



NATIONAL HOME MORTGAGE FINANCE CORPORATION



NHMFC Circular No. 079
October 26, 2020
Series of 2020

Subject : **Payment Moratorium/Grace Period for NHMFC Borrowers**

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To help ease the financial burden of its borrowers highly impacted by Covid-19 pandemic, the NHMFC, by virtue of an authority granted by its Governing Board under Board Resolution No. 3743-A, hereby grants a 2-month payment moratorium. This moratorium shall also serve the intent of Republic Act No. 11494 or the Bayanihan to Recover as One Act whose *grace period* provision under Section 4 (uu) practically carries similar mechanics with this moratorium.

I. Definition

This moratorium shall mean deferment of billing and payment of monthly housing loan amortization for a certain period, in this case two (2) months. No penalties and interest on interest shall accrue on the monthly amortization during the moratorium.

II. Coverage

The *moratorium* shall *automatically* cover **all** NHMFC portfolio of accounts with outstanding loans or with principal and/or interest falling due within November to December 2020.

III. Exclusion from Coverage

The following are excluded from coverage:

- a. Foreclosed Accounts ;
- b. Accounts with buyers under BIDA awaiting approval (IL-SAMOR, IL_BIDA tagged);

IV. Period of Moratorium

The moratorium shall be for a period of two (2) months from **November to December 2020**.

V. Mechanics

- a. Monthly billing for the months of November to December 2020 shall be suspended.

- b. The loan term shall be automatically extended by 2 months, the same number of months that the loan is under moratorium.
- c. Borrowers are not precluded from payment of the equivalent dues subject of moratorium earlier or anytime within the loan term.
- d. Payments made for updated accounts within the moratorium period shall be treated as advance payments.
- e. Payments made for accounts in arrears shall be applied and distributed to their payables/dues as of date of payment following NHMFC's order of application of payment policy.
- f. Post-dated checks (PDCs) of housing loan borrowers dated November and December 2020 shall not be deposited, unless otherwise requested by the borrower via email, messenger, or text message, such request must be received by NHMFC not later than October 31, 2020.

VI. Resumption of Billing/Amortization

Monthly billing and/or amortization payments resumes on borrower's due date in January 2021.

VII. Implementation

- a. Collection and Accounts Management Group shall be responsible for the direct dissemination of information regarding the moratorium and its mechanics to the borrowers.
- b. Public Assistance and Information Office shall take care of the promotional and public announcements via available media.
- c. Information Technology Department shall ensure that the mechanics of this program are accordingly reflected in the Mortgage Accounting and Collection Information Systems (MACIS).

VIII. Mechanism for Resolution

Any issue in the interpretation and implementation of this moratorium shall be resolved by implementing groups. Matters requiring further clarifications and/or amendments will be resolved and approved by the NHMFC Executive Committee, subject to existing laws.

For strict implementation.

 Digitally signed by Bustos
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President