

Public Information Summary

Host Country	India
Name of Borrower	Home First Finance Company India Limited
Project Description	The Borrower will use the proceeds of the loan (the “ Loan ”) to provide affordable housing mortgage loans to low income Indian borrowers with 100% of Loan proceeds going to 2X-eligible borrowers including 35% to borrowers outside of Tier I Indian cities (the “ Project ”). All mortgages generated with proceeds from the Loan will include a requirement that a woman hold the title, either individually or jointly, to the underlying home.
Proposed DFC Loan/Guaranty	\$75,000,000
All-Source Funding Total	\$93,750,000
Policy Review	
Developmental Objectives	The Project is expected to have a highly developmental impact in India by funding new loans to lower income home buyers in the country. India’s cities are expected to grow by more than 100 million individuals within ten years, a rate of growth that place strains on housing, for which the gap is already an estimated nearly 19 million units. Low-income and poor Indians have faced the brunt of the housing shortage, due largely to surging home prices and scarce access to finance. Most Project loans are expected to serve lower income Indians.
Environment and Social Assessment	<p>The Project has been reviewed against the DFC’s 2020 Environmental and Social Policies and Procedures manual (“ESPP”) and has been determined to be categorically eligible. DFC direct investments to financial intermediaries for the expansion of mortgage lending are screened as a Category C for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all those downstream investments have been pre-screened as Category C and further review and consent is not required for these investments.</p> <p>To ensure that the Borrower’s investments are consistent with the DFC’s statutory and policy requirements, the DFC loan will be subject to conditions regarding the use of proceeds. The primary environmental and social issues identified in this transaction relate to the need for an Environmental and Social Policy (“ESP”) that meets the 2012 IFC Performance Standards.</p>

	<p>Under the DFC’s ESPP, the Borrower is required to comply with applicable local and national laws and regulations related to environmental and social performance and applicable provisions of the 2012 International Finance Corporation’s Performance Standard (“PS”) 1 and 2. A desk-review based due diligence assessment indicates that because the Project will use DFC support for supporting the expansion of its mortgage lending in India, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples, and cultural heritage are not anticipated; therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time.</p> <p>The Borrower has a basic Environmental, Social, and Governance policy (“ESP”), grievance mechanisms, environmental and safety guidelines, and human resources policies commensurate with its investment strategy and that generally aligns with the DFC’s 2020 Environmental Policy and Procedures. However, the Borrower will be required to provide updates to its ESP to align with IFC PS 1 and including a methodology for accounting and reporting its GHG emissions for DFC’s review and acceptance.</p>
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