



HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED

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BSE Limited
P. J. Towers
Dalal Street
Mumbai 400 001

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai 400 051

**Kind Attn: Sr. General Manager
DCS - Listing Department**

Kind Attn: Head – Listing

Dear Sirs,

Sub: Press release

We wish to inform you that HDFC Capital Advisors Limited (HCAL), a subsidiary of the Corporation and acting as an investment manager, has successfully achieved the initial close for Scheme 2 of the HDFC Capital Affordable Real Estate Fund – 3 (H-CARE 3).

A press release issued by the Corporation in this regard, is enclosed for necessary dissemination.

You are requested to take note of the above and arrange to bring this to the notice of all concerned.

Thank you

Yours faithfully,
For **Housing Development Finance Corporation Limited**

**Ajay Agarwal
Company Secretary**

Encl: a/a

Corporate Office: HDFC House, HT Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai 400 020.
Tel.: 66316000, 22820282. Fax: 022-22046834, 22046758.

Regd. Office: Ramon House, HT Parekh Marg, 169, Backbay Reclamation, Churchgate, Mumbai 400 020. INDIA.
Corporate Identity Number: L70100MH1977PLC019916

HDFC Capital announces initial close of US\$376 million for Scheme 2, H-CARE 3, creating US\$3.1 billion platform for affordable housing

January 09, 2023, Mumbai, India:

HDFC Capital, a subsidiary of HDFC Ltd and acting as an investment manager, has successfully achieved the initial close for Scheme 2 of the HDFC Capital Affordable Real Estate Fund – 3 (H-CARE 3). H-CARE 3 Scheme 2 combined with H-CARE 3 Scheme 1 (raised less than 1 year ago) and HDFC Capital Affordable Real Estate Funds – 1 & 2, raised in 2016 and 2017 respectively, creates a US\$3.1 billion funding platform which has been rated as one of the world's largest private finance platforms focused on development of affordable housing. The primary investor in H-CARE 3 Schemes 1 & 2 is a wholly owned subsidiary of the Abu Dhabi Investment Authority (ADIA).

H-CARE 3 will provide long-term, flexible funding across the lifecycle of affordable and mid-income housing projects including early-stage funding. In addition, H-CARE 3 will also invest in technology companies (construction technology, fin-tech, sustainability-tech etc.) engaged in the affordable housing ecosystem.

Set up in 2016, HDFC Capital is aligned with the Government of India's goal to increase housing supply and support the Pradhan Mantri Awas Yojana - 'Housing for All' initiative. HDFC Capital's target is to finance the development of one million affordable homes in India through a combination of innovative financing, partnerships and technology, whilst focusing on sustainability. In order to achieve this objective, the company is in active discussions with leading global investors to raise additional funds to be invested in affordable housing in India.

H-CARE 3 Scheme 1 & 2 Overview

- HDFC Ltd will be the Sponsor and HDFC Capital will be the investment manager for H-CARE 3 Schemes 1 & 2.
- Investor and Sponsor have committed c. US\$376 million to H-CARE 3 Scheme 2. H-CARE 3 Schemes 1 & 2 combine to create a total estimated fund corpus of US\$2.2 billion (including potential reinvestments) making H-CARE 3 one of the largest funds raised to invest in the residential real estate sector in India.
- **Primary focus on providing long-term, flexible debt across the lifecycle of real estate projects (including land, approval and last mile funding) for the development of affordable and mid-income housing across India.**
- H-CARE 3 has flexibility to:
 - Provide equity funding for real estate projects
 - **Invest in tech companies (construction technology, fin-tech, sustainability-tech etc.) that address the needs of the affordable housing ecosystem.**
- The H-CARE 3 funds are expected to be committed towards investments over the next 3-4 years.

Mr. Deepak Parekh, Chairman – HDFC Ltd, said, “Despite the recent headwinds in the global macro landscape, I continue to be optimistic about the demand for homes in India. As the pivot of global growth shifts, India is envisaged to remain amongst the fastest growing major economies in India and housing will play an even more important role as a catalyst for growth. HDFC Capital has been one of the pioneers of investing in affordable and mid-income housing projects in India. With the support of leading global investors like ADIA and partnerships with trusted developers, the HDFC Capital platform is well on its way to achieve its medium-term goal of funding one million affordable homes in India.”

Vipul Roongta Managing Director & CEO, HDFC Capital said, “Urbanization is an irreversible trend in India which combined with the thrust given to affordable housing by the government will result in an exponential growth in the demand for affordable and mid-income homes. At HDFC Capital, our vision is to finance the development of the affordable housing ecosystem in India and provide a seamless platform for all stakeholders including global investors, developers, and vendors to access financing and technology innovations to develop sustainable and smart affordable homes.”

Mr. Mohamed AlQubaisi, Executive Director of the Real Estate Department, ADIA, said, “Through the H-CARE funds, HDFC has established a successful track record of supporting the development of new affordable residential stock across the country. Our latest investment in the H-CARE platform aims to support its growth as it continues to meet the growing demand for early-stage financing of housing projects in India.”

About HDFC Capital Advisors Limited

HDFC Capital, a subsidiary of Housing Development Finance Corporation Ltd, is the real estate private equity arm of HDFC Group. HDFC Capital also seeks to promote innovation and the adoption of new technologies within the real estate sector by investing in and partnering with technology companies.

HDFC Capital is the investment manager to HDFC Capital Affordable Real Estate Fund 1 (H-CARE 1), HDFC Capital Affordable Real Estate Fund 2 (H-CARE 2) and HDFC Capital Affordable Real Estate Fund 3 (H-CARE 3) Schemes 1 & 2, which are registered with SEBI as a Category II Alternative Investment Funds. These funds combine to create a US\$ 3.1 billion platform targeting the development of affordable and mid-income housing in India.

About HDFC Ltd:

Housing Development Finance Corporation Ltd (HDFC), the pioneer of retail housing finance in India, has assisted over 9.8 million families to own their house. HDFC’s strength has been its value-added services, delivered through a specialist team of trained and experienced professionals. HDFC has consistently had an impeccable record of customer friendly services.

HDFC has been described as a model housing finance company providing technical assistance and consultancy assignments for developing countries across Asia, Africa and East Europe.

HDFC has been awarded amongst the best performing Housing Finance Companies under the Credit Linked Subsidy Scheme – Pradhan Mantri Awas Yojana (Urban) in 2022.

About ADIA:

Established in 1976, the Abu Dhabi Investment Authority is a globally-diversified investment institution that prudently invests funds on behalf of the Government of Abu Dhabi through a strategy focused on long-term value creation. For more information: <https://www.adia.ae>

For any media queries, contact:

Mr. Mahesh Shah
Additional Senior General Manager & Head Public Relations, HDFC Ltd
Email: maheshs@hdfc.com