



CURAÇAO HOUSING DEVELOPMENT PROJECT

REQUEST FOR EXPRESSION OF INTEREST

I. OWNERSHIP, DESCRIPTION, AND IMPLEMENTATION

Project Ownership

Fundashon Kas Popular (hereinafter “FKP”) is the public housing foundation of the Government of Curaçao. *Wechi Management Company* (hereinafter “WMC”), a company legally existing and incorporated in accordance with the laws of Curaçao and registered under Nr. 131.324 at the Chamber of Commerce of Curaçao, is a full subsidiary of FKP.

FKP and WMC are considering the development of the Curaçao Housing Development Project (hereinafter: “the Project”), which consists of two parts, namely the development of the “Wechi” area and the building of affordable homes in other parts of the island outside “Wechi”.

Description and Implementation of the Project

The “Wechi” part of the Project entails its main part, namely the construction of the infrastructure and buildings in a new residential area for affordable dwellings on a 134 hectares plot of land owned by FKP (and registered under number 7166 at the Cadaster) on the island of Curaçao. The land is situated about 11 kilometers from the capital of Curaçao, but in a short distance from the Curaçao International Airport and various beaches. Upon completion of the “Wechi” part of the Project, 60% (i.e., 80 hectares) of the land will be developed in 5 stages over a period of 7-8 years, starting immediately after the financing has been made available for the execution of the Project.

The “Wechi” part of the Project will create a high-quality, family-friendly, and green residential and commercial area with approximately 4,000 units for 8,000 to 10,000 residents with all the necessary amenities, including affordable homes (ranging between 60-85 sq. meters each), recreational facilities (sport, leisure, and community centers), a primary school, as well as more than a hundred office spaces and retail stores (of approximately 25 sq. meters each).

The “Wechi” part of the project will be developed in 5 phases. During each development phase of the project approximately 800 units will be constructed. These will be mainly detached houses and apartments in higher buildings, as well as commercial units (depending on the stage in the development).

of the 4,000 units approximately 1,000 units will be constructed for rental purposes, while approximately 2,800 will be sold. The remaining 200 units will be commercial units such as stores and offices. The selling price for most of the homes to be sold is estimated to be \$1,335 per square meter (for a limited number of the units, the penthouses and gated small resorts units, the price will be around \$1,850 per square meter).

In addition to the 4,000 units in the “Wechi” part of the Project, FKP intends to build another 2000 affordable homes elsewhere on the island given the existing shortages therein. The development details will be provided at a later stage, after the completion of the first stage of the development of the “Wechi” area.

The required financing will be used to construct the infrastructure for the two parts of the Project, and the construction of 4,000 units for rent and sale in the “Wechi” area and 2,000 homes for rent in other parts of the Curaçao. The Project will start with the building of the infrastructure and the first phase of the “Wechi” area. The construction of the infrastructure of the following phase will start when at least 50% of the units in the previous phase has been built. However, some of the larger infrastructural works have to be built in time for the constructions of the units in the next phase not to be delayed. Detailed technical and other information will be made available upon request.



II. INDICATION OF TERMS, CONDITIONS AND CRITERIA

At this initial stage of the Project, FKP and WMC are seeking serious investors and/or lenders for the financing of the Project. The total amount of financing currently envisaged for the implementation of the Project, including the necessary infrastructure, is approximately USD 328 million, of which USD 32 million (15%) consists of a revolving credit line for the construction of the units for sale and the remaining USD 296 million (85%) will be non-revolving loan for the construction of the other parts of the Project, including the infrastructure.

A further breakdown and explanation of the required financing for each part of the Project, along with technical information from the project-architects, will be provided to those parties seriously considering an expression of interest in the Project.

The required financing, which will be subject to a loan and/or partnership agreement between the lender/partner and FKP/WMC, shall be subject to disbursement in accordance with the stages in the development of the Project and the modalities agreed upon between the parties involved.

FKP and WMC are prepared to entertain serious investment proposals and/or loans to be extended to it in connection with the Project. Investment proposals must be duly documented in line with the project development plans and the objectives of the Project. The following initial qualifying criteria are applicable for a serious expression of interest:

1. Any loans considered should preferably mature in periods no shorter than 20-25 years, carrying a fixed interest rate of no more than 2% per annum.
2. Preferably, a moratorium of at least two years on repayment should be considered. The accumulated interest during the period of the moratorium will be capitalized on the outstanding loan balance. After an eventual moratorium, interest shall be payable, on the outstanding amount on June 30 and/or December 31 of each calendar year based on actual days elapsed under a 365-day year.
3. During the term of any loan, prepayments in whole or in part should be possible, without penalty, and all such prepayments shall be applied pro rata against the outstanding amounts for interest and principal.

4. In case of involvement of brokerage firms in the transaction, a reasonable and competitive one-time commission may be charged by the broker, if and when the latter is approved in writing by FKP and WMC. All legal, advisory, and other expenses incurred by interested parties shall be for their own account.
5. Agreements with foreign interested parties shall be governed by the laws of Curaçao (or those of the Netherlands).
6. Proof of the ability to seriously commit to the financing of the Project will be required from all qualifying parties, after the expression of interest.

The minimum terms, conditions and eligibility criteria indicated above are intended to provide seriously interested parties with a description of the financing currently contemplated by FKP and WMC and are not to be seen as prejudicing the full extent of the terms to be contained in the final agreement and the security documents.

Furthermore, serious expressions of interest must reflect upon, as a minimum, on the possibility of complying with the terms indicated in section II. These expressions shall be considered on a competitive basis.

Finally, the information provided above is for seriously interested parties to communicate an initial expression of interest in financing the Project. Therefore, no rights can be derived from the information provided in this request for an expression of interest. All readers of this request, including possibly interested parties, are responsible for the consequences, financial and otherwise, of their own actions, interpretations and analyses based on the information presented herein.

III. INFORMATION REQUEST AND SITE-VISIT OPPORTUNITY

To obtain technical and other information on the Project and/or to carry out a site visit prior to the formal expression of interest, seriously interested parties can communicate with the Management of FKP and WMC **between February 1 and February 19, 2021** as follows:

Fundashon Kas Popular and/or Wechi Management Company
Attn.: The Managing Director, Mr. A. Con
Plaza Mundo Merced #3
Willemstad
CURAÇAO
DUTCH ANTILLES
E-Mail: REOI@fkp.cw
Tel.: +5999 432 6203

Upon specific request and given sufficient interest, FKP and WMC may organize an informational Zoom-meeting with the architect and/or other advisors for the Project as they may find appropriate. Date and time of such session will be communicated by email correspondence to interested parties.

IV. SUBMISSION OF AN EXPRESSION OF INTEREST

To communicate a formal expression of interest for the financing of the Project, with or without a site visit, seriously interested parties can submit a cover letter and the related documentation with the Notary mentioned below at the latest by February 26, 2021, at 16.00 hours (GMT-4), through the following Dropbox link and/or by registered mail (preferably both):

By DROPBOX:

<https://www.dropbox.com/request/zveGKYxufi3PFSQQFzBO>

BY REGISTERED MAIL:

Myron Hu-A-Ng LLM.
Civil Law Notary
Mercuriusstraat # 15
Willemstad
CURAÇAO
DUTCH ANTILLES

SUBJECT: EXPRESSION OF INTEREST FOR CURAÇAO HOUSING DEVELOPMENT PROJECT

For purposes of completeness, the Notary will not entertain any requests for discussion on or information about the Project, except for the formal submission and confirmation of an expression of interest. However, please, make sure to obtain a written confirmation of receipt of your expression of interest from the Notary before the deadline mentioned above.

V. SUBSEQUENT PROCEDURES

Within six weeks after the deadline for the expressions of interest submitted to the Notary, the parties having done so will receive a letter detailing the subsequent procedures to be followed in the process for the selection of a lender, or strategic partner, providing the required financing for the implementation of the Project.

February 1, 2021

The Management of Fundashon Kas Popular and Wechi Management Company