

NHG Advises Mercado Libre on Innovative Asset-Backed Warehouse Facility with JPMorgan Chase

Category: Firm news

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NHG is proud to announce its role in advising Mercado Libre on a landmark MXN4,500 million warehouse facility granted by JPMorgan Chase to Mercado Lending, a related entity of Mercado Libre. This asset-backed, non-recourse financing is designed to unlock liquidity from loans issued by Mercado Lending, further bolstering the growth of digital finance in Latin America.

Key Role of Mercado Pago in Loan Servicing and Collection

Adding a unique layer to this financing, Mercado Pago, Mercado Libre's fintech arm and an electronic payments institution authorized by the Mexican National Banking and Securities Commission, will be responsible for loan collection. The structure involves:

Loan Management and Reporting: Mercado Lending, acting as manager, will oversee loan servicing activities, supported by an administration and collection support services agreement

Collection Agency Role for Mercado Pago: Mercado Pago has been granted an agency to collect on the loans, ensuring seamless integration between loan origination and repayment through its digital payment ecosystem.

Unlocking New Opportunities in Digital Lending and Finance

This facility exemplifies how fintech innovation reshapes traditional asset-backed financing by integrating technology-driven loan origination and automated payment systems.

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