

GMA signs into law housing loan restructuring bill

Filipinos facing foreclosure can now save their homes through a rational loan restructure and condonation scheme after President Arroyo signed into law the Socialized and Low-Cost Housing Loan Restructuring and Condonation Act of 2008 yesterday.

Mrs. Arroyo signed Republic Act 9507 in Luisiana town, a fifth class municipality and site of the launching of the first local housing project in Laguna.

Mrs. Arroyo arrived at the housing site in Sitio Dapi in Barangay San Jose at 11:35 a.m.

She was welcomed by Vice President Noli de Castro, Laguna Gov. Teresita Lazaro, Rep. Edgar San Luis and Luisiana Mayor Manuel Rondilla.

The signing ceremony was also witnessed by Sen. Juan Miguel Zubiri, the principal author of RA 9507, and National Housing Authority General Manager Federico Laxa.

"Republic Act 9507 offers a rational loan restructuring and condonation program for the underprivileged and homeless Filipinos that takes into consideration the credit worthiness and credit discipline of the borrowers and the financial viability of the lending institutions," a Malacañang statement said.

The law would save some 360,000 individual delinquent home borrowers from being homeless.

During the program, Mrs. Arroyo also formally launched the 4th

district's local housing project with the lowering of a time capsule containing several coins, newspaper and the housing project's plan.

The housing project is on a two-hectare lot with an average 40 square meter lot size costing P12,000 per lot to be distributed to 305 families and informal settlers.

At the site, Mrs. Arroyo switched on the rural electrification for the three Laguna municipalities: Sitio San Francisco, Barangay Macatad-Bubucal in Siniloan, Laguna; Sitio Dapi, Sahur-Ulan, Barangay Salang Bato, Famy, Laguna, and Sitio Mayputat, Barangay Libis ng Nayon, Mabiatat.

Mrs. Arroyo also handed over a check amounting to P3.135 million to

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Rondilla as funding for land acquisition to expand the housing project.

De Castro lauded yesterday the signing of RA 9507, which empowers the governing boards of lending institutions to give reasonable discounts on loan interest as an incentive to borrowers who pay their amortizations on time, he added.

Under the program, housing loan borrowers who have at least three months of unpaid monthly amortizations with government financial institutions and housing agencies may apply for loan restructuring and

condonation.

The law covers housing loan accounts with the Government Service Insurance System, Social Security System, Pag-Ibig Fund, National Home Mortgage Finance Corp., Social Housing Finance Corp., Home Guaranty Corp. and National Housing Authority, with principal loan

amounts not exceeding P2.5 million.

The program is open even to accounts that have already availed of a previous restructuring and condonation program.

All penalties and surcharges of a loan approved for restructuring under this program shall be condoned.

- With Pia Lee-Brage