Early Warning System

IFC-49199

Araya I

Quick Facts

Countries	Dominican Republic
Specific Location	Bavaro
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	AFI Universal
Sectors	Construction
Investment Type(s)	Loan
Investment Amount (USD)	$ 20.00 million
Loan Amount (USD)	$ 20.00 million

Project Description

According to the IFC, the bank proposed financing entails an up to US$20m senior secured loan to finance the development of the Araya Phase 1 housing project (“Araya” or the “Project”), located in Bavaro, in partnership with AFI Universal and Grupo BAK, (the “Sponsors”). The Sponsors will create a trust to manage the Project, with responsibility for architectural design, construction, and property management assigned to Grupo BAK, (including E&S management). The Project will consist of 462 apartments across 77 three-story buildings, plus 1,000 square meters of ground floor retail facilities. Onsite sports and recreation facilities will be included for use by residents. Grupo BAK is responsible for architectural design and construction, as well as property management until the development is fully completed, (which will coincide with the full repayment of the IFC loan). The Company purchased the land in December 2022, (6.5 hectares), and works so far have been limited to geotechnical, topographical, and environmental studies.

Investment Description

- International Finance Corporation (IFC)

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.

- AFI Universal (Financial Intermediary)

Private Actors Description

According to the IFC, Administradora de Fondos de Inversiones Universal, S.A. is a fund manager based in the Dominican Republic with a total of 11 funds since inception, including real estate funds dedicated to housing developments in the country for the low-income, touristic and urban segments. Grupo BAK, S.R.L. is local developer.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Grupo BAK, S.R.L.	Client	-

Contact Information

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ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

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

Bank Documents

- Environmental and Social Review Summary_V1