

CORPORATE CIRCULAR NO. 24 - 069

Series of 2024

SUBJECT: AMENDMENTS TO SHFC CORPORATE CIRCULAR NO. 23-062, SERIES OF 2023, AMENDED IMPLEMENTING GUIDELINES FOR COMMUNITY GUIDED FINANCING FRAMEWORK

This refers to the amendment in the Social Housing Finance Corporation Corporate Circular No. 23-062, Series of 2023, *Amended Implementing Guidelines for Community Guided Financing Framework*.

Section 4.1 –Payment Scheme of the Corporate Circular provides the manner of how SHFC shall release the loan proceeds to the SHFC-Accredited Developer or Contractor. **Clause (A)** states that:

xxx

“A. Vertical Housing Project

The SHFC shall only release Mobilization Fund to the Developer or Contractor with vertical housing projects.

4.1.1 The mobilization fund is equivalent to fifteen percent (15%) of the annual guaranteed loan proceeds of the project.

Release of the loan shall be made in progress billing and in accordance with the work schedule and milestone set by SHFC\ Releases shall be made in the following manner:

Releases	Accomplishment percentage requirement	Mobilization Fund (MF) Recoupment %	Retention Fee %
<i>1st billing</i>	<i>20%</i>	<i>0%</i>	<i>7.5%</i>
<i>2nd billing</i>	<i>20%</i>	<i>0%</i>	<i>7.5%</i>
<i>3rd billing</i>	<i>20%</i>	<i>33% of the MF released</i>	<i>7.5%</i>
<i>4th billing</i>	<i>20%</i>	<i>33% of the MF released</i>	<i>7.5%</i>
<i>5th billing (final)</i>	<i>20%</i>	<i>34% of the MF released</i>	<i>7.5%</i>

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Section 4.1 of the Corporate Circular is hereby amended to read as follows:

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“A. Vertical Housing Project

The SHFC shall only release Mobilization Fund to the Developer or Contractor with vertical housing projects.

*4.1.1 The mobilization fund is equivalent to fifteen percent (15%) of the **LOG amount** of the project.*

Loan releases shall be made in accordance with the work schedule and milestones approved by the SHFC Management.

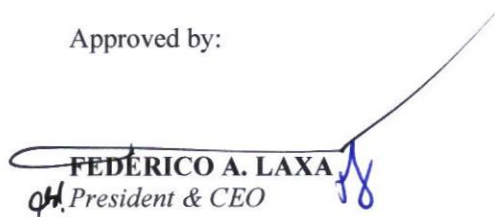
All releases shall be subject to retention fee equivalent to 7.5% of the billing; and recoupment of at least 10% per billing until fully recouped.

Based on the recommendation of the Operations Head handling the project, SHFC Management may revise or modify the milestones, schedule of loan releases, and recoupment of the mobilization fund released, if deemed necessary and reasonable under the circumstances.

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This Corporate Circular shall take effect prospectively. All office policies, office orders, and memoranda, or parts thereof inconsistent with any provisions of this Order are deemed modified or repealed accordingly.

Approved by:


FEDERICO A. LAXA
President & CEO

Date approved: July 29, 2024

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