Early Warning System

IFC-37869

CHG Loan

Early Warning System
CHG Loan

IFC-37869

Quick Facts

Countries	China
Specific Location	Chongqing, Chengdu, Sichuan
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	B
Voting Date	2016-04-28
Borrower	Chongqing Economic and Technological Development Zone Houze Small Loan Co.,Ltd
Sectors	Construction, Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 40.00 million
Project Cost (USD)	$ 60.00 million

Project Description

Established in 2013 in Chongqing, China and sponsored by Clearwater Capital Partners, LLC (“Clearwater”), Chongqing Economic and Technological Development Zone Houze Small Loan Co.,Ltd (“CHG” or the “Company”) focuses on providing debt financing to privately-owned residential housing developers in frontier regions in China.

The proposed project consists of a RMB denominated senior loan to CHG and potential direct equity investment to the holding company of CHG. The Project represents an IFC effort to support the supply side of private sector led affordable housing in frontier regions in China, by working with an IFC global partner to extend credits to small and medium size local housing developers.

Provides liquidity to build and complete private sector led affordable housing projects to enable urbanizing rural population, including migrant workers, and low to middle income urban households in frontier regions in China to afford higher quality housing; Promote and expand an alternative credit solution model to better serve the unmet financing demand from private sector led affordable housing projects in frontier regions in China. Increase awareness and promote adoption of E&S standards among the small to medium size real estate developers in China.

Investment Description

- International Finance Corporation (IFC)

The project sponsor is Clearwater Capital Partners, LLC, an Asia-dedicated credit and special situations investment firm established in 2001. It now has approximately US$1.5 billion assets under management and capital commitments across 5 private equity structured funds and a hedge fund. The firm has 6 offices in Mumbai, Chongqing, Seoul, Singapore, Hong Kong and New York and 43 employees.

CHG is ultimately controlled by Clearwater. The controlling shareholder is Clearwater Fund IV, with 76.9% equity stake. In July 2012, Clearwater Fund IV secured US$575 million capital commitments from corporate and state pension plans, fund of funds, endowments, foundations and family offices in the U.S., Europe and Asia.

IFC Equity US$ 20 million

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- Chongqing Economic & Technological Development Zone Houze Small Loan Co Ltd (Financial Intermediary)

Private Actors Description

CHG is ultimately controlled by Clearwater. The controlling shareholder is Clearwater Fund IV, with 76.9% equity stake. In July 2012, Clearwater Fund IV secured US$575 million capital commitments from corporate and state pension plans, fund of funds, endowments, foundations and family offices in the U.S., Europe and Asia.

Contact Information

Chongqing Economic and Technological Development Zone Houze Small Loan Co.,Ltd
Unit 33-11, Metropolitan Oriental Plaza, No. 68 Zourong Road
Yuzhong District, Chongqing
P.R. China
Tel: 86-23-6037-2380
Fax: 86-23-6037-2378
Web: http://www.clearwatercapitalpartners.com/

ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/