Republic of the Philippines
Province of Cavite
CITY OF BACOOR
OFFICE OF THE SANGGUNIANG PANLUNGSOD

BAGONG PILIPINAS

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COMMITTEE ON HOUSING, LAND UTILIZATION AND URBAN DEVELOPMENT

COMMITTEE REPORT
NO. HLUUD 110 S-2025

Office of the Sangguniang Panlungsod
Received by: [illegible]
Date: 2 8 MAY 2025
Time: 11:15 am

Subject: ***A RESOLUTION AUTHORIZING THE CITY MAYOR, HON. STRIKE B. REVILLA TO SIGN A MEMORANDUM OF AGREEMENT ON BEHALF OF THE CITY GOVERNMENT OF BACOOR WITH MEGAWIDE CONSTRUCTION CORPORATION FOR THE IMPLEMENTATION OF THE "PAMBANSANG PABAHAY PARA SA PILIPINO (4PH)" PROGRAM OF THE DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT.*** *(PCR 826-2025 dated 05 May 2025)*

Acting on the proposed resolution as above-mentioned subject title during the 139th Regular Session on 05 May 2025, the Committee Chair on Housing, Land Utilization, and Urban Development, Hon. Alde Joselito F. Pagulayan reports the following:

In 2022, the Department of Human Settlements and Urban Development (DHSUD) launched its flagship initiative, the "Pambansang Pabahay Para sa Pilipino: Zero ISF Program for 2028" (4PH Program). This national housing strategy seeks to eliminate informal settler families (ISFs) by 2028 through the development of sustainable, affordable, and decent housing communities in partnership with local government units (LGUs) and private developers.

In alignment with this vision, the City Government of Bacoor aims to address its local housing backlog and improve the living conditions of Informal Settler Families (ISFs) within the city. To this end, the City intends to partner with Megawide Construction Corporation, a reputable private developer with proven capacity in infrastructure and housing, through a turnkey arrangement involving land acquisition, site development, and housing construction.

FINDINGS:

Upon review of the proposed resolution and the attached draft MOA, the Committee finds the following:

1. The proposed project supports both national and local housing priorities. It directly contributes to the goals of the 4PH Program and complements the City Government's development agenda for reducing ISFs and expanding affordable housing.

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Website: www.bacoorcitysp.com
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2. The proposed arrangement leverages private-sector participation through a turnkey model. Megawide Construction Corporation shall be responsible for land acquisition, site development, and construction of the housing units, thus minimizing the financial outlay from the City Government.

3. Under the draft MOA, Megawide shall oversee all aspects of the housing development, while the City Government shall manage the identification, validation, and relocation of qualified beneficiaries.

4. The project is anticipated to yield significant benefits in terms of poverty alleviation, urban renewal, and inclusive development by providing secure, decent, and affordable housing to marginalized families within the City of Bacoor.

RECOMMENDATION:

In view of the above findings, the Committee recommends the ***APPROVAL*** of the proposed resolution authorizing the City Mayor to sign the MOA with Megawide Construction Corporation, **subject to the submission and completion of all pertinent documents necessary** for the formalization and implementation of the project.

WE HEREBY CERTIFY that the contents of the foregoing report are true and correct.

Signed this 08th day of May 2025 at the City of Bacoor, Cavite.

COMMITTEE ON HOUSING, LAND UTILIZATION AND URBAN DEVELOPMENT

COUN. ALDE JOSELITO F. PAGULAYAN
Chairman

COUN. ADRIELITO G. GAWARAN
Vice Chairman

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COUN. SIMPLICIO G. DOMINGUEZ
Member

COUN. ALEJANDRO F. GUTIERREZ
Member

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COMMITTEE ON HOUSING, LAND UTILIZATION AND URBAN DEVELOPMENT

Office of the Sangguniang Panlungsod
Received by: Janet Pinon
Date: 26 MAY 2025
Time: 11:15 am

EXCERPT FROM THE MINUTES OF THE 139TH REGULAR SESSION

NO. HLUUD 110 S-2025

Subject: ***A RESOLUTION AUTHORIZING THE CITY MAYOR, HON. STRIKE B. REVILLA TO SIGN A MEMORANDUM OF AGREEMENT ON BEHALF OF THE CITY GOVERNMENT OF BACOOR WITH MEGAWIDE CONSTRUCTION CORPORATION FOR THE IMPLEMENTATION OF THE "PAMBANSANG PABAHAY PARA SA PILIPINO (4PH)" PROGRAM OF THE DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT.*** *(PCR 826-2025 dated 05 May 2025)*

The Presiding Officer, Hon. Rowena Bautista-Mendiola presided over the 139th Regular Session of the 5th Sangguniang Panlungsod on 05 May 2025. Upon the motion of Hon. Alejandro F. Gutierrez, the internal rules were suspended with unanimous approval from the City Council through a show of hands.

Hon. Alde Joselito F. Pagulayan subsequently moved for the *approval* of the proposed resolution, since it supports both national and local housing priorities. It directly contributes to the goals of the 4PH Program and complements the City Government's development agenda for reducing ISFs and expanding affordable housing.

The Council unanimously seconded the motion, and the Chair declared the resolution *APPROVED*.

Prepared By:

PETER ADRIAN F. BORJA
Local Legislative Staff I

Attested By:

COUN. ALDE JOSELITO F. PAGULAYAN
Chairman
Committee on Housing, Land Utilization and Urban Development

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Republic of the Philippines
Province of Cavite
CITY OF BACOOR
CITY ADMINISTRATOR'S OFFICE

BAGONG PILIPINAS

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ENDORSEMENT

FOR	:	**HONORABLE ROWENA BAUTISTA- MENDIOLA** City Vice- Mayor/ Sangguniang Panlungsod Presiding Officer
THRU	:	**ATTY. KHALID A. ATEGA, JR.** Sangguniang Panlungsod Secretary
SUBJECT	:	**FOR APPROVAL** PROPOSED CITY RESOLUTION AUTHORIZING THE HONORABLE CITY MAYOR STRIKE B. REVILLA TO ENTER INTO AND SIGN
DATE	:	**02 MAY 2025**

This refers to the proposed draft City Resolutions, as attached herein, authorizing the Honorable City Mayor Strike B. Revilla to enter into and sign the following contracts, to wit:

a) Deed of Donation and Acceptance between Oyamih Resources Corp. and the City Government of Bacoor, for the use of the property to be the site for the Department of Information and Communications Technology (DICT) Building in the City of Bacoor; and

b) Memorandum of Agreement between City Government of Bacoor and Megawide Construction Corporation for the implementation of the 4PH Program of Department of Human Settlements and Urban Development.

Thank you.

OFFICE OF THE
SANGGUNIANG PANLUNGSOD
RECEIVED
BY: RUTH / LYN
DATE: 05/05/25 TIME: 9:19
BACOOR CITY, CAVITE

ATTY. AIMEE TORREFRANCA- NERI
City Administrator

PROPOSED CITY RESOLUTION NO. 2025-____
Series of 2025

A RESOLUTION AUTHORIZING THE HONORABLE CITY MAYOR STRIKE B. REVILLA TO ENTER AND SIGN THE MEMORANDUM OF AGREEMENT ("MOA") BETWEEN CITY GOVERNMENT OF BACOOR AND MEGAWIDE CONSTRUCTION CORPORATION FOR THE CONSTRUCTION AND DEVELOPMENT OF THE SOCIALIZED HOUSING IN THE IMPLEMENTATION OF THE "PAMBANSANG PABAHAY PARA SA PILIPINO: ZERO ISF PROGRAM FOR 2028" ("4PH") OF THE DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT ("DHSUD")

Sponsored by:

_____

Co- Sponsored by:

_____

WHEREAS, the DHSUD launched its priority program- the 4PH, a government housing program, in partnership with key agencies, to address the housing needs of the Philippines by 2028.

WHEREAS, the Developer/Contractor, Megawide Construction Corporation, signified its intention to participate in the Program, through a turnkey arrangement, which undertakes the financing the land acquisition, land development, and housing development in accordance with the corresponding approved details, among others.

WHEREAS, the 4PH Program of DHSUD shall be beneficial to the City Government of Bacoor and its project- bebeficiaries.

WHEREAS, the 4PH Program of the DHSUD is aligned with the directives of the City Government of Bacoor, which is to eradicate or to at least mitigate the existence of ISFs in the City of Bacoor, and to provide the beneficiaries decent housing.

WHEREAS, the City Mayor seeks the authorization of the Sangguniang Panlungsod to enter into and sign the MOA between Megawide Construction Corporation. and the City Government of Bacoor for the implementation of the 4PH Program.

NOW THEREFORE, upon motion of _____ and unanimously seconded by the council in regular session duly assembled, BE IT RESOLVED AS IT IS HEREBY RESOLVED by the Sangguniang Panlungsod to pass this Resolution;

RESOLVED FURTHER, to furnish the Office of the City Mayor, the Department of Agriculture, and the University of the Philippines – Office of the National Administrative Register (UP-ONAR) and other government agencies concerned with copies of this Resolution.

APPROVED this ____ day of _____ at the City of Bacoor, Cavite by the 5th Sangguniang Panlungsod of the City of Bacoor, Cavite.

MEMORANDUM OF AGREEMENT

This **Memorandum of Agreement** ("**Agreement**") is made, entered into, and executed this _____, by and between the following parties:

The **CITY GOVERNMENT OF BACOOR**, a Local Government Unit existing under the laws of the Republic of the Philippines, with principal office address at Bacoor Government Center, Molino Boulevard, Barangay Bayanan, City of Bacoor, Province of Cavite, represented by its City Mayor, **STRIKE B.REVILLA**, by virtue of Sangguniang Panlungsod Resolution No. _____, dated _____,[1] hereinafter referred to as the **"LGU"**.

-and-

The **MEGAWIDE CONSTRUCTION CORPORATION**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office address at #20 N. Domingo St., Brgy. Valencia, Quezon City, Philippines, represented herein by its President and Chief Executive Officer, **EDGAR B. SAAVEDRA**, by virtue of the Board Resolution No. ____ Series of 2023, verified through a Secretary's Certificate,[2] and hereinafter referred to as the **"DEVELOPER/CONTRACTOR"**.

WITNESSETH

WHEREAS, the Department of Human Settlements and Urban Development (**DHSUD**) launched its flagship program in the year 2022: "**Pambansang Pabahay Para Sa Pilipino: Zero ISF Program for 2028"**;

WHEREAS, Department Circular No. 2022-04 dated December 15, 2022, declared the **Pambansang Pabahay Para sa Pilipino (4PH) Program** as a priority program of **DHSUD**;

WHEREAS, the **4PH Program** is a government housing program implemented by the **DHSUD** in partnership with its key shelter agencies, which aims to address the country's housing needs of over six million (6,000,000.00) by 2028;

WHEREAS, by virtue of Sangguniang Panlungsod Resolution No. _____, dated _____, the City Mayor was authorized to sign this Memorandum of Agreement with the **DEVELOPER/CONTRACTOR** as entity to construct and develop the socialized housing project in connection with the implementation of the 4PH Program herewith;

WHEREAS, the **DEVELOPER/CONTRACTOR**, along with their affiliates, have signified their willingness to participate in the Program by financing the **LGU**'s identified Housing Project's (the "**PROJECT**") land acquisition and development and housing construction component through direct developmental loans from Key Shelter Agencies (KSAs) and/or Government Financial Institutions (GFIs);

WHEREAS, pursuant to the guidelines for the implementation of the 4PH Program (Operations Manual), the developer/s may participate in the 4PH program under a turnkey

---

[1] Attached herein as **Annex "A"** is the Sangguniang Panlungsod Resolution No. _____, dated _____

[2] Attached herein as **Annex "B"** is the Secretary's Certificate

arrangement where the developer may either assume the responsibility of land acquisition, site development, and housing construction, subject to applicable guidelines of the **LGU;**

WHEREAS, the **LGU** and **DEVELOPER/CONTRACTOR** have expressed their willingness to complement each other and jointly pursue the objectives of the 4PH Program, whereby the **DEVELOPER/CONTRACTOR** shall provide the necessary land acquisition, site development, and housing construction for the **PROJECT** while the **LGU** shall provide the list of qualified beneficiaries who will purchase the housing units and implement the **PROJECT** for its own target beneficiaries;

WHEREAS, the **PARTIES** hereto commit to faithfully perform their obligations as contained herein by providing quality yet affordable shelters to the underprivileged beneficiaries as one of the main thrusts of our government. Through competence and active involvement, this undertaking or project is in pursuit of sustainable solutions for the growing housing backlogs in the City of Bacoor.

NOW, THEREFORE, for and in consideration of the foregoing premises, the **Parties** have agreed as follows:

SECTION 1
DEFINITION OF TERMS AND INTERPRETATION

1.1 Definition of Terms. As used herein, the following terms shall have the following meanings:

a. **CLEAN TITLE** shall refer to a parcel of land that is registered in the name of the developer/contractor and is entirely free of any lien or encumbrance.

b. **NEAR-CLEAN TITLE** shall refer to a parcel of land that is affected by a lien or encumbrance (including any adverse claim or interest) or any issue, complication, or obstacle that can be resolved within the timeframe needed for its utilization and the completion of the PROJECT.

c. **CONTRACTOR** refers to any person who undertakes or offers to undertake the construction, repair, or improvement of any building, structure, or project, or who provides labor and materials for the completion of an identified project under the specified engagement terms or contract.

d. **DEVELOPER** shall refer to any natural or juridical person engaged in the business of real estate development for his/her or its own account and offering them for sale or lease, duly authorized, selected, and/or partnered with by the **LGU**. For purposes of Pag-IBIG's Direct Developmental Loan Program, a developer must have an established track record of at least five (5) years in housing development and at least three hundred (300) completed house and lot / condominium units to be able to avail of the Developmental Loan from **Pag-IBIG FUND**.

e. **DEVELOPMENTAL LOAN** refers to the financial loan to be extended by the **Pag-IBIG FUND** to the **DEVELOPER/CONTRACTOR** for the development and completion of the PROJECT.

f. **MEMORANDUM OF AGREEMENT (MOA)** shall refer to this agreement, including all future amendments and supplements thereto.

g. **PROJECT** shall mean the medium/high-rise condominium building projects that will be developed by the **DEVELOPER/CONTRACTOR**, with all the necessary utility systems and support facilities such as roads, power, drainage, and water distribution.

h. **PROJECT BENEFICIARIES** shall refer to individuals with designated income levels to whom specific areas of the PROJECT as developed and completed will be sold, who shall be identified and selected by the **LGU**, with eligibility for loans under the **Pag-IBIG FUND's** prevailing housing loan policies and guidelines for the 4PH program.

i. **TURNKEY** shall refer to the implementation modality of the 4PH Program whereby the private developer assumes the responsibility of land acquisition, site development, and/or housing construction. The completed housing project shall be turned over/sold to the 4PH project beneficiaries in coordination with the **LGU**. For this purpose, there is a complete turnkey arrangement when the private developer fully assumes responsibility over the land acquisition, the site development, and the housing construction.

1.2 Interpretation

The headings and subheadings in this Memorandum of Agreement are inserted for convenience of reference only and shall not limit or affect the interpretation of the provisions hereof. Unless the context otherwise requires, words denoting the singular number shall include the plural, and vice versa. References to Sections and Exhibits are to be construed as references to the sections and exhibits of and to this Memorandum of Agreement while references to Annexes are to be deemed references to the implementing documents, consisting of the Loan Agreement and the Deed of Assignment of Take-Out/ Sales Proceeds and other income/revenues, annexed hereto and made an integral part hereof.

SECTION 2
PRINCIPAL CONSIDERATIONS

2.1 Principal Considerations

The **PARTIES** hereto accept and recognize that the principal object of this Memorandum of Agreement is the implementation and completion of the PROJECT under the 4PH Program of **DHSUD** for the benefit of the Project Beneficiaries as herein described and defined.

2.2 Project Implementation

The **LGU**, as the lead implementer of this **PROJECT**, shall ensure that the **DEVELOPER/CONTRACTOR** qualifies or meets the eligibility or criteria for condominium developments, equipped with capabilities, skills, expertise, and with a proven track record.

Forging this agreement with the **DEVELOPER/CONTRACTOR** and setting clearly the specific responsibilities and other governing provisions for the project implementation in a separate agreement, this 4PH PROJECT shall be developed by the **DEVELOPER/CONTRACTOR**, who

possesses the skill, expertise, and capability to undertake the construction of the intended PROJECT.

To finance the implementation of the **PROJECT**, the **DEVELOPER/CONTRACTOR** may avail of Developmental Loan provided by the **Pag-IBIG FUND** for site development and condominium construction under the terms and conditions hereinafter stated. The **DEVELOPER/CONTRACTOR** shall provide for the parcel of land that may be used as collateral security in availing of a direct developmental loan from the **Pag-IBIG FUND**.

For purposes of securing a loan from the **Pag-IBIG FUND**, the **DEVELOPER/CONTRACTOR** shall be evaluated in accordance with the eligibility criteria provided by the **Pag-IBIG FUND.**

SECTION 3
PROJECT AND PROJECT CRITERIA

3.1 The Project

3.1.1 The 4PH PROJECT as referred to in this **Memorandum of Agreement** pertains to the multi-level residential buildings, on the identified parcels of land owned by the **DEVELOPER/CONTRACTOR** as described hereunder:

TRANSFER CERTIFICATE OF TITLE NO. _____[3]

"_____
_____
_____
_____
_____
_____
_____
_____
_____
_____."

3.1.2 This project is a multi-level condominium with _____ number of buildings of _____ storeys consisting of _____ number of units per floor.

Particulars	Building 1	Building 2	Building 3	MLPB(Multi-level Parking Building)
TOTAL FLOOR AREA OF RESIDENTIAL PER UNIT (sq.m.)				
TOTAL NUMBER OF RESIDENTIAL UNITS PER FLOOR				

[3] Attached as Annex "C" is the TCT No. _____

TOTAL FLOOR AREA OF RESIDENTIAL + COMMON AREAS PER FLOOR (sq.m.)				
NUMBER OF STOREY PER BUILDING				
TOTAL NUMBER OF RESIDENTIAL UNITS PER BUILDING				

LOCATION	AREA	Building 1 Quantity	Building 2 Quantity	Building 3 Quantity	MLPB Quantity	Total Number of Units
LOT 1						
LOT 2						
LOT 3						
TOTAL						

The total number of condominium units to be delivered pursuant to this Agreement shall be _____.

3.2 Technical

3.2.1 Site/Location - The site which was approved for development into a housing project by **DHSUD**, has qualified with the following criteria:

a. With legitimate title/s or other instruments proving a secured tenure on the properties subject of the loan, free from liens and encumbrances. The subdivided/individual titles shall be eligible for conversion to end-user financing; and

b. Physical suitability and accessibility as defined in the rules and standards established by the **DHSUD.**

3.2.2 **Total** Project Cost- Subject to the approval of DHSUD, the total project cost is at the amount of P_____ computed as land acquisition cost in the amount of P_____ plus construction cost in the amount of P_____.

The selling price per unit is as follows, subject to approval by DHSUD:

UNIT SIZE	SELLING PRICE/UNIT
24 sqm	
27 sqm	

3.3 Project Development

a. Project Design - The project design pertaining to the type of land development, structural designs, and condominium units, and other specifications must conform to the applicable **DHSUD** standards or parameters[4] as appended hereto, to be proposed by the **DEVELOPER/CONTRACTOR,** and must address the target beneficiaries.

b. Necessary Support Facilities - The PROJECT shall include provision for necessary support facilities in accordance with the standards of **DHSUD**.

c. Price Ceiling – Pursuant to DHSUD Memorandum Circular No. 2023-003, the price ceiling parameters for multi-level housing projects to be accredited in the 4PH program shall be:

Building Requirement	**Unit Size**	**Max. Selling Price/Unit (Excluding Land Cost)**	**Inclusions**
4 Storeys	22 sqm, 25 sqm 27 sqm	Php 933,320.00 Php 1,060,59.00 Php 1,145,438.00	Construction, administrative cost and fees for CCT, special/unique works, such as, piling works, among others
5-9 Storeys	22 sqm, 25 sqm 27 sqm	Php1,000,000.00 Php1,360,364.00 Php 1,227,273.00	Construction, administrative cost and fees for CCT, special/unique works, such as piling works, elevator/s, among others
10 Storeys and above	22 sqm, 25 sqm 27 sqm	Php1,320,000.00 Php1,500,000.00 Php 1,620,000.00	Construction, administrative cost and fees for CCT, special/unique works, such as piling works, elevator/s, among others

[4] Attached as Annex "D"

As such, the DHSUD Secretary has the authority to approve land and land development costs; Provided, however that the maximum selling price does not exceed Php1,800,000.00

3.4 Permits/Clearances

All **PARTIES**, within their capacities, shall cooperate and complement each other in securing the necessary permits and clearances necessary for the implementation of this PROJECT.

The **DEVELOPER/CONTRACTOR** commits to comply with the documentary requirements of Pag-IBIG developmental loan program, including the permits/clearances as provided on the Pag-IBIG standard Checklist of Requirements[5], in the event that they opt to secure a developmental loan from **Pag-IBIG FUND**.

3.5 Market

The target beneficiaries must qualify to avail of a housing loan under the prevailing guidelines of the **Pag-IBIG FUND** for 4PH Program. This must be secured by the **LGU** through the conduct of pre-qualification or pre-screening.

SECTION 4
RESPONSIBILITIES AND OBLIGATIONS

4.1 Responsibilities and Obligations of the LGU. The **LGU** shall:

4.1.1 Identify, select, and facilitate the application of target housing beneficiaries under the 4PH program. It shall set the eligibility criteria for, and identify the project beneficiaries. It shall carry out the beneficiary listing, which shall include, but not be limited to, social preparations, ISF census enumeration, socio-economic profiling, and the establishment of social parameters.

4.1.2 Provide the **DEVELOPER/CONTRACTOR** the list of legitimate and qualified beneficiaries who are entitled to purchase, reside in, and occupy the housing units of the PROJECT;

4.1.3 Promote to the beneficiaries the housing loan programs of **Pag-IBIG FUND** and assist the beneficiaries in their applications for Pag-IBIG Fund Housing Loans through orientation of the guidelines and loan requirements of **Pag-IBIG FUND**;

4.1.4 Conduct social preparation of target beneficiaries in coordination with **DHSUD** and its KSAs, *i.e.*, socio-economic survey, Information and Educational Campaigns, etc.;

4.1.5 Facilitate the expeditious issuance of local permits and clearances for the

[5] Attached as Annex "E"

PROJECT; and

4.1.6 It shall immediately and readily replace delinquent beneficiaries who were not able to pay their respective loan installments as they fell due.

4.2 Responsibilities and Obligations of the DEVELOPER/CONTRACTOR. The **DEVELOPER/CONTRACTOR** shall have the following obligations:

4.2.1 Land Ownership. It has a clean title over the parcel of land subject of this Agreement as defined in Section 3.1;

4.2.2 It shall cause and ensure that the land title of the land where the Project is located is free from all liens, claims, or encumbrances, and that the land is free and unoccupied by any settlers upon or at the commencement of the land development and housing construction. The contractor shall secure release instruments for any annotation that may be found on the subject TCTs;

4.2.3 Land Development, and Housing Construction. It shall finance the land acquisition, land development, and housing with the approved detailed costing/bill of materials, labor and other indirect costs for the Projects within the parameters set by **DHSUD.** It shall include the construction of roads, drainage, and open space facilities, as well as any taxes, fees, and charges that may be assessed on the project, except upon waiver or exemption granted by the **LGU**;

4.2.4 In financing the land and housing development of the Project, it may secure a developmental loan from the **Pag-IBIG FUND** *(or other GFIs enrolled in the Program)* in a manner consistent with the standards of **DHSUD** under the 4PH Program and other concerned regulatory agencies;

4.2.5 Documentation. DEVELOPER/CONTRACTOR undertakes and ensures that it has the capacity to handle, manage and process Contract to Sell (CTS) with qualified beneficiaries for takeout and conversion of the same to Real Estate Mortgage with Pag-IBIG FUND;

4.2.6 It shall account for the applicable local transfer taxes and registration fees covering the Land including its housing component/improvement and shall account for the real property taxes due thereon, as applicable; and,

4.2.7 It shall be responsible for the management of the estate unless otherwise transferred/turned over to the **LGU,** the Registered Homeowners Association, or Condominium Association/Corporation, as may be applicable.

SECTION 5
REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the LGU. The **LGU** hereby represents and warrants

that:

5.1.1 It has the full power, authority, and legal right to enter into this Agreement, to exercise its rights and perform its obligations hereunder, and to consummate the transactions contemplated herein;

5.1.2 It shall comply with all applicable laws, rules and regulations, issuances, and orders of relevant government agencies in the performance of its obligations under this Agreement and the Deed/s, including any future construction or development activities therein;

5.1.3 All consents necessary for the due execution, delivery, and performance of this Agreement and the Deed/s have been obtained;

5.1.4 It shall limit the allowable activities to be conducted on the land and within the Project to residential, small and medium-sized enterprises, and other related activities, and shall prohibit activities that have the potential to cause or may actually cause any form of disturbance or nuisance to the Project and its Beneficiaries; and

5.1.5 It shall assist and provide the **DEVELOPER/CONTRACTOR** easy processing of the necessary permits, licenses, certificates, and/or approvals in relation to the development of the Project.

5.2 Representations and Warranties of the DEVELOPER/CONTRACTOR. The **DEVELOPER/ CONTRACTOR** hereby represents and warrants that:

5.2.1 It is a duly organized corporation, validly existing, and in good standing under the laws of the Republic of the Philippines;

5.2.2 It has full power, authority, and legal right to enter into this Agreement, to exercise its rights and perform its obligations hereunder, and to consummate the transaction contemplated herein;

5.2.3 It warrants for one (1) year from the completion of the **PROJECT** any defects in the land development and housing construction;

5.2.4 The development plans for the **PROJECT** have been approved by applicable regulatory agencies and other concerned parties;

5.2.5 The **DEVELOPER/CONTRACTOR** shall ensure that their proposed housing structure and design, along with the price ceiling, conform to the standard parameters set by **DHSUD** and shall secure necessary permits, clearances, registration, and licenses to sell from corresponding local offices and government agencies;

5.2.6 All consents necessary for the due execution, delivery, and performance of this Agreement have been obtained;

5.2.7 It shall hold the **LGU**, including their officials and personnel, free and harmless

from any and all claims, actions, liabilities, losses, and suits which may be brought or instituted by any party whatsoever by reason of the fault, failure, negligence, delay, or any conduct of the **DEVELOPER/CONTRACTOR**, its respective officers, employees, and agents in the performance of their corresponding obligation under this Agreement, without prejudice to its claim against the proper erring party;

5.2.8 The obligations expressed to be assumed by it under this Agreement are legal, valid, and binding obligations, enforceable against them in accordance with the terms and conditions hereof, and that all acts, conditions, and things required by their Articles of Incorporation to be done, fulfilled, or performed in order to enable it to enter into, execute, deliver, exercise its rights, and perform its obligations hereunder are within its power to perform as provided under its Articles of Incorporation; and

5.2.9 It shall cause and ensure the completion of the housing project, which includes land development and housing construction, in accordance with existing government-prescribed laws and standards, along with the minimum standards for the design and proposed price ceiling parameters set by **DHSUD**, for projects to be accredited under the 4H Program.

Section 6
MISCELLANEOUS PROVISIONS

6.1 **Complete Agreement**. This Agreement contains the full and complete agreement among the Parties on the subject matter, and the same shall supersede any and all representations, understandings, or agreements, verbal or written, implied or express, previously made or entered into by them. This **MOA** may only be amended upon the written mutual agreement of the Parties.

It is understood that all terms and conditions herein provided are subject to and subordinate to the existing laws, rules, and regulations of the **LGU**. In case of conflict, the pertinent provisions of the law, rules, and regulations shall prevail.

6.2 **Counterparts**. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

6.3 **Good Faith**. In complying with and implementing the terms of this Agreement, the Parties shall exercise good faith and cooperation to ensure the fulfillment of their common objective of providing adequate, livable, affordable, and inclusive housing and communities to the Filipinos.

6.4 **Binding Effect**. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors-in-interest and assigns.

6.5 **Non-Waiver of Rights**. The failure of a Party to insist upon a strict performance of any of the terms, conditions, and covenants under this Agreement shall not be deemed a relinquishment or waiver of any right/remedy that the aforesaid Party may have, nor shall

it be construed as a waiver of any subsequent breach of the same or other terms, conditions, and covenants. Any waiver, extension, or forbearance of any of the terms, conditions, and covenants of this Agreement by any Party shall be in writing and limited to the particular instance only and shall not in any manner whatsoever be construed as a waiver, extension, or forbearance of any other term, condition, and/or covenant of this Agreement.

6.6 **Force Majeure.** No Party shall be liable for any failure or delay in the performance of its respective obligations as herein provided if any force majeure event shall be the proximate cause of the same.

For purposes of this Agreement, a "Force Majeure Event" shall include, but not be limited to: (i) declared or undeclared war, armed hostilities, revolution, rebellion, insurrection, riot, public disorder, and the like; (ii) unforeseen rock formations in the geodetic layers of the identified deep well sites; and (iii) extreme and unforeseen weather conditions, fire, unusual flood, earthquake, and similar calamities or acts of God, and Government's, local or national, declaration of community quarantines and other restrictions; and (iv) expropriation on any part of the site on which the Project will be located.

The Party invoking the existence of a Force Majeure Event shall immediately notify the other Party, specifying the nature and details of the Force Majeure Event, how it affects the Party's ability to comply with its obligations hereunder, and a proposed mitigating action to address the same. Upon the cessation of such Force Majeure Event, the Parties shall immediately resume the performance of their obligations hereunder.

However, if the Force Majeure Event extends for a period in excess of 180 continuous days, the Parties hereto shall meet to discuss the basis and terms upon which this Agreement be continued or mutually terminated.

6.7 **Amendments.** Any amendment or additional term and condition to this Agreement must be in writing. The parties hereto may, at any time, by mutual agreement, execute a supplement or amendment for the purpose of adding provisions to or changing or eliminating provisions of this Memorandum of Agreement.

6.8 **Dispute Resolution.** Any conflict or dispute that may arise out of this Agreement on the interpretation or implementation of any provision hereof shall be settled amicably within thirty (30) days, through the authorized representatives of the Parties. Either Party may initiate amicable discussions by sending written notice to the other Party, specifying the alleged dispute and proposing a schedule for the amicable settlement thereof.

6.9 **Separability.** If any part of this Memorandum of Agreement shall for any reason be declared invalid and unenforceable, the remaining portions not affected thereby shall remain in full force and effect as if this Memorandum of Agreement was executed with such invalid portion eliminated, or as if the parties would not have executed this Memorandum of Agreement had they known the invalidity or unenforceability thereof.

6.10 **Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the Republic of the Philippines. Execution, delivery, and performance of this Agreement shall not violate any provision of applicable laws, or constitute a breach of any contracts it has entered into;

IN WITNESS WHEREOF, the Parties hereto have signed and executed this Memorandum of Agreement this _____ in _____.

PROVINCIAL/MUNICIPAL/CITY GOVERNMENT OF _____	**DEVELOPER/ CONTRACTOR:**
Represented by:	*Represented by*
_____	_____
Name of Provincial/Municipal/City Mayor (Position)	Representative (Position)

WITNESSED BY:

_____ _____

ACKNOWLEDGMENT

Republic of the Philippines }
_____ } s.s.

BEFORE ME, a Notary Public for and in _____, Philippines, this _____, personally appeared the following:

Name	**Competent Evidence of Identity**	**Date/Place Issued**

known to me to be the same persons who executed the foregoing instrument and acknowledged to me that they acted in a representative capacity, that they are duly authorized to represent as such, that the same is their own free and voluntary act and deed as well as of the agency and corporation they represent.

This instrument, consisting of _____ (__) pages including this page where this acknowledgment is written, has been signed on each and every page thereof by the parties and their witnesses.

WITNESS MY HAND AND SEAL on the date and at the place first above written.

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2023

ANNEX __

A. EXTERIOR FINISHES

DRIVEWAYS, WALKWAYS, PARKING	
ITEM OF WORK	**MATERIALS**
FLOOR	Plain Cement in Non-Slip Finish with Concrete Hardener and Sealer, Epoxy Paints Parking and Driveway Markings
WALL	Plain Cement Plastered in Acrylic Elastomeric Paint Finish
CEILING	Exposed Beam and Slab in Flat Latex Paint
Paly AREA/BASKETBALL COURTS	
FLOOR	Plain Cement Finish with Concrete Hardener and Sealer, Epoxy Painted Court Markings
EXTERIOR FAÇADE	
WINDOWS	Aluminum sliding Windows (Analok Finish)
EXTERIOR WALLS	Elastomeric Paint
OTHER	
ROOFING	Terrarib Steel Roofing on Tubular Steel Rafter
GATE AND FENCE	6" CHB Tubular Steel (As Per Design)
LANDSCAPE WORKS	
SOIL POISONING	

B. INTERIOR FINISHES

GROUND FLOOR/COMMON AREAS	
ITEM OF WORK	**MATERIALS**
FLOOR	
Elevator Lobby, Hallways	0.60 X 0.60 Homoheneous Tiles
Toilets	0.60 x 0.60 Matte Homogeneous Tiles
WALL	
Elevator Lobby, Hallways	Plain Cement Plastered in Semi-Gloss Latex Paint Finish
Toilets	0.30 x 0.60 Polished Porcelain Tiles
CEILING	
Elevator Lobby, Hallways	Exposed Beam and Slab in Flat Latex Finish
Toilets	Exposed Beam and Slab in Flat Latex Finish
CHAPEL	
FLOOR	0.60 x 0.60 Porcelain tiles, Lapato Finish
WALL	Gypsum Board on Metal Furring, Latex Paint Finish
CEILING	Gypsum Board on Metal Furring, Latex Paint Finish
RETAIL UNITS	
FLOOR	Plain Cement Finish with Concreter Hardener and Sealer

WALL	Plain Cement Finish
CEILING	Exposed Beam Slab
RESIDENTIAL UNITS	
FLOOR	0.60 x 0.60 Homogeneous Tiles
WALL	Plain Cement Plastered in Semi- Gloss Latex Paint Finish
CEILING	Exposed Beam and Slab in Flat Latex Finish
DOORS AND JAMB	Steel Jamb and Laminated Solid Door
HARDWARE	Schlage/ Yale/ Equivalent
RESIDENTIAL TOILETS	
FLOOR	0.30 x 0.30 Ceramic Tiles (Non-Slip)
WALL	0.30 x 0.30 Ceramic Tiles
CEILING	Moisture Resistant Gypsum Board, Flat Latex Paint
DOORS AND JAMB	PVC Door with Louvers
FIRE EXIT STAIRS	
FLOOR	Plain Cement Finish with Concrete Hardener and Sealer
WALL	Plain Cement in Falt Latex Paint
CEILING	Exposed Beam and Slab in Flat Latex Paint
ELECTRICAL	
Type	PVC Pipes on Walls and Ceiling
Connection	As per Municipal Requirements
Wires	Stranded
Breaker	For Approval
Switches, Covers & C. O.	For Approval
Lighting Fixtures	LED
PLUMBING	
Soil, Waste and Vent	PVC Pipes
Water Line	PPR
Drainage	4 " and 6 " PVC Pipe
Fixtures	For Approval

Landscape

"Landscaping" shall mean an area devoted to or developed and maintained with planting, lawn, ground cover, gardens, trees, shrubs, and other plant materials, decorative outdoor landscape elements, garden ponds or pool, fountains, water features, paved or decorated surfaces of rock, stone, brick, block or similar material (excluding driveways, parking, loading, or storage areas), and sculptural elements.

New landscaping materials shall include species native or non-invasive species adapted to the climatic conditions of the region with supplemental irrigation as required.

Tree Standards

Under Presidential Decree No. 953- Requiring the Planting of Trees in Certain Places and Penalizing Unauthorized Cutting, Destruction, Damaging and Injuring of Certain Trees, Plants and Vegetation, the following shall plant trees:

a. Every person who owns land adjoining a river or creek, shall plant trees extending at least five meters on his land adjoining the edge of the bank of the river or creek, except when such land, due to its permanent improvement, cannot be planted with trees; and
b. Every holder of a license agreement, lease, license or permit from the Government, involving occupation and utilization of forest or grazing land with a river or creek therein, shall plant trees extending at least 20 meters from edge of the bank of the river or creek.

The person herein above required to plant trees shall take good care of them, and from time to time, remove any tree planted by them in their respective areas which has grown old, is diseased, or is defective, and replant with trees their respective areas whenever necessary.

Under the Supplemental Rules and Regulations to Implement PD 953, areas designated for planting trees shall be required in areas reserved for parks and playgrounds and along planting strips of subdivision projects.

ANNEX __

CHECKLIST OF REQUIREMENTS FOR DEVELOPER/CONTRACTOR / CONTRACTOR WHO WILL UNDERTAKE THE DEVELOPMENT AND COMPLETION OF THE LOCAL GOVERNMENT UNIT (LGU) PROJECT UNDER THE PAMBANSANG PABAHAY PARA SA PILIPINO (4PH) PROGRAM

A. FOR DEVELOPER

1. Company / Organization Profile (HQP-WLF-232) (1 Original Copy)
2. Proof of Legal Existence:
   a. For Corporation/Partnership: Securities and Exchange Commission (SEC Certificate of Registration, approved Articles of Partnership/Incorporation and By-Laws (1 Certified True Copy)
   b. For Single Proprietorship: Department of Trade and Industry (DTI) Certificate of Registration (1 Certified True Copy)
3. Resume of Key Officers/Directors and Technical Staff (Engineers and Architects) (1 Photocopy)
4. Latest Audited Financial Statements and Income Tax Return for the past three (3) years duly received by SEC/BIR and accompanied by an Auditor's Report and Certification of Accreditation of External Auditor (1 Photocopy)
5. Authorization to Conduct Investigation to Bank/Financial Institution (HQP-WLF-234) (1 Original Copy)
6. Authorization to Conduct Verification to Suppliers (HQP-WLF-235) (1 Original Copy)
7. Certificate of Winning Bidder (1 Original Copy)
8. Ordinance of Sangguniang Bayan/Panlungsod/Panlalawigan for the provision/identification of the land that will serve as the project site of the housing project (1 Certified True Copy)

B. FOR CONTRACTOR

1. Company / Organization Profile (HQP-WLF-232) (1 Original Copy)
2. Proof of Legal Existence:
   a. For Corporation/Partnership: Securities and Exchange Commission (SEC Certificate of Registration, approved Articles of Partnership/Incorporation and By-Laws (1 Certified True Copy)
   b. For Single Proprietorship: Department of Trade and Industry (DTI) Certificate of Registration (1 Certified True Copy)
3. Resume of Key Officers/Directors and Technical Staff (Engineers and Architects) (1 Photocopy)
4. Latest Audited Financial Statements and Income Tax Return for the past three (3) years duly received by SEC/BIR and accompanied by an Auditor's Report and Certification of Accreditation of External Auditor (1 Photocopy)
5. Authorization to Conduct Investigation to Bank/Financial Institution (HQP-WLF-234) (1 Original Copy)
6. Authorization to Conduct Verification to Suppliers (HQP-WLF-235) (1 Original Copy)
7. Certificate of Winning Bidder (1 Original Copy)
8. Ordinance of Sangguniang Bayan/Panlungsod/Panlalawigan for the provision/identification of the land that will serve as the project site of the housing project (1 Certified True Copy)
9. Philippine Contractors Accreditation Board (CAB) License, for contractor only (1 Certified True Copy)

NOTES:

a. In all instances wherein photocopies are submitted, the original document must be presented for authentication.
b. The said documents shall be submitted by the LGU upon application for the developmental loan for the 4PH program

CHECKLIST OF REQUIREMENTS FOR DIRECT DEVELOPMENTAL LOAN FOR THE PAMBANSANG PABAHAY PARA SA PILIPINO (4PH) PROGRAM

REQUIREMENTS UPON LOAN APPLICATION
I. FOR PROJECT PROPONENT
A. If project proponent is a Developer
1. Letter of Application 2. Memorandum of Agreement (MOA)/Memorandum of Understanding (MOU) between the Proponent and Department of Human Settlement and Urban Development (**DHSUD**) regarding 4PH Program (1 Certified True Copy) 3. Company / Organization Profile (HQP-WLF-232) (1 Original Copy) 4. Proof of Legal Existence: a. For Corporation/Partnership: Securities and Exchange Commission (SEC) Certificate of Registration, approved Articles of Partnership/Incorporation and By-Laws (1 Certified True Copy) b. For Single Proprietorship: Department of Trade and Industry (DTI) Certificate of Registration (1 Certified True Copy) 5. Resume of Key Officers/Directors and Technical Staff (Engineers and Architects) (1 Photocopy) 6. Notarized Secretary's Certificate (1 Original Copy) with attached photocopy of Board Resolution (Authority to Borrow, to Mortgage/Assign and Authorized Signatory/es) 7. Latest Audited Financial Statements and Income Tax Return for the past three (3) years duly received by SEC/BIR and accompanied by an Auditor's Report and Certification of Accreditation of External Auditor (1 Photocopy) 8. Authorization to Conduct Investigation to Bank/Financial Institution (HQP-WLF-234) (1 Original Copy) 9. Authorization to Conduct Verification to Suppliers (HQP-WLF-235) (1 Original Copy) 10. If project site is not owned by the proponent: a. <u>If project site is owned by LGU</u> - Certificate of Winning Bidder (1 Original Copy) - Ordinance of Sangguniang Bayan/Panlungsod/Panlalawigan for the provision or identification of the land that will serve as the project site of the housing project (1 Certified True Copy)

b. <u>If project site is owned by third-party owner other than LGU</u>

- Agreement with a third-party owner for the provision/identification of the land that will serve as the project site of the housing project (1 Original Copy)

11. Projected Cash Flow

B. If project proponent is a Local Government Unit (LGU)

1. Letter of Application
2. Memorandum of Agreement (MOA)/Memorandum of Understanding (MOU) between the Proponent and Department of Human Settlement and Urban Development (**DHSUD**) regarding 4PH Program (1 Certified True Copy)
3. Company / Organization Profile (HQP-WLF-232) (1 Original Copy)

NOTE:

Include the unit/division tasked to receive all housing loan applications and other documentary requirements, to assist in the evaluation of applications, and to act as the liaison office on all matters relating thereto.

4. Ordinance of Sangguniang Bayan/Panlungsod/Panlalawigan (Authority to Borrow, to Mortgage/Assign and Authorized Signatory/ies) (1 Original Copy)
5. Certificate of Net Debt Service Ceiling and Borrowing Capacity issued by the Bureau of Local Government Finance (1 Original Copy)
6. If project site is owned by a third-party owner - Agreement with a third-party owner for the provision/identification of the land that will serve as the project site of the housing project (1 Original Copy)
7. If a developer / contractor will undertake the development and completion of the project - refer to separate Checklist of Requirements (HQP-WLF-261)
8. Projected Cash Flow

C. If project proponent is a Contractor

1. Letter of Application
2. Memorandum of Agreement (MOA)/Memorandum of Understanding (MOU) between the Proponent and Department of Human Settlement and Urban Development (**DHSUD**) regarding 4PH Program (1 Certified True Copy)
3. Company / Organization Profile (HQP-WLF-232) (1 Original Copy)

NOTE: Include the unit/division tasked to receive all housing loan applications and other documentary requirements, to assist in the evaluation of applications, and to act as the liaison office on all matters relating thereto.

4. Proof of Legal Existence:
   a. <u>For Corporation/Partnership:</u> Securities and Exchange Commission (SEC Certificate of Registration, approved Articles of Partnership/Incorporation and By-Laws (1 Certified True Copy)
   b. <u>For Single Proprietorship:</u> Department of Trade and Industry (DTI) Certificate of Registration (1 Certified True Copy)
5. Resume of Key Officers/Directors and Technical Staff (Engineers and Architects) (1

Photocopy)

6. Notarized Secretary's Certificate (1 Original Copy) with attached photocopy of Board Resolution (Authority to Borrow, to Mortgage/Assign and Authorized Signatory/ies)
7. Latest Audited Financial Statements and Income Tax Return for the past three (3) years duly received by SEC/BIR and accompanied by an Auditor's Report and Certification of Accreditation of External Auditor (1 Photocopy)
8. Authorization to Conduct Investigation to Bank/Financial Institution (HQP-WLF-234) (1 Original Copy)
9. Authorization to Conduct Verification to Suppliers (HQP-WLF-235) (1 Original Copy)
10. If project site is not owned by the proponent:

a. If project site is owned by LGU
- Certificate of Winning Bidder (1 original copy)
- Ordinance of Sangguniang Bayan/Panlungsod/Panlalawigan for the provision or identification of the land that will serve as the site of the housing project (1 Certified True Copy)

b. If project site is owned by third party owner other than LGU
- Agreement with a third party-owner for the provision/identification of the land that will serve as the project site of the housing project (1 Original Copy)

11. Philippine Contractors Accreditation Board (PCAB) License (1 Certified True Copy)
12. Projected Cash Flow

ANNEX 4: Project Financing Programs

1. END-USER FINANCING PROGRAM

Particulars	End-User Financing Program
Eligibility Requirements	On Pag-IBIG Membership: 1. Must be an active member under the PAG-IBIG Membership Program; 2. May apply for the program provided his/her total savings upon application is at least equivalent to 24 monthly savings based on mandatory rate, inclusive of the employee (EE) and employer (ER); 3. A non-member may apply for PAG-IBIG Fund AHP provided he/she remits the required 24 monthly savings based on the mandatory rate in lump sum, inclusive of EE and ER counterparts. Said lump sum amount shall be considered a single remittance for the applicable month as of the payment date

<table>
<tr><td></td><td>1. Gross monthly income not exceeding PHP 17, 500.00
2. Not more than 65 years old at date of application and not more than 70 years old at maturity
3. Has legal capacity to acquire and encumber real property
4. Has passed satisfactorily background/credit and employment/business checks of the PAG-IBIG Fund
5. If with existing PAG-IBIG housing account, either as principal buyer/borrower or co-buyer/co-borrower, it must be updated
6. Has no outstanding PAG-IBIG Short-Term Loan (STL)
7. Has no PAG-IBIG housing account that was foreclosed, canceled, bought back due to default, or subjected to dacion en pago</td></tr>
<tr><td>Loan Amount</td><td>A qualified member may apply up to Php1,800,000.00, which shall be based on the lowest member's actual need, desired loan amount, and loanable amount based on gross monthly income, capacity to pay, and the loan-to-appraised value ratio.</td></tr>
<tr><td>Loan Release</td><td>TBD</td></tr>
<tr><td>Interest Rate</td><td>Loanable Amount Based on Gross Monthly Income:
-Shall not exceed the limit for the applicable income cluster
<table>
<tr><th colspan="2">Details</th><th colspan="2">Maximum Gross Monthly Income/ Cluster Limit</th></tr>
<tr><td rowspan="2">Income Cluster</td><td>Cluster 1 (NCR)</td><td>Up to Php 15, 000.00</td><td>Up to Php 17, 500.00</td></tr>
<tr><td>Cluster 2 (Regions)</td><td>Up to Php 12, 000.00</td><td>Up to Php 14, 000.00</td></tr>
<tr><td colspan="2">Loanable Amount</td><td>Up to the Socialized Housing Loan Ceiling</td><td>Up to Php 750, 000.00</td></tr>
<tr><td colspan="2">Interest Rate*</td><td>3.0%</td><td>6.5%</td></tr>
</table>
*Applicable interest rates may change subject to approval of the Management</td></tr>
<tr><td>Loan Term</td><td>Repaid at maximum terms of 30 years and shall, in no case, exceed the difference between age 70 and percentage of the principal borrower. The principal borrower shall be considered 70 years old at the time he/she has reached his/her 70th birthday.</td></tr>
<tr><td>Loan Payment</td><td>1. The housing loan shall be paid in equal monthly amortizations in such amounts as may fully cover the principal and interest, as well as insurance premiums, over</td></tr>
</table>

	the terms of the loan, and shall be made, whenever feasible, through salary deduction. The borrower must however give his/her consent in writing for the deduction of the amount of loan amortization from his/her salary. 2. Pag-IBIG Fund and the employer may enter into a collective Servicing Agreement stipulating among others, that the collection of the employee's Pag-IBIG housing loan payment shall be effected through salary deduction and that deduction for the employee's PAG-IBIG housing loan payments shall have priority over other obligations of the same nature after all statutory deductions have been affected. 3. The monthly amortizations may also be paid to Pag-IBIG Fund through any of the following modes: a. Post-dated checks b. Payment to an accredited developer with a Collection Servicing Agreement with the Fund c. Accredited Collection Partners d. Auto debit arrangement with banks e. Any other collection system which the Fund may implement in the future. 4. In case of salary deduction, an equivalent of one (1) month amortization shall be deducted from the loan proceeds upon takeout. The said amount shall form part of the borrower's payment.
Effectivity of the Loan	1. Payment Due Dates a. The payment of the monthly amortization shall commence on the month immediately following the takeout date (DV/Check Date), and every month thereafter until full settlement of the housing loan. b. In case of staggered releases, the payment date shall coincide with the DV/ Check Date of the final release of proceeds or the constructive takeout date, whichever is applicable. c. Should the due date fall on a non-working day in the Pag-IBIG branch where the housing loan is maintained, the monthly amortization shall be paid until the next working day. 2. Partial payments shall be accepted but the unpaid portion of the amount due shall be charged with the applicable penalty. Any amount paid by the borrower shall be charged with the applicable penalty. Any amount paid by the borrower shall be applied in accordance with the order of priority under Section 7.5. 3. Any portion of the amount due that remains unpaid after the due date shall be charged with a penalty of 1/20 of 1% for every day of delay. 4. The monthly payment shall thus be applied according to the following order of priority:

	a. Penalties b. Insurance Premiums c. Interest d. Principal
Collateral	**For Retail Housing Loans** 1. For retail accounts, security shall consist of a REM on the subject properties fully covering the payment of obligations as stipulated in the corresponding loan agreement and promissory note of the borrower. 2. Accommodation mortgages **For Developer-Assisted Housing Loans** 1. Contract to Sell (CTS) Documentation 2. Deed of Conditional Sale (DCS) Documentation
Documentary Requirements	**From Borrower:** 1. Housing Loan Application with recent ID Photo of borrower/co-borrower (if applicable) (2 copies, HOP-HLF-068/ HOP-HLF-069) 2. Proof of Income -Locally employed -Self-employed -Overseas Filipino Workers (OFW) 3. One (1) valid ID (Photocopy, back-to-back) of Principal Borrower and Spouse, Co-Borrower and Spouse, Seller and Spouse and Developer's Authorized Representative and Attorney-in-Fact, (if applicable) **From Seller (and/or Borrower):** 1. Transfer Certificate of Title (TCT) (latest title, Certified True Copy). For Condominium Unit, present TCT for the land and Condominium Certificate of Title (CCT) (Certified True Copy) 2. Updated Tax Declaration (House and Lot) and Updated Real Estate Tax Receipt (photocopy) 3. Vicinity Map/Sketch Map leading to the Property subject of the loan

ANNEX 5: Project Financing Programs

1. DEVELOPMENT LOAN PROGRAM

Pag-IBIG Fund's Wholesale Loan (WL) Programs		
Particulars	**Direct Developmental Loan for the 4PH Program (Circular No. 457)**	**Group Housing Loan Program (GHLP) (Circular No. 371)**
Program Description / Objectives	1. Align with the government's goal to address the housing need of the Filipino families by	This is for **developers who own the land** and have already introduced land development

	encouraging the participation of private and government sectors in the development of housing projects for the target beneficiaries of the 4PH Program; 2. Provide access to affordable financing mechanism for developers/ project proponents for the development of residential subdivision/ condominium housing projects and construction of housing units; and 3. Increase the number of end-user availments by providing additional housing inventories through developmental financing.	(roads, drainage, and other facilities & amenities) **but needs funding to construct the individual housing.**
Eligibility Requirements	**1. General Conditions** 1.1 The proponent must have juridical personality. 1.2 The proponent must have the legal capacity to acquire and encumber real property. 1.3 The proponent must not be in the banks' or financial institutions' Negative List. 1.4 The proponent and its key officers must not be blacklisted by the Fund from participating in any of its pan programs, or any of the proponent's key officers or shareholders must not be a key officer or shareholder of a proponent that has been blacklisted by the Fund. 1.5 The proponent must comply with all pertinent laws, rules, and regulations. **2.Credit Evaluation** 2.1 For Developers The proponent must at least have an overall score of 70% based	**Coverage:** The following project proponents with juridical personality may avail: 1. Local Government Units 2. Employers 3. Employees' Associations 4. Cooperatives For the Construction of units eligible for mortgage financing under the existing EUF guidelines 1. Development of Medium-Rise Building in highly urbanized Areas 2. NO part of the loan, however, shall be used to purchase or redeem land **Eligibility Requirements:** 1. The proponent **is not engaged in** the business of **development and construction of low-cost socialized housing**

	on the prevailing Pag-IBIG Fund wholesale loan program evaluation parameters to be eligible for the loan, in accordance with the following weights: 2.1.1 In case of horizontal development projects, 60% shall be based on the financial performance of the proponent while 40% shall be based on the project evaluation. 2.1.2 For vertical development projects, 70% shall be based on the financial performance of the proponent while 30% shall be based on the project evaluation. 2.1.3 If the proponent is an **LGU**, it must submit a Certificate of Net Debt Service Ceiling and Borrowing Capacity issued by the Bureau of Local Government Finance. Its primary partner-developer shall be evaluated based on their financial and technical capability. In case the **LGU** shall procure the services of a contractor, said contractor must likewise meet the same eligibility requirements provided under Item No. V hereof. 2.2 Each entity comprising the Joint Venture must be evaluated separately depending on its classification whether as developer, contractor or **LGU**. Nonetheless, Pag-IBIG Fund may accredit a Joint Venture where one of the component entities does not meet all the eligibility requirements; provided	2. Good credit standing with banks, suppliers, financial institutions 3. At any time, the Fund's exposure for wholesale loans on projects of the proponent does not exceed the Single Borrower's Limit prescribed by the Fund 4. The proponent -Owns and provides the land -Is financially capable of fulfilling its commitment to the Fund -The sales package of the housing units to be generated should not exceed the maximum loanable amount under the EUF program 5. The number of potential buyers must be 15% of more than the number of units 6. The sales package of the housing units to be generated by the project should not exceed the maximum loanable amount under the prevailing EUF programs.

	that, such component entity though satisfies paragraph V.14, and the other component entity/ies meet all the eligibility requirements. 2.3 Comprehensive evaluation of all ongoing and prospective projects shall be conducted notwithstanding if only one or more of said projects is the subject of the developmental loan. **3. Additional Eligibility Requirements** 3.1 For Developers 3.1.1. The developer must have an established track record of at least 5 years in housing development and with at least 300 completed house and lot/condominium units. 3.1.2. However, the following developers who do not have a track record in housing development may still avail of the program, subject to the approval of the Senior Management Committee: a. Developer/s who have already transacted with the Fund for at least 3 years; and /or b. Developer/s with key officer/s that have experience in housing development for at least 5 years. 3.2 For Contractors 3.2.1 The contractor must be licensed under the Philippine Contractors Accreditation Board (PCAB) and must meet the required categorization based on the project cost pursuant to the prevailing PCAB Categorization and Classification Table. 3.2.2 The contractor must have the capacity to handle	

	3.3. For Joint Venture 3.3.1 The JV must satisfy the additional requirements under Item Nos. 3.1 or 3.2 hereof, whichever is applicable. 3.3.2 The Joint Venture must be registered under the SEC and the BIR. **LGU**s and contractors shall create a unit/division tasked to receive all housing loan applications and other documentary requirements, to assist in the evaluation of applications, and to act as the liaison office on all matters relating thereto. 4. The sales package of the housing units to be generated by the project shall not exceed the applicable housing loan ceilings pursuant to the prevailing packages for the 4PH Program of the Department of Human Settlements and Urban Development (**DHSUD**).	
Loan Amount	The amount of loan to be granted shall be based on whichever is lower of the following: 1. Actual project need as supported by cash flow projections; or 2. 80% of the prudent production cost. 3. Provided, the loan amount and any other outstanding wholesale loan, if any, shall not exceed the developer's debt capacity and the Single Borrower's Limit.	1. Shall be based on whichever is the lowest of the ff: 2. Provided, the loan amount and other outstanding wholesale loans, if any, shall not exceed the project proponent's debt capacity and SBL
Loan Release	1. All loan releases shall be based on the cash flow projection of the project. 2. Initial Release: Loan proceeds for land	1. Loan releases shall be based on projected cash flow; 2. Initial drawdown shall not to exceed 50% of the approved loan;

	acquisition shall be released in full subject to either the loan-to-appraised value (LTV) ratio of 80%, the actual need, or the approved loan amount, whichever is lowest. Loan releases for land development and house construction shall be made on a staggered basis based on the approved work schedule and work progress of the developer and shall be subject to the applicable LTV ratio. 3. Subsequent Releases: Succeeding releases shall be made only after 90% of the previous drawdown has been infused in the project; wherein at least 70% are already in place while 20% are inventory of construction materials. 4. In case the land was contributed by one of the partners other than the proponent , the proponent must infuse at least 10% of construction costs, regardless of whether the value of the land is enough to cover the equity. 5. The outstanding loan obligation at any given tine shall not exceed 80% of the collateral value.	3. Succeeding drawdown subject to 90% utilization of previous drawdown 4. Outstanding loan obligation not to exceed 70% of the collateral value.
Interest Rate	The loan shall bear an interest based on the prevailing rates in the Fund's Full Risk-Based Pricing Framework for wholesale loan programs.	FIXED TERM RATE 1-Year Term 5.875% 2-Yeat Term 6.000% 3-Year Term 6.125%
Loan Term	The loan term shall be based on the prevailing rates in the Fund's Full Risk-Based Pricing Framework for the wholesale loan programs.	Based on the cash projection but nit to exceed 3 years
Loan Payment	1. Interest 2. Principal 3. Assignment of Takeout Proceeds 4. Payment for Redemption of	1. Interest shall be due at the end of the 13th Month from date of initial loan release 2. Principal due on/before the 18th month from the date of

	Collateral 5. Partial payments shall be accepted but the unpaid portion of the amount due shall be charged with the applicable penalty. Any amount paid by the project proponent shall be applied in accordance with the following order of priority: -Penalties, if any; -Non-Life Insurance Premium -Interest; and -Principal, if applicable 6. Any portion of the amount due that remains unpaid after the due date shall be charged with a penalty of 1/20 of 1% for every day of delay.	initial loan release.
Effectivity of the Loan	TBD	1. The construction of the project must commence **within six (6) months from receipt of the Notice of Approval (NOA)** and, within a period of twelve months from initial loan release, must have units ready for occupancy. 2. The project must be fully **completed** within a maximum period **of three (3) years.**
Collateral	1. The loan shall be secured by a first Real Estate Mortgage (REM) on the property subject of the loan, including the land and/or building/improvements comprising the housing project and any improvements that will thereafter exist on the project site. It must be covered by an Original/ Transfer Certificate of Title issued by the Registry of Deeds free from all liens and encumbrances. 2. In case the value of the onsite collateral is insufficient, the loan may be secured by	1. First Real Estate Mortgage on real estate property 2. **On-site: 70% LTV** 3. **Off-site:50% LTV** (Optional) -can be either contiguous or adjacent to the project site or located in other area -can be either undeveloped or fully developed or fully developed residential lands

	additional collateral is insufficient, the loan may be secured by additional collateral acceptable to the Fund. This may come in the form of undeveloped, partially developed or fully developed residential lands, either adjacent or contiguous to the project site or located in other areas. The LTV ratio of the additional collateral shall be limited to 50% 3. For **LGU**s, in case the subject property/ies cannot serve as collateral, the developmental loan shall be secured by a Deed of Assignment of Internal Revenue Allotment in favor of Pag-IBIG Fund with the conformity of the Department of Budget and Management. The **LGU**s at its option, may also be allowed to execute a Deed of Assignment of Receivables, Rental Payments and Other Income from its commercial concessions in favor of Pag-IBIG Fund, obligating the proponent to remit the said receivables / income to the Fund, and giving the latter the authority to collect, or to accept payment therefrom. 4. Pag-IBIG Fund shall allow partial releases of collateral; provided that, the LTC ratio after the release of collateral is maintained at 80%.	
Documentary Requirements	TBD	**TECHNICAL REQUIREMENTS** 1. Project Evaluation Requirements 2. Property Identification Requirements 3. Land Development and

		Building Construction Requirements