

INFORMATION SUMMARY FOR THE PUBLIC
AVENIDA COLOMBIA REAL ESTATE FUND II, L.P.

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| Host Country: | Colombia |
| Name of Borrower: | Avenida Colombia Real Estate Fund II, L.P. |
| Sponsor: | Avenida Partners LLC |
| Project Description: | Colombian real-estate focused investment fund |
| Total Fund Capitalization: | Up to \$250 million |
| Proposed OPIC Loan: | Up to \$50 million |
| Term of OPIC Loan: | Up to 9 years from closing |
| Selection Process: | In the Fall of 2016, OPIC launched a Call for Proposals that operates on a rolling basis (the “ Quarterly Call ”). The purpose of the Quarterly Call is to identify, select and finance suitable investment funds to facilitate the investment of risk capital into companies or projects within OPIC-eligible countries to support development of new businesses, existing company expansion, restructuring, and/or privatization. The evaluation criteria used to select funds are posted on OPIC’s website, and OPIC has been guided in its selection process by its current policy priorities as well as its asset allocation and portfolio strategy. The Fund was selected by OPIC’s Evaluation Committee from among 37 respondents to Cohort 1 of the Quarterly Call. The selection of the Fund was done with the assistance of independent investment consultants Meketa Investments Group and TorreyCove Capital Partners. |
| Policy Review | |
| U.S. Economic Impact: | The Fund’s OPIC-supported investments will be analyzed for potential impacts on the U.S. economy. |
| Developmental Effects: | This Fund is expected to have a positive developmental impact through equity investments into real estate projects in urban areas of Colombia. The Fund’s portfolio investments are expected to be balanced between residential housing developments, retail facilities and mixed-use buildings. As a growing economy, with an increasing middle class, Colombia is experiencing a strong demand for residential housing. The current housing deficit is estimated at over three million units, and growing as the size of the middle class continues its upward march. In addition to |

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| | <p>residential housing, this Fund will invest in commercial real estate locations, as the country has limited space to capitalize on the growing retail demand of middle class consumers.</p> <p>The Fund’s OPIC-supported investments will be analyzed for potential developmental impacts.</p> |
| <p>Environment:</p> | <p>The capitalization of an investment fund is screened as a Category D activity for the purposes of environmental and social assessment. Proposed downstream investments are subject to further environmental and social assessment and eligible downstream investments to be made by the Fund may be pre-cleared. Downstream investments made by the Fund that are not eligible for pre-clearance will be screened individually and subject to the full scope of OPIC’s environmental and social assessment process, including public disclosure within the host country of Environmental and Social Impact Assessments for Category A projects, conditionality and monitoring, as is warranted by the nature and scope of the downstream investments.</p> <p>The Fund has developed and integrated into its investment process an Environmental and Social Management System to guide the Fund’s environmental and social long-term goals.</p> |
| <p>Social Assessment:</p> | <p>The Project will be required to operate in a manner consistent with the International Finance Corporation’s Performance Standards, OPIC’s Environmental and Social Policy Statement and applicable local laws.</p> <p>OPIC’s statutorily required language will be supplemented with provisions concerning nondiscrimination and restrictions for the use of loan proceeds with respect to the borrower’s operations, including the employment of minors and other applicable labor law requirements. Standard and supplemental contract language will be applied to all workers engaged by the Project.</p> <p>The Fund has developed an ESMS that addresses social risk, including labor, commensurate with the risks associated with the Fund’s anticipated Portfolio. Proposed downstream investments are subject to further environmental and social assessment and eligible downstream investments to be made by the Fund may be pre-cleared. Downstream investments not eligible for such pre-clearance will be screened individually and subject to the full scope of OPIC’s environmental and social assessment process.</p> |

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| | <p>This review covers the commensurate human rights risks associated with the capitalization of funds in Colombia.</p> |
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