



*Kaagapay ng Komunidad sa Maginhawang Pamumuhay*



**SHFC Corporate Circular No. 054  
Series of 2020**

**TO : ALL CMP BORROWERS/MOBILIZERS/STAKEHOLDERS**

**SUBJECT : GUIDELINES ON MORATORIUM ON THE PAYMENT OF MONTHLY AMORTIZATIONS ON HOUSING LOANS DUE TO THE ENHANCED COMMUNITY QUARANTINE (ECQ) IN LUZON AND THE DECLARATION OF THE STATE OF CALAMITY OVER THE ENTIRE COUNTRY AMID THE COVID-19 GLOBAL PANDEMIC**

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The Social Housing Finance Corporation (SHFC) is granting a three-month moratorium on the payment of monthly amortizations on housing loans for all its projects nationwide due to the Enhanced Community Quarantine (ECQ) in Luzon and the declaration of State of Calamity over the entire country amid the COVID-19 pandemic pursuant to SHFC Board Resolution No.840, Series of 2020.

This moratorium aims to help alleviate the economic difficulties of our partner-homeowners to enable them to focus on meeting their basic needs and safety. This is also the agency's share in the government's effort to mitigate the spread of the coronavirus.

**I. DEFINITION OF MORATORIUM**

Moratorium shall mean the automatic deferment of payment of monthly amortization due on housing loan, consisting of principal and interest, without imposition of penalties.

**II. MORATORIUM PERIOD**

The moratorium program shall be for a period of three (3) months, effective March 16, 2020 until June 15, 2020.

**III. WHO ARE QUALIFIED TO AVAIL**

The moratorium program is available to all projects/accounts (i.e. homeowner's association or HOAs, and member-beneficiaries or MBs) under the Community Mortgage Program (CMP) and the High Density Housing (HDH) program nationwide, regardless of project/account status. This means that all projects/accounts, including those that are newly taken-out, whether updated or delinquent, are qualified to avail of the moratorium.

**IV. HOW TO AVAIL OF THE MORATORIUM**

The grant of moratorium is automatic. Thus, all projects/accounts are covered by the moratorium, and need not file a request or application with SHFC.



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## **V. EFFECT OF THE MORATORIUM ON THE LOAN TERM**

As a result of the grant of moratorium and/or deferment of payments, the loan term shall correspondingly extend by three (3) months. For MBs who will reach the age of seventy (70) years old during the extension of the loan term, they will no longer be covered by the Mortgage Redemption Insurance (MRI).

The consent/agreement/conformity to the extension of the loan term shall be submitted by the HOAs or MBs to the SHFC within this year.

## **VI. RESUMPTION OF AMORTIZATION PAYMENT**

Payment of loan amortization will resume on June 16, 2020. The three months of deferred payments covered by the moratorium shall be paid within three months from the expiration of the loan term or immediately upon pre-termination or pre-payment of the account.

## **VII. MANNER OF COMPUTATION OF ACCOUNTS**

With regard to updated accounts, no amortization shall be collected during the moratorium period. Payment of amortization shall resume on June 16, 2020.

On accounts in arrears, penalty shall be computed until March 15, 2020. No additional penalties shall be imposed until June 15, 2020. Penalty computation shall resume on June 16, 2020.

However for both type of accounts, the HOAs and MBs will still have the option to pay their monthly amortizations during the moratorium period without compromising their health and safety. For updated accounts, payments shall be treated as deposit to be applied to amortization due after the period of moratorium. For delinquent accounts, payment shall be applied outright to arrearages before the effectivity of the moratorium.

## **VIII. MORTGAGE REDEMPTION INSURANCE (MRI) COVERAGE**

The MBs are continuously covered by the MRI during the moratorium period. Unpaid MRI premiums, if any, shall be deducted from the MRI prepayment/advanced or excess payments upon full payment/settlement of the account. If the MRI prepayments/advanced or excess payments have been fully utilized, the unpaid MRI premiums shall be settled by the MB.

For immediate implementation.

  
**ATTY. ARNOLFO RICARDO B. CABLING**

President

Date : March 31, 2020