



Social Housing  
Finance Corporation

# **Social Housing Finance Corporation**

a subsidiary of National Home Mortgage Finance Corporation

Corporate Circular CMP No. 15 - 035  
Series of 2015

**SUBJECT : AMENDMENTS TO THE COMMUNITY MORTGAGE  
PROGRAM (CMP) OFF-SITE GUIDELINES**

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## **Section 1. Purpose**

In line with SHFC's mandate to provide affordable financing to the homeless and underprivileged citizens, the following policy amendments governing CMP off-site projects are hereby promulgated. The amendments intend to make the Program more affordable to its target beneficiaries as well as to address particular issues of occupancy and low collection.

## **Section 2. Lot Acquisition**

SHFC shall purchase the land identified by the Community Association (CA) of the Local Government Unit (LGU) as relocation site. The property to be purchased by SHFC shall be subject to the same review on site suitability, valuation through appraisal, financial feasibility and capacity of the CA.

After acquisition, SHFC as landowner shall enter into a usufruct agreement with the CA wherein the latter shall be authorized to conduct site development and building construction on the said property. Upon acquisition by SHFC, the CA shall be required to immediately file for development and building permits.

The usufruct arrangement shall be effective for a period of two (2) years commencing from the date of signing of the usufruct agreement. However, the usufruct arrangement may be extended by SHFC. After the termination of the usufruct arrangement, SHFC shall dispose the property to the CA. As such, the CA may apply for an additional lot acquisition loan from SHFC. Upon purchase, the

