

 Early Warning System

IFC-40174
CHG Syndication



Quick Facts

Countries	China
Specific Location	Chongqing
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	F1
Voting Date	2018-01-12
Borrower	Chongqing Economic and Technological Development Zone Houze Small Loan Co., Ltd
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 75.00 million



Project Description

This proposed project is an up to US\$75 million financing package, consisting of up to RMB100 million (approximately US\$15 million) IFC A Loan and up to US\$60 million and/or its RMB equivalent (can be increased to US\$85 million in case of over-subscription) Syndicated Loan. The project represents IFC's continuous effort in supporting the private sector led affordable housing projects in China.

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 Southwest China, including the frontier regions in Southwest China. CHG is an existing client of IFC since 2016.

The project sponsor Clearwater is an Asia-dedicated and special situations investment firm founded in 2001. Clearwater now has about US\$1.3 billion assets under management. The firm has six offices in Chongqing, Hong Kong, Mumbai, New York, Seoul and Singapore.

CHG is ultimately controlled by Clearwater. It is 80.9% indirectly owned by Clearwater China Investments L.P., a U.S. Delaware limited partnership, and 19.1% indirectly owned by IFC. The Delaware Partnership received contribution from two limited partners, Clearwater Capital Partners Fund IV, L.P. (63.3%) and Clearwater CHG Co-Investment Fund, L.P. (36.7%), both are managed by Clearwater. 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.



People Affected By This Project

1) Expanding Access to Finance for Private Sector Led Affordable Housing Projects: The Project will provide liquidity to build private sector led affordable housing projects to enable migrant workers, and lower income urban households in China to afford higher quality housing. The Project is expected to finance an additional 6,000 affordable housing units per year and benefit about 30,000 families; 2) Promoting Greater Market Competitiveness: The Project has the potential to promote greater market competitiveness by facilitating private sector participation in the supply side of the affordable housing market; 3) Promoting Greater Market Sustainability: With IFC's help, CHG has implemented its own E&S Risk Management System to effectively assess and monitor the E&S risks of its projects and kept improving the system. The adoption of high E&S standards can help promote greater market sustainability.



Investment Description

- International Finance Corporation (IFC)

Private Actors

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

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Contact Information

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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/>