

SOCIAL HOUSING FINANCE CORPORATION

Corporate Circular HDH No. 16 - 009
Series of 2016

Subject: AMENDMENT TO THE IMPLEMENTING RULES AND REGULATIONS (IRRs) ON REFINANCING OF LGU HOUSING PROJECTS UNDER THE HIGH DENSITY HOUSING (HDH) PROGRAM

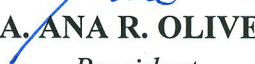
Pursuant to Board Resolution No. 490, Series of 2016, the following amendments to Corporate Circular HDH No. 14-003, series of 2014 are hereby adopted as follows.

- 1) *Section 5. Payment for the Property/Housing Project for Refinancing should now read as:*
 - a. Partial payment **equivalent to 50% of the refinanced lot value and 100% of the site development and building value**, upon submission of a Letter of Guaranty (LOG) with conformity of the Landowner, submission of the documentary requirements for the first 50%, authority to deduct, and compliance to the 100% occupancy requirement of the units of the building/s.
 - b. Remaining balance of **50% of the refinanced lot value**, if the title to the property is already transferred in the name of community association and has an annotation of the SHFC mortgage.

Furthermore, within six (6) months from date of release of the 50% of the lot value and 100% of the building value, the LGU shall transfer the title to the community association's name (CA), including but not limited to securing from the BIR the capital gains tax exemption (CGTE) as well as the payment of applicable fees and other taxes (not included in the HDH subsidy). If the LGU feels that it could not transfer the title to CA's name before the 6-month period expires, it shall immediately pay the capital gains tax and other related taxes and fees due.

Failure on the part of the LGU to transfer the title within the said period shall authorize SHFC to deduct from the remaining balance of the lot value the cost of the capital gains tax and other related taxes and fees (not included in the HDH subsidy) necessary to transfer the titles to the CAs name.

This Implementing Rules and Regulations (IRRs) shall be effective immediately upon publication by means of posting the same in the SHFC website.


MA. ANA R. OLIVEROS
President
March 21, 2016