



SOCIAL HOUSING FINANCE CORPORATION

Enncing People's Lives and Empowering Communities through FAIR Shelter Solutions

CMP CORPORATE CIRCULAR CMP NO. 16 - 045
Series of 2016

SUBJECT : REVISED CHECKLIST OF REQUIREMENTS FOR CMP LOT ACQUISITION (PHASE 1) LOAN

This Circular is being issued to streamline the process of application and approval of CMP Lot Acquisition (Phase 1) loans, in line with the thrust of the Government to streamline government transactions through the reduction of requirements and processing time. To unburden the low-income communities of having to secure voluminous documentary requirements for their loan application, those requirements that they previously needed to obtain from other government agencies for submission to SHFC shall now be procured for them by SHFC through a programmatic government-to-government arrangement. This will save money, time, and effort. Aside from expediting processes, it will also prevent the payment of illegal fees by communities.

Hereunder is the Revised Checklist of Requirements to be applied to new projects (on-site and off-site), including the list of documents to be secured by the SHFC from other government agencies and local government units (LGUs) to facilitate the approval of the Lot Acquisition (Phase 1) Loans of the Homeowners Associations (HOAs).

I. For On-Site Projects

A. Documentary requirements for approval of a loan by the Board/issuance of Letter of Guaranty (LOG)

The following are the documentary requirements to be submitted by the HOA and its CMP-Mobilizer (CMP-M):

1. Community Profile;
2. Masterlist of Beneficiaries with Loan Apportionment (MBLA);
3. Passbook with updated savings equivalent to three (3) months amortization, one (1) year advance MRI premium, and Documentary Stamp Tax (if applicable);
4. Original Memorandum of Agreement (MOA) between the HOA and the Landowner;
5. Notarized Board Resolution or Secretary's Certificate issued by the HOA to its authorized representative;
6. Lot Plan with Vicinity Map and Technical Descriptions of the proposed CMP Site, duly signed by a Geodetic Engineer (GE);
7. Schematic Subdivision Plan duly signed by a licensed GE (must show the area per lot, excluded lots, if any, and other information pertaining to the site's physical features which may affect the collateral value); and
8. Photocopy of the present title;

9. One (1) Government-issued identification cards (ID) of the Landowners and their representatives;

B. Documentary requirements for the release of the loan under an Accommodation Mortgage

The following are the documentary requirements to be submitted by the HOA/CMP-M:

1. Letter of Guaranty (LOG) with conformity of the Landowner;
2. Owner's duplicate copy of title with annotation of Real Estate Mortgage (REM);
3. Notarized Deed of Absolute Sale between the HOA and the Landowner;
4. Updated tax clearance or proof of payment of Real Property Tax (RPT);
5. Notarized Loan Agreement between the HOA and the SHFC;
6. Promissory Note of the HOA;
7. Lease Agreement between the HOA and the member-beneficiaries (MBs);
8. Notarized Deed of Assignment of Loan Proceeds by the HOA to the Landowner;
9. Notarized Deed of Assignment of the Lease Agreement by the HOA to the SHFC;
and
10. Collection Agreement between the HOA and the SHFC.

In addition to the above documentary requirements, the HOA shall pay a cash deposit equivalent to three (3) months amortization, one (1) year advance Mortgage Redemption Insurance (MRI) premium, and Documentary Stamp Tax (if applicable).

II. For Off-Site Projects

A. Documentary requirements for approval of a loan by the Board/issuance of Letter of Guaranty (LOG)

For projects under both Accommodation Mortgage and Usufruct, all documentary requirements listed under Section I.A shall be submitted by the HOA/CMP-M, including the following additional requirements:

1. Road Right of Way (RRW); and
2. Conceptual Plan for Phase 2 and 3 loan application

For projects under Usufruct, instead of the *Masterlist of Beneficiaries*, only a Listing of the Beneficiaries shall be required from the HOA/CMP-M.

B. Documentary requirements for the release of the loan under an Accommodation Mortgage

The following are the documentary requirements to be submitted by the HOA/CMP-M:

1. Letter of Guaranty (LOG) with conformity of Landowner;
2. Owner's duplicate copy of title with annotation of Real Estate Mortgage (REM);
3. Notarized Deed of Absolute Sale between the HOA and the Landowner;
4. Updated tax clearance or proof of payment of Real Property Tax (RPT);
5. Notarized Loan Agreement between the HOA and the SHFC;
6. Promissory Note of the HOA;

7. Lease Agreement between the HOA and the MBs;
8. Notarized Deed of Assignment of Loan Proceeds by the HOA to the Landowner;
9. Notarized Deed of Assignment of the Lease Agreement by the HOA to the SHFC;
and
10. Collection Agreement between the HOA and the SHFC

C. Documentary requirements for the release of the loan under a Usufruct

The following are the documentary requirements to be submitted by the HOA/CMP-M:

1. Owner's duplicate of title;
2. Notarized Deed of Absolute Sale between the Landowner and SHFC;
3. Updated tax clearance or proof of payment of Real Property Tax (RPT); and
4. Usufruct Agreement between the HOA and the SHFC

III. Documentary Requirements from the other Government Agencies and LGUs

The following are the documents to be secured by the SHFC from other Government Agencies and the LGUs:

From the Housing and Land Use Regulatory Board (HLURB):

1. HLURB Certified copy of the Certificate of Registration, Articles of Incorporation, and By-Laws of the HOA
2. HLURB Certified copy of Updated General Information Sheet (GIS) of the HOA

From the Bureau of Internal Revenue (BIR):

1. BIR Certificate of Registration of the HOA

From the Registry of Deeds (RD):

1. CCV copies of present, 1st and 2nd back titles
2. CCV copy of the REM;
3. RD-certified copy of the Secretary's Certificate of the HOA; and
4. RD-certified copy of the SPA of the Landowner, if applicable

From the Local Government Unit (LGU):



1. Zoning Certificate;
2. LGU Certification on Site Suitability or Comprehensive Land Use Plan (CLUP);
and
3. Preliminary Approval and Locational Clearance (PALC)

From the Mines and Geosciences Bureau (MGB) and the Department of Science and Technology (DOST)

1. Hazard Maps

Upon issuance of the Letter of Guaranty (LOG) under the Accommodation Mortgage to the Landowner, the HOA shall facilitate the transfer of the title under its name within one (1) year. In case of failure to transfer, SHFC shall undertake the transfer of title with all expenses to be incurred to be charged to the HOA and shall be considered as an additional loan.

This Circular supersedes all previous Circulars and issuances on the same subject and shall be effective 30 days from promulgation.


MA. ANA R. OLIVEROS
President, SHFC


Date: August 22, 2016

18