



SOCIAL HOUSING FINANCE CORPORATION

Enhancing People's Lives and Empowering Communities through FAIR Shelter Solutions

Corporate Circular HDH No. 17 - 014
Series of 2017

**SUBJECT: AMENDMENT TO THE PROCESS OF LOAN RELEASE UNDER
THE IMPLEMENTING RULES AND REGULATIONS FOR
BUILDING CONSTRUCTION AND SITE DEVELOPMENT LOANS
FOR HIGH DENSITY HOUSING PROGRAM**

I. Purpose

In order to expedite and efficiently process and release the drawdown payments to the HDH Contractor, the role and responsibilities of the HDH vis-à-vis the Construction Project Manager shall be distinguished. The CPM is primarily responsible for the monitoring and inspection of the progress of construction works of HDH projects in accordance with the plans, specifications and schedules as provided for in the Construction Agreement between the Homeowner's Association and its Contractor.

In this regard, the third paragraph of Section 9 of HDH Circular No. 14-002 which outlines the documentary requirements for loan release is hereby amended.

II. Requirements for Loan Release

For every payment of loan release, submission of the following requirements shall be made:

a. Community Association:

- a. Request for payment of the Community Association
- b. Certificate of Completion and Acceptance (COCA) (for final billing, less retention fee)
- c. Board Resolution of the CA, Minutes of the Meeting and General Assembly for the issuance of COCA (for final billing less retention fee)

b. Contractor/ Developer

- a. Request for payment of the contractor to the Community Association
- b. Statement of Account with attached summary and detailed work accomplishment (SWA) indicating the percentage of work progress per Cluster and signed by the developer/ Contractor and the community association
- c. Pictures of the projects (showing the actual work progress)

c. Construction Project Manager (CPM)

- a. Summary and Detailed statement of Work Accomplishment (SWA) indicating the percentage of work progress per Cluster. It shall also indicate issues or observations of the concerned project and the compliance or corrective measures undertaken by the Contractor regarding the previous issues or observations raised by the CPM in his previous report.
- b. Pictures of the projects (showing actual progress)

For projects **prior** to the hiring of the services of a CPM, the requirements under Section II (c) shall be complied by the HDH Technical Team.


III. Amount for Release

The amount to be released to the Contractor shall be the amount based on the CPM's detailed schedule of percentage accomplishment or the amount billed by the Contractor, whichever is lower.

IV. Role of HDH Technical Team

Upon receipt of the status reports from the CPM detailing defects and deficiencies in the work of the Contractor, the HDH Technical Team shall formally communicate the same to the Contractor so that the required corrective measures can be undertaken. The HOA and the CSO Partner shall also be furnished with said communication.

This Circular shall apply to HDH projects which are presently being processed for payment. This shall be effective immediately upon posting in the SHFC website.


MA. ANA R. OLIVEROS
President, SHFC

Date Approved: April 7, 2017