

U.S. Development Opportunities Fund I Ltd.

16th Investors Report



December 2014

U.S. Development Opportunities Fund I Ltd (the "Fund")

Capital Allocation

The Capital of the Fund was utilized in the following manner:

Details	USD
Dadeland	23,166,214
Government Center	19,620,000
Up-front fee charged by the Investment Manager	5,633,786
Total	48,420,000

Fees Collected from the investors

As per the PPM, the Investors were charged the following fees with respect to their subscriptions in the Fund:

Fees	USD
Structuring Fee	122,295
Subscription Fee	214,973
Total	337,268

Fund Update

As mentioned in the last Investor Report, the entire residential and commercial units have been fully sold.

Dadeland All Units Sales Update

There are no further sales updates to report as the units have been fully sold as mentioned in the last Investor Report.

Investor Distribution To-date

As of this report, the total return of capital to the investors amounts to 93.25%, as detailed in the following table:

(In USD)

Fund Summary		Date of Distribution	% of the Fund Capital
Fund Capital	48,420,000		100%
Repayment of Capital:			
- Distribution 1	6,536,700	September 2006	
- Distribution 2	4,842,000	February 2007	
- Distribution 3	15,494,400	May 2007	
- Distribution 4	4,993,706	April 2010	
- Distribution 5	3,601,298	September 2012	
- Distribution 6	9,684,000	April 2014	
Total Repayments	45,152,104		
Net Proceeds to Fund Investors	45,152,104		93.25%

Cash Summary

The following table shows the gross position of cash available in Fund's accounts as of 1 January 2015:

Bank Name	USD
Ithmaar Bank – Fund's Current Account	1,882,368.53
Ithmaar Bank – Fund's Modaraba Account (placement)	-
Total	1,882,368.53

Fund Liquidation & Final Distribution to Investors

The Fund is expected to make a final distribution, net of liquidation cost and any other applicable fees, to the investors in January 2015.

As per the relevant rules and regulations of the Central Bank of Bahrain ("CBB"), we have applied for CBB's approval to liquidate the Cayman Island entities, which includes the Fund. Once all the requirements of the CBB are met and their approval is in place, we will proceed with the liquidation of the Fund and related entities.

Fund's Management Accounts

Ithmaar Bank, the Investment Manager of the Fund, would be preparing the final management accounts of the Fund to cover the period from 1 January 2013 to 30 June 2014 as mentioned in the last Investor Report, for the following reasons:

1. While the final sales proceeds were received by the Fund in March 2014, it has taken significant time in obtaining various legal clearances from the lawyers in the United States as well as the Cayman Islands. Consequently, the proposed liquidation has taken more time than anticipated.
2. Reduce unnecessary expenses of the Fund and the investors as no further transactions were expected to take place after the final sales proceeds were received. Furthermore no transactions took place during the year 2013.

The preparations for final management accounts would commence in Q1-2015 to cover the period from 1 January 2013 till the date of the final distribution.

The following financial highlights are from the management accounts of the Fund as of 31 December 2012:

	USD
Total Assets	20,322,336
Total Liabilities*	9,182,475
Obligation to units holders	12,951,896
Accumulated loss	(1,812,035)

* The amount has been corrected due to a typographical error in the previous Investor Report.

Board Resolutions

No Resolutions have been passed by the Fund during the period September 2014 till date.

Board Members of the Fund

The Board of Directors of the Fund comprise of the following members:

Name	Period of Appointment	Remuneration
Muhammad Wasif Ijlal	1 February 2008 – Present	None
Abdul Hakim Al Mutawa	22 November 2005 – Present	None

Litigation or Disputes

There are no legal claims against the Fund or any of its underlying companies or any investor claims.

Fund Exit

As mentioned in the last Investor Report, the Fund has fully exited its two underlying projects. Accordingly, the final distribution would be made to the investors in January 2015.