



SOCIAL HOUSING FINANCE CORPORATION
a subsidiary of National Home Mortgage Finance Corporation



CORPORATE CIRCULAR CMP NO. 13 - 029

December 02, 2013

Series of 2013

**SUBJECT: GUIDELINES ON THE ADVANCE PAYMENT OF
TRANSFER EXPENSES FOR THE ACCOUNT OF
THE LANDOWNER**

In the interest of service, and in order to facilitate the take-out of projects under the Community Mortgage Program (CMP), as well as the transfer of title in the name of Community Associations, the following guidelines shall be adopted:

I. POLICY

- ❖ Payment of **unpaid Real Property Tax assessments** covering the property subject of CMP, whether or not the tax lien is annotated to the title of the property may be deducted from the loan proceeds upon written request of the landowner/s of the property;
- ❖ Payment of **taxes and fees required for the transfer of title** in the name of Community Association and annotation of Real Estate Mortgage may also be deducted from the loan proceeds upon written request of the landowner/s of the property. These taxes and fees include the following:
 - Transfer Tax
 - Documentary Stamp tax on Sale
 - Documentary Stamp tax on Mortgage
 - Registration of Sale
 - Registration of mortgage
- ❖ **Taxes and other fees in cases of Extra-Judicial Settlements of the estate of deceased landowners** are likewise allowed to be deducted from the loan proceeds upon written request of the heir/s of the deceased landowner/s. These include the following:
 - Estate Tax – *refer to CMP Circular No. 12-020, Series of 2012 Re Guidelines for the Advance Payment of Estate Tax in cases of Extra-Judicial Settlement of Estate of Deceased Landowner/s*
 - Heir's bond

