



Social Housing Finance Corporation

a subsidiary of National Home Mortgage Finance Corporation

Corporate Circular HDH No. 14 - 005
Series of 2014

**Subject: ACQUISITION OF PROPERTY BY SHFC AND USUFRUCT
UNDER THE HIGH DENSITY PROGRAM**

Section 1. Statement of Policy and Purpose

It is the Social Housing Finance Corporation's (SHFC) corporate policy to ensure delivery and management of safe, affordable and decent permanent housing solutions for informal settler families (ISFs) living in danger areas and waterways in Metro Manila.

Thus, it is the corporate objective to accord ISFs security of tenure against infringement, or unjust, unreasonable and arbitrary eviction or disposition, through the right of ownership, lease agreement, usufruct and other contractual arrangements, as cited in the Joint Memorandum Circular of April 2013 invoking Section 3, par. (o) of Urban Development and Housing Act of 1992 (UDHA). The period of said arrangements should be at least equal to the term of loan.

SHFC Corporate Circular No. 13-026, or the High-Density Housing Guidelines dated 11 July 2013, provide for the implementation framework for SHFC's participation in the priority Php50-Billion Informal Settler Families (ISF) Housing Program which is a part of the government's National Shelter Program for the relocation of ISF residing in danger areas and waterways in Metro Manila.

SHFC is fully empowered under its Articles of Incorporation and By-Laws, as affirmed by its Board through Board Resolution No. 391, Series of 2014, to pursue these mechanisms, including the acquisition of property in its own name and for eventual disposition to the community association, or entering into a usufruct arrangement, for the implementation of the HDH Program.

Section 2. Definition of Terms

For purposes of this IRR, the following terms or words shall mean or be understood as follows:

- a. People's Plan - refers to a proposal developed by the community to be relocated, with the assistance of concerned government agencies.
- b. Big Project – refers to a housing project amounting to more than Php90 million in total project costs consisting of land acquisition, site development and building construction.
- c. Small Project – refers to one which amounts to Php90 million or less in total loan amount.

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