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ANNUAL REPORT
2016

www.shfcph.com

**Pro-poor Housing Redefined:
 Inclusive, Responsive, Culturally-sensitive**



Corporate Governance Confirmation Sheet

"The Social Housing Finance Corporation (SHFC) Board of Directors, officers and employees confirm adherence and full compliance with the Revised Manual on Corporate Governance. The SHFC further affirms and certifies that for 2016, the Corporation performed corporate actions in accordance with the principles stated in the Revised Manual on Corporate Governance."


Ma. Ana R. Oliveros
President, SHFC



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Our Vision

By 2022, SHFC shall have provided 530,000 organized homeless and low-income families with Flexible, Affordable, Innovative, and Responsive (FAIR) shelter solutions to their housing needs.

Our Mission

We empower and uplift the living conditions of underprivileged communities by:

- providing Flexible, Affordable, Innovative, and Responsive (FAIR) shelter solutions;
- building strong partnerships with the national and local government, as well as civil society organizations and the private sector, for the attainment of affordable housing; and
- supporting the underprivileged communities' housing initiatives.



Our Core Values

SERVANT LEADERSHIP

Institutionalizing a culture of leadership that recognizes the role of government employees as public servants

PROFESSIONALISM

Promoting the highest standards for individual and corporate performance

ACCOUNTABILITY

Setting and implementing performance standards at the corporate and individual levels

STEWARDSHIP

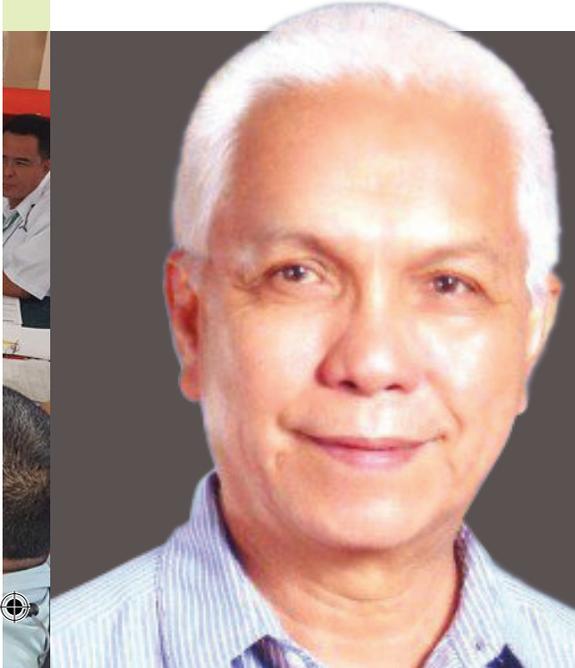
Putting premium to sustainability and the judicious and proper use of internal resources

EXCELLENCE

Upholding the virtue of excellence in every activity



Message from the Cabinet Secretary



The year 2016 was indeed a very fruitful year for the Social Housing Finance Corporation (SHFC), as it continues to be the leading home financing agency that caters to the country's homeless and underprivileged. As very recent issues have shown, the challenge of providing housing for the poor is getting more and more complex, and because of the country's growing population, ensuring the right to adequate shelter is a mission that is becoming more and more difficult to meet, despite all the efforts being undertaken by the government.

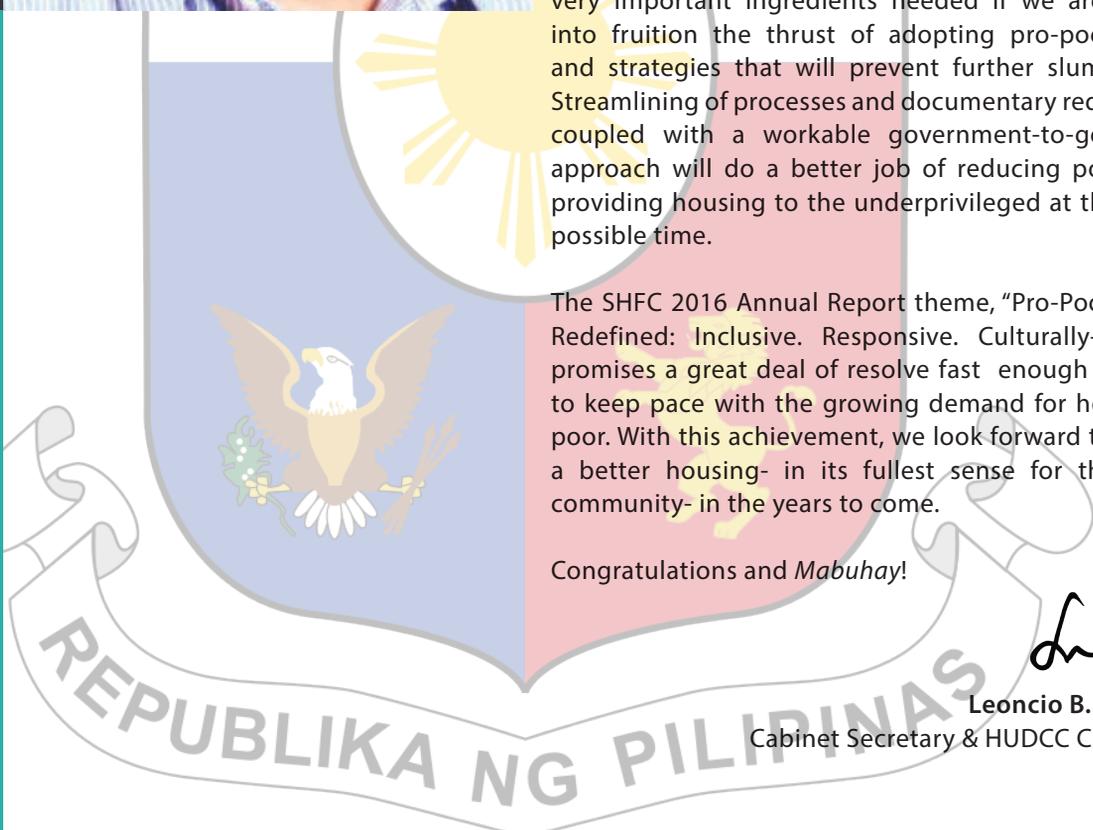
The challenge has made it crucial for the housing sector to use every means at its disposal to ensure that it makes a definite dent in the over-5-million housing backlog and in achieving significant improvements in the lives of the informal settler families (ISFs).

Regarding this particular mandate, SHFC, through the years, has clearly sent the message that innovative governance and collaboration with its partners are very important ingredients needed if we are to bring into fruition the thrust of adopting pro-poor policies and strategies that will prevent further slum creation. Streamlining of processes and documentary requirements coupled with a workable government-to-government approach will do a better job of reducing poverty and providing housing to the underprivileged at the soonest possible time.

The SHFC 2016 Annual Report theme, "Pro-Poor Housing Redefined: Inclusive. Responsive. Culturally-Sensitive.", promises a great deal of resolve fast enough to be able to keep pace with the growing demand for housing the poor. With this achievement, we look forward to building a better housing- in its fullest sense for the Filipino community- in the years to come.

Congratulations and *Mabuhay!*

Leoncio B. Evasco, Jr.
Cabinet Secretary & HUDCC Chairperson



Message from the NHMFC President

I would like to express my warmest greetings to the officials and employees of the Social Housing Finance Corporation (SHFC) on this momentous occasion, the release of your 2016 Annual Report.

2016 has been a challenging yet fruitful year for the men and women of SHFC. However, this year has also produced housing service milestones for our stakeholders through the roll out of several major housing initiatives.

The theme for the 2016 Annual Report, “Pro-Poor Housing Redefined: Inclusive. Responsive. Culturally-Sensitive”, is apt with the times. This is best embodied by the planned housing program that will cater specifically to the people in Mindanao, specifically our Muslim brothers and sisters. We have introduced several housing programs in Zamboanga in order to give our fellow Filipino Muslims better access to housing finance.

SHFC has also partnered with the Ateneo de Davao University for the development of an affordable and innovative housing solution for Mindanao through joint research, trainings and capacity building activities. The partnership is a great opportunity to reach out to both Christians and Muslims who are in need of decent and reasonably priced shelter. Hopefully it succeeds so that it can promote community driven yet culturally sensitive housing programs for Muslims and other ethnic groups in Mindanao soon.

On behalf of the National Home Mortgage Finance Corporation, I would like to congratulate the Social Housing Finance Corporation for a job well done.


Dr. Felixberto U. Bustos, Jr.
President, NHMFC



The President's Report

Homelessness is a complex societal problem. Its presence does not escape any country in the world. It is attributed to so many reasons but the trauma of being homeless is the same for all. With no base, no permanence, no dignity, families face gaping jaws of uncertainty that can undermine the entire constitution of a person.

Extreme income inequality and huge waves of migration from provinces to urban areas are the push factors of homelessness in our country. This challenge drives the Social Housing Finance Corporation (SHFC) to relentlessly adopt innovative and community-driven shelter solutions for poor communities.



Since 2011, SHFC has instituted several shifts of policy, projects, activities and strategies brought about by natural calamities, socio-political and economic factors. It has successfully transformed itself from a traditional government housing finance corporation into an entity where homeless people are treated as agents of change and partners in development.

Guided by the principles that housing is a basic human right and that government must address the problem of homelessness and support the peoples' housing initiatives, SHFC has provided flexible, affordable, innovative and responsive (FAIR) shelter solutions for the low income groups in the formal and informal economy sectors of the Philippine society.

SHFC has been implementing two community-driven shelter financing programs in support of its mandate: the Community Mortgage Program (CMP) and the High Density Housing (HDH). Both programs enable organized communities of informal settler families (ISFs) to acquire security of shelter tenure via affordable community loans for land acquisition, site development and housing construction.

These programs are unique in the sense that SHFC applied the demand-driven approach vis-à-vis supply driven method commonly practiced by other government housing agencies. CMP and HDH programs allow organized communities to choose the land areas they intend to buy, negotiate the purchase with the landowners, hire building contractors, oversee and monitor the construction of houses. Part of the design of these programs is the network of civil society organizations (CSOs) and local government units (LGUs) who provide relevant support such as community organizing, facilitating documentary requirements and most importantly, settlements management.

Ensuring housing for the poorest through FAIR policy reforms

SHFC's FAIR housing framework was designed to address the accessibility of its programs to the poorest families.

First, among the reforms is the subsidy for technical assistance, which is 10% of project cost in HDH Projects and 5% in CMP projects. This provision for subsidy addresses the finding of the Philippine Institute for Development Studies that expensive transactional costs have caused the exclusion from the projects of the poorest families who could not pay for these out of pocket expenses. High transactional costs also delay the delivery of housing services.

Second is the adoption of the usufruct as a transitory arrangement, wherein families are allowed free use of land for a period of time with the view of later selling it to them. Because land acquisition cost is temporarily excluded from amortization payments, the poorest families with affordability limitations will be given ample time to improve their income levels.

Third is the institution of government-to-government arrangements where SHFC, as a government agency, collaborates with other government agencies to accelerate transactions and release of documents. This arrangement unburdens low-income communities of having to secure voluminous loan documentary requirements from other government agencies since those would now be procured for them through a programmatic government-to-government scheme. Moreover, SHFC will be paying for the fees. This approach not only saves money, time, and effort but also prevents the payment of illegal fees by communities.

Moreover partnerships with Ateneo de Zamboanga University and Al Qalam Institute were forged to initiate the review of the CMP processes and policies with the end view of making the program culturally sensitive. As a pilot, these institutions worked with the Multi-Tribal Homeowners Association in developing a CMP project for a Muslim community in Zamboanga City.

Program achievements

The number of informal settler families (ISFs) provided with security of shelter tenure under the CMP and HDH programs surpassed SHFC's target releasing loans amounting to PhP2.162 Billion for its 94 projects benefitting a total of 23,702 ISFs. This figure impressively represents 188% accomplishment rate against its target of 12,550 ISFs for 2016.

With regard to loans approved, the SHFC Board of Directors endorsed for funding a total of 113 projects in the amount of PhP4.853 Billion to benefit 23,202 ISFs. This figure represents 126% accomplishment rate against the year's target of 18,382 ISFs.

The above quantitative picture is complemented with excellent qualitative performance as appraised using a client satisfaction survey conducted by the U.P. National College of Public Administration and Governance. The survey suggests that SHFC has not only fulfilled its mandate of assisting ISFs gain land and shelter tenure security, it also carried out services in a professional, efficient, reliable and transparent manner within appointed target dates.

SHFC's financial status shows an upward trend. As of December 2016, it has total assets of PhP20.478 Billion and liabilities at PhP16.351 Billion. Its 2016 total asset base soared by 17% from previous level of PhP17.524 Billion. Net income was PhP152 Million before income tax and subsidies.

In terms of organizational accomplishments, the year 2016 saw SHFC's successes in several areas. Among 90 Government Owned or Controlled Corporations (GOCCs), SHFC ranked 23rd and 2nd among key shelter agencies (KSAs) in terms of efficient pursuit of its corporate mandate.

To further ensure that SHFC's programs and services are aligned with international standards, it pursued and was awarded an International Organizational Standards (ISO) certification in August 2016.

In the aspect of human resource management, the corporation Board of Directors approved the adoption and implementation of Competency Based System (CBS) to further professionalize its human resource management and improve or enhance skills of its current workforce as well as merit promotions and set standards for recruitment and selection.



Challenges

All these achievements happened in parallel with obstacles. The effects of political development and administrative limitations due to legal statutes and interlocking bureaucracy, to name a few, have hampered the full achievement of the corporation's target commitments. Strategic measures were identified and approved by the Board of Directors though. These measures will be subject to revision and renegotiation with the Governance Commission for GOCCs (GCG).

The move to streamline CMP processes and requirements would result to faster approval of project applications thereby making SHFC more responsive to the housing needs of the informal settler families (ISFs) as well as improved partnership with its stakeholders. Streamlining unburdens the community associations (CAs) with their application, lessens fees, and avoids red tape so that they can acquire security of tenure at the soonest possible time.

SHFC did not only consider the turn-around time spent in the loan processes but also bear some of the prerequisites such as documentary, as well as financial requirements that used to hamper the approval of a loan application and cause burden for the CAs.

For us, streamlining is reducing cost and time in doing business, thus, government housing agencies must think along the lines of one-stop-shopping concept with a central goal without abdicating part of its respective mandates.

SHFC continues to forge partnership agreements through a memorandum of understanding with significant partners in government to help facilitate government-to-government or G2G transactions. G2G allows SHFC to easily work together with other government agencies to ensure faster processing and release of documents that community associations need for their loan applications.

The Housing and Land Use Regulatory Board, as the sole housing regulatory agency in charge of registering homeowners' associations including community associations, was the first to respond to SHFC's call to realize the G2G approach through a signing of a Memorandum of Understanding (MOU) in August 2016.

Similarly, the Local Government of Cebu has also entered into an MOU with SHFC in December 2016 to speed up shelter assistance in the city.

SHFC envisions its programs to serve a greater number of ISFs with streamlining and G2G as its pillars to facilitating excellent public service. With still much work to be done, SHFC must sustain the gains it has with unrelenting management attention.

The Way Forward

At SHFC, we strongly believe that enabling mechanisms can be enhanced further if the housing network agencies can work together. We boldly implemented changes. As this report would show, we achieved tangible and intangible outcomes. SHFC has proven that changing our work paradigm can offer multiple opportunities and of course challenges. However, at the end of the day, we are all accountable to the poor and homeless communities, the very reason why our agencies exist.


Ma. Ana R. Oliveros
President, SHFC



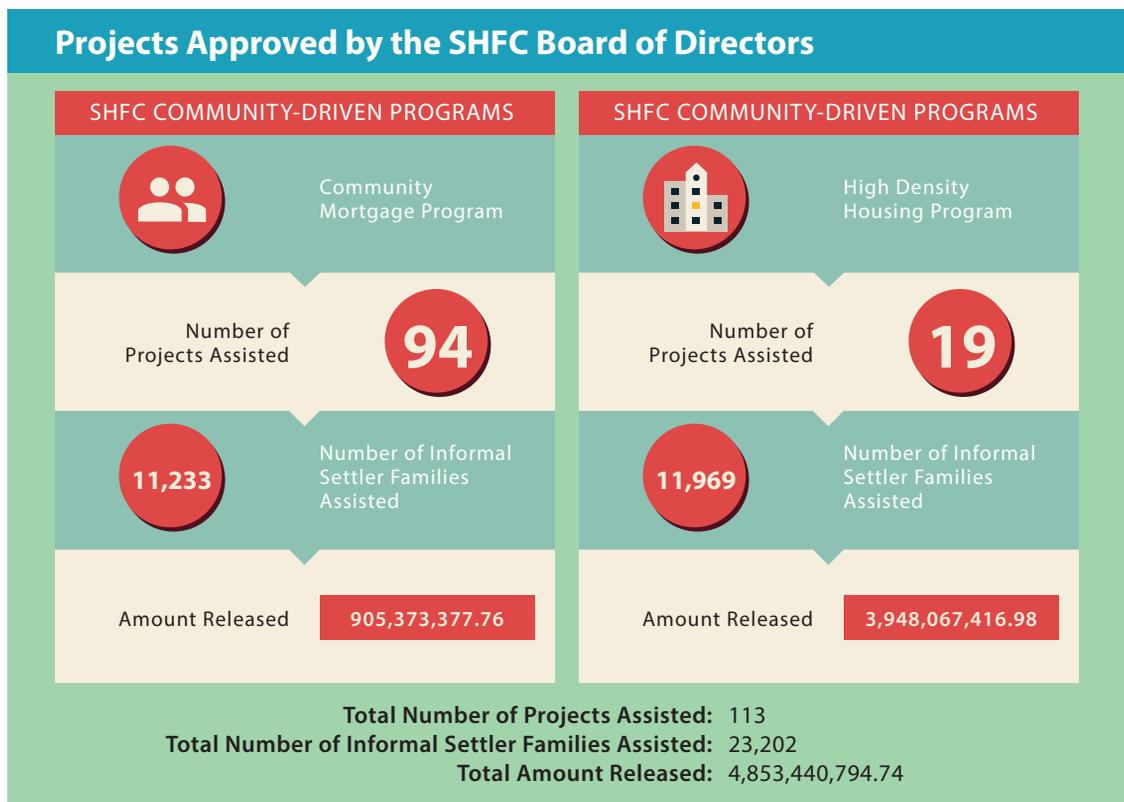
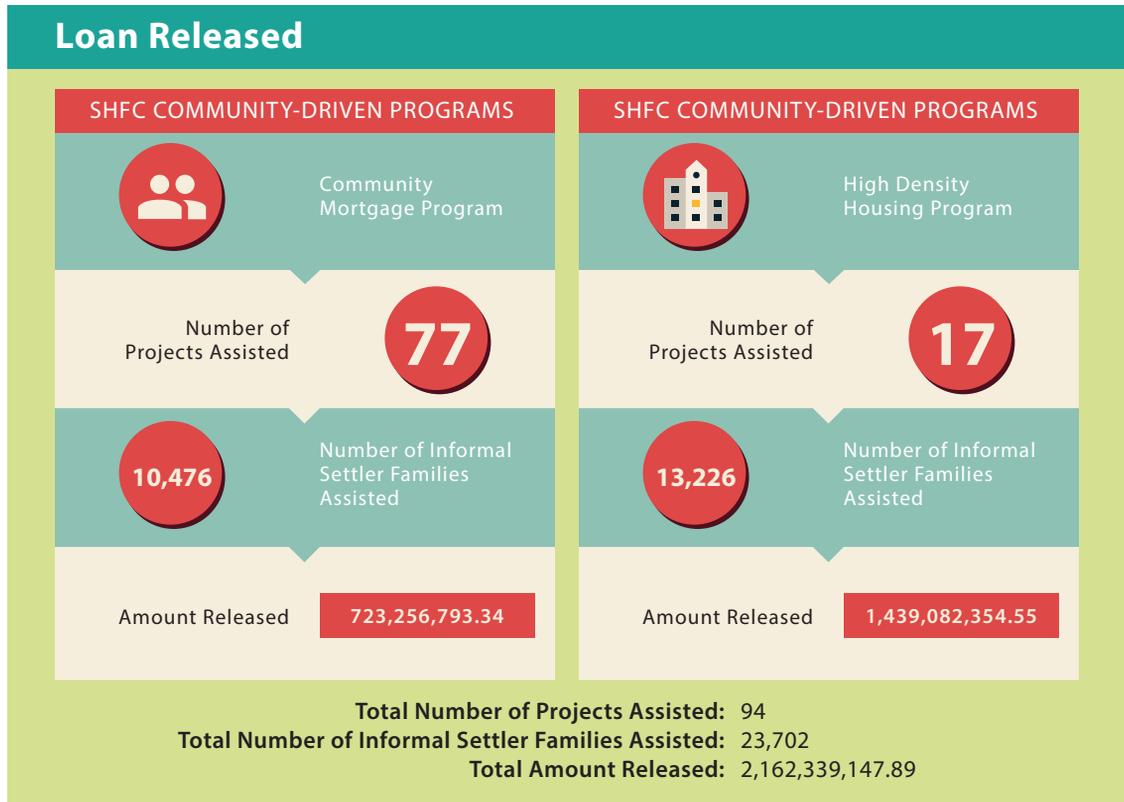
Corporate Performance Scorecard

As presented to the SHFC Board

	WEIGHT	2016 TARGET	ACTUAL ACCOMPLISHMENT	ACCOMPLISHMENT RATE	WEIGHTED RATING
SOCIAL IMPACT					
Number of Informal Settler Families (ISFs) provided with shelter security.	10%	12,550 CMP-11,550 HDH-1,000	23,702 CMP-10,476 HDHP-13,226	188.86%	10.0%
SUB-TOTAL:	10%				10.0%
STAKEHOLDERS					
Number of families assisted through CMP CISFA and HDH	10%	18,382 CMP-16,500 HDH-1,882	23,202 CMP - 11,233 HDHP - 11,969	126.22%	10.0%
Number of partnerships developed and institutions capacitated	8%	12 partners (97 partners Cumulative)	18 partners (103 partners Cumulative)	150.0%	8.0%
Number of families of legally organized associations assisted through project development process	6%	20,000	22,456 CMP - 11,811 HDHP - 10,645	112.28%	6.0%
Client Satisfaction Survey*	3%	Pre-take out: 92%; Post-take out: Satisfactory (All or nothing)	Certification of Rating was submitted by UP-NCPAG on December 22, 2016. Results are as follows based on overall satisfaction rating: Pre-takeout survey - 90.10% (Very Satisfactory) Post-takeout survey - 91.60% (Very Satisfactory)	100.0%	3.0%
SUB-TOTAL:	27%				27.0%
FINANCE					
Collection Efficiency	10%	84%	76.60% (Jan-Dec. 2016)	91.19%	9.12%
EBITDA margin	8%	31%	36.76% (Jan-Dec. 2016)	118.58%	8.0%
Conceptual Frameworks/ schemes for accessing non-traditional funds	8%	Guidelines crafted / Incentives identified for the developers' participation in the CMP as a mode of compliance to the 20% balanced housing (by June 2016) (All or nothing)	Guidelines approved per Corporate Circular 16-043 on June 21, 2016	100%	3.0%
Issuance of CMP/ Corporate Bonds	3%	Issuance of CMP Mortgages, applying the proceeds for the HDH program by June 2016 (All or nothing)	The OGCC legal opinion stating that proceeds of the CMP ABS may be applied to the HDH program was obtained last August 1, 2016. Note: Amendment of the Balanced Housing requirements under RA 7279 lapsed into law in July 2016; Awaiting HLURB's IRR on bond issuance as a mode of compliance	33.33%	1.0%
SUB-TOTAL:	24%				21.12%

	WEIGHT	2016 TARGET	ACTUAL ACCOMPLISHMENT	ACCOMPLISHMENT RATE	WEIGHTED RATING
INTERNAL PROCESS					
<i>Number of projects with usufruct arrangements financed</i>	5%	2 HDH projects	5 HDH projects financed by the SHFC amounting to P286 M with 4,144 ISFs	250.0%	5.0%
<i>Number of MFI/LGU Partner accessing the wholesale lending scheme*</i>	5%	1 MFI/LGU partner (pilot testing) (All or nothing)	Submitted to the OGCC request for legal opinion on November 29, 2016	100%	5.0%
<i>Automation of system processes through ISSP*</i>	6%	2 Modules (Loan Management System and Financial Management Information System modules) commenced based on the TOR; NTP by 3rd Quarter (All or nothing)	Board decision to review ISSP (per Board Resolution No. 543 and minutes of the 118th Board meeting) The 3 year cycle ended in 2016. The "New Board" decided to undertake a review of the ISSP instead of pursuing the DRS & the development of the 2 modules on December 13, 2016.	100%	6.0%
<i>Average number of days to process loan applications for CMP and HDH</i>	3%	90% of HDH applications processed within 120 working days	100% (19 out of 19 projects were processed within 120 days)	111.11%	3.0%
	3%	90% of CMP applications processed within 60 working days	97.87% (92 out of 94 projects were processed within 60 days)	108.74%	3.0%
SUB-TOTAL:	22%				22.0%
LEARNING AND GROWTH					
<i>ISO Certification for SHFC frontline services</i>	6%	ISO certification for all processes secured (All or Nothing)	The ISO Certification for all SHFC processes was issued by AJA Registrar last August 26, 2016.	100.0%	6.0%
<i>ICT Group established based on Reorganization Plan*</i>	6%	ICT Group established based on the Reorganization Plan (All or Nothing)	An ICT consultancy contract was signed on December 28, 2016 who will help in the review and the transition plan to the proposed ICT Group On December 29, 2016, SHFC submitted Success Indicators and Financial Projections to GCG as part of the required documents for the approval of the Reorganization Plan.	100.0%	6.0%
<i>Comprehensive Performance Management System (PMS) established and implemented</i>	5%	Results of the baseline assessment; HR policies on hiring and promotions revised in accordance with CBS Manual (All or Nothing)	A new Merit Promotion Policy (MPP) and the revised Recruitment and Selection Policy based on the CBS Manual have been approved and signed by the SHFC Management on December 23, 2016.	5.0%	5.0%
SUB-TOTAL:	17%				17.0%
TOTAL	100%				97.12%

2016 in numbers





STREAMLINING AND G2G ARRANGEMENTS

The Key to Effective Public Service Delivery

Effective customer service should never be taken lightly, as the Social Housing Finance Corporation (SHFC) is being called upon to operate and survive in a highly distinct type of program that caters to the poorest of the poor, but considerably deserving of the highest possible quality and standard service.

It is a common belief that no progress can be achieved without first ensuring that target program beneficiaries, who depend much on the government's assistance, are happy or contented with the services being provided them. More often than not, complaints are heard of long and slow processing times which delay the attainment of basic services for the citizenry.

As SHFC envisions a renewed vigor in addressing the ballooning backlog in housing, it continuously explores possible avenues to effectively scale up and make a dent in addressing the problem of housing. The agency must send a clear message that it is serious about facilitating its program delivery. And so it has embarked on working with an improved system and creating synergy with partner government agencies through the concept of streamlining.

Streamlining the Community Mortgage Program (CMP) Process

Essential to pursuing the thrust to easy access and increase productivity in housing security is SHFC's move to streamline CMP processes and requirements that would result to faster approval of project applications thereby making SHFC more responsive to the housing needs of the informal settler families (ISFs) as well as improved partnership with its stakeholders.

Streamlining promotes more accessible housing solutions as it unburdens the community associations (CAs) with their application, lessens fees, and avoids red tape so that they can acquire security of tenure at the soonest possible time.

In streamlining, SHFC did not only consider the turn-around time as the main target of improvement but more importantly, the benefits that the beneficiaries would get from this improved system. Some of the required processes, documentary requirements, as well as financial requirements that used to hamper the approval of a loan application and cause burden for the CAs, shall now be transferred to SHFC to facilitate and ensure smooth processing of the application.

Among the salient features of streamlining are two windows provided as alternatives --- Accommodation Mortgage and Usufruct Arrangement. These alternatives are SHFC's response to what used to be a hard and tedious process emanating from common problems such as low occupancy, low collection, and affordability issue. Streamlining offers alternatives that hasten processing of loan applications.

Considered as a big boost in the CMP implementation, the Accommodation Mortgage gives way for the landowner to come in and help SHFC and the Community Associations (CAs) even with no direct transaction. Through the scheme, the landowner agrees to secure the CA's loan by mortgaging the property in favor of SHFC while the title is in the landowner's name to serve as the collateral for the CMP loan. Depending on

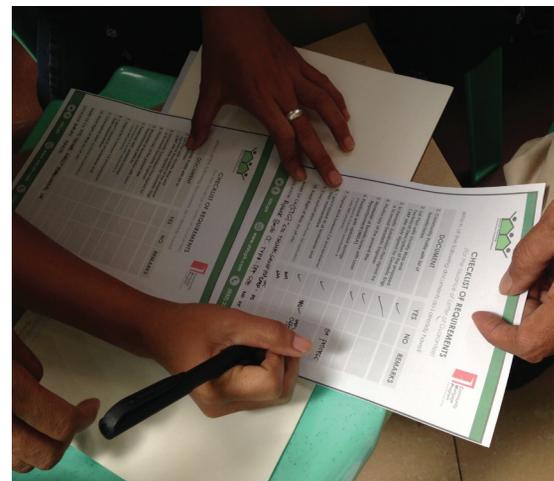
the compliance to occupancy requirements, accommodation mortgage allows full payment of 100% of the loan proceeds instead of the previous 50%-50% while the transfer of the title to the name of the CA is in process.

While for Usufruct Arrangement, CAs are allowed free use of land exclusively for housing over a certain period of time. The CA gets the right to enjoy the property of another, as a "bundle of rights," with the obligation of preserving its form and substance, unless the title constituting it or the law otherwise provides.

As a milestone in the provision of housing to the ISFs, the signing of SHFC's guidelines on streamlining was witnessed by Vice President and concurrent Housing and Urban Development Coordinating Council (HUDCC) Chair Leni Robredo during CMP's 28th Anniversary Celebration in Naga City in August 2016.

Facilitating housing delivery through G2G transactions

To support its streamlining efforts, SHFC continues to forge partnership agreements through a memorandum of understanding with significant partners in government to help facilitate government-to-government or G2G transactions. G2G allows SHFC to easily work together with other government agencies to ensure faster processing and release of documents CAs need for their loan applications.





G2G is a process wherein SHFC partners, collaborates, and enters in an institutional agreement with other government agencies to ensure faster processing and securing of documents needed by the community association in the application of a CMP loan.

Through G2G, SHFC expedites shelter delivery to the underprivileged. The approach allows government agencies to fulfill its respective mandates with the CAs benefitting from the partnership, consistent with the government's thrust on accessible and faster delivery of public service to the poor.

The Housing and Land Use Regulatory Board, as the sole housing regulatory agency in charge of registering homeowners' associations including community associations, was the first to respond to SHFC's call to realize the G2G approach through a signing of a Memorandum of Understanding (MOU) in August 2016.

Under the MOU, SHFC and HLURB will establish a joint one-stop-shop and a common databank for faster verification and processing of CA requests for registration as well as identify priority projects and local government units where they can initially roll out this fast-tracking of housing applications. There is also the reduced number of documentary requirements for the registration of CMP Homeowner Associations to five (5) documents.

The MOU also ensures availability of downloadable templates of the HLURB requirements on its website which the CMP community associations may access without cost.

Similarly, the Local Government of Cebu has also entered into an MOU with SHFC in December 2016 to speed up shelter assistance in the city.

Through the partnership, LGU Cebu commits to work with SHFC to process loan applications within thirty (30) working days and to secure and release documentary requirements sourced from the LGU such as Zoning Certificate, LGU Certification on CLUP and PALC, approve the mitigating measures to be undertaken (if the CMP site is located in identified high risk area), and to form Joint Monitoring Committee with SHFC for weekly progress monitoring.

SHFC envisions its programs to serve a greater number of ISFs with streamlining and G2G as its pillars to facilitating excellent public service. But still, much needs to be done. The improved processes derive its success from the untiring support of partners, who, like SHFC, are constantly pursuing innovative ways to enable the underprivileged to fully enjoy the benefits that they rightfully deserve. ■



More than physical transformations: Shaping sustainable communities

By Ric Edaniel
President, Goldmine Interior Homeowners Association, Inc.

The Social Housing Finance Corporation, as a principal agency which caters to the housing needs of the homeless and underprivileged, has been shifting to innovative approaches to respond to housing challenges as a result of rapid urbanization and climate change. More than the provision of housing, SHFC looks at transforming urban poor communities into a sustainable and viable society with improved quality of life.

Our experience with typhoon Ondoy and other similarly devastating calamities made it crucial for government agencies including SHFC to move forward and create a framework that is responsive to the needs of the underprivileged. The community is made an integral part of a framework not as a mere recipient but as a partner in facing the challenge of housing just like the story of Goldmine Interior Homeowners Association, Inc.

Taking the Lead in Making the Community Better and Safe

There are many narratives of how SHFC made a mark in the lives of its target beneficiaries bringing them back in the mainstream society. Our community, Goldmine Interior Homeowners Association, Inc. (GIHOAI) is a living testament to that. GIHOAI is just one of the privileged communities

who benefitted from SHFC's continuing search for ways and means that will facilitate housing provision. GIHOAI is a project under SHFC's High Density Housing (HDH) program situated in Brgy. Nagkaisang Nayon, Novaliches, Quezon City.

As the President of GIHOAI, I have witnessed and shared the perseverance and determination of the community members, notwithstanding the failures we had in our previous attempts to finally put an end to the nightmare of the housing condition that the community had suffered for years.

Our story began with a simple dream of having a place to live in with our families, and a humble place along the Tullahan River became a refuge and a community was born. We never imagined that the simple dream will turn into reality more than what we have prayed and hoped for: the GIHOAI, a community granted to enjoy not only security of land tenure but more importantly an improved and safe living condition.

The journey was not easy. It was a struggle trying to look for the answers to problems and issues particularly that the place we chose to live in is not fit for residential purpose. In fact, the government is firm in clearing up the area to keep the Tullahan River from clogging due to wastes.

Availing of government's socialized housing program was also a challenge. With only P23,000 in the bank as community savings, we explored several government housing programs that would best suit our needs and capabilities. We have considered other financing programs where building our homes will not be too much of a burden or affordable to our community. We did not want the resources of our members depleted during the application process much more when we are paying our monthly amortizations.

As if the challenge is not enough, more problems came when calamities hit our place, which was a big blow on our already difficult situation. Typhoon Ondoy and the two monsoon rains, Habagat 1 and Habagat 2, had an enormous impact on our lives as informal settlers.

When we set off on our journey, I had two main difficulties to constantly deal with as president of the association: One, we had recalcitrant members who always questioned the government's program. It took a lot of convincing for them to see that we can reap the benefits of our own hard work and efforts if we all follow through

– and then we can finally live in our own home that is safe and secured. Eventually, some unruly members left the neighborhood. Now there are only a few of them left who still do not have faith in legally-organized community associations. But together with the other officers, I continue talking with them and try changing their mindset to one with patience and humility.

The other problem was the huge impact of calamities on our families, our neighborhood, and our strength to carry on and go through the process of applying for a housing program. Our plan was to originally build houses on stilts. Because of the recurring floods, many of our houses were wiped out and destroyed. There were 32 houses that were totally ravaged and this made many of our members disheartened, frustrated, and our resolve weakened.

It became harder to talk to different government offices about our intention to avail of housing assistance more so that our site has been validated by the Department of Interior and Local Government as prone to flooding during calamities and therefore considered as a danger zone. Even lobbying with the local government was very difficult.



It was in 2013 that we learned about government's assistance for informal settler families living in danger areas around Metro Manila. For most of us, it was an answered prayer. We started working on our application for financing under the High Density Housing program. Along the way we faced several challenges. There were disagreements among members, complaints about certain rules and policies, and even objections on the attitudes of some members. Despite all these trials that we

encountered, we feel better today. All's well that ends well, as the saying goes.

Suddenly everything was beautiful, everybody was happy! A positive mindset was cultivated in our community, and this kind of attitude helped us survive. The quality of our life now has improved considerably. Some of us used to rent small housing units. Others simply enjoyed living in a housing structure for free. But with our new mindset, we believe that paying our monthly amortization is being a responsible member of the community. We are proud of our 95% collection efficiency. Many of us now are engaged in small livelihood programs to help us get by. There are dressmakers, vendors, and construction workers in our community.



The income level of our members is not high, so it's just right that we learn how to manage our obligations as well. Everybody is encouraged to set aside a certain amount for our daily savings, and this is a discipline that every member of the GIHOAI took to heart.



As a program that promotes people's participation, HDH has opened the door for our community to take part in the application processes, giving us voice in every detail of the project. And until now that we have already gone this far, a continuing program to establish a sustainable community in us is still being undertaken. Every member-beneficiary was given the opportunity to participate in the capacity building activities of SHFC. One of the



important learnings we had was on the aspect of financial literacy. We were taught how to manage the money that we earn and how we can control our personal spending.

The journey is still long but the experiences that the community had in bringing it together is remarkable. We learned the role of communication and how important it is to make people to come together. All of us have realized that as a community, the process of exchanging ideas and opinions must be continuous. We provided inputs in creating our policies, our laws, our rules and regulations. We discussed these matters extensively. We even created specific policies on sanctioning members who do not observe our rules. Today, the importance of communicating ideas and feelings is reflected on the mindset of most of our member-beneficiaries.

The HDH program has significantly changed our life. Because of the assistance provided to us by SHFC, we now experience comfortable living. As a community leader, I am proud to have brought the community together to achieve what we have aspired for. We really value the efforts we made in this undertaking to have a clean and safe neighborhood. We are now staying in our own house that we have worked hard for. Today we have a place we can call a home, built on a strong foundation with disaster-resilient materials. The 7.5-meter retaining wall that separates our community from the waterway is high and sturdy, keeping us safe from floods. So it means a lot to us. Now, we are not merely urban poor but proud homeowners.

The High Density Housing (HDH) program is SHFC's participation to the P50 billion informal settler families' (ISF) housing program under the previous administration. It aims to clear the easements of structures along the waterways and danger areas in Metro Manila and provide ISFs safe and flood-resilient permanent housing solutions. ■

INNOVATING APPROACHES

Affordable housing for all cultures



The provision of accessible and affordable housing solutions to the poor remains to be a huge challenge in the Philippines. Housing issues go beyond the mere provision of decent and livable spaces to the growing number of informal settler families (ISFs), but transcends to the core issue of poverty, inclusivity, and cultural sensitivity.

With the government's recognition of housing as essential to poverty reduction, consciousness on its real state must be raised. Housing solutions should be designed to expand coverage for deserving beneficiaries regardless of culture and tradition.

As part of its development agenda of building sustainable communities, SHFC has been aggressively exploring all possible means and avenues to boost housing delivery and that includes ensuring that no ISF is left behind.

Access to affordable housing enables more poor families to cross the line of poverty towards better lives. This has been proven by the decade-long experience of Community Mortgage Program (CMP) beneficiaries nationwide. Families who have attained security of land tenure were empowered to make decisions that improved their financial capacity and

living conditions. They are now catalysts of change within the community, contributing and benefiting in the inclusive growth of the city.

While government housing programs like CMP seem to address some of the housing issues such as land tenure security, current challenges from the sector demand immediate action for innovations in order to become responsive and relevant to the needs of the homeless.

For the past years, SHFC has been introducing housing innovations that respond to the current situation on ground, guided by the principle that housing is a basic human right. SHFC's highly-community-driven shelter programs gave poor communities a sense of responsibility and empowerment, enabling them to own and implement their housing projects.

Misconceptions and biases about the provision of housing solutions to some of the minority groups in the Philippines, primarily because of their race, culture, religion, and certain beliefs still exist. Some, due to stereotyping, are not given fair treatment when buying their properties. Housing designs are also not acquiescent to their culture.

Conflicts, especially in some portions of Mindanao, have also contributed to the rising number of homeless families. In Zamboanga City alone, there are around 30,000 ISFs. Some of this number can be attributed to the effects of the Zamboanga Siege in 2013, which displaced almost 14,300 families.

These issues prompted SHFC to develop innovative housing solutions that respond to the needs of all homeless Filipino families, regardless of their race and religion.

Piloting a culturally-sensitive housing

SHFC's initiative of piloting a culturally-sensitive housing took flight in 2015 and the ground works done started to materialize in 2016. Multi-tribal Homeowner's Association (MTHOA), a group of 105 informal settler Muslim families in Brgy. Catalina, Zamboanga City was the selected pilot community association for the project.

MTHOA's journey towards attaining land tenure security has been rough for the past decade. In

1997, the landowner filed an eviction case against the group and a demolition order was released by the court in 2013. With little hope still burning in their hearts, the group pleaded for countless documents to extend their tenure but the decision was already final. They have to look for another place where they can rebuild their community.

In August 2015, MTHOA was introduced to SHFC in a pre-demolition forum organized by the Presidential Commission for the Urban Poor (PCUP). That event started the journey of MTHOA and SHFC towards developing a culturally-sensitive housing finance through CMP.

SHFC knew that the journey would be more productive if it's driven by multi-stakeholder partnership and collaboration. It engaged partners from the academe and other non-government organizations that have a deeper understanding of the customs and traditions of the Islam and were also knowledgeable in housing finance.

In June 2016, SHFC forged a partnership with the Ateneo de Zamboanga University (ADZU). ADZU President Fr. Karel San Juan S.J., said the collaboration will bridge the gap of providing social development interventions such as housing in Zamboanga City, a long time problem in the city due to multicultural and multiethnic issues.



ADZU facilitated a community visioning workshop for MTHOA to set the tone of the projects and to level off expectations. A journey that had a good start will most likely move forward to its desired destination, and a community association with a strong foundation will have bigger chances of attaining success. The workshop has identified the current social condition of MTHOA in terms of



health, shelter, education, and other basic human needs, and developed their common vision for their community which was, “to create a healthy environment of living in a low cost housing, to build a community with healthy and values-oriented members that appreciate and respect different culture and practices, all members should abide by the law.”

Learning exchange activities in various SHFC sites in Metro Manila were done to improve the capacities of MTHOA and highlight the power of a community-driven housing and to acquire inputs from community leaders on how to effectively run a community association.

ADZU has also bridged SHFC to Ateneo de Davao University (ADDU) - Al Qalam Institute for Islamic Identities and Dialogue in Southeast Asia & Engineering Department, a resource center that provides materials for enhancing the curriculum of values education among the Muslim students of the university. It aims to come up with a research agenda regarding Islamic identities in Mindanao in line with intra and inter faith dialogue for nation/nations building. Also, it aims to support the university in conducting community outreach programs in building relationships towards the Muslim communities in Southern Mindanao.

ADDU, through the Al Qalam Institute, facilitated several capacity building and technical workshops for MTHOA, including the development of a work

plan, discussion on the Islamic-oriented housing model, and a policy paper on Islamic housing finance.

SHFC has also found partners in ZAMPEN Urban Poor Alliance, Inc., LGU Zamboanga, Western Mindanao State University, and National Commission on Muslim Filipinos. The convergence of these partners has developed a breakthrough in the field of housing for communities, especially for CMP.

Unlike the regular CMP projects, charging of the annual 6% interest is not applicable in a pro-Muslim housing finance program since their tradition forbids it. The interest or *riba* will be converted into *ijara* fee which is equivalent to reward or wages for a work done or rendered.

The practice of polygamy, house design, and leadership titles were also taken into consideration in drafting the policy of this housing program. Foreclosure due to non-payment is allowed but how to proceed from there must be mutually agreed upon with the community.

With this breakthrough, the journey towards developing an ideal culturally-sensitive housing program should continue to widen its scale so that the dream of providing housing for poor Filipino families of all cultures, upholding cultural diversity, and promoting peace in conflict-torn areas in Mindanao will be finally realized. ■

2016 KEY EVENTS AND ACTIVITIES

01

JANUARY

11

SHFC OFFICERS' LEARNING EXCHANGE ACTIVITY IN CALAUAN, LAGUNA

SHFC officers participated in a learning exchange activity in Southville 7, Calauan Laguna. The activity was in line with SHFC's efforts to adopt policies on climate change initiatives for socialized housing communities.

15



CMP AWARDING CEREMONY IN PAYATAS, QUEZON CITY

184 member-beneficiaries of Mayon Sunrise Homeowner's Association in Brgy. Payatas, Quezon City are a step closer in attaining security of tenure following the release of their CMP loan amounting to P15.29 million. Certificate of Payment was also released for the Samahan at Kabalik ng Residente ng Kanejin HOA, Inc.

26-29

NCR and LUZON PARTNERS' CONSULTATION MEETING

SHFC partner mobilizers and local government units from Luzon and the National Capital Region participated in a two-day consultation to further strengthen the effectiveness of SHFC programs in terms of capacity building, accreditation, and land tenure through its partners and mobilizers. The result of the consultation will be used as a basis in the development of SHFC's capacity building framework.

29



GOLDMINE HOA TURNOVER CEREMONY

Over a hundred ISFs of Goldmine Interior Homeowners Association Inc. move to safe and permanent homes in Novaliches, Quezon City. The in-city housing project amounting to P41.6 million is under the High Density Housing Program (HDH).

02

FEBRUARY

2-3

SHFC BOARD OF DIRECTORS SITE VISIT IN CAPIZ

SHFC Board of Directors visited various CMP sites in Capiz, particularly those that were under the Post-Yolanda Support for Safer Homes and Settlements Project of SHFC and UN Habitat. Community leaders of the said project sites shared their experience and journey towards attaining safer communities.

29



ANNUAL BUDGET CONSULTATION WITH PARTNERS

In an activity held in Quezon City, SHFC's partner mobilizers, landowners, and local government units met to validate the committed projects for 2016 and to determine 2017 projects including their corresponding budgetary requirements.

4

CMP AWARDING CEREMONY IN MARIKINA CITY

SHFC awarded 27 land titles to the members of Ruby Homeowners Association, Inc. in Marikina City. Ruby HOAI is an on-site CMP project, which was taken-out in August 2012 with the Marikina LGU as its mobilizer. At present, it has 233 member-beneficiaries.

7-8,
10-11**BUDGET AND POLICY CONSULTATION WITH VISAYAS & MINDANAO PARTNERS**

SHFC conducted its annual budget and policy consultation with partner mobilizers in Visayas and Mindanao. New policy reforms were presented and top performing mobilizers were recognized through the awarding of service fees.

14

SHFC PARTNERSHIP MEETING WITH ZAMBOANGA PARTNERS

SHFC initiated partnership meetings with several organizations in Zamboanga City including Ateneo de Zamboanga University, ZABIDA (Zamboanga Basilan Integrated Development Alliance), Western Mindanao State University, and KFI-Center for Community Development Foundation. Said organizations are seen to be beneficial in the implementation of a community-driven housing program in Zamboanga City.

18

SHFC-XU MOU SIGNING

The SHFC - Xavier University (XU) partnership provides strategic solutions in implementing participatory and pro-poor housing programs. It will ensure multi-sectoral collaboration in addressing the challenge of homelessness in CDO, especially in providing affordable housing solutions for families that were affected by typhoon Sendong in 2011.



22

**2016 UDHA AND WOMEN'S MONTH CELEBRATION**

Around 70 women leaders from various SHFC project sites in Metro Manila participated in a seminar workshop on Women's Rights to Housing held in Quezon City. The event's theme "Ilaw ng Tahanan, Liwanag ng Pamayanan," befits the observance of the National Women's Month and the celebration of the anniversary of the Urban Development and Housing Act (UDHA) of 1992.

30

ORIENTATION ACTIVITY FOR CALOOCAN CITY PARTNERS

A comprehensive orientation program for the Urban Poor Affairs Office (UPAO) of Caloocan LGU was conducted to address the need for updates on policies and methods of CMP in the area as well as to determine the concerns of local officials through a workshop. Officers and staff from the NCR-North Branch presented reports on loan and mortgage examination, appraisal rules, and status of projects.



5



2015 CSS RESULTS CASCADING ACTIVITY

SHFC's rating from the 2015 Client Satisfaction Survey (CSS) was presented to Managers for action planning to address survey findings and strengthen commitment towards excellent public service.

12

SITE VISIT TO HDH PROJECT SITES

Members of the SHFC Board visited approved projects under the HDH Program in Quezon City and Valenzuela City to enhance appreciation of the community-driven approach and the People's Process through a dialogue with community leaders.



14-15



LEARNING EXCHANGE ACTIVITY WITH ZAMBOANGA PARTNERS

Zamboanga partners gathered in a learning exchange activity held at the SHFC Headquarters in Makati and various SHFC project sites in Pasay City to promote a participatory, multi-stakeholder partnership in building sustainable communities. The activity was also aimed at customizing CMP as a housing program that is responsive to the needs and cultural beliefs of our Muslim brothers and sisters.

21

COMMUNITY PLANNING WORKSHOP FOR MULTI-TRIBAL HOA

SHFC, Ateneo de Zamboanga University, and other partners facilitated a community planning workshop for the members of Multi-tribal HOA. Said community is SHFC's pilot project for a culturally-sensitive housing finance through CMP.



22

CMP AWARDING CEREMONY IN CALOOCAN CITY

SHFC awarded 15 titles to the fully paid members of Amabelle Homeowners Association Phase I and II in Caloocan City. Amabelle HOAI Phase I has 234 member-beneficiaries and a Collection Efficiency Rating (CER) of 133.66% while Phase II has 140 members with 92.78% CER.

05

MAY

3

SHFC-AJA MEETING

SHFC's ISO Core Team and representatives from AJA Registrars conducted a preliminary meeting on the schedule, itinerary, and procedures of the ISO Stage 2 Audit activities. This is in line with SHFC's commitment to continually provide quality service to its stakeholders.

12

MOA SIGNING ON THE KSA HOUSING PROJECT

SHFC President Ma. Ana Oliveros joined other heads of key shelter agencies (KSA) in a Memorandum of Agreement (MOA) signing for KSA employees' housing projects. The development site has a total land area of 10,309 square meters and is owned by the National Housing Authority (NHA).



13

SHFC 2016 CORPORATE TEAM BUILDING

This annual activity gives SHFC employees a chance to develop and improve camaraderie, cooperation, and teamwork.

26

REORIENTATION FOR SHFC PARTNERS

Partner Relations Department (PRD) conducted a refresher activity on CMP guidelines and policy updates for mobilizers to keep them abreast of program developments.

06

JUNE

10

ESTATE MANAGEMENT WORKSHOP FOR HDH COMMUNITIES

SHFC conducted a workshop on estate management to capacitate the members of Goldmine HOA in maintaining their community especially in terms of organization and communal facilities.



16



SHFC-ADZU MOU SIGNING

SHFC and Ateneo de Zamboanga University (ADZU) joined forces in providing housing solutions in Zamboanga City through community-driven and pro-Muslim policies. Signing of a Memorandum of Understanding (MOU) was led by SHFC President Ma. Ana Oliveros and ADZU President Fr. Karel San Juan, S.J.

23

07

JULY

12

CMP AWARDING CEREMONY IN ANTIPOLO CITY, RIZAL
SHFC awarded P5.53 million to Granhill Corporation for the lot acquisition of Shineville Homeowners Association, Inc. which will benefit 90 ISFs.



18



CMP LAND TITLE AWARDING IN TAYTAY, RIZAL

18 member-beneficiaries from Armal Village Homeowners Association and 22 from Star Homeowner's Association received their land titles following the completion of their CMP loan payment.

19

ROUNDTABLE DISCUSSION ON CITYWIDE COMMUNITY UPGRADING STRATEGY

A roundtable discussion on the updates and benefits of the Citywide Community Upgrading Strategy to cities was held at the World Bank Headquarters in Taguig City. Participants include SHFC officials, city mayors and other local government officials in Quezon City, Muntinlupa City, and Cavayen de Oro City.



08

AUGUST

5



CMP AWARDING CEREMONY IN IMUS, CAVITE
SHFC awarded 17 titles to the member-beneficiaries of Kapatiran Village Homeowners Association, Inc.

18

SIGNING OF CMP CIRCULARS ON STREAMLINING

To celebrate CMP Month, SHFC issued two Corporate Circulars aimed at streamlining its processes and reducing documentary requirements for CMP project application. The guidelines enable SHFC to get and pay for several documentary requirements from other government agencies in behalf of the community associations (CAs).





19

LRP LAUNCH IN MALABON CITY

SHFC launched its Loan Restructuring Program (LRP) to encourage payment from-beneficiaries with unpaid amortizations for the past 60 months and above, and whose arrearages reached P60,000. Non-paying CMP member-beneficiaries may now update their loan payment and move towards attaining security of land tenure.



23

CMP MONTH CELEBRATION IN CEBU CITY AND SHFC-HLURB PARTNERSHIP

Vice President Leni Robredo graced SHFC's CMP anniversary celebration in Cebu City which was marked by a signing of a Memorandum of Understanding (MOU) between SHFC and HLURB to ensure faster delivery of housing services. 12 member beneficiaries were also given their land titles which was followed by a consultation with Cebu City community associations.



23-26

OSHDP-HUDCC NATIONAL CONVENTION

SHFC showcased its programs on the 20% Balanced Housing to guest developers and officials from various private and public agencies.



30



MULTI-STAKEHOLDER FORUM FOR CDO PARTNERS

The effects of climate change to poor communities were highlighted in a forum held in Xavier University in Cagayan de Oro City. Citywide Community Upgrading Strategy and community upgrading were also discussion points in the said activity.

31

SHFC CDO OFFICE BLESSING

Partner stakeholders of SHFC CDO can now experience better and more convenient service following the office's transfer to its new home. The more spacious and PWD-friendly office is now located at the G/F Jofelmor Bldg., Mortola St., Cagayan de Oro City.



31



MULTI-STAKEHOLDER FORUM FOR QUEZON CITY PARTNERS

SHFC awarded 27 titles to the member-beneficiaries of Nagkakaisang Maralita ng Luzon Avenue (NaMaLu), Blas Roque Compound HOAI, Buklod Bisig ng Taga-Sarmiento, and Bagong Pag-asa ng Laura during the multi-stakeholder forum on community upgrading through a citywide approach.



09

SEPTEMBER

8-10



NREA-HUDCC HOUSING TRADE EXHIBITS
SHFC showcased its programs in the 21st NREA-HUDCC Housing Trade Exhibits at Glorietta Mall Activity Center, Makati City.

30

CMP AWARDING CEREMONY IN TONDO, MANILA

SHFC awarded 84 certificates of lot allocations to the members of Herpilians Homeowners Association, Inc. Manila 2nd District Representative Carlo Lopez and SHFC NCR North Manager Engr. Elsa Calimlim led the ceremony.



10

OCTOBER

5



ORIENTATION ON STREAMLINING FOR CEBU PARTNERS

Cebu City community associations participated in an orientation on the CMP Streamlining Guidelines which featured reduced documentary requirements and government to government transaction. Workshops were also held during the afternoon session.

12

CMP AWARDING CEREMONY IN TAGUIG CITY

16 land titles were awarded to the member-beneficiaries of SAMACA II Homeowners Association in Taguig City. SAMACA II HOAI was founded in 1994 and currently has 143 member-beneficiaries. It was taken out as a CMP project in August 20, 2003.



20



CMP LAND TITLE AWARDING IN MINDORO

SHFC awarded 38 land titles to the member-beneficiaries of Brgy. Tibag Pamayanan Association in Calapan City, Oriental Mindoro. Top community associations with the highest CER were also recognized. One of which was Suqui Sunrise Village HOA which obtained the highest CER of 248.55% as of February 2016.

16-17

MEDIA TRAINING FOR SHFC OFFICERS AND STAFF

Participants from Operations and Support groups were equipped with the basics of media relations and photography in order to enhance technical skills required for communicating SHFC's advocacy of land tenure security to its stakeholders.



25

CMP LAND TITLE AWARDING CEREMONY IN CALOOCAN CITY

SHFC awarded 18 titles to the member beneficiaries of Makawili Phases 1 & 2 HOAI, Marcelo Green HOAI, and Llano Urban Poor HOAI in Caloocan City.

29

CMP LAND TITLE AWARDING CEREMONY IN NUEVA ECIJA

28 member-beneficiaries from Bayanihan Homeowners Association received their land titles after completing their CMP loan payment. Bayanihan HOAI was taken out in August 11, 2005 with 112 member-beneficiaries. The total land area of the project is 9,548 square meters.



30

**SOUTH MORNING VIEW HOA TURNOVER CEREMONY**

South Morning View, located in Naic, Cavite is one of the biggest HDH projects. It has 1,180 beneficiaries who used to live along the waterways in Las Piñas City.

7



2016 URBAN POOR SOLIDARITY WEEK CELEBRATION
Program orientation and cliquing activities were conducted for the members of 17 community associations in Taguig City to mark the celebration of the Urban Poor Solidarity Week.

8

LOAN DOCUMENTATION AND FINANCIAL LITERACY SEMINAR IN TACLOBAN

Officers of the Villa de Tacloban Homeowner's Association participated in a loan documentation and financial literacy seminar as part of their capacity building activities in relation to their ongoing CMP project application.



8



SHFC-CEBU CITY LGU PARTNERSHIP

The partnership solidifies SHFC's initiative to streamline its processes through strengthened government-to-government transactions. Cebu City LGU has committed to process the documentary requirements needed for CMP application within 30 days.

9

GROUNDBREAKING CEREMONY OF VILLA DE TACLOBAN HOA

SHFC and other partner agencies have committed to enhance partnership and cooperation in rebuilding the lives of 350 families affected by super typhoon Yolanda in Tacloban City, Leyte. The construction of the Villa de Tacloban Homeowner's Association housing project under SHFC's CMP is expected to be finished in 7 months.





2017 Outlook & Targets

As approved by the SHFC Board

Note: Weight (6) for the deleted target "Reorganization Plan" under the "Organization perspective" has not been distributed.



SOCIAL IMPACT

WEIGHT

- 14,431 ISFs provided with shelter security (CMP 14,231; HDH-200)

10

TOTAL 10

STAKEHOLDERS

WEIGHT



- 17,422 ISFs for LOG (CMP-17,222; HDH-200)
- 14 Partners developed and capacitated
- 28,972 ISFs assisted through project development process (CMP-18,972; HDH-10,000)
- Overall satisfaction rating of at least 90%

10

8

6

3

TOTAL 27

FINANCE

WEIGHT



- 84% CER achieved (old formula)
- 28% EDITDA Margin
- Proposed MC submitted to HLURB on the issuance of SHFC certification on the developers' participation for CMP under the balanced housing scheme
- Proposed MC submitted to HLURB that includes CMP Asset-Backed Securities as mode of compliance

10

8

3

3

TOTAL 24

INTERNAL PROCESS

WEIGHT



- IRR for Rental Housing signed
- One culturally sensitive socialized housing project piloted
- Updated Information System Strategic Plan (ISSP) approved by the Board and submitted to DICT
- 90% of HDH applications processed within 100 working days and 85% of CMP applications processed within 50 working days

5

5

6

6

TOTAL 22

ORGANIZATION

WEIGHT



- ISO Training completed based on ISO 9001:2015 standards
- 100% of new personnel hired based on the CBS;

5

6

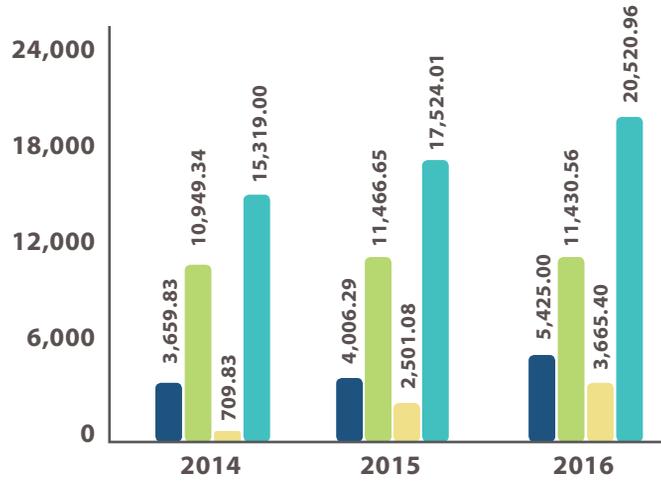
TOTAL 11



Financial Highlights

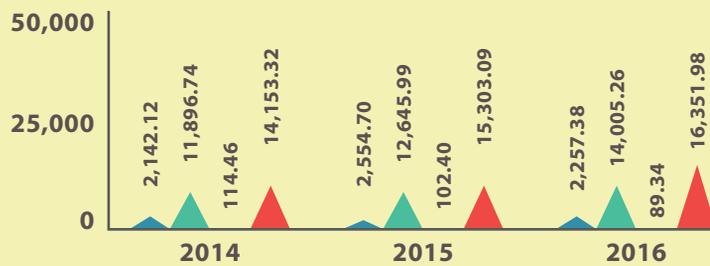
Assets In Millions

- 01 Current Assets
- 02 Assets Held In Trust
- 03 Non-Current Assets
- 04 TOTAL

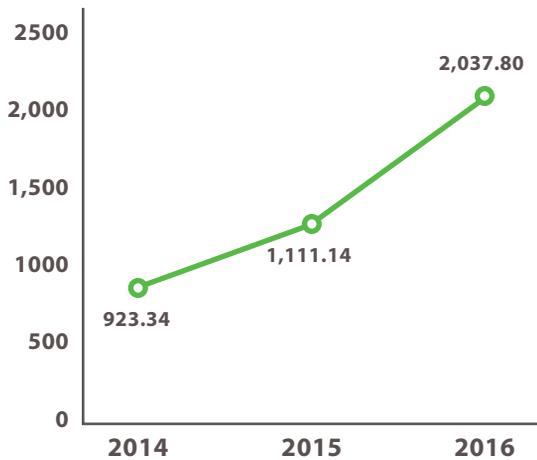


Liabilities In Millions

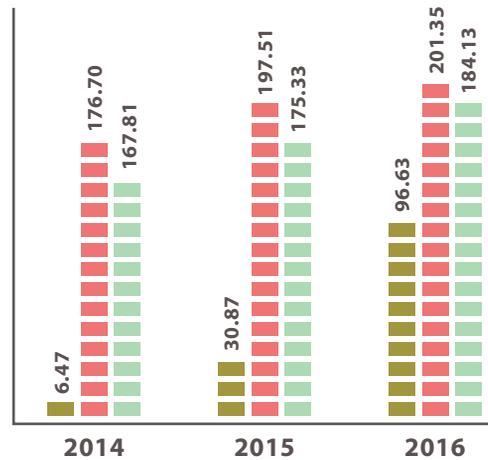
- 01 Current Liabilities
- 02 Trust Liabilities
- 03 Long Term Liabilities
- 04 TOTAL



Net Income In Millions



Expenses In Millions



- 01 Financial Expenses
- 02 Maintenance & Other Operating Expenses
- 03 Personal Expenses

Balance Sheet

For the Years Ended December 31, 2016 and 2015

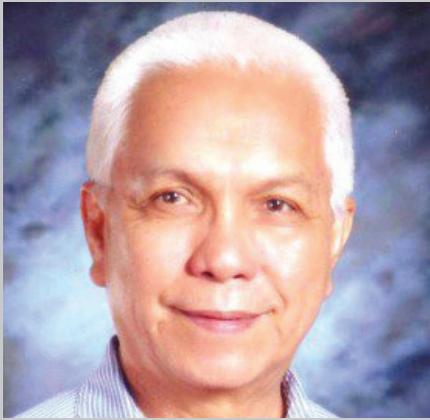
ASSETS	2016	2015
Current Assets		
<i>Cash and cash equivalents</i>	4,894,610,871	3,703,881,358
<i>Receivables, net</i>	80,049,657	78,389,772
<i>Inventories</i>	3,011,500	4,262,836
<i>Prepayments</i>	308,537	3,016,287
<i>Guaranty deposits</i>	1,574,392	1,640,121
<i>Advances to contractors</i>	445,443,074	215,095,744
	5,424,998,031	4,006,286,118
Assets Held in Trust		
<i>National Home Mortgage Finance Corporation</i>	10,877,060,102	10,913,591,215
<i>Abot-Kaya Pabahay Fund</i>	553,496,838	553,055,436
	11,430,556,940	11,466,646,651
Non-Current Assets		
<i>Long-term loan receivables</i>	2,168,094,519	732,661,102
<i>Property and equipment, net</i>	167,911,119	172,708,569
<i>Intangible assets, net</i>	1,028,007	1,801,080
<i>Deferred tax asset</i>	43,045,461	---
<i>Other resources</i>	1,285,323,894	1,143,909,412
	3,665,403,000	2,051,080,164
TOTAL ASSETS	20,520,957,971	17,524,012,933
LIABILITIES AND EQUITY		
Current Liabilities		
<i>Payables</i>	1,371,547,261	1,489,679,779
<i>Inter-agency payables</i>	37,594,359	32,160,256
<i>Provision for labor dispute</i>	---	---
<i>Other current liabilities</i>	848,236,493	1,032,859,828
	2,257,378,113	2,554,699,863
Long-term liabilities		
<i>Other long-term liabilities</i>	89,340,114	102,399,462
Trust liabilities		
<i>National Home Mortgage Finance Corporation</i>	13,091,402,977	12,092,938,895
<i>Abot-Kaya Pabahay Fund</i>	553,496,838	553,055,436
<i>Other trust liabilities</i>	360,360,000	---
	14,005,259,815	---
TOTAL LIABILITIES	16,351,978,042	15,303,093,656
EQUITY	4,168,979,929	2,220,919,277
TOTAL LIABILITIES AND EQUITY	20,520,957,971	17,524,012,933

Statement of Income and Expenses

For the Years Ended December 31, 2016 and 2015

	2016	2015
INCOME		
Interest income on loans	309,214,684	296,579,794
Interest on savings deposits	74,557,098	63,663,955
Service fees	11,576,551	10,870,040
Miscellaneous income	188,677,302	201,801,900
	584,025,635	572,915,689
EXPENSES		
Personal services		
Salaries and wages	86,302,734	82,862,722
Other personnel benefits	15,187,360	14,306,106
Other compensation	65,472,208	61,680,276
Personnel benefit contribution	17,163,818	16,486,392
	184,126,120	175,335,496
Maintenance and other operating expenses		
Loan loss	4,363,332	5,154,022
Professional services	46,778,489	54,910,831
Gender and development expenses	1,555,759	211,858
Taxes, insurance premiums and other fees	29,041,151	24,117,292
Depreciation/Amortization	16,249,094	14,026,441
Origination and appraisal cost	30,393,461	31,877,470
Supplies and materials	8,163,313	6,604,457
Utility	6,062,210	6,805,366
Representation	6,051,830	4,528,145
Traveling	8,648,031	8,032,874
Training and seminar	7,573,162	5,465,335
Rent	4,971,739	4,257,161
Confidential, extraordinary and miscellaneous	696,616	1,457,232
Miscellaneous expenses	526,867	---
Communication	3,848,286	3,634,530
Building association contribution to organization	3,872,599	3,864,899
Repairs and maintenance	1,944,170	1,745,200
Amortization	---	784,329
Advertising	1,929,798	1,985,231
Printing and binding	666,499	611,800
Subsidies and donations	26,000	28,000
Subscription	162,909	167,334
Transportation and delivery	24,000	145,809
Miscellaneous Expenses	---	17,094,341
Other MOOE	17,803,965	---
	201,353,280	197,509,957.00
Financial expenses		
Interest expenses	5,692,940	6,446,182
Bank charges	146,586	30,450
Financial expense - technical assistance	90,787,748	24,398,363
	96,627,274	30,874,995
INCOME BEFORE INCOME TAX	101,918,961	169,195,241
Income tax expense	39,918,309	37,025,138
NET INCOME AFTER INCOME TAX	62,000,652	132,170,103
Subsidy from National Government	1,975,797,545	978,968,849
NET INCOME AND SUBSIDIES	2,037,798,197	1,111,138,952

Board of Directors



Leoncio B. Evasco Jr.
Chairperson

AGENCY

Housing and Urban Development
Coordinating Council (HUDCC)
Cabinet Secretary
December 05, 2016 - present



Ma. Ana R. Oliveros
Vice Chairperson

AGENCY

Social Housing Finance Corporation (SHFC)
President

AGE

61

EXPERIENCE

1989-2010 | DIRECTOR
Foundation for the Development of the Urban Poor

2001 | PRESIDENT
CMP Congress

1998 | PRESIDENT
Philippine Undertaking for Social Housing

1989 | OFFICER FOR EXTERNAL AFFAIRS
Pagtambayayong Foundation, Inc.

1986-1988 | HUDCC-PCUP Task Force
on the CMP MEMBER (1988);
ASST. REGIONAL DIRECTOR-LUZON OFFICE (1987);
POLICY AND PROGRAM DIVISION HEAD (1986);
Presidential Commission for the Urban Poor (PCUP)

EDUCATION

1978
Ateneo de Manila University
B.S. Management Engineering

TRAINING

Shariah Learning Event Organized by Peace and Equity Foundation (PEF)
(Indonesia, Jakarta)
April 2-10, 2016

Study Tour to Singapore Organized by the Committee on Housing and
Urban Development of the House of Representatives (Singapore) Jan.
20-23, 2016

2015 International Housing Finance Program
"Housing Finance in a Changing Global Environment" & "Securitization
and Mortgage Bonds"
(The Wharton School University of Pennsylvania)
June 1-13, 2015

5th Asia Pacific Ministerial Conference on Housing and Urban
Development (APMCHUD) (Seoul, Korea)
November 3-5, 2014

Orientation Seminar on Public Governance for SHFC (Pasig City)
September 11-12, 2014

6th Global Housing Finance Conference (Joint undertaking of WB & IFC)
(Washington, DC) May 28-29, 2014

World Bank Knowledge Exchange Visit on Slum Upgrading and Housing
Programs in Brazil World Bank Knowledge Exchange Visit on Slum
Upgrading and Housing Programs in Brazil (Brazil)
November 16-26, 2013

World Bank Knowledge Exchange on Community-Led Citywide
Upgrading (Bangkok, Thailand)
May 13-18, 2013

Myanmar National Workshop on Housing
(Yangon, Myanmar) May 3-6, 2013

Asia-Pacific Forum and Exhibition on "Sustainable shelter in the Age of
Climate Change and disasters
(Bangkok, Thailand) September 6-11, 2011



Dr. Felixberto U. Bustos
Member

AGENCY

National Home Mortgage Finance Corporation (NHMFC)
President

EXPERIENCE

EXECUTIVE VICE PRESIDENT
Land Bank of the Philippines

VICE PRESIDENT, TRANSFERRED ASSETS GROUP
Philippine National Bank (PNB)

AUDIT AND RISK MANAGEMENT CHAIRMAN
Banco De San Juan

PRESIDENT
Asian Consulting and Training Group, Inc.

GENERAL MANAGER
Southeast Asia Cement Holdings, Inc.

CHAIRMAN, AUDIT COMMITTEE
Philippine Electricity Market Corporation

MANAGING DIRECTOR
Credit Rating and Investors Services Philippines, Inc.

EDUCATION

Doctor of Business Administration
University of the Philippines, Diliman

Masters in Business Administration
Columbia University

TRAINING

Orientation-Seminar on Public Corporate Governance, conducted by Development Academy of the Phils. (DAP) Sept. 11-12, 2014



Augusto Lopez-Dee
Member

AGENCY

Banko Sentral ng Pilipinas (BSP)
Managing Director,
Monetary Operations Sub-Sector

AGE

63

EXPERIENCE

1995 | EXECUTIVE VICE PRESIDENT
State Investment Trust, Inc., Binondo, Manila

1988 | MANAGER
Commonwealth Bank of Australia

1979 | SENIOR VICE PRESIDENT
State Investment House, Inc., Binondo, Manila

1979 | VICE PRESIDENT
Amherst Group-Makati City

1974 | CHIEF OF DIVISION
Banko Sentral ng Pilipinas, Malate, Manila

EDUCATION

1973
AB Economics
Ateneo De Manila University

1975
Masters in Business Administration
University of the Philippines, Diliman

1993
Academic Units
Royal Melbourne Institute of Technology, Australia

TRAINING

BALANCE SCORECARD
Conducted by The Institute of Corporate Directors (ICD)
October 5, 2012

Orientation-Seminar on Public Corporate Governance, conducted by: Development Academy of the Phils. (DAP) Sept. 11-12, 2014



Luz M. Cantor
Member

AGENCY

Department of Budget and Management
Assistant Secretary

AGE

62

EXPERIENCE

2002-2010 | DIRECTOR IV
Department of Budget and Management (DBM)

2000-2010 | DIRECTOR III
Department of Budget and Management (DBM)

1996-2000 | CHIEF BUDGET SPECIALIST
Department of Budget and Management (DBM)

1990-1996 | SUPERVISING BUDGET SPECIALIST
Department of Budget and Management (DBM)

1987-1990 | SENIOR BUDGET SPECIALIST
Department of Budget and Management (DBM)

1979-1987 | BUDGET SPECIALIST
Department of Budget and Management (DBM)

EDUCATION

1976
BS Business Administration
Major in Accounting

1987
Certificate in Economics Development

1998
Masters in Management
Philippine Christian University

TRAINING

Orientation-Seminar on Public Corporate Governance, conducted by: Development Academy of the Phils. (DAP) Sept. 11-12, 2014



USEC. Bayani H. Agabin
Member

AGENCY
DOF
Under Secretary

EXPERIENCE
Feb. 1, 2005 to Present |
Tolosa Romulo Agabin
& Flores Law Office

Feb. 2013 to Sept. 2013 |
Consultant
JWoodfields Consultants, Inc.

Oct. 2011 up to Sept. 2012 |
Consultant
Snowy Mountain Engineering Corporation

Jan. 2006 to July 2009 | SENIOR
VICE-PRESIDENT, LEGAL AND
CORPORATE SECRETARY
Rapu-Rapu Mining, Inc.

EDUCATION
UP Diliman, Quezon City
DEGREE: BACHELOR OF LAWS
Passed the Philippine Bar Examinations 1995

UP School of Economics
1985 to 1989
UP Diliman, Quezon City
DEGREE: B.S. ECONOMICS

AFFILIATION
U.P. College of Law Electoral and Judicial
Tribunal (Chairman 1993- 1994; member 1991
to 1993)

U.P. Paralegal Volunteers Organization
(Secretary General 1993 – 1994, member 1992
to 1993)

Member, U.P. Economics Society, 1986 – 1989



USEC. Emily O. Padilla
Member

AGENCY
DILG
Under Secretary

AGE
55
EXPERIENCE
2016-present | Under Secretary of DILG

July 1, 2004- present |
Partner-Lawyer
Padilla Padolina Padilla Law Offices

2013-2014 | Legal Consultant
Palayan City Water District

EDUCATION
1995
Bachelors of Law
Araulo University

1983
Bachelor of Arts in History
University of the Philippines

TRAINING
Mandatory Continuing Legal Education,
Integrated Bar of the Philippines, Nueva Ecija

Special Training Course on Local Governance,
National College of Public Administration
and Governance, University of the Philippines,
Diliman, Quezon City,
Oct-Nov. 2003

Council on International Programs, Denver
University, Denver, Colorado,
March-September 1990



Damaso C. Vertido
Private Sector Representative

Mindanao Land Foundation Inc. (MinLand);
(aka Mindanao Land Acquisition Housing
and Development Foundation Inc.; MLF)
Technical and Management Consultant

AGE
64

EXPERIENCE
1989-2005 | PRESIDENT, EXECUTIVE DIRECTOR
Mindanao Land Foundation Inc. (MinLand)

1996-1998 | NATIONAL CHAIRMAN
National Congress of Community Mortgage
Program Originators and Social Housing
Developers in Low Income Housing

1994 | CONVENOR, CO-FOUNDER
Kahugpungan sa Mindanao (a confederation
of 16 NGOs in social housing and urban
development in key cities in Mindanao)

1992 | CONVENOR, CO-FOUNDER
Hugpong Dabaw (a federation of 6 NGOs
in social housing in Davao City)

EDUCATION
1975
Bachelor of Arts
University of the Philippines

1982
Masters in Business Administration
School of Business, Ateneo De Manila
University

TRAINING
Corporate Strategic Planning
Conducted by:
The Institute of Corporate Directors (ICD)
August 22, 2012

BALANCE SCORECARD
Conducted by:
The Institute of Corporate Directors (ICD)
October 5, 2012

Orientation-Seminar on Public
Corporate Governance, conducted by:
Development Academy of the Phils. (DAP)
Sept. 11-12, 2014



Jovito C. Labajo
Private Sector Representative

Kapulungan ng mga Sandigan ng Pilipinas (KASAPI)
Vice Chairperson

Kilusan para sa Pagkakaisa, Pagkakasundo at Pag-unlad (KILOS PA)
Co-Convenor

AGE
57

EXPERIENCE
2010 | Involvement in the Mabuting Pilipino Movement and Campaign for Social Change during the May elections

1986-1992 | ASSISTANT CIVIL SECURITY OFFICER, ASSISTANT COMMUNITY RELATIONS OFFICER Quezon City Local Government

EDUCATION
1988
Acquired training in Community Mortgage Program (CMP) through the Residential Management Staff (PMS)

1988
Initiated the incorporation of the Philippine Foundation for Integrative Alternative Development, Inc.

1991
Bachelor in Industrial Management (Managers Program)
Pamantasan ng Lungsod ng Maynila (PLM)

1992
18 units of Masters in Industrial Management
Pamantasan ng Lungsod ng Maynila (PLM)

TRAINING
Corporate Strategic Planning
Conducted by: The Institute of Corporate Directors (ICD)
August 22, 2012

BALANCE SCORECARD
Conducted by The Institute of Corporate Directors (ICD)
October 5, 2012

Orientation-Seminar on Public Corporate Governance, conducted by: Development Academy of the Phils. (DAP)
Sept. 11-12, 2014



Rozel Alex M. Santos
Private Sector Representative

EXPERIENCE
1989 - present |
Founder and President
Total Land Management , Inc.

October 2010 - present | Consultant
Office of the Speaker
Feliciano Belmonte, Jr.
House of Representatives

2010 - present |
Consultant on Social Housing
Office of the Quezon City Councilor, Councilor
Alfred Vargas

2009 - present | Distributor
AIM Global, Inc.

2008 - present | President
Total Wellness Enterprises

EDUCATION
1963
BS Geology
University of the Philippines
Diliman, Quezon City



Atty. Rodolfo Ma. Ponferrada
Private Sector Representative

Alpha Land Corporation
Corporate Secretary

AGE
39

EXPERIENCE
2009 | BOARD MEMBER
Alpha Land Corporation

BOARD MEMBER, CORPORATE SECRETARY
Atok-Big Wedge Co, Inc.

CORPORATE SECRETARY
Philix Mining Corporation

2006 and 2007-present |
CORPORATE INFORMATION OFFICER,
ASSISTANT CORPORATE SECRETARY,
GENERAL COUNSEL
ISM Communications Corporation

2006 and 2008-present |
VICE PRESIDENT, ASST. CORPORATE SECRETARY,
CHIEF LEGAL COUNSEL
Eastern Telecommunications Philippines, Inc.

2006-2008 |
CORPORATE SECRETARY, CHIEF LEGAL COUNSEL
Connectivity Unlimited Resource Enterprise, Inc.

EDUCATION
1997
BS in Management (Honors Program)
Minor in Japanese Studies
Ateneo De Manila University
Magna Cum Laude

2001
Bachelor of Laws
University of the Philippines, Diliman
Cum Laude

TRAINING
Corporate Strategic Planning
Conducted by:
The Institute of Corporate Directors (ICD)
August 22, 2012

BALANCE SCORECARD
Conducted by:
The Institute of Corporate Directors (ICD)
October 5, 2012

Orientation-Seminar on Public Corporate Governance, conducted by: Development Academy of the Phils. (DAP)
Sept. 11-12, 2014

Past Board of Directors



Joanna P. Castillo
Member

AGENCY
Department of Finance

Director III,
Corporate Affairs Group
CORPORATE OPERATIONS OFFICE
Department of Finance

AGE
40

EXPERIENCE
2015-present | BOARD MEMBER
Social Housing Finance Corporation

1998
Started work at Department of Finance

EDUCATION
2011
Masters Degree in Business Administration
Pamantasan ng Lungsod ng Maynila

1996
Passed the CPA Licensure Exam

1996
Bachelor of Science in Accountancy
Meycauayan College, Bulacan

TRAINING
Short-term training on Bank's operation and programs and to research on factors related to private sector growth and promotion of regional trade and competitiveness in World Bank, Washington, D.C., U.S.



Atty. Chito M. Cruz
Chairperson

AGENCY
Housing and Urban Development Coordinating Council (HUDCC)

AGE
54

EXPERIENCE
2010 | GENERAL MANAGER
National Housing Authority, Elliptical Road,
Diliman, QC

2009 to 2010 | CORPORATE SECRETARY
Subic Executive Lofts Condominium Corporation

2001 to 2003 | CHAIRMAN
Freeport Services Corporation
(Subsidiary Corporation of SBMA)

1999 to 2004 | CHAIRMAN
Subic Technopark, Inc.
Japanese Technology Park,
Subic Bay Freeport Zone

1998 to 2004 | SENIOR DEPUTY ADMINISTRATOR
FOR SUPPORT SERVICES,
Subic Bay Metropolitan Authority

EDUCATION
1985
College of Law
Ateneo de Manila University

1986
Admitted to the Philippine Bar

1981
AB Economics, Ateneo de Manila University



VP Maria Leonor I. Robredo
Chairperson

AGENCY
Housing and Urban Development Coordinating Council (HUDCC)

AGE
52

EXPERIENCE
2016-present | Vice President
Office of the Vice President of the Philippines
2013 | Representative of the Third District
of Camarines Sur
House of Representatives, Philippines

EDUCATION
1992
College of Law
University of Nueva Caceres

1986
Bachelor of Arts in Economics
University of the Philippines

TRAINING
ZERO HUNGER PROGRAM STUDY
VISIT TO BRAZIL
July 05-13, 2015

13th PLENARY MEETING OF THE CYBER CRIME
CONVENTION COMMITTEE
June 15-16, 2015

ASIAN WOMEN PARLIAMENTARIAN
CONFERENCE 2014 ON WOMEN POLICY &
POLITICAL MEMBERSHIP
Oct 16-17, 2014

Senior Officers



Ma. Ana R. Oliveros
President



Eduardo T. Manicio
Executive Vice President



Annicia D. Villafuerte
Vice President,
Loan Processing Group
(Luzon and NCR)



Atty. Ma. Rosalie Richa A. Taguian
Vice President,
Loan Processing Group
(Visayas and Mindanao)



Atty. Jose D. Melgarejo
Board Secretary
Vice President
Corporate Legal Counsel



Ernesto R. Leynes
Vice President,
Treasury Group

Managers



Jessica B. Caraso
Manager
NCR Central



Lorie Lynn B. Bundoc
Manager
Public Affairs Department



Crisanto R. Alanes
OIC Manager
Information Systems
Department



Josefina B. Banglagan
Manager
NCR South



Atty. Leo B. Deocampo
Manager
Legal Department



Florencio R. Carandang, Jr.
Manager
Planning Department



Joen B. Buensalido
Manager
Admin Department



Atty. Tristan Frederick L. Tresvalles
Compliance Officer
Office of the Board Secretary



Lourdes P. Panaligan
Manager
Internal Audit Department



Jason C. Yap
Manager
Documentation Control and
Custodianship Department
and Cash Management
Department



**Engr. Elsa Julian
De Villa-Calimlim**
Manager
NCR North



Julita B. Parreño
Manager
Central Luzon



Dante M. Anabe
Manager
Finance and Comptrollership
Department



Edgar M. Aninipot
Manager
Task Force on Remedial
Management of Accounts



Engr. Felman R. Gilbang
Manager
Trust Administration
Department and High
Density Housing Unit



Engr. John O. Lee
OIC Manager
Southern Luzon



Ruben C. Laset
Partner Relations
Department

Regional Offices

LUZON

Jones Tomas

SHFC Isabela
297 La Patria Bldg., Maharlika Highway,
Cauayan, Isabela
shfc_cauayan@yahoo.com
(078) 652-0655

Jesus Eden Cidro

SHFC Palawan
Unit 309 3rd Floor ERC Plaza Bldg.,
National Highway San Pedro,
Puerto Princesa City, Palawan
shfc_palawan@yahoo.com
(048) 433-0106

Frederick de Real

SHFC Naga
Jesse Robredo Coliseum, Brgy. Triangulo,
Naga City, Camarines Sur
shfc_daet@yahoo.com
(054) 473-3670

VISAYAS

Elmerado Viernes, Jr.

SHFC Bacolod
Door # 14 Jr. Bldg., Rizal Lacson Streets,
Bacolod City
shfc_bacolod@yahoo.com
0917 584 1747

Elsie Suarez

SHFC Iloilo
3/F Insular Life Bldg., General Luna St.,
Brgy. San Felix, Molo, Iloilo City
shfc_iloilogov@yahoo.com
(033) 508-6977

Randolph Librando

SHFC Cebu
Rm.303 3/F Machay Bldg.,
Gorordo Ave., Cebu City
shfc_cebu@yahoo.com
(032) 233-6963

MINDANAO

Gina Lumbre

SHFC Zamboanga
2/F VHW Bldg. Veterans Avenue,
Zamboanga City
shfc_zambo@yahoo.com
(062) 310-2242

Janet Lumayag

SHFC Cagayan de Oro
G/F Unit 7 Jofelmor Bldg.
Mortola St., Cagayan De Oro City
shfc_cdo@yahoo.com
(088) 857-3794

Juana Leonora Melodias

SHFC General Santos
3rd Floor Insular Life Bldg.,
Pioneer Avenue,
General Santos City
shfc_gensan@yahoo.com
(083) 301-8968

Atty. Ronald Saco

SHFC Davao
Door #10 Ebro Pelayo Bldg.I,
Juan Luna St., Davao City
shfc_davao@yahoo.com
(082) 226-2901