



SOCIAL HOUSING FINANCE CORPORATION

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

CORPORATE CIRCULAR HDH NO. 16 - 012

Series of 2016

SUBJECT : GUIDELINES FOR RELEASE OF SERVICE FEES TO CIVIL SOCIETY ORGANIZATIONS (CSO) IN THE SITE DEVELOPMENT AND BUILDING CONSTRUCTION PHASE OF HIGH DENSITY HOUSING PROJECTS

As part of the technical assistance being extended for High Density Housing projects, SHFC shall offer financial incentives for the services undertaken by the Civil Society Organizations (CSO's) on project development and loan documentation and community organizing. HDH Corporate Circular No. 15-007 under Sec. 3.1 states that SHFC shall provide these incentives to CSO Partners for assisting Community Associations from the time of social preparation/ project development up to the post-occupancy phase.

For the Site Development and Building Construction Phase, a CSO Service fee of Four Hundred (P400) Pesos per member beneficiary shall be given to Civil Society Organizations based on identifiable outputs for project development and loan documentation and for community organizing. This CSO Service Fee is allocated for the salaries of community organizers and operational expenses of the CSO in undertaking their work as CSO Partners under the HDH Program.

The first 50% of the CSO Service Fee pertains to the project development and loan documentation of the project and the second 50%, to community organizing required in the Site Development and Building Construction phase. For project development and loan documentation, the CSO Service Fee shall be released in a staggered manner after the following project milestones have been reached:

- a) 25% of service fee - Issuance of Notice of Approval for the Site Development and House Construction
- b) 25% of service fee - Release of the 15% Mobilization Fund upon compliance of the requirements indicated in the Notice of Approval
- c) 25% of service fee - Accomplishment of 50% of Site Development and

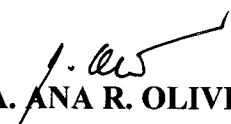
Building Construction works as stated in the HDH Technical Report. Submission of 50% of the Amended Lease/ Purchase Agreements (LPA's) and final list of member beneficiaries in the MBLA

- d) 25% of service fee -Release of Final Tranche of the Site Development and House Construction Loan. Submission of Certificate of Occupancy and Acceptance

For community organizing, the CSO Service Fee shall also be released in a staggered manner after certification of the required outputs as outlined below:

- a) 25% of service fee - SHFC Validation and Certification on the establishment of the CA's Construction Monitoring and Supervision Committee showing that it is functioning, including the formulation of clear roles and responsibilities among the membership
- b) 25% of service fee -SHFC Validation and Certification that some of the member beneficiaries have been employed in the site development and house construction of the project
- c) 25% of service fee -SHFC Validation and Certification that the CA has established a savings scheme with proof of three (3) Months Advance Amortization
- d) 25% of service fee -SHFC Validation and Certification that the CA has established Committees that will plan and implement the CA's Estate Management program.

This Circular supersedes all previous Circulars and issuances on the same subject and shall be effective immediately.


MA. ANA R. OLIVEROS
President

Date Approved: September 14, 2016