



# Celebrating the Past, Bracing for the Future

Annual Report 2013  
of the Social Housing Finance Corporation (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 that are clear and understandable to the public                 |
| • Integrity          | Keeping high ethical standards at the corporate and individual levels  |
| • Stewardship        | Putting premium on sustainability and the judicious and proper use of internal resources                       |
| • Excellence         | Upholding the virtue of excellence in every activity   |



Message from the HUDCC Chair

It is my singular honor to be part of the Social Housing Finance Corporation (SHFC) as it celebrates another fruitful year of providing housing assistance to the country's informal settler families (ISFs).

SHFC has been instrumental in addressing the ISFs' demand to improve their housing conditions that will boost their morale to become better citizens.

The rapid growth in national population resulted in the increase of housing need. SHFC has contributed significantly to the government's efforts to ensure continued access to affordable housing for the ISFs through its Flexible, Affordable, Innovative, and Responsive (FAIR) shelter solutions.

The theme for 2013, "Celebrating the Past, Bracing for the Future," reflects how SHFC has created impact in the lives of the underprivileged through the Community Mortgage Program, providing assistance to 258,540 ISFs since its inception, and how it realized opportunities by piloting initiatives that promote long term housing solutions and sustainability.

We recognize that the task of housing provision is overwhelming and government alone cannot cope. Continued cooperation and support from various stakeholders are crucial if we are to succeed in sheltering the most vulnerable ISFs.

Abiding by the Housing and Urban Development Coordinating Council's thrust towards better housing provision, we must always consider the call for continuing assessment of policies and guidelines that will lead to new directions and opportunities.

As SHFC opens a new door to a new year, with the effects of climate change being a reality that many Filipinos have to face, the pressing challenge is not merely to provide homes but to build communities that are adaptable to changing weather conditions.

Congratulations, SHFC! Let us continue to work together towards building a better life for the homeless and underprivileged.

Mabuhay and more power to SHFC!

JEJOMAR C. BINAY
Vice President, Republic of the Philippines
Chairman, HUDCC



Message from the NHMFC President

On behalf of the National Home Mortgage Finance Corporation, let me congratulate the Social Housing Finance Corporation for another successful year of providing affordable housing solutions to legally organized communities of Informal Settler Families in the country.

Since its birth in 2004, SHFC has been notable for its effective role in providing solutions for the country's housing backlogs.

The successful growth of the Community Mortgage Program, which is now on its 25th year, is proof that you continue to strengthen efforts in helping informal settlers secure their own land tenureship.

As you build partnerships with different developers, your goal in addressing the needs for sustainable housing programs despite the many challenges, is extended in many ways. Your efforts in engaging more organizations, stakeholders, and communities are commendable. These initiatives created for you a recognized and outstanding image in the housing industry.

As the mother agency of your Corporation, we are very proud that you uphold programs that provide shelter security for our fellow citizens from the different parts of our country.

Once again, congratulations, SHFC for a job well done and may you have more prosperous years to come!

DR. FELIXBERTO U. BUSTOS, JR.
President, NHMFC



# Message to our Stakeholders and Partners

## *Planting the seeds for the future*

This year, we are celebrating the 25th anniversary of the Community Mortgage Program (CMP). I saw its birth in 1988 and I am filled with nostalgic joy when I look back to that time and see how the CMP has truly helped poor families at the bottom of the socio-economic pyramid. Perhaps, what I feel is comparable to how a mother feels seeing her child all grown-up and productive. Truly, I am proud that for the last 25 years, the CMP has assisted 258,540 low-income families obtain security of housing tenure and forge better lives for themselves. That is not a small feat.

I have closely followed CMP's growth – first, as a public servant at the Presidential Commission for the Urban Poor (PCUP), which strongly supported its establishment; and then as part of civil society, which made sure that the program remained at all times faithful to its mandate. Having worked closely with the informal settler families (ISFs) of the CMP, I have seen first-hand how it has changed the lives of thousands of families. I recall tears of joy of mothers and fathers who, with their own efforts and through the CMP, have finally triumphed over adversity after struggling for untold years fearing for themselves and for their children, because of the ever-present threat of eviction. They cry with happiness as they realize that they could have been out in the cold streets with nothing over their heads; instead, the CMP has saved them. It is also poignant to see many of them paint their homes and make other improvements after taking out their community loan, as if to signal a new juncture in their lives. I am happiest when I see them go on to assist other communities by sharing their experiences and expertise.

And for three years now, I have been privileged to lead a hardworking SHFC team that is diligently trying to improve the CMP to its full potential. This year, I am happy to report that more than 16,000 additional ISFs can look forward to better lives with the approval of 154 CMP projects.

Indeed, we at SHFC, take this celebration as an opportunity to renew our vow to the poor families at the bottom of the socio-economic pyramid. We shall help them climb out of poverty through accessible housing programs such as CMP. We remain committed to providing affordable housing solutions that are responsive to their needs. We are as steadfast as ever in our dream of creating inclusive cities.

In fact, beyond the CMP, we also have many reasons to celebrate. The High Density Housing (HDH) program is finally taking flight with the approval of the program guidelines to rationalize its implementation. More importantly, we have approved funding for six HDH projects that will benefit almost 3,000 ISFs from danger areas and waterways of Metro Manila. I am glad that we have boldly taken this opportunity to participate in improving their lives. I hope that the HDH program will also continue to thrive decades from now as an affordable option for ISFs. Additionally, we have reactivated the Abot Kaya Pabahay Fund-Development Loan Program (AKPF-DLP) and are now exploring other social housing products that are more financially accessible for our ISF clients.

We have also launched the Citywide Development Approach (CDA) in partnership with the World Bank. To effectively address the challenge of homelessness and informality, we need to always look at the whole city as our working unit and work with all of its stakeholders, especially the Local Government Units (LGUs) and the ISFs. A hodgepodge approach will not give us the economies of scale needed to address a challenge as huge and as complicated as poverty, which is primarily manifested in homelessness.

To better understand the CDA, we participated in knowledge tours in Brazil and Thailand to learn from their experiences. The Brazil experience tells us that subsidy is an essential component of socialized housing finance if it is to be truly accessible, and that an effective subsidy scheme can be achieved

through a partnership between the national and local government. Also, in Brazil, there is a very strong awareness that housing must translate to access to employment. Hence, they adopt the seemingly counter-intuitive policy of bringing the poor to the inner city. This is something that our cities and key shelter agencies must consider in designing development programs if we are serious about creating inclusive cities.

Like any corporation, we are always sensitive to the needs of our clients and tailor our services to them. Unlike other corporations, however, ours is imbued with public interest and social purpose. Our clients are low-income citizens, who, just like us, have rights to housing. However, their rights will remain nothing but an illusion unless we efficiently do our duty to make their rights a reality. This is why we work with a higher sense of urgency compared to an ordinary corporation, knowing that thousands of lives literally depend on us. Conscious that we cannot delay our client ISFs' full enjoyment of their right to housing, we have been trying to expedite the processing of their loan applications. In line with this, we have not only opened our doors wide to ISFs, we have also gone out of our way to approach them and, with our arms around their shoulders, guided them through the process of availing our programs by giving them trainings and orientations.

Together, we have planted these seeds for more inclusive cities that take care of its poorest families. We now invite all our partners and stakeholders to join us in looking forward to reaping the fruits in the immediate future, even as we know that in order to do so, we all need to continually and faithfully water them, together.



MA. ANA R. OLIVEROS  
SHFC President



# Performance Report

## 2013 in Numbers

# 19,083

Number of informal settler families assisted through CMP & HDH

# PHP802.43M

Total loan mortgage value

Collected

# PHP509.97M

worth of loan amortizations

### EMPOWERING THE HOMELESS

In 2013, we helped 16,085 ISFs from 154 community associations obtain security of tenure through the CMP. With their newly gained security, they can now look forward to the future without fear of eviction and channel their attention to improving their homes and building habitable communities. These numbers correspond to a loan mortgage value of PhP802.43 million. We also continued to work closely with local governments through the Localized CMP (LCMP) in 2013. Of the 154 community associations, 12 were from the LCMP. These projects give security of tenure to a total of 1,228 ISFs.

Notably, these figures include those for seven communities of ISFs who were affected by the destruction wrought by Typhoon Sendong in 2011. The loans amounting to PhP87.68 million benefited 1,641 ISFs displaced by the typhoon in Cagayan De Oro City. It is also notable that in line with SHFC's efforts to expand CMP loan assistance in other urban centers in the country, 11,443 ISFs of the 16,085 ISFs (71%) were from areas outside of Metro Manila.

Of the 11,443 ISFs from outside of Metro Manila, 4,149 or 36.3% come from the poorest provinces that have been identified as priorities for development intervention by the Human Development and Poverty Reduction Cluster of President Benigno Aquino's Cabinet. These figures correspond to a total loan amount of PhP255,974,983.03 granted to ISFs from the poorest provinces.

### MOVING THE HDH PROGRAM

In 2013, we came out with the guidelines for our HDH program. The HDH program was conceptualized to extend financing assistance to organized ISF communities living in danger areas and along the waterways of Metro Manila. It offers community loans for land acquisition and construction of multi-storey buildings. The projects are implemented in-city, or near city to minimize the disruption in the livelihood of ISFs, their social support networks, and the education of the children. Under the program, the SHFC may also refinance Local Government Unit (LGU) high-density housing projects.

The program adopts the CMP's community-driven approach, which has been proven effective. In fact, it is the community that leads the planning for their resettlement into multi-storey buildings through their drafting of a People's Plan. Each member of the community shares in the design of their new community – from the selection of relocation site to project implementation. Indeed, the People's Plan draws from the spirit of *bayanihan* for which the Filipinos are known.

In consultation with our LGU and NGO partners, we identified 15 projects for possible funding in 2013. With the guidelines in place, the SHFC Board approved funding for six projects worth around PhP1.2 billion, which will benefit 2,998 ISFs. One of the six - the Ernestville Homeowners Association, Inc. - has already been given a loan release. It was given a portion (PhP11.3 million) of PhP87.60 million for its lot acquisition in October. Because it is a new program, regular consultation with stakeholders – including not only the LGUs but also the private sector – will continue to be made.

As our contribution to the celebration of the annual Urban Poor Solidarity Week, we held a symposium on "Making ISF Communities Disaster Resilient" in December. The symposium, which was a prelude to our capacity-building program for 2014, was attended by ISFs from high-risk areas of Metro Manila, which are vulnerable to flooding during the typhoon season.

### STRENGTHENING PARTNERSHIPS

We have continuously pursued the establishment of networks and linkages with institutional partners to create agreements on expediting processing and release of documentary requirements for our programs. In 2013, we accredited seven CMP mobilizers (CMP-M) and LCMP partners, and mentored 13 CMP-Ms. We have also forged agreements with seven institutional partners. The SHFC signed memoranda of agreement (MOA) with Habitat for Humanity and I-Home, Inc. for the development of housing projects nationwide. We have also signed memoranda of understanding (MOU) with the cities of Manila, Malabon, Valenzuela, Quezon, and the Community Architects Networks (CAN) to facilitate the



implementation of the CMP/LCMP as well as the processing of documentary requirements submitted by our Community Associations (CAs).

This year, we guided 174 communities (23,076 ISFs) through the project development process (for CMP and HDH) to ensure that their project applications are viable and are ready for the loan evaluation process. We also trained 227 CAs (HOAs or cooperatives) that may want to avail themselves of the CMP and HDH programs by conducting orientations to equip them with the skills they would need to successfully engage in the program (such as ledgering, computing for insurance, substitution, and individualization).

As part of our thrust to promote a participatory bottom-up approach, we have conducted four Budget Consultation Workshops with CMP-Ms and other stakeholders to determine national funding support for CMP projects that would be needed in 2014 and to follow up CMP-Ms on their committed CMP take-outs and project applications for 2013. For 2013, a total of 409 projects corresponding to an estimated loan amount of P2.946 billion benefiting 51,028 ISFs were committed by the CMP-Ms for possible take-out within this year. For 2014, a total of 410 projects corresponding to a much bigger estimated loan amount of P3.819 billion benefiting 60,683 ISFs were committed by the CMP-Ms for potential funding.

We also conducted four Policy Consultation Workshops with CMP-Ms throughout the country as part of our commitment to making CMP-Ms active participants in the formulation of CMP policies and procedures in order to improve the latter.

### MAKING SHFC MORE RESPONSIVE

Since 2012, we have embarked on Change Initiative Projects (CIPs) to reform the SHFC and help us fully perform our mandate. For 2013, the CIP on professionalism centered its activities not only on human resource development but also on personnel performance evaluation. There have been significant improvements done in the original framework of the rewards system. We have also implemented an internet-based employee's corner that is accessible through the SHFC website to check for relevant news and information. It is also a venue to download certain documents and provide employees an avenue for feedback.

On decentralization and empowerment, we implemented a realignment of functions and put in place a transition structure for the regional teams (Visayas and Mindanao). Two components of moving the organization to a decentralized structure have been approved by the SHFC Board. These were the Table of Organization (approved on 24 April 2013) and the Work Force Estimates developed by the SHFC Change Management Team (approved on 21 October 2013). These form part of the Rationalization Plan to be formulated by the CMT, endorsed to the Board for approval and submitted to the GCG for evaluation and approval.

To pursue our thrust for a paper-less environment, 5S training sessions for 270 SHFC employees were held in July and August. A pilot implementation of 5S has likewise been conducted in 3 offices of the Corporation. For the CIP on Technology, the SHFC's Information Systems Strategic Plan (ISSP) was already approved by the National Computer Center in November 2013. The ISSP aims to develop adequate management information systems that will be attuned to our business processes and management systems, which will in turn help us to operate effectively and efficiently.

### LOOKING FORWARD

To prepare for 2014, the SHFC senior officers and managers conducted a three-day planning conference in November to ensure alignment of the development and finalization of the corporate work plan for 2014. The planning conference was also aimed at ensuring the widest participation possible in the finalization of the annual procurement plan and corporate operating budget for 2014. With these plans established (*See Outlooks and Targets section of this Annual Report for a summary of the plans and goals*), we now know where and how to focus our efforts and resources. Hence, we confidently look forward to another productive year ahead.

## 2013 SHFC Performance Scorecard

(January 2013 - December 2013)

Indicator	Weight	Target	Actual Accomplishment	Accomplishment Rate	Weighted Rating
<b>MFO 1: Partnership Building Services</b>					
Quantity 1: Number of Partnerships Developed and Institutions Capacitated	5%	49	49	100%	5.00%
Quantity 2: Number of Families of legally organized associations assisted through project development process (CMP + HDH)	10%	19,600	23,076	124%	10.00%
Quantity 3: Number of Community Associations (HOAs or Cooperatives) trained or capacitated	5%	189	227	120%	5.00%
<b>Sub-Total</b>	<b>20%</b>				<b>20.00%</b>
<b>MFO 2 : Shelter Security Financing</b>					
Quantity 1: Number of families of legally organized associations of underprivileged and homeless citizens assisted through CMP CISFA	15%	14,900	13,023	87.40%	13.11%
Quantity 2: Number of organized ISFs living in danger areas assisted thru HDH Program	15%	2,300	2,998	130%	15.00%
Quantity 3: Unitization of TCT	7%	2,000	3,032	152%	7.00%
Timeliness 1: Percentage of loan applications processed within turnaround time (TAT)	6%	100%	97.50% (117/120 CAs)	98%	5.85%
Timeliness 2: Average number of working days to process HDH loan applications	0%	NA (for 2014)			0.00%
Financial 1: Amount of loans extended to social housing developers (AKPF loans)	0%	NA (for 2014)			0.00%
Financial 2: Utilization of subsidy (program funds) released by a) NHMFC for CMP and b) DBM for HDH	10%	100%	105.40% (802.43 M/761.3M)	105.40%	10.00%
Financial 3: Collection Efficiency Rate (for CMP)	17%	80%	76.60%	96%	16.28%
<b>Sub-Total</b>	<b>70%</b>				<b>67.24%</b>
<b>MFO 3: General Administrative Services</b>					
Indicator 1: Automation of System Processes through ISSP	5%	Submission to NCC of ISSP	ISSP was submitted to NCC in March 2013 and was approved by the same in November 2013.	100%	5.00%
Indicator 2: Consultation with COA on proper booking of transactions involving trust accounts under the Trust Agreement with NHMFC and SHFC	5%	Submission of inquiry letter to COA	Trust Agreement with NHMFC was submitted by SHFC on 15 November 2013. A reply letter from COA was received by SHFC on 26 November 2013 advising the latter to postpone the meeting and discussion of the trust liabilities until a new Audit Team Leader is assigned to SHFC.	100%	5.00%
<b>Sub-Total</b>	<b>10%</b>				<b>10.00%</b>
<b>TOTAL</b>	<b>100%</b>				<b>97.24%</b>





## Celebrating the Past

**T**he restoration of democracy in the Philippines almost three decades ago saw the birth of the Community Mortgage Program (CMP), one of the most innovative and empowering socialized housing programs ever undertaken in a developing country. Riding on the wave of the 1986 “People Power” that swept the nation, the CMP was established on 18 August 1988 on the belief that the poor and the homeless are the primary agents of their own development. This idea was considered radical among bureaucrats then. The civil society organizations (CSOs), however, had seen the capabilities of the urban poor communities. Thus, when they were given prominent participation in the new administration of President Cory Aquino as part of the movement for people empowerment, they pushed for a program that would harness the collective capabilities of informal settler families (ISFs). Hence, the CMP, a program that assists organized associations of ISFs to purchase land by way of community loan assistance, was born.

The leap of faith in the ISFs would come to produce dividends for the government and urban poor communities. To date, the CMP has assisted 258,540 families obtain security of tenure and enjoys the highest collection rate of 76.6% among all government housing programs. But these numbers do not even begin to capture the immense empowering impact of the program, in the last 25 years, on the lives of real families struggling with poverty and insecurity.

### BIRTH OF CMP

Prior to the 1980s, families were relatively free to illegally occupy land in urban areas as there were still vacant parcels of land available. By the 1980s, however, residential land had started to become scarce due to higher urban population density and competing commercial use for land. Consequently, land prices increased beyond the reach of poor families. This led to evictions of families as land was being sold by landowners to commercial interests. The ISFs were pushed to the crevices of the cities — in waterways, railway tracks, foreshores and even dumpsites where they lived precariously under very unhealthy conditions. Construction of government infrastructure in ISF-occupied land was also increasing. The status of ISFs was therefore extremely insecure. However, they had little option as they could not afford to buy land. Even if they had wanted to, the ISFs could not access formal housing finance facilities. They were considered high-risk borrowers who, individually, were unable to provide collateral to secure their loans. Hence, the ISFs continued to languish in the slums with little incentive to improve their lot and even less access to basic services because of their illegal status. That is why the birth of the CMP in 1988 came as a bright ray of hope for the ISFs. They could now access affordable housing loans to obtain security of tenure.

The concept of a community mortgage was first introduced in Cebu in the early 1980s by an organization headed by Francisco “Bimbo” Fernandez (now DILG Undersecretary and Director of the



SHFC Board), who had been a community organizer in Tondo. When he was appointed a commissioner of the Presidential Commission for the Urban Poor (PCUP), Fernandez and like-minded advocates pushed for the institutionalization of the community mortgage program. Fortunately, the head of HUDCC then, Teodoro Katigbak, supported the proposal and worked closely with Fernandez. Hence, an inter-agency committee was eventually created. It was composed of representatives from HUDCC, NHMFC, the Home Guaranty Corporation (HGC), and the PCUP. The committee found that the existing Unified Home Lending Program (UHLP) was inaccessible to ISFs who were not members of the Government Service Insurance System, the Social Security System and Pag-ibig Fund. Hence, in August 1988, the CMP was formally institutionalized by President Cory Aquino and added to the UHLP under NHMFC as the answer to the problem of inaccessibility of housing finance to the ISFs.

Because of its initial success, the CMP was formally adopted as the flagship program for socialized housing under the Urban Development and Housing Act of 1992 (UDHA), which provided additional incentives for landowners and urban poor communities to avail of the CMP. However, it would take two more years after the enactment of UDHA before the program would have its own stable source of funding with the enactment of Republic Act 7835 or the Comprehensive and Integrated Shelter Financing Act of 1994 (CISFA).

Also, up until 2005, the program was administered by the NHMFC, an odd arrangement since the NHMFC was supposed to focus on promoting the secondary mortgage market in order to stimulate funding for housing from the private sector. Hence, the CSOs clamored for the establishment of a corporation that would focus solely on social housing schemes such as the CMP. Heeding this plea, President Arroyo created in 2004 the SHFC as a separate entity by virtue of EO 272. The stewardship of the CMP was then transferred to the Corporation in 2005 when we had become fully operational and has remained with us to this day. As a separate SEC-registered corporation, we now enjoy certain flexibilities in our operations such as in the adoption of policies that considers the limitations and capabilities of ISFs, and the sourcing of funds for our programs.

## INNOVATIVE SOLUTION

Central to the working of the CMP is the belief that a community-driven, self-help approach is the most effective and empowering way of implementing a socialized housing program and that when ISFs pool their resources together, they become credit-worthy. Hence, a vital and distinctive feature of the CMP is the formation of the community association or CAs. The CA serves as the legal personality that will deal with purchasing land from the landowner and getting a loan from the SHFC. Thereafter, the SHFC will grant a community loan rather than individual loans as is the usual case with other housing financing schemes. The ownership of land will also initially be in the name of the community with individualization of titles to come much later. In the meantime, the land will be mortgaged to the SHFC as security. However, the CA does not only provide the ISFs with a legal personality to deal with other parties, it also becomes a vehicle for the ISFs to continue to work together to further develop their communities even after their loans are taken out.

CMP Mobilizers (CMP-Ms) help initiate the formation of the CAs and ensure that loan documentation requirements are complied with. Their role, however, is crucial not only during the process of availing of loans by the community. They also play an important role post-loan by ensuring that the loan is paid and that support services that will help the ISFs improve the quality of individual and community life are provided.

## MEANINGFUL IMPACT

Studies made on the CMP from as early as 1996 and as recently as 2013 have uniformly deemed the program a success. Even the UN Habitat has described it as a “poor man’s bridge” to owning a land and a housing unit. Benefitting only 16 CAs or 3,199 ISFs in 1989, the program has, as of 2013, given security of



tenure to a total of 2,275 communities corresponding to 258,540 ISFs. This figure however, does not fully tell the whole story of empowerment that the CMP triggered.

As only one who has constantly faced the threat of one’s house being demolished could fully understand, the elimination of the threat through CMP has given ISFs profound psychological relief. If only for this, the CMP could already be considered a success.

Beyond this, however, a 2004 study showed that their newly gained security and pride has also allowed the ISFs to focus their energies to investing in the improvement of their homes and improving the conditions in their communities. Having proven to themselves through their successful availing of a community loan that together they could achieve great things, they became further empowered to continue effecting changes in the community and accessing other resources. Together, they skilfully and confidently forged partnerships with other city stakeholders, particularly the local government and CSOs to avail themselves of services such as day care centers, new roads, drainage facilities, jet-matic pumps and other facilities. In fact, several CAs in Iligan, Mandaue, Talisay, Quezon City, San Fernando (La Union), Valenzuela, and Naga have been able to leverage their newly-acquired security of tenure to further acquire infrastructure and services through funding from the Japan Social Development Fund of the Asian Development Bank. They realized that public and private institutions are more ready to act on their requests for services when they have security of tenure.

Also, because the CMP has generally involved on-site cases, the livelihoods and social networks of ISFs were preserved. Moreover, the children’s schooling was not disrupted, thereby maintaining the long-term sustainability of future generations. In fact, the CMP not only preserved the economic and social capital of the ISFs, it even enhanced their social stature. They were now able to access more funds from formal financial institutions and get local credit because they were no longer seen as risky creditors who might suddenly disappear. This access to credit has allowed them to improve their economic situation and has enabled them to have savings to repay their loans and improve their homes.

Moreover, for many CA leaders, their involvement in the process of organizing and shepherding their communities and their active involvement in community issues has translated to greater political influence in the wider locality beyond their own communities. This has allowed them to participate in





local governance for greater impact. CMP communities have also gone on to share their expertise and to systematically assist other communities in solving their problem of homelessness – a concrete case of paying it forward. Additionally, the intense organizing that precedes the acquisition of community loans has also had positive effects on gender relations as women played active leadership roles in community mobilization.

CMP has therefore clearly empowered ISFs individually and as communities through its unique community-driven feature. Moreover, the empowerment of individual CMP communities has had an immeasurable multiplier effect in communities beyond their own – a quiet empowerment revolution that harks back to the program's revolutionary origins.

#### LOCALIZED CMP AND OTHER ENHANCEMENTS

To keep pace with the growing demand for housing of the ISFs and remain relevant, we launched the Localized CMP (LCMP). The LCMP is an innovation that aims to further boost the CMP and reduce the housing backlog throughout the country by working in tandem with the local government units (LGUs). This is just as well since the Local Government Code of 1991 and UDHA mandate that local governments are primarily responsible for shelter planning in their respective jurisdictions. The program is also expected to inspire LGUs to take a more holistic city-wide approach to addressing homelessness in their jurisdictions.

Under this program, a qualified LGU is accredited by SHFC as a partner-LGU and performs all pre-take-out functions of the SHFC under the CMP. The LGU is subsequently provided an omnibus commitment line (OCL), not to exceed P50 Million, to fund priority social housing projects identified by the partner-LGUs. As partners in this undertaking, the SHFC will commit as a loan grant as much as 90% share in the total project cost (in the case of 5th and 6th class municipalities and cities; for higher class LGUs, it is only 75%) while the LGU will shoulder the remaining cost for every project enrolled by the partner-LGU in the OCL. The counterpart contribution of the LGU in the project cost can be in the form of land for the project, cash financing to pay-off part of the lot price if the land is privately owned, site development or construction or improvement of residential units or Medium Rise Residential Buildings (MRRBs).

To give the LCMP focus and ensure its success, a separate organizational unit was formed to implement the program. So far, 189 LGUs have been given orientation on the LCMP. Of these, 24 have been accredited as LGU-partners. A total of 23 projects to benefit 1,002 ISFs have been enrolled by LGU-partners in their OCL. It is hoped that this innovative partnership with the LGUs will enable SHFC to dramatically reach more ISF communities and enhance the relevance of CMP in the years to come.

Over the past years, other corporate strategies have also been adopted to ensure the efficient delivery of housing loan services and to increase the number of ISFs to be benefitted. This included taking a more proactive role in community organizing through the conduct of general assemblies and consultations to aid communities with their application. CMP implementation was also further enhanced through the re-activation of the off-site CMP option, which had been suspended. Moreover, the Express Lane

Window has been opened to address the needs of CMP communities affected by disasters and evictions.

#### LESSONS FROM THE GROUND

There is an important lesson to be learned from the history of the program: the government should always be attentive to what is happening on the ground. Recall that the CMP had its humble beginnings from the actual experience of creative communities in Cebu that dared to dream of having secure shelter. When they were able to achieve their dream, they ventured to take it further by sharing their experiential knowledge of community mortgage with the government which fortunately was responsive to the idea and saw the wisdom of scaling it up and institutionalizing it as a program. It was true democracy at work – the government listening to the people.

The origins of CMP show us that the people, especially the poor whose creativity are honed by their daily struggles, possess knowledge that may be more valuable than the so-called experts of government. Urban poor communities are rich repositories of wisdom and ideas for development that are worth looking into and considering. Thus, they must also be allowed to participate in any program that purports to help them and affects their future. After all, they know their situations best.

Indeed, the government could adopt best practices as tried, tested and actually lived by the poor and their partner NGOs. It could then scale them up and institutionalize them like the CMP. If the government adopts an open mind and truly listens to the CSOs, who knows what other gems it will find.

#### THE CHALLENGE CONTINUES

The factors that led to the establishment of the CMP have largely remained – the scarcity of residential land because of competing uses for it, as well as high land prices. Hence, the program's role remains crucial as one of the most affordable long-term, practical home financing solutions accessible to ISFs.

Today, the CMP continues to empower underprivileged communities through a highly-participatory process of acquiring security of housing tenure. Indeed, the program is relevant more than ever as the country is poised to become the next Asian economic miracle. It would be most ironic if urbanization and the increase in the wealth of cities also saw the increase of slums.

Additionally, as if conditions in the slums are not dreadful enough, ISFs have also suffered setbacks from the onslaught of natural disasters caused by climate change. For instance, most of those affected by typhoons Ondoy, Sendong and Yolanda, were ISFs living along riversides, foreshore and waterways — areas most vulnerable to the destructive power of nature. The SHFC has responded through payment moratoriums and the Express Lane Window for affected CMP communities. We are now challenged to continue being responsive should similar and other forms of climate change-related problems beset ISF communities.

Hence, scaling up CMP remains an imperative if it is to remain relevant and faithful to the ideals on which it was established. Quantitatively, this means that the program has to find ways to benefit more ISFs than it is currently able to. Qualitatively, it has to go beyond providing security of tenure and ensure that the quality of life in CMP communities is truly healthy, that the houses are truly habitable, and that the communities are resilient from the vagaries of climate change.

No housing program has been as revolutionary and as empowering as the CMP. No program has held so much hope for the homeless as CMP had for 25 years. When scaled up to its full potential, it can help ensure for generations to come the creation of inclusive cities with empowered communities, where no family is left behind.



# Bracing for the Future



Our role in the housing sector in ensuring inclusive urbanization is crucial as it is unique – not only does SHFC target ISFs, it also adopts a community-driven and empowering approach. We have performed this role well as seen in the success of our main program, the CMP. However, a realistic look at the present demand for socialized housing in our cities shows that we still have a long way to go to make a dent on the social housing backlog while keeping pace with the additional demand every year.

Indeed, the future of our cities is very challenging. With rapid urbanization and the consequent increase in the demand for housing – not to mention the added complications of climate change – our cities could choose to be complacent and neglect its poor denizens. Indeed, past experience has shown that in the pursuit of economic progress, cities have tended to leave its poor communities behind. However, our cities could also choose to proactively embrace their poor communities and ensure the latter's integration into the cities' social and economic fabric.

We want to see the latter scenario unfolding. Hence, we shall do our part to help create inclusive and caring cities of the future where all families have access not only to secure shelter but also to economic opportunities that come with urbanizing local economies. It is a tough challenge, but we are ready to take it on. In fact, we have already taken several steps in that direction. In taking these steps, we desire to signal to the public, especially to our client ISFs and partners, that we take our mandate conscientiously and are ready to soar to new heights.

## CREATING INCLUSIVE CITIES THROUGH INNOVATION AND SUSTAINABILITY

To reach new heights, we hinge our long-term strategy for the future on innovation and sustainability. These are the vital pair of wings that will help us take off and reach our goal of empowering low-income communities and helping create inclusive cities.

Both are critical. Innovation deals with designing new programs that can be included in our multi-pronged approach to housing solutions. Having a wider menu will ensure that all ISFs will have access to housing according to their affordability. It also means adjusting processes to be responsive to the vagaries of climate change. It also includes promoting a more systematic and city-wide development approach as well as strengthening partnerships with stakeholders.

However, innovation is not enough. Sustainability initiatives must match these innovations to ensure the viability of corporate operations and consequently of the implementation of the innovations. It entails improving personnel competency, upgrading support systems and developing long-term funding sources. These components of innovation and sustainability are discussed in the succeeding pages.



## THE MULTI-PRONGED APPROACH

The most crucial task ahead is for SHFC to continue responding to the growing needs of the ISFs by innovating new programs and strategies that are tailored to providing them with affordable housing solutions that give them access to the wealth of our cities. We also have to continually fine tune our programs and processes so we can help speed up the creation of inclusive cities by assisting more families in need of socialized housing. We shall do so in a substantial way so that the number of ISFs in our cities is significantly reduced within the shortest period of time possible. Only then will we stay relevant in the years to come. That is why in addition to the CMP, we are presently piloting the HDH program as described earlier (*See segment Moving the HDH Program*). It is hoped that the HDH, like CMP, will prove to be a flexible, affordable, innovative and responsive socialized housing solution that enables the poor to fully participate in the dynamic socio-economic life of the cities.

Notably, the CMP and HDH programs adopt an in-city and near-city policy in their implementation. This policy is intended to ensure that ISFs need not choose between having a home and having work in our cities. Indeed both must go hand in hand – access to home must translate to access to our cities' economic opportunities. Taking away one or the other will ensure the continued poverty of ISFs. The policy also recognizes that even as the poor need access to our cities through secure housing, the cities also need the services of the poor. Hence, both the poor and the cities benefit from this policy.

We are also actively exploring additional non-mortgage schemes that will be more accessible to the urban poor such as the use of rights-based instruments. Hence, we will be looking at the experiences of other KSAs, here and abroad, which have tried going into non-freehold schemes such as usufruct and lease variations. There is now a growing recognition that these non-freehold schemes are not only cheaper for the ISFs but can also be implemented faster than freehold schemes.

## RESPONDING TO CLIMATE CHANGE THROUGH THE HDH AND EXPRESS LANE WINDOW

The ISFs have invariably been the ones worst affected by the impact of natural disasters arising from climate change such as typhoons which regularly wreck havoc in our cities. These disasters exacerbate the poverty of ISFs and make it difficult for them to take advantage of the socio-economic opportunities that cities offer. The SHFC cannot ignore these realities if we are to be truly responsive to their needs. Hence, we have to consciously integrate climate change in our housing initiatives.

For instance, we created the Express Lane Window for CMP and Localized CMP projects to expedite the provision of financing assistance to disaster-affected families and communities. The Express Lane has also served as the window for the ISFs to avail of moratorium on loan payment, relief operations, provision of funds guarantor, and technical workshops on site development planning and disaster preparedness.

The HDH program described earlier was also developed in response to climate change as it targets ISFs living in areas along riverside and waterways in Metro Manila, which become flooded when typhoons come. Through the program, ISFs are pre-emptively relocated to multi-storey buildings in-city or near-city where they can be safe and secure. The program also allows them to continue to share in the wealth of cities and at the same time provide services needed by the latter.

## PROMOTING THE CITYWIDE DEVELOPMENT APPROACH (CDA)

For a holistic shelter and anti-poverty solution that would have greater and lasting impact, the SHFC, in partnership with World Bank, has started to promote the CDA. It is an approach to planning and implementing development programs, especially shelter solutions, in cities through the coordinated work of all their different stakeholders led by the LGUs, but with strong participation from CAs and



*Inset shows the place of origin of beneficiaries under the HDH Program while full photo is a perspective of the community's proposed housing design.*

CSOs. This systematic and participatory framework will accelerate the creation of inclusive cities.

Eight pilot cities have been identified for the CDA: Valenzuela, Caloocan, Muntinlupa, Marikina, Malabon, Iloilo, Mandaue, and Davao. Some of the activities that we have undertaken to jumpstart the program in these cities include dialogues with concerned local and national officials as well as community leaders, action planning workshops, assistance in carrying out community survey, mapping, and profiling, savings generation orientations, and community assistance in securing documents and identification of available residential lands. These cities are expected to lead the creation of inclusive cities all over the country.

## SCALING UP THROUGH PARTNERSHIP BUILDING

The success of our programs owes much to the commitment of our partners. The synergy among them and the SHFC has allowed the latter to fulfil our mandate of helping ISFs obtain security of land tenure and decent but affordable homes.

In recognition of the vital role of its partners, we have provided for a Partner Relationship Department (PRD) in our proposed Table of Organization. The PRD will maintain and build stronger relationships with existing partners from the private and public sectors while establishing new ones. The marketing of the CMP and other programs of the Corporation will also be its responsibility. It will also be in charge of training personnel from LGUs on LCMP, and of monitoring the performance of CMP-Ms.

## EMPOWERING THE REGIONAL TEAMS

On the sustainability and organizational aspect, we are now finding ways to make our operational structure more efficient and equipped to meet the huge challenge of housing the ISFs. In relation to



this move, we are seeking to delegate functions currently being performed at our head office to our regional teams, as mentioned earlier. With this, we hope to lessen bottlenecks in the processing of loan applications, shorten regional projects' take-out turnaround time, increase efficiency in managing accounts in the region, strengthen regional offices and more importantly, increase the number of families reached by our programs. Decentralization will also empower the employees who will now have the opportunity to exercise discretion. To better carry out the decentralization initiative while strengthening coordination between the head office and the regional team, the information and communications technology (ICT) connecting the two will also be improved.

**ISSP AS THE TECHNOLOGICAL BACKBONE OF REFORMS**

What clearly showcases our preparations for a sustainable corporate future, however, is our drive to improve our utilization of ICT to sufficiently support our critical processes by providing centralization, real-time accessibility, integrity and security of data. Hence, as discussed earlier, an ISSP had been developed and approved by the NCC. The plan covers the four interlinked information systems corresponding to our organizational and management functions. These are the Enterprise Business Planning Systems, Operations Support Information Systems, Financial Management Information Systems, and Administrative and Knowledge Management System.

The role of the ISSP in enhancing financial sustainability, customer satisfaction, internal business processes, and organizational capacities is enormous. Through the ISSP, we will now be able to create a well-defined, easy-to-track collection of data, generate effective monitoring reports, cut down payment process errors, reduce the number of unallocated collections, and lessen the long queue of payees. The ISSP is therefore crucial not only in ensuring speedy management decision-making based on accurate data but also in our day-to-day operations.

Indeed, the long-term benefits from the ISSP cannot be overemphasized. The other steps that we have taken will not be able to make their desired impact without the ISSP. In other words, the herculean efforts of the hardworking SHFC team to create more programs, to decentralize, to create more partnerships and to recruit more CAs to avail of our various programs, might inevitably be bogged down by a lack of an equally efficient information system. The ISSP must therefore dovetail with the other reforms and improvements for a holistic and maximum impact.

These efforts to promote innovation and sustainability are all geared towards the realization of an immediate future where the housing need of ISFs is addressed in a substantial scale. And because access to housing means access to social and economic opportunities, these efforts are really meant to ensure that ISFs are able to share in the economic wealth of cities while being productive contributors to the latter's development.

This is how we help build inclusive cities of the future.

**Key Events and Activities**



**January**

- ▲ 2 Signing of Memorandum of Understanding with Habitat for Humanity Philippines
- 10 Stockholders' Meeting
- 10 Background Investigation and Loan Examination Orientation for Visayas and Mindanao
- ▼ 15 Support to National Policies for Urban Poverty Reduction Project (SNUPR) Meeting
- 24 South-South Exchange Mission between Bangladesh and the Philippines Workshop and Site Visit







## February

- 1 MOU Signing with the City of Manila
- 11 MOU Signing with I-Home
- ▲ 16 CMP Awarding in Baguio City
- 25 CMP Awarding in Las Piñas City
- 26 Collection Strategy Workshop

## March

- 27 CMP Awarding in Silay City
- ▶ 27 MOU Signing with Bacolod City and Capiz LGUs



## April

- ▲ 1 MOA Signing with Habitat for Humanity, DILG, Malabon LGU, Foundation for Development Alternatives (FDA), and HARICO
- 3 Regional Consultation Workshop with Luzon CMP-Mobilizers
- 5 Regional Consultation Workshop with NCR CMP-Mobilizers
- ▼ 10 Regional Consultation Workshop with Visayas CMP-Mobilizers
- 12 Regional Consultation Workshop with Mindanao CMP-Mobilizers
- 15 ISF Housing Program Consultation Workshop
- 23 CMP Awarding in Zamboanga City
- 26 Presentation of Findings of the Socio-Economic Impact Study on the CMP by the University of the Philippines - Diliman







## May

- 9 CMP Awarding and Photo Exhibit in Malabon City
- ▲ 27 MOA Signing with Quezon City LGU
- ▼ 28 Multi-stakeholder Forum on People-driven Citywide Upgrading with the Community Architects Network (CAN)
- 28 MOU Signing with Valenzuela City LGU, Barangay 177 (Caloocan City), and CAN
- 28 CMP Policy Consultation-Workshop in Mindanao
- 30 CMP Policy Consultation-Workshop in Visayas



## June

- 17-19 Training of Catbalogan LGU Personnel on the CMP Process

## July

- ▲ 1 Stakeholders' Meeting with CAN
- 2 Presentation in UP Diliman of the Socio-Economic Impact Study on the CMP
- ▼ 11 World Bank Mission Visit to Doña Imelda Site







## August

- 2 Launching of the CMP One-Stop Shop in Valenzuela City
- ▲ 5-6 Training of LGU-Banaybanay, Davao Oriental Personnel on the CMP Process
- ▼ 8 CMP One-Stop Shop Day in Quezon City
- 28 CMP Awarding in General Santos City
- 31 CMP Awarding in Cebu City



## September 2-3

**National Real Estate Association (NREA) Convention.** SHFC participated in the 18th NREA-HUDCC National Convention and Exhibits with the theme A HOME FOR EVERY 'JUAN': A Thrust of Local Governance & Private Partnership

12 CMP Awarding in Isabela City and Iloilo City

▲ 27 CMP Awarding in Naga City

## October 3

CMP Awarding in Palawan

14 **CMP Anniversary Celebration.** Awarding ceremony for CMP projects which includes the distribution of checks to landowners and CMP-Mobilizers; Transfer Certificates of Titles (TCTs) to fully paid CMP members/beneficiaries; Certificate of Recognition to top community associations with an outstanding Collection Efficiency Rating (CER); and Certificate of Recognition to partner LGUs.

▼ 25-27 **8th Housing Fair.** SHFC awarded certificates of recognition to 10 mobilizers of the CMP for their outstanding achievements in the implementation of CMP as program partners.







## November

- ▲ **9 Brazil Knowledge Exchange.** SHFC participated in a Knowledge Exchange Tour on building capacity to develop and implement inclusive, effective, and large-scale shelter solutions for the urban poor.
- 12 **Relief Operations for Typhoon Yolanda Survivors.** SHFC extended assistance to some CMP communities in the Visayas area that were heavily affected by Typhoon Yolanda.

## December

- ▼ **6 Urban Poor Solidarity Week Celebration.** SHFC's participation to mark solidarity week is a symposium on community-based disaster preparedness with the theme "Making ISF Communities Disaster Resilient" with Climate Change Commissioner Naderev Saño as keynote speaker.



## Outlook and Targets

Our achievements in 2013 inspire us to innovate our programs and expand our reach to effectively respond to the housing needs of the underprivileged. But there is still much to be done.

The targets we have set for 2014 speak of our profound commitment to addressing the housing backlog through initiatives such as those shown in the table below.

Stakeholders	Finance
<ul style="list-style-type: none"> <li>17,400 ISFs assisted through CMP</li> <li>6,400 ISFs living in danger areas assisted through HDH</li> <li>2,000 TCTs released</li> <li>P100M AKPF loans released</li> <li>22,000 ISFs assisted through project development process</li> <li>250 CAs trained/capacitated</li> <li>15 partners developed and capacitated</li> <li>A Stakeholder Satisfaction Index implemented</li> </ul>	<ul style="list-style-type: none"> <li>82% CER (for CMP) achieved</li> <li>100% utilization of program funds for CMP and HDH achieved</li> <li>Issue on proper booking of trust account resolved</li> <li>SHFC recommendation on CISFA 2 supported by HUDCC</li> <li>2 conceptual frameworks/scheme for accessing non-traditional funds developed</li> <li>A "C" ranking in the GOCC category achieved</li> </ul>
Internal Process	Organization
<ul style="list-style-type: none"> <li>100% of CMP applications processed within prescribed turnaround time</li> <li>Average number of working days (at the most 2 years) to process HDH Loan achieved</li> <li>Detailed Requirement Study of Phase 1 of ISSP finished</li> <li>2 proposals/ models of non-mortgage schemes/assistance facility developed</li> <li>Interim MIS developed and implemented</li> </ul>	<ul style="list-style-type: none"> <li>A Rationalization Plan submitted to GCG</li> <li>*2 regional hubs in VisMin empowered</li> <li>25% of total number of vacant key positions filled up through internal promotions</li> <li>SHFDC Charter re-filed in Congress</li> <li>Employees rewarded with the PBB based on the GCG formula</li> </ul>



# Financial Highlights

## Assets and Liabilities

For 2013, the Corporation's total assets posted a 9.44 percent increase compared to 2012. This is the third consecutive year for the Corporation to realize at least a 9 percent growth (or an average of 10.55 percent in the last three years) in total assets. The growth in total assets in 2013 was attributed to the increase in the Cash Position of the Corporation which amounted to P2.73 billion compared to P2.14 billion in 2012. The National Government's support to the Community Mortgage Program (CMP) having provided the Corporation with a funding support of P750 million in 2013 contributed to this strong cash position. In terms of liabilities for 2013, the Corporation realized an increase of 35.29 percent or P1.61 billion compared to P1.20 billion in 2012. Despite the increase in liabilities, the current asset ratio (current asset over current liabilities) in 2013 is pegged at 1.74 which is lower than last year's 1.84. This then suggests that the Corporation in 2013 is in a much better position to meet its short term liabilities.

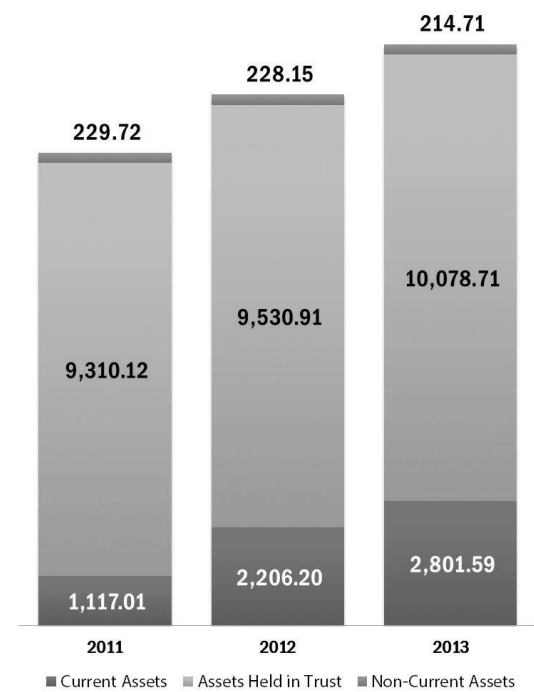
## Net Income and Expenses

For the year 2013, the Corporation earned a net income of P46.10 Million which is 6.39 percent higher than the previous year's P43.33 Million. The increase in the 2013 income is attributed to the 19.75 percent decrease in total Maintenance and Other Operating Expenses (MOOE) which amounted to P161.66 million compared to the P201.45 million spent in 2012. In particular, decreases in expenses on training, professional services and loan loss accounted for a substantial decline of around P67 million in total MOOE for 2013. This decrease in spending is in line with the Corporation's goal of minimizing its expenses and maximizing the capabilities of its human resource to improve the Corporation's responsiveness in implementing its programs.

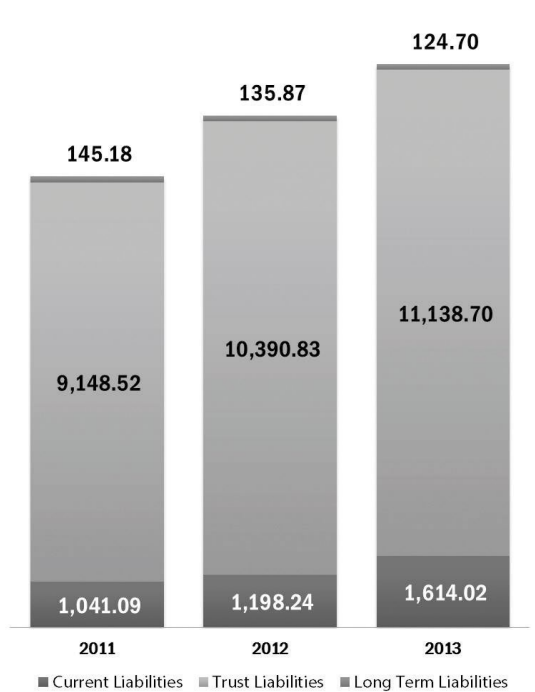
## Conclusion

Similar to the previous years' financial performance, the Corporation, in 2013, has continued the trend of achieving financial stability and sustainability. Given this financial achievement, the Corporation is then in a firmer position to accomplish its mandate of empowering and uplifting the conditions of underprivileged communities by providing Flexible, Affordable, Innovative, and Responsive (FAIR) shelter solutions by continuously improving the CMP and its new product, the High Density Housing Program.

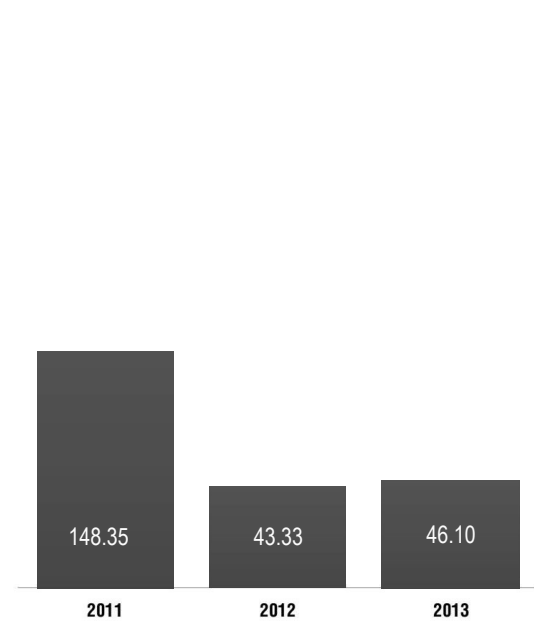
Assets  
IN MILLION PESOS



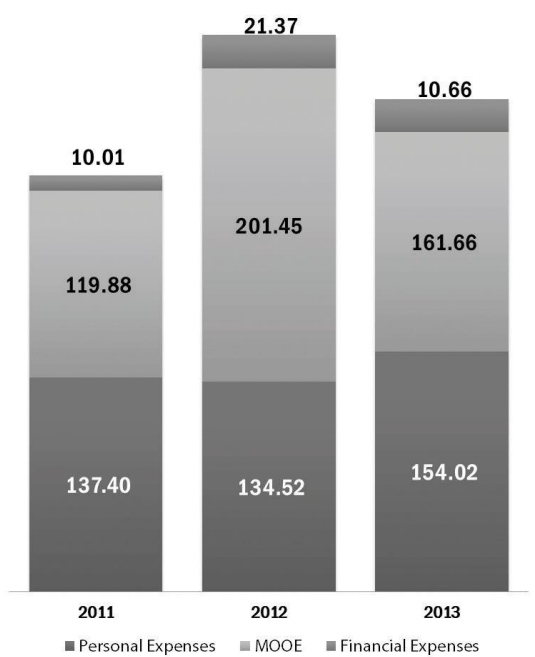
Liabilities  
IN MILLION PESOS



Net Income  
IN MILLION PESOS



Expenses  
IN MILLION PESOS





## Balance Sheet

31 December 2013

### ASSETS

#### CURRENT ASSETS

Cash on hand and in banks	2,731,209,362
Receivables	64,987,345
Other current assets	5,396,042
	<u>2,801,592,748</u>

#### ASSETS HELD IN TRUST

NHMFC	9,533,082,744
Abot-Kaya Pabahay Fund	545,629,144
	<u>10,078,711,888</u>

#### NON-CURRENT ASSETS

Long-term receivables	26,991,094
Property and equipment-net	185,979,955
Intangible Assets	1,742,404
	<u>214,713,454</u>

#### TOTAL ASSETS

**13,095,018,090**

### LIABILITIES AND STOCKHOLDER'S EQUITY

#### CURRENT LIABILITIES

Payables	984,842,868
Inter-agency Payables	25,687,785
Other Liabilities	603,491,069
	<u>1,614,021,722</u>

#### LONG-TERM LIABILITIES

Other Long-term Liabilities	124,697,982
	<u>124,697,982</u>

#### TRUST LIABILITIES

NHMFC	10,593,069,114
Abot-Kaya Pabahay Fund	545,629,144
TOTAL TRUST LIABILITIES	<u>11,138,698,258</u>

#### TOTAL LIABILITIES

**12,877,417,961**

#### STOCKHOLDER'S EQUITY

217,600,129

#### TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY

**13,095,018,090**

## Statement of Income and Expenses

For the period ending 31 December 2013

### INCOME

Interest Income on Loans	214,363,648
Interest on Savings Deposits	49,415,879
Interest Income On Notes	3,466,667
Service Fees	9,382,933
Miscellaneous Income	90,950,709
	<u>367,579,835</u>

#### GROSS INCOME

#### LESS: EXPENSES

##### PERSONAL SERVICES

Salaries and Wages	79,223,427
Other Personnel Benefits	6,072,971
Other Compensation	53,740,644
Personnel Benefit Contribution	14,979,879
	<u>154,016,921</u>

##### TOTAL PERSONAL SERVICES

##### MAINTENANCE AND OTHER OPERATING EXPENSES

Loan Loss	4,385,180
Professional Services	34,627,657
Taxes, Insurance Premiums and Other Fees	19,618,271
Depreciation/ Amortization	13,927,743
Origination & Appraisal Cost	21,139,485
Supplies and Materials	6,502,785
Utility	7,538,594
Representation	9,860,833
Travelling	4,245,546
Training and Seminar	2,015,038
Rent	3,473,750
Confidential, Extraordinary and Miscellaneous	2,872,016
Communication	3,117,479
Building Assoc. Contribution to Organization	3,129,149
Repairs and Maintenance	1,478,476
Advertising	1,094,425
Printing and Binding	862,406
Subsidies and Donations	2,262,655
Subscription	117,056
Transportation and Delivery	17,883
Miscellaneous	18,370,216
	<u>161,656,641</u>

##### TOTAL MOOE

##### FINANCIAL EXPENSES

Interest Expenses	8,423,728
Bank Charges	81,751
Other Financial Charges	2,158,792
	<u>10,664,271</u>

##### TOTAL FINANCIAL EXPENSES

#### TOTAL EXPENSES

**326,337,834**

#### NET INCOME/ (LOSS) BEFORE INCOME TAX

41,242,001

#### LESS PROVISION FOR INCOME TAX

6,446,113

#### NET INCOME/ (LOSS) AFTER INCOME TAX

34,795,889

#### ADD: SUBSIDY FROM NATIONAL GOVERNMENT

11,300,710

#### NET INCOME/ (LOSS) AND SUBSIDIES

**46,096,599**



# Board of Directors



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Housing and Urban Development  
Coordinating Council (HUDCC)
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Vice Chairperson  
Social Housing Finance Corporation (SHFC)
- EX OFFICIO MEMBERS**
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Bangko Sentral ng Pilipinas (BSP)
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Department of Finance (DOF)

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Executive Vice President
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Vice President  
ISD, Admin & Finance
- 4 MR. ERNESTO R. LEYNES**  
Vice President  
Treasury Group
- 5 ATTY. JOSE D. MELGAREJO**  
Vice President  
Corporate Legal Counsel  
Board Secretary
- 6 ATTY. MARIA ROSALIE RICH A. TAGUIAN**  
Vice President  
Loan Processing Group - VisMin
- 7 MS. ANNICIA D. VILLAFUERTE**  
Vice President  
Loan Processing Group - NCR/ Luzon





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**EDGAR M. ANINIPOT**

Manager  
Task Force on Remedial Accounts Department

**ATTY. LEO B. DE OCAMPO**

Officer-In-Charge  
Legal Department

**DONATO P. EXCONDE**

Manager  
Information Systems Department

**LORIE LYNN B. BUNDOC**

Manager  
Public Affairs Department

**JASON C. YAP**

Manager  
Documentation Control & Custodianship,  
Cash Management Department

**JOSEFINA B. BANGLAGAN**

Manager  
Accounts Management Department

**FLORENCIO R. CARANDANG, JR.**

Manager  
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PAEMD/Loan Examination Department, LPG-Luzon

**JOEN B. BUENSALIDO**

Manager  
Administration & Human Resources Department

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High Density Housing Unit

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LCMP Department

**ENGR. JOHN O. LEE**

Manager  
Technical Services Department, VisMin Hub

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**LOURDES P. PANALIGAN**

Manager  
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**PACITA A. GUINEZ**

Officer-In-Charge  
BI/Loan Examination Department, LPG-VisMin Hub

**ENGR. ELSA JULIAN DE VILLA-CALIMLIM**

Manager  
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NOT IN PHOTO

**DULCE C. ABUSMAN**

Officer-In-Charge  
Regional Operations Department

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