



# **Social Housing Finance Corporation**

a subsidiary of National Home Mortgage Finance Corporation

**CORPORATE CIRCULAR CMP No. 08-007**

26 September 2008

Series of 2008

**SUBJECT : REQUIREMENT OF CA BOARD RESOLUTION  
PRIOR TO RELEASE OF TITLE**

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Pursuant to Article 2242 of the New Civil Code, the community association ranks first (taxes) and sixth (expenses for the preservation or improvement of real property) in the order of preference of credits for the expenses, taxes and fees it had advanced for the subdivision of title to the property.

Cognizant of the numerous concerns raised by community associations (legal title holders) regarding the current practice of releasing titles directly to the member-beneficiaries (equitable title holders) who had fully paid the loan amortizations but failed to pay the expenses, taxes and fees advanced by the community association for the subdivision of the title to the property, the member-beneficiaries are hereby required to present a community association board resolution stating that the member-beneficiary had paid all legal expenses, taxes and fees and assenting SHFC to the release of individualized or unitized title.

All previous Corporate Circulars and related issuances on CMP inconsistent with any provisions of this Circular are hereby repealed/modified accordingly.

For immediate implementation.

  
**ATTY. FERMIN T. ARZAGA**  
*President*