

MAJOR PROGRAMS AND PROJECTS, BENEFICIARIES AND STATUS OF IMPLEMENTATION FOR CY 2022

Under Executive Order No. 43, Series of 2011

Key Result Area	Major Programs and Projects	Beneficiaries	Status of Implementation
RAPID, INCLUSIVE AND SUSTAINED ECONOMIC GROWTH	<p>Housing Loan Receivables Purchase Program (HLRPP) <i>- Provides liquidity support to lending institutions by purchasing their seasoned housing receivables enabling them to recycle their funds in a shorter period of time instead of waiting for the loans to mature (housing loans usually have a term of 15-25 years). These receivables form part of the asset pool for eventual securitization.</i></p> <p>HLRPP 1 <i>- Fixed interest rate in the entire duration of term (7-25 years) with low equity requirement of 20% DP = 80% LTV and 10% DP = 90% LTV. Expanded Coverage: REM and CTS.</i></p> <p>HLRPP 2: Socialized Housing Loan Takeout of Receivables (SHeLTeR) <i>- Housing Loans of up to P450K. Fixed interest rate of Year 1-10 = 4.5% and Year 11-end of term = 6.5%. No equity requirement. 100% LTV not exceeding P450K.</i></p> <p>HLRPP 3: Reverse Mortgage Program - MAginhawang BUhay dahil sa baHAY (MABUHAY) <i>- Part of NHMFC's efforts to address the needs of the senior members of our community. Allows Seniors to convert a portion of their home equity into cash in order to address their needs.</i></p>	<ul style="list-style-type: none"> - Originators (Government Agencies, Developers, Financial Institutions, Other Home Financing Institutions) - Originators (Government Agencies, Socialized Housing Developers, Micro Finance Institutions, Other Home Financing Institutions that caters to socialized housing) - Homeowners who are at least 60 years of age, and public/private financial institutions, cooperatives, micro finance institutions, local government units (LGUs), and other entities who are willing to partner with NHMFC 	<p>As of 29 December 2022, the total HLRPP purchase amounted to Php 1.66 billion which is comprised of 1,777 housing units.</p> <p>Since the roll-out of the program in the last quarter of 2010, NHMFC was able to take-out more than Php 12.97 billion worth of housing receivables or equivalent to about 34,509 housing units.</p>

	<p>HLRPP 4: BALAI BERDE Program</p> <p>- LTV of up to 90% for accounts not exceeding P6.0M, and up to 100% for accounts not exceeding P3.0M. Loan term for up to 30 years and fixed interest rate as low as 3% per annum.</p>	<p>- Originators (Government Agencies, Developers, Financial Institutions, Other Home Financing Institutions)</p>	
--	--	---	--

Key Result Area	Major Programs and Projects	Beneficiaries	Status of Implementation
	<p>Bahay Bonds Program - Securitization program of NHMFC which allows a larger number of participants to the mortgage market by issuing bonds which are accessible both to institutional and retail investors. The program is able to provide high yield/affordable investment instruments for retail investors.</p> <p>Bahay Bonds 1 (BB1) - NHMFC's maiden securitization amounting to P2.06B worth of asset-backed securities from 12,000 prime residential mortgage loans issued in 2009.</p> <p>Bahay Bonds 2 (BB2) - First ever listed retail residential mortgage-backed securitization (RMBS) in the country consist of socialized and low-cost housing loans worth P603.7 million issued in 2012.</p> <p>BALAI Bonds 1 - A residential mortgage-backed securities (RMBS) consists of select socialized and low-cost housing loan portfolio worth P270 million issued on 9 December 2019.</p> <p>BALAI Shelter Compliance ABS - Developers can enjoy a convenient, risk free manner of compliance to the Balanced Housing Development Program (BHDP).</p>	<ul style="list-style-type: none"> - Institutional Investors (Banks) - 50% of the issuance (Class A Senior Notes) sold to 1, 142 Retail Investors (Individuals) - 20% of the issuance (Class B Senior Notes) sold to Institutional Investors (Banks) - 30% (Class C Subordinated Notes) retained by NHMFC - Institutional Investors - Institutional Investors 	<p>Final settlement to investors was made on 7 November 2016.</p> <p>Senior Notes - Class A matured and paid last August 2017. Whilst, Senior Notes - Class B and Subordinated Notes - Class C will mature in August 2022.</p> <p>Senior Notes - Class A and Subordinated Note - Class B will mature on December 2024.</p> <p>Senior Notes – Class A and Subordinated Note – Class B will mature on 20 December 2027.</p>

Key Result Area	Major Programs and Projects	Beneficiaries	Status of Implementation
	<p>Provision of Financial Advisory/Consultancy and Other Services/Engagements</p> <ul style="list-style-type: none"> - Offers financial advisory/consultancy to government and private institutions which are interested in securitization. <p>Financial Advisory of CMP Bond Issuance</p> <ul style="list-style-type: none"> - NHMFC provided financial advisory services to the Social Housing Finance Corporation for the issuance of the first CMP-backed securities worth around P2 billion. The issuance is an alternative compliance to the Balanced Housing Requirement of the Urban Development and Housing Act (UDHA). 	<p>SHFC Community Associations - as SHFC is provided liquidity, it can extend more loans to community associations availing of CMP Developers - subscription to the CMP Bonds is an alternative compliance to the balanced housing requirement of UDHA.</p>	<p>On-going talks with third-parties, regulators and other stakeholders.</p>
<p>POVERTY REDUCTION AND EMPOWERMENT OF THE POOR AND VULNERABLE</p>	<p>NHMFC Moratorium Program</p> <p><i>In times of natural disasters and calamities, the NHMFC 6-Month Moratorium Program on Amortization Payments is a responsive call to assist borrowers/buyers severely affected by typhoon, monsoon rain, arm-conflict, and earthquake among others.</i></p> <p><i>Furthermore, borrowers who are no longer interested to return to their respective units may opt to voluntarily surrender their properties through the dacion en pago as a mode of settlement of their loan obligations subject to such terms and conditions under the law.</i></p>	<p>Borrowers/buyers in affected areas of natural disasters or calamities</p>	<p>To ease the financial burden of NHMFC borrowers in the payment of their housing loan amortizations during the period of Enhanced Community Quarantine (ECQ), NHMFC granted a three-month housing loan amortization payment to its borrowers in response and support to Presidential Proclamation No. 922 dated 8 March 2020 declaring a State of National Health Emergency Throughout the Country due to COVID-19. Further, a mandatory 30-day grace period on all loans affected by ECQ was granted pursuant to RA 11469 or the Bayanihan to Heal as One Act.</p> <p>Below are the natural and human disasters encountered, where NHMFC offered a moratorium to its borrowers:</p>

Key Result Area	Major Programs and Projects	Beneficiaries	Status of Implementation
			<ul style="list-style-type: none"> ● 2021: Typhoon “Odette” and “Maring” ● 2020: COVID-19 Pandemic ● 2017: Super Typhoon “Niña” ● 2015: Typhoon "Lando" ● 2014: Typhoon "Glenda" ● 2013: Typhoons "Labuyo" and Yolanda", and Zamboanga Siege ● 2012 and 2011: Typhoons "Sendong" and “Pablo”
INTEGRITY OF THE ENVIRONMENT AND CLIMATE CHANGE ADAPTATION AND MITIGATION	<p>NHMFC Energy Conservation Contribution <i>As part of the NHMFC small contribution to lessen the harmful effect of climate change and also as support to the government’s appeal urging the public to save on power, the Corporation made steps to go green and become environment-friendly.</i></p>	People, Planet and Profit (3Ps)	In 2020, NHMFC continues to implement the following actions/measures: <ul style="list-style-type: none"> ● Adhered to the Department of Energy (DOE) directive urging the public and government-owned and controlled corporations to set the air-con unit's thermostat temperature cooling system to 25° Celsius within the office premises. ● Strengthened the practice of turning off the lights during lunch break, except in those areas with continuous service or "No Noon Break" to the public.
	<p>HLRPP-4: Building Eligible Resilient Dwelling for Everyone (BERDE)</p> <p><i>Promotes sustainable housing development in safe and secure communities and advocates a quality of life that contributes to the economy while preserving the environment. This program promotes the reduction of community risks and vulnerabilities to disasters, optimized energy efficiency, water conservation, and the use of low carbon materials.</i></p>	Originators (Government Agencies, Developers, Financial Institutions, Other Home Financing Institutions)	Approved by the NHMFC Board on 17 September 2020 per Board Resolution No. 4011.

Key Result Area	Major Programs and Projects	Beneficiaries	Status of Implementation
<p>TRANSPARENT, ACCOUNTABLE AND PARTICIPATORY GOVERNANCE</p>	<p>ISO 9001:2015 Certification <i>To further improve in servicing its clientele, the NHMFC is working to obtain an international standard in delivering services through the development of Quality Management Systems that are certifiable to ISO 9001:2008.</i></p>	<p>All stakeholders.</p>	<p>In May 2022, NHMFC passed the remote certification audit conducted by its Certifying Body, SGS Philippines, Inc. Its ISO 9001:2015 Certification for Securitization of Housing Loan Portfolios (Purchase of Housing Receivables, Collection Amortization, Securitization, and Post Issuance of Bonds) and Borrower's Services was maintained.</p> <p>The following summarizes the ISO initiatives of the NHMFC:</p> <ul style="list-style-type: none"> ● 2012 - NHMFC passed the two audit stages for ISO 9001:2008 conducted by TUVSUD, the third-party certification body, and eventually awarded the ISO certification to Borrower's Counselling of Rizal Division ● 2013 - The certification was expanded to include the Borrower's Counseling of Luzon and NCR Division. Further, QMS documentation for Foreclosure Process and Custodianship of Title were completed. ● 2014 - The NHMFC developed the Quality Management System Manual for Disposition of Assets, Procurement, Telling, and Review of Disbursement Vouchers. On the same year, the Foreclosure Process and Custodianship of Title were implemented and certified to ISO 9001:2008.

Key Result Area	Major Programs and Projects	Beneficiaries	Status of Implementation
			<ul style="list-style-type: none"> ● 2015 - Quality Management System (QMS) for NHMFC's Securitization of Loan Mortgage service was developed that will be subject for ISO 9001:2008 certification in 2016. ● 2016 - Obtained a corporate-wide ISO 9001:2008 certification for its Securitization of Housing Loan Portfolios and Borrower's Services. The certification covered the Head Office (Makati), Satellite Offices (Cavite and Laguna), and Regional Offices (Cebu, Bacolod, Davao, GenSan and Cagayan De Oro) ● 2017 - NHMFC got re-certified to ISO 9001:2008 for its Securitization of Housing Loan Portfolios and Borrower's Services and assessed to be ready for ISO9001:2015 Certification in succeeding year. ● 2018 - NHMFC successfully transition to ISO 9001:2015. It obtained ISO 9001:2015 certification for its Securitization of Housing Loan Portfolios and Borrower's Services. ● 2019- NHMFC maintained its ISO 9001:2015 Certification for its Securitization of Housing Loan Portfolios and Borrower's Services. ● 2020 – NHMFC maintained its ISO 9001:2015 Certification for its Securitization of Housing Loan Portfolios and Borrower's Services.

			<ul style="list-style-type: none">● 2021 - NHMFC maintained its ISO 9001:2015 Certification for its Securitization of Housing Loan Portfolios and Borrower's Services. It was also on the same year when the Corporation obtained its readiness compliance to the certification requirements of the ISO 27001:2013.● 2022 - NHMFC maintained its ISO 9001:2015 Certification for its Securitization of Housing Loan Portfolios and Borrower's Services.
--	--	--	--

Key Result Area	Major Programs and Projects	Beneficiaries	Status of Implementation
	<p>NHMFC Strategic Performance Management System (SPMS) <i>The NHMFC-SPMS is focused on linking individual performance vis-à-vis the Corporation's vision, mission, and strategic priorities. It is a mechanism that ensures that each employee contributes to the attainment of the objectives set by the Corporation.</i></p>	<p>NHMFC and its employees and all stakeholders.</p>	<p>In 2022, NHMFC continues to strengthen the culture of performance and accountability of all its officers and employees thru strict implementation of the revised NHMFC SPMS Guidelines.</p>
<p>JUST AND LASTING PEACE AND THE RULE OF LAW</p>	<p><i>Not applicable.</i></p>	<p>Not applicable.</p>	<p>Not applicable.</p>

Prepared by:



MARIA JEHAN L. VILLARUEL
 Planning Analyst II, Corporate Planning Division

Certified Correct:



KRISTINE KATE C. JIMENEZ
 Chief of Division, Corporate Planning Division

Approved by:



RAJEWEN C. ZABALA
 Manager, Corporate Planning and MIS Department