



NATIONAL HOME MORTGAGE FINANCE CORPORATION

CORPORATE CIRCULAR NO. CMP- 010
Date August 02, 1991
Series of 1991.

TO : ALL ORIGINATORS AND BORROWERS
SUBJECT : ROAD RIGHT-OF-WAY UNDER THE
COMMUNITY MORTGAGE PROGRAM

To show proof of existence of a suitable and adequate Right-of-way as based on HLURB standards, the following documents shall be submitted for projects not bounded by a road lot:

1. For old community off-sites

Submission of any of the following documents:

- 1.1 TCT showing the appropriate annotation of subservient property;
- 1.2 Notarized agreement between owner of the property and the community association where the former agrees to provide right-of-way to the community association's property;
- 1.3 LGU certification of existence of Right-of-way
 - 1.3.1 Certification from the Office of the City/District/Provincial Engineer that the road is classified as city/municipal/provincial or barangay/feeder road.
 - 1.3.2 Certification from said office if the existing road, either subdivision or private road, is already donated to the government.
- 1.4 In lieu of 1.3.2, a deed of donation executed by the owner of the subservient property accepted by, and in favor of, the Local Government.

2. For on-site projects

- 2.1 Submission of any of the documents stated in No. 1.

2.2 If no. 2.1 is not possible, the project/ property shall be accepted subject to a reduction in the loanable amount as determined by the following factors:

2.2.1 The rawland appraisal (which assumes a RROW) shall be reduced by the following valuation, whichever is higher:

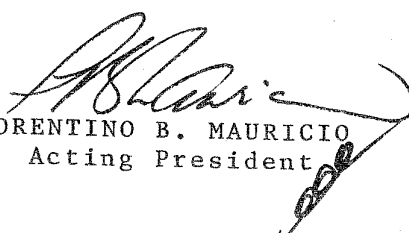
- a. 20% of the appraisal value established in no. 1.
- b. Estimated cost of Right-of-way (see attached formula)

-OR-

2.2.2 Actual cost of acquiring right-of-way as evidenced by an offer to sell by the owner thereof.

For projects which have already been accepted but not yet accredited, the same shall only be processed upon compliance of the appropriate requirements stated above.

This circular shall take effect immediately.


FLORENTINO B. MAURICIO
Acting President