital towards the Highfield Park investment ("Highfield Park").

On October 10, 2017, Urbanfund, together with Westdale Construction Co. Limited, purchased the Highfield Park portfolio for \$113,000,000 plus customary closing costs. The purchase was funded by \$77,000,000 mortgage with a 10-year term at 3.80% and the balance through equity contributions. Highfield Park comprises of 1,354 residential units, located within 20 low-rise buildings over a 37-acre community located in Dartmouth, Nova Scotia.

On November 10, 2017, Urbanfund, through its joint operation with Takol Real Estate Inc., acquired 4 Alfred Kuehne Blvd. ("4 Alfred") for \$4,700,000 plus customary closing costs. The purchase was funded by \$3,600,000 in equity contributions and balance through a mortgage funded by a Canadian chartered bank. The total mortgage was financed at \$3,100,000, with a 2-year term at 5.50%. 4 Alfred is comprised of one industrial building aggregating 46,790 square feet located in Brampton, Ontario.

On November 17, 2017, Urbanfund received its second distribution, in the amount of \$1,500,000, relating to a return on investment in the One Bloor Street East project.

ABOUT URBANFUND

Urbanfund is a Toronto-based real estate development and operating company listed on the TSX Venture Exchange ("TSX-V") under the symbol UFC. The Company is a reporting issuer in Alberta, British Columbia and Ontario.

The Company's focus is to identify, evaluate and invest in real estate or real estate related projects. The Company's assets are located in Toronto, Brampton, Belleville, Kitchener and London, Ontario, Montreal and Quebec City, Quebec and Dartmouth, Nova Scotia.

NON-IFRS MEASURES

Funds from operations ("FFO") is a measure sometimes used by Canadian real estate companies as an indicator of financial performance, however, it does not have a standardized meaning prescribed by IFRS. This measure may differ from similar computations as reported by other real estate companies and, accordingly, may not be comparable to similarly termed measures by other such issuers.

FFO is a financial measure that should not be construed as an alternative to net income, cash flow from operations, or any other operating or liquidity measurement prescribed under IFRS. The Company presents FFO in accordance with the recommendations of the Real Property Association of Canada ("REALpac") White Paper on Funds from Operations revised April 2014.

FFO is not intended to represent operating profits for the period or from a property. Furthermore, it should not be viewed as an alternative to net income, cash flow from operating activities or similar measures of financial performance calculated in accordance with IFRS. FFO is a widely accepted supplemental measure of financial performance for real estate companies, however, it does not represent amounts available for capital programs, debt service obligations, commitments or uncertainties. FFO should not be interpreted as an indicator of cash generated from operating activities and is not indicative of cash available to fund operating expenditures, or for the payment of cash distributions. FFO is simply one measure of operating performance. A reconciliation of net income before taxes to FFO is presented under "Funds from Operations".

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This press release contains certain "forward-looking statements" within the meaning of applicable securities legislation. Forward-looking statements reflect management's beliefs, plans, estimates and expectations regarding the Company's growth, results of operations, performance, business prospects and opportunities, access to capital, proposed development and redevelopment plans, repayment of indebtedness and cash-flow.

Such statements, including statements about the Company's future plans and intentions, results, levels of activity, performance, goals or achievements or other future events, repayment of indebtedness, contractual obligations and future dividend payments, proposed development and redevelopment plans, and proposed acquisition, renovation,

condominium conversion and sale of 11-13 Edvac Drive and 4 Alfred Kuehne Drive, in Brampton, Ontario, anticipated timing and quantum of receipt of distributions from the Project (as defined herein) and constitute forward-looking statements. Wherever possible, words such as "may", "will", "should", "could", "expect", "plan", "intend", "anticipate", "believe", "estimate", "predict", or "potential" or the negative or other variations of these words, or similar words or phrases, have been used to identify these forward-looking statements. These statements reflect management's current beliefs and assumptions and are based on information currently available to management as at the date hereof.

Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully and readers should not place undue reliance on the forward-looking statements.

Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including: general economic and market segment conditions, interest rates, costs outside of the Company's control such as real estate taxes and utilities, the ability of tenants to satisfy their contractual rent obligations and any unforeseen repair, maintenance or replacement of the Company's assets.

More detailed assessment of the risks that could cause actual results to materially differ than current expectations is contained in the "Risks and Uncertainties" section of the Company's most recent Management's Discussion and Analysis dated the date hereof.

For further information, please contact:

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