**NATIONAL HOME MORTGAGE FINANCE CORPORATION**

NHMFC CORPORATE CIRCULAR NO. CMP-003
18 October 1989
Series of 1989


TO : ALL ORIGINATING INSTITUTIONS AND BORROWERS

SUBJECT : LOAN VALUATION FOR ON-SITE PROJECTS UNDER
THE COMMUNITY MORTGAGE PROGRAM

In the interest of the service and in order to accelerate the implementation of the Community Mortgage Program (CMP), certain program changes and amendments are hereby adopted as follows:

1. In the case of a blighted property on which the majority of the members of the Community Association have been residents prior to 25 February 1986, the land, subject of a proposed on-site Community Mortgage, will no longer require appraisal. For this purpose, the value to be assigned to said property, subject of a CMP loan, shall be the mutually agreed contract price between the Landowner and the Community Association covering the purchase of said land, provided, however, that the contract price does not exceed ₱10,000,000.00. This is provided further that the Community Association's loan shall not exceed an allocation in the amount of ₱30,000 per household or the beneficiary's affordability as spelled out under existing lending guidelines, whichever is lower.
2. The loan-to-value ratio in the above case, where no property appraisal has been made, shall be increased to 100%.

These amendments to NHMFC Corporate Circular No. CMP-001 shall take effect immediately.


RAMON A. ALBERT
President