

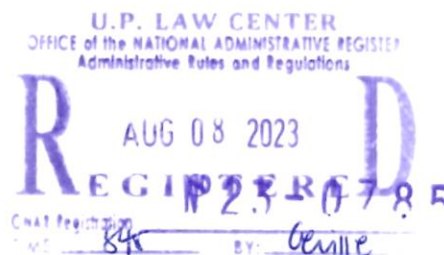


*Kaagapay ng Komunidad sa Maginhawang Pamumuhay*

07 August 2023

**OFFICE OF THE NATIONAL  
ADMINISTRATIVE REGISTER  
(ONAR)**

Room 208, Second Floor,  
Bocobo Hall, UP Law Center  
UP Diliman, Quezon City



Dear Sir/Madam:

Greetings!

Pursuant to Section 3 of Book VII of the Administrative Code, which requires every agency in the Government to file with the University of the Philippines Law Center certified copies of every rule adopted by it, we are hereby transmitting three (3) Certified True Copies of the Social Housing Finance Corporation's (SHFC) "CHECKLIST OF REQUIREMENTS FOR THE COMMUNITY GUIDED FINANCING (CGF) GUIDELINES" (Corporate Circular No. 23-063 Series of 2023).

Thank you.

Very truly yours,

**ATTY. KAROLINE J. ABELLO-ORDECILLA**

Acting Board Secretary  
Office of the Board Secretary



**CORPORATE CIRCULAR NO: 23 - 063**  
**Series 2023**

**R** **AUG 08 2023** **D**  
**REGISTERED**  
**No 23-0785**  
TIME: 4:45 BY: Cenille

**SUBJECT : CHECKLIST OF REQUIREMENTS FOR THE COMMUNITY GUIDED FINANCING (CGF) GUIDELINES**

This Circular is being issued to ensure efficient and effective processing of application, approval, and release of loans under the Community Guided Framework which was approved through Board Resolution no. 1003 series of 2022 and the Corporate Circular 23-062 (Amended Implementing Guidelines for Community Guided Financing Framework).

Hereunder are the checklists of requirements to facilitate the approval and release of loans based on the MODES of land ownership:

**MODE 1: The Developer or Contractor owns the land for development and building construction**

**A. Documentary requirements for loan approval by the Credit/Executive Committees and Board of Directors**

1. Project Eligibility Report: This consists of the Community Needs Assessment (CNA), Loan Examination (LE) and Mortgage Examination (ME) Reports that includes the following documents and requirements:
  - a. Community Association's (CA) application letter for financing;
  - b. Certified list of Member-Beneficiaries (MBs) with sex disaggregated data from the concerned government agency;
  - c. Fully Accomplished Community Needs Assessment (CNA form);
  - d. Photocopies of two (2) valid IDs with 3 affixed signatures must be certified by the CA President. For representatives, they should also submit photocopies of their valid IDs and SPA from the member;
  - e. Photocopies of two (2) valid IDs of the guarantor, only if applicable;
  - f. Marriage license or certificate of cohabitation, whichever is applicable;
  - g. Proof of household income;
    - g1 Certificate of Employment and Compensation (For Formal Income-earners); and
    - g2 Notarized Certification of the Barangay Captain or Notarized affidavit of income duly checked and verified by the LGU (For Informal Income-earners).
  - h. Department of Human Settlement and Urban Development (DHSUD)/ Cooperative Development Authority's (CDA) Certified copy of the Certificate of Registration, Articles of Incorporation and By-laws;
  - i. Original notarized and certified copy of duly elected officers of the association and its board of directors/trustees and holding office for a term of two years;
  - j. Board resolution or Secretary's Certificate stating its preferred developer or contractor, location of the property, Title Number, design and specifications and full-package price;
  - k. Board resolution or Secretary's Certificate stating the authority of the CA president to transact, purchase, borrow, loan, mortgage, sign and perform all acts in behalf of the community association relevant to its project application;
  - l. Photocopy of valid government issued identity card of the CA President and CA Secretary;
  - m. Register of Deeds (RD) certified copy of First and Second Back Titles;
  - n. Certified copy of updated Tax Clearance or proof of payment of Real Property Tax;
  - o. Land classification;



- p. Authorized representative certification with photocopies of two (2) valid IDs and Tax Identification Number; and
  - q. Finalized Masterlist of Beneficiaries and Loan Apportionment (MBLA);
2. Technical Report that includes the following documents and requirements:
- a. Developer or Contractor's certificate of Participation – CGF orientation;
  - b. Certificate of Accreditation;
  - c. Concept, plans, construction timeline, and specification;
  - d. Full-package price breakdown;
  - e. Disaster Risk Reduction Management (DRRM) or Mines and Geosciences Bureau (MGB's) report on potential hazard in the property
  - f. Road right of way certification;
  - g. Risk and mitigation measures of the potential hazards;
  - h. Economic and social opportunities of the property;
3. Appraisal report;
4. Omnibus Certificate of Compliance; and
5. Certificate of Fund Availability;

**B. Documentary requirements for the release of the Letter of Guarantee**

1. Development permit;
2. Application for Building Permit;
3. Environmental Compliance Certificate;
4. Land reclassification as residential duly approved by the Sanggunian, if applicable;
5. Department of Agrarian Reform (DAR) Conversion/Clearance/Exemption, if applicable;
6. Complete set of land development plans, building plans & drawings, and detailed bill of materials and specifications;
7. Application for DENR-LMB/LRA Lot plan/subdivision plan, if applicable;
8. Certificate of Compliances to Committee or Board conditions from the Office of the Compliance Officer, if applicable;
9. Final Appraisal Report; and

**C. Documentary requirements for the release of the loan under CGF**

The following documents to be submitted by CA/Developer or Contractor

**C.1 For the release of the 15% Mobilization Fee**

1. Loan Agreement between CA and SHFC;
2. Promissory Note;
3. Letter of Guaranty (LOG) issued by SHFC
4. Contract to Sell between Community Association and Developer or Contractor;
5. Real Estate Mortgage (REM);
6. Notice of Commencement of Works (NCW)
7. Deed of Assignment (CA to Developer/Contractor);
8. Performance Security for the mobilization fund;
9. Contractor's All Risk Insurance (CARI);
10. Organizational Chart and List of Key Personnel of Developer or Contractor; and
11. Affidavit of Site Inspection

**C.2 For the First Billing**

1. Performance Security for the remaining amount of stated in the LOG; and
2. Building permit must be complied and submitted;



**C.3 For subsequent releases excluding the final billing**

1. SHFC certificate of approval to release loans signed by the SHFC President; and
2. Regional Engineering Department's (RED) validation report of the works completed.

**C.4 For the Final billing release**

1. Deed of Absolute Sale (CA and Developer/Contractor);
2. Certificate from the Developer or Contractor that the unit is available and ready for occupancy;
3. Certificate of Completion and Acceptance (COCA) of all the completed units from the CA;
4. Undertaking that the Developer or Contractor provides a temporary utility connection and the permanent utility connection will be installed within a maximum of ninety (90) days from the turnover date;
5. Undertaking outlining its commitment to install the removable items ten (10) calendar days from the turnover date;
6. Lease Agreement from the concerned Member-beneficiaries;
7. Deed of Assignment (CA to SHFC of receivables from the Lease Agreements);
8. Joint Certification from Developer/Contractor and Engineer on Record;
9. Undertaking from the Developer or Contractor outlining its commitment to install the removable items ten (10) calendar days before the turnover date; and
10. Certificate of Occupancy from the LGU.

**C.5 For the release of the Retention amount**

1. SHFC-Accredited Developer or Contractor's issuance of Certificate of Completion of rectification of the defects listed in the punch list signed by the unit assigned members;
2. Certificate of completion from the utility providers stating that the permanent utility connections are installed in the project site; and
3. Individual Title or Condominium Certificate of Title for the completed units and common space under the name of the CA.

**MODE 2: The land is owned by the CA or a private entity with joint venture or partnership agreement with the Developer or Contractor**

**A. Documentary requirements for loan approval by the Credit/Executive Committees and Board of Directors of SHFC**

1. Project Eligibility Report: This consists of the Community Needs Assessment (CNA), Loan Examination (LE) and Mortgage Examination (ME) Reports that includes the following documents and requirements:
  - a. Community Association's (CA) application letter for financing;
  - b. Certified list of Member-Beneficiaries (MBs) with sex disaggregated data from the concerned government agency;
  - c. Fully Accomplished Community Needs Assessment (CNA form);
  - d. Photocopies of two (2) valid IDs with 3 affixed signatures must be certified by the CA President. For representatives, they should also submit photocopies of their valid IDs and SPA from the member;
  - e. Photocopies of two (2) valid IDs of the guarantor, only if applicable;
  - f. Marriage license or certificate of cohabitation, whichever is applicable;
  - g. Proof of household income;
    - g1 Certificate of Employment and Compensation (For Formal Income-earners); and

*N*



- g2 Notarized Certification of the Barangay Captain or Notarized affidavit of income duly checked and verified by the LGU (For Informal Income-earners).
- h. Department of Human Settlement and Urban Development (DHSUD)/ Cooperative Development Authority's (CDA) Certified copy of the Certificate of Registration, Articles of Incorporation and By-laws;
  - i. Original notarized and certified copy of duly elected officers of the association and its board of directors/trustees and holding office for a term of two years;
  - j. Board resolution or Secretary's Certificate stating its preferred developer or contractor, location of the property, Title Number, design and specifications and full-package price;
  - k. Board resolution or Secretary's Certificate stating the authority of the CA president to transact, purchase, borrow, loan, mortgage, sign and perform all acts in behalf of the community association relevant to its project application;
  - l. Photocopy of valid government issued identity card of the CA President and CA Secretary;
  - m. RD certified copy of First and Second Back Titles;
  - n. Certified copy of updated Tax Clearance or proof of payment of Real Property Tax;
  - o. Land classification;
  - p. Authorized representative certification with photocopies of two (2) valid IDs and Tax Identification Number; and
  - q. Finalized Masterlist of Beneficiaries and Loan Apportionment (MBLA);
2. Technical Report that includes the following documents and requirements:
    - a. Developer or Contractor's certificate of Participation – CGF orientation;
    - b. Certificate of Accreditation;
    - c. Concept, plans, construction timeline, and specification;
    - d. Full-package price breakdown;
    - e. DRRM or MGB's report on potential hazard in the property
    - f. Road right of way certification;
    - g. Risk and mitigation measures of the potential hazards;
    - h. Economic and social opportunities of the property;
  3. Appraisal report;
  4. Omnibus Certificate of Compliance; and
  5. Certificate of Fund Availability;

**B. Documentary requirements for the release of the Letter of Guarantee**

1. Development permit;
2. Application for Building permit;
3. Environmental Compliance Certificate;
4. Land reclassification as residential duly approved by the Sanggunian, if applicable;
5. Department of Agrarian Reform (DAR) Conversion/Clearance/Exemption, if applicable;
6. Complete set of land development plans, building plans & drawings, and detailed bill of materials and specifications;
7. Application for DENR-LMB/LRA Lot plan/subdivision plan, if applicable;
8. Certificate of Compliances to Committee or Board conditions from the Office of the Compliance Officer, if applicable; and
9. Final Appraisal Report.



**C. Documentary requirements for the release of the loan under CGF**

The following documents to be submitted by CA/Developer or Contractor

**C.1 For the release of the 15% Mobilization Fee**

1. Loan Agreement for lot acquisition, if applicable;
2. Loan Agreement for Development and Construction;
3. Promissory Note (PN) Lot Acquisition (if applicable);
4. Promissory Note (Site Development and Building Construction);
5. Deed of Assignment (CA to Landowner) for Lot Acquisition, if applicable;
6. Deed of Assignment (CA to Developer) for Site Development and Construction;
7. Letter of Guaranty (LOG) issued by SHFC to Landowner (if applicable)
8. Letter of Guaranty (LOG) issued by SHFC to Developer;
9. Real Estate Mortgage (REM) or Amended REM (if applicable);
10. Multi-Stakeholder Agreement (MSA) (for LGU-initiated projects if applicable);
11. Notice of Commencement of Works (NCW);
12. Deed of Absolute Sale (Landowner and CA) if applicable;
13. Performance Security for the mobilization fund;
14. Development & Construction Contract between CA and the Developer or Contractor;
15. Contractor's All Risk Insurance (CARI);
16. Organizational Chart and List of Key Personnel of Developer or Contractor; and
17. Affidavit of Site Inspection

**C.2 For the First Billing**

1. Performance Security for the remaining amount of LOG; and
2. Building permit must be complied and submitted.

**C.3 For subsequent releases excluding the final billing**

1. SHFC certificate of approval to release loans signed by the SHFC President; and
2. RED's validation report of the works completed.

**C.4 For the Final billing release**

1. Certificate from the Developer or Contractor that the unit is available and ready for occupancy;
2. Certificate of Completion and Acceptance (COCA) of all the completed units from the CA;
3. Undertaking that the Developer or Contractor provides a temporary utility connection and the permanent utility connection will be installed within a maximum of ninety (90) days from the turnover date;
4. Undertaking outlining its commitment to install the removable items ten (10) calendar days from the turnover date;
5. Lease Agreement from the concerned Member-beneficiaries; and
6. Deed of Assignment (CA to SHFC) for Lot Acquisition, Site Development and House Construction for New Projects (if CA applied for all 3 loans, if applicable);
7. Deed of Assignment (CA to SHFC) for Site Development and House Construction Loan only if applicable;
8. Joint Certification from Developer/Contractor and Engineer on Record;
9. Undertaking from the Developer or Contractor outlining its commitment to install the removable items ten (10) calendar days before the turnover date; and
10. Certificate of Occupancy from the LGU.





**C.5 For the release of the Retention amount**

1. SHFC-Accredited Developer or Contractor's issuance of Certificate of Completion of rectification of the defects listed in the punch list signed by the unit assigned members;
2. Certificate of completion from the utility providers stating that the permanent utility connections are installed in the project site; and
3. Individual Title or Condominium Certificate of Title for the completed units and common space under the name of the CA.

**MODE 3: The land is under usufructuary arrangement with SHFC or other stakeholders**

**A. Documentary requirements for loan approval by the Credit/Executive Committees and Board of Directors of SHFC**

1. Project Eligibility Report: This consists of the Community Needs Assessment (CNA), Loan Examination (LE) and Mortgage Examination (ME) Reports that includes the following documents and requirements:

- a. Community Association's (CA) application letter for financing;
- b. Certified list of Member-Beneficiaries (MBs) with sex disaggregated data from the concerned government agency;
- c. Fully Accomplished Community Needs Assessment (CNA form);
- d. Photocopies of two (2) valid IDs with 3 affixed signatures must be certified by the CA President. For representatives, they should also submit photocopies of their valid IDs and SPA from the member;
- e. Photocopies of two (2) valid IDs of the guarantor, only if applicable;
- f. Marriage license or certificate of cohabitation, whichever is applicable;
- g. Proof of household income;
  - g1 Certificate of Employment and Compensation (For Formal Income-earners); and
  - g2 Notarized Certification of the Barangay Captain or Notarized affidavit of income duly checked and verified by the LGU (For Informal Income-earners).
- h. Department of Human Settlement and Urban Development (DHSUD)/ Cooperative Development Authority's (CDA) Certified copy of the Certificate of Registration, Articles of Incorporation and By-laws;
- i. Original notarized and certified copy of duly elected officers of the association and its board of directors/trustees and holding office for a term of two years;
- j. Board resolution or Secretary's Certificate stating its preferred developer or contractor, location of the property, Title Number, design and specifications and full-package price;
- k. Board resolution or Secretary's Certificate stating the authority of the CA president to transact, purchase, borrow, loan, mortgage, sign and perform all acts in behalf of the community association relevant to its project application;
- l. Photocopy of valid government issued identity card of the CA President and CA Secretary;
- m. RD certified copy of First and Second Back Titles;
- n. Certified copy of updated Tax Clearance or proof of payment of Real Property Tax;
- o. Land classification;
- p. Authorized representative certification with photocopies of two (2) valid IDs and Tax Identification Number; and
- q. Finalized Masterlist of Beneficiaries and Loan Apportionment (MBLA);

2. Technical Report that includes the following documents and requirements:

- a. Developer or Contractor's certificate of Participation – CGF orientation;
- b. Certificate of Accreditation;
- c. Concept, plans, construction timeline, and specification;

- d. Full-package price breakdown;
- e. DRRM or MGB's report on potential hazard in the property
- f. Road right of way certification;
- g. Risk and mitigation measures of the potential hazards;
- h. Economic and social opportunities of the property;

3. Appraisal report;

4. Omnibus Certificate of Compliance; and

5. Certificate of Fund Availability;

**B. Documentary requirements for the release of the Letter of Guarantee**

1. Development permit;
2. Application for Building permit;
3. Environmental Compliance Certificate;
4. Land reclassification as residential duly approved by the Sanggunian, if applicable;
5. Department of Agrarian Reform (DAR) Conversion/Clearance/Exemption, if applicable;
6. Complete set of land development plans, building plans & drawings, and detailed bill of materials and specifications;
7. Application for DENR-LMB/LRA Lot plan/subdivision plan, if applicable;
8. Certificate of Compliances to Committee or Board conditions from the Office of the Compliance Officer, if applicable;
9. Final Appraisal Report; and

**C. Documentary requirements for the release of the loan under CGF**

The following documents to be submitted by CA/Developer or Contract

**C.1 For the release of the 15% Mobilization Fee**

1. Usufruct Agreement (SHFC and CA) if applicable;
2. Usufruct Agreement (LGU/other stakeholders and CA) if applicable;
3. Loan Agreement for Development and Construction;
4. Letter of Guaranty (LOG) to the Developer;
5. Notice of Commencement of Works (NCW);
6. Development & Construction Contract (CA and Developer);
7. Multi-Stakeholder Agreement (MSA) (if LGU initiated and if applicable)
8. Real Estate Mortgage (in case of LGU Property) executed by CA & LGU in favor of SHFC;
9. Security Agreement;
10. Promissory Note (Site Development and Building Construction);
11. Deed of Assignment (CA to Developer) for Site Development and Construction
12. Contractor's All Risk Insurance (CARI);
13. Organizational Chart and List of Key Personnel of Developer or Contractor; and
14. Affidavit of Site Inspection.

**C.2 For the First Billing**

1. Performance Security for the remaining amount of the LOG; and
2. Building permit must be complied and submitted;

**C.3 For subsequent releases excluding the final billing**

1. SHFC certificate of approval to release loans signed by the SHFC President; and
2. RED's validation report of the works completed.



**C.4 For the Final billing release**

1. Certificate from the Developer or Contractor that the unit is available and ready for occupancy;
2. Certificate of Completion and Acceptance (COCA) of all the completed units from the CA;
3. Undertaking that the Developer or Contractor provides a temporary utility connection and the permanent utility connection will be installed within a maximum of ninety (90) days from the turnover date;
4. Undertaking outlining its commitment to install the removable items ten (10) calendar days from the turnover date;
5. Lease Agreement from the concerned Member-beneficiaries;
6. Deed of Assignment (CA to SHFC) for Site Development and House Construction Loan if applicable;
7. Joint Certification from Developer/Contractor and Engineer on Record; and
8. Certificate of Occupancy from the LGU.

**C.5 For the release of the Retention amount**

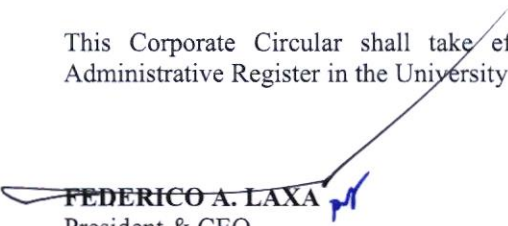
1. SHFC-Accredited Developer or Contractor's issuance of Certificate of Completion of rectification of the defects listed in the punch list signed by the unit assigned members;
2. Certificate of completion from the utility providers stating that the permanent utility connections are installed in the project site; and
3. Individual Title or Condominium Certificate of Title for the completed units and common space under the name of the CA.

**REPEALING CLAUSE:**

The SHFC Corporate Circular No. 23-062 (Amended Implementing Guidelines for Community Guided Financing Framework) approved by the management or parts thereof, contrary or inconsistent with the provision of this circular, are hereby repealed, amended, or modified accordingly.

**EFFECTIVITY:**

This Corporate Circular shall take effect upon filing with the Office of the National Administrative Register in the University of the Philippines and posting in the SHFC's website.

  
**FEDERICO A. LAXA**  
President & CEO  
Approved: August 04, 2023