

CORPORATE CIRCULAR NO. _____
Series 2011

TO : **ALL CMP MOBILIZERS**

SUBJECT : **GUIDELINES FOR THE ACCREDITATION OF
CMP MOBILIZERS (CMP-M)**

I. STATEMENT OF POLICY

Pursuant with the objectives of Republic Act No. 7279, otherwise known as the Urban Development and Housing Act of 1992 particularly Articles I, V, and VIII, the Community Mortgage Program (CMP) aims to improve the living conditions of homeless and underprivileged citizens by providing them affordable financing with which they can secure their tenure on the land they occupy.

Towards the achievement of this purpose, the SHFC recognizes the need for a strong partnership with Local Government Units (LGUs), Non-Government Organizations (NGOs) and other government and private sector entities in assisting informal settlers in organizing themselves into Community Associations (CAs), making sure that they are ready and able to assume the responsibilities of availing a loan.

II. DEFINITION

A CMP Mobilizer (CMP-M) refers to an organization working with communities of informal settlers and duly accredited by SHFC which may either be a local government unit; a national government agency, bureau or corporation; or a non-government organization (NGO) whose principal role is to assist, organize and prepare the community for participation in the Program.

III. QUALIFICATIONS FOR THE ACCREDITATION OF A CMP-MOBILIZER

A non-government organization (NGO) or private corporation shall gain accreditation as a CMP-M by acquiring all of the following qualifications:

1. Must be a stock or non-stock corporation duly registered with the appropriate government agencies;
2. Must have had at least two (2) years experience as an organization in subdivision/housing development and community organizing work. This said experience may have been acquired by the applicant CMP-M itself or in partnership with another CMP-M or reputable private sector or non-government organizations engaged in subdivision/housing activities and community organizing work;
3. Must have a well-defined organizational structure that shows clear delineation of functions and management hierarchy. One or more of the principal officers must be qualified to perform the functions enumerated in Section IV hereof;
4. Majority of its officers and staff must have taken a training course on the CMP provided by the SHFC or its accredited institutions; and
5. Must have sufficient resources such as an office, necessary equipment, etc. to undertake responsibly the functions stated in Section IV of this set of guidelines.

A local government unit or a national government agency, bureau or corporation may be automatically accredited provided it has a department/unit that will handle CMP concerns and majority of the officers and staff of the said department/unit has taken a training course on the Community Mortgage Program provided by SHFC or its accredited institutions.

IV. FUNCTIONS OF A CMP-MOBILIZER

The accredited CMP-M will perform the following functions:

1. Study and profile prospective groups of informal settlers and their intended site for possible assistance or intervention:
 - i. Identify households and household characteristics;
 - ii. Profile the site and document its physical characteristics;
 - iii. Identify issues in the community (social, political, etc.); and
 - iv. Identify potential or apparent leaders.
2. Assist and guide the CA in their functions:
 - i. Educate CA on the mechanics of CA formation;
 - ii. Educate and assist the CA in preparing their constitution and by-laws;
 - iii. Educate and assist the CA in preparing the CA Book of Accounts and Official Records;
 - iv. Educate the members on the rights, privileges, duties and responsibilities of CA membership;
 - v. Assist them in the election of their officers; and
 - vi. Assist them in registering with the HLURB.
3. Educate and assist the CA in gathering and completing CMP loan requirements, and informing them of CMP standards and policies;
4. Assist in site analysis and evaluation, and in the identification of site deficiencies and development needs;
5. Advise the CA in negotiating with landowners;
6. Assist in values formation and in bringing out potential issues that may affect the viability of the loan application;
7. Assist the CA in accessing support from LGUs and other potential sources of support; and
8. Assist in the documentation of the loan and mortgage, and must have the capacity to orient the members thereof on the duties and responsibilities of a CA as landowner and as CMP debtor:
 - i. Advise and assist the CA on the various aspects of the CMP, such as amortization schedules, repayments, delinquency and others; and
 - ii. Assist the CA on legal transactions involved in the CMP loan, mortgage, sale and others.

V. REVIEW OF ACCREDITATION OF A CMP-MOBILIZER

The performance of the CMP Mobilizers shall be reviewed every three years. In reviewing the performance of a CMP Mobilizer, SHFC shall evaluate: (a) the number of

community associations it has assisted in securing land tenure as indicated by the number of projects which secured Letters of Guaranty and which obtained loan releases within a minimal processing time; (b) collection efficiency rate of projects it successfully assisted for a CMP loan; and (c) whether the CMP-M continues to comply with the prescribed qualifications, duties and functions of a CMP-M as stated in this circular.

VI. SANCTIONS

The accreditation of the CMP Mobilizer is predicated on integrity. SHFC expects integrity to govern the activities of a CMP Mobilizers at all times. If SHFC determines that a CMP-M has committed any of the offenses mentioned below, it shall be placed on sanction.

These sanctions shall be imposed by SHFC:

Suspension – A CMP Mobilizer shall be suspended for committing those offenses that have the sanction of Suspension. Upon rectifying or correcting the cause for suspension, it shall be allowed to continue to submit new projects.

Disqualification – A CMP Mobilizer shall be disqualified to participate in the Community Mortgage Program for committing those offenses that have the sanction of Disqualification.

OFFENSES	SANCTION
Charging of processing fees amounting to more than 1% of the member’s CMP loan entitlement	Suspension
Negotiating with the landowner re: purchase price of the property to the detriment of the CA	Suspension
Bad track record in loan origination, i.e; low CER of majority of its taken-out projects, substantial number of projects in litigation, foreclosure, etc.	Suspension
Cases of abandonment of the CA	Disqualification
Using CMP to pursue his/her own business interests in buying and selling lands	Disqualification

In the case of a third violation and after being suspended twice, a CMP Mobilizer shall be disqualified from participating in the Community Mortgage Program.

All provisions of Circulars, Memoranda, Guidelines, Notices and Policies inconsistent with any of the provisions of this Circular are accordingly repealed or modified.

For your information and guidance.

MA. ANA R. OLIVEROS
President