

Pag-IBIG Fund Updates

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Home Lending Operations Cluster





Pag-IBIG Fund Snapshot

16.6 Million
Members

as of July 2016

425.24 B

Total Assets

as of July 2016

2015

30.71 B

Membership Savings

2015 Dividends

14.24

Highest Ever!

B

2015

20.54 B

Net Income

14.25 B

Jan. – July 2016

114

Branches
Nationwide

23 **Posts**
Worldwide



Housing Loan Take-outs

Actual Loan Take-outs

2009 – August 2016

P45.70 B



2009

P40.80 B



2010

(11%)

P31.53 B



2011

(23%)

2012

2013

2014

2015

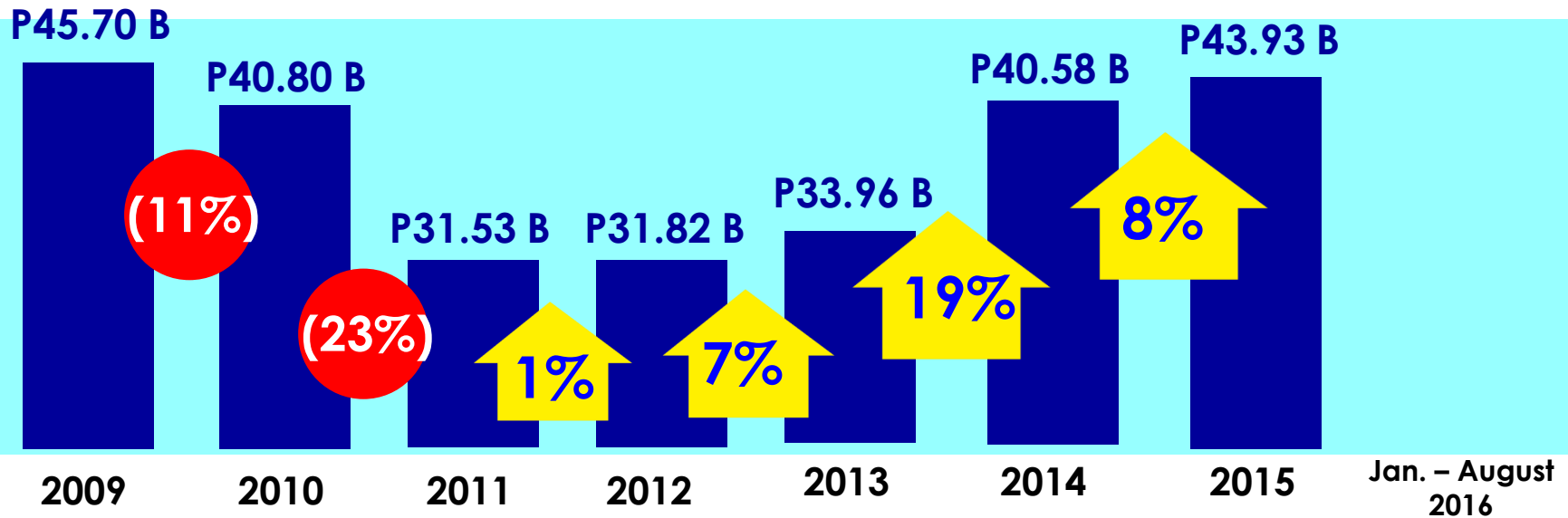
Jan. – August
2016



Housing Loan Take-outs

Actual Loan Take-outs

2009 – August 2016

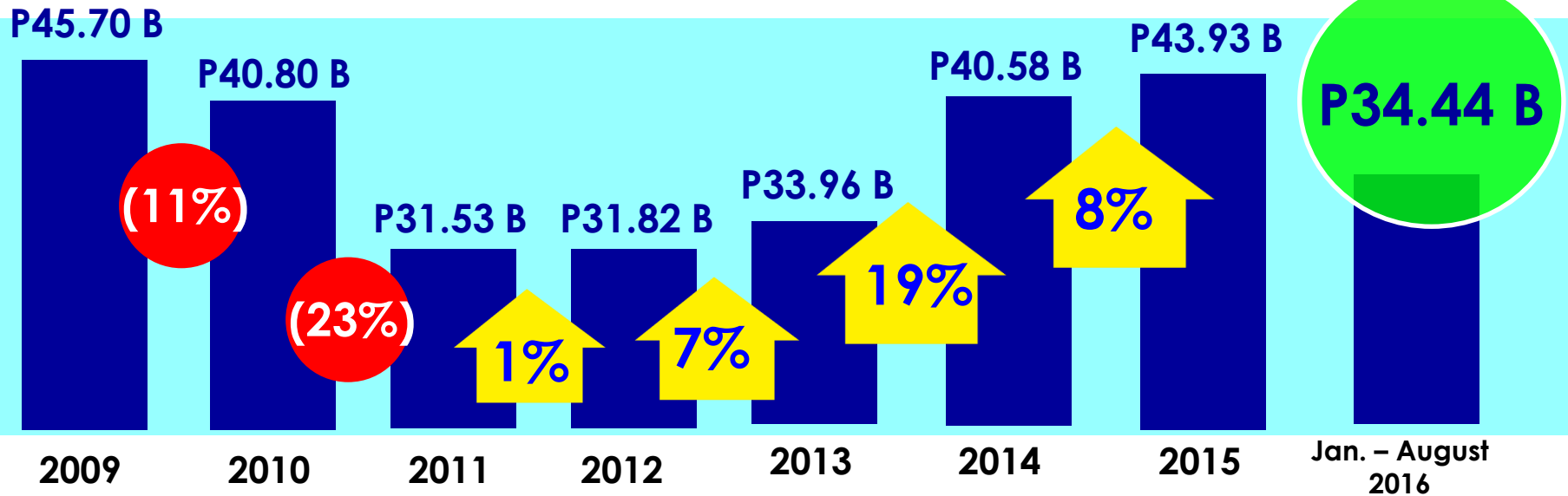




Housing Loan Take-outs

Actual Loan Take-outs

2009 – August 2016

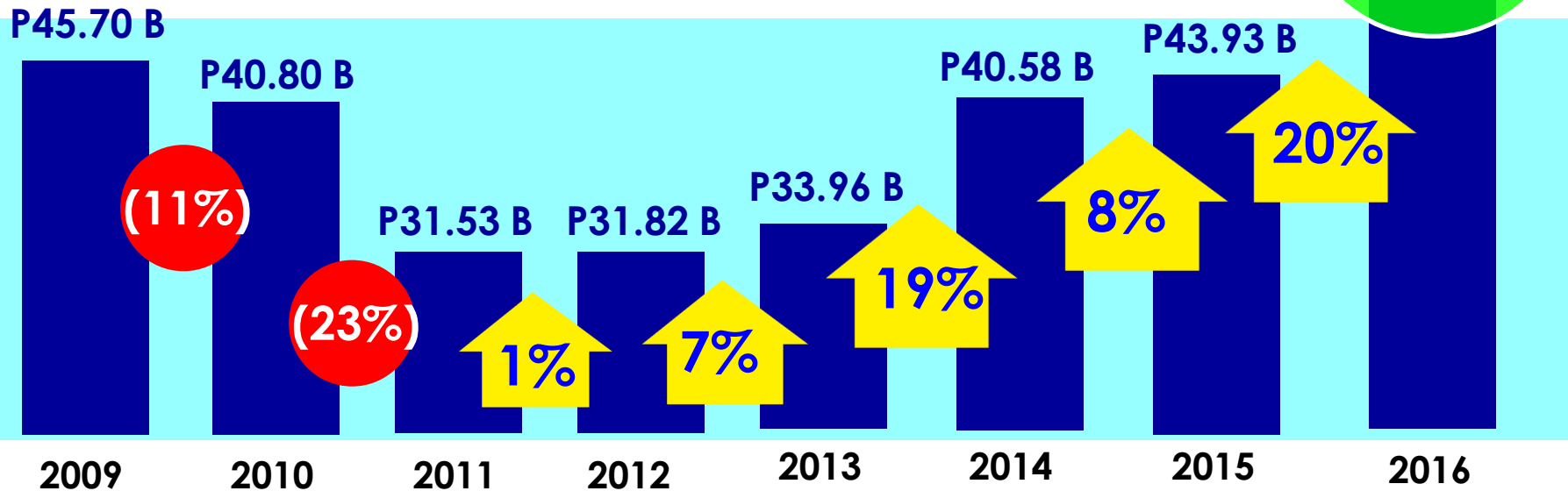




Housing Loan Take-outs

Actual Loan Take-outs

2009 – August 2016

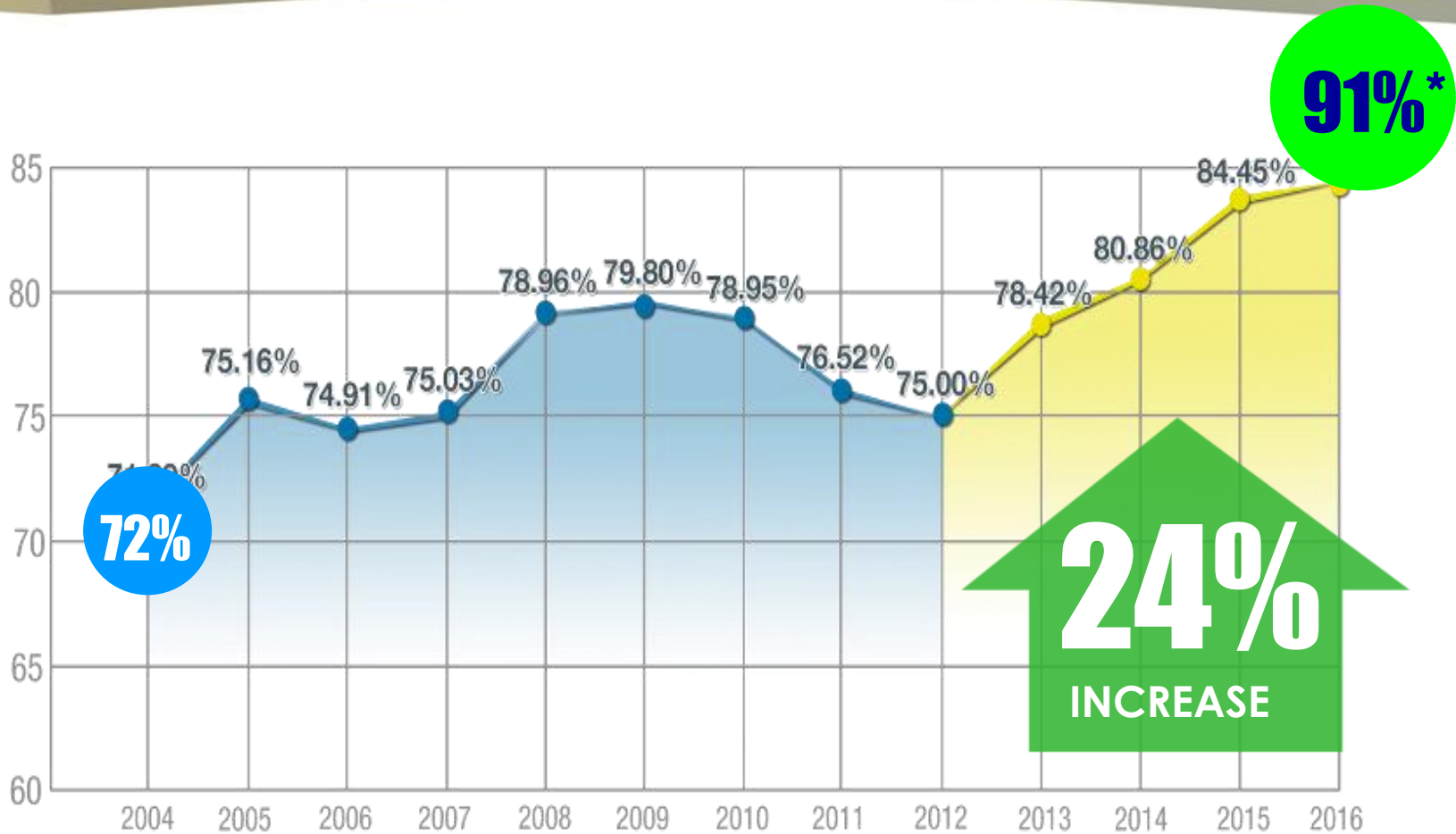


2016 Total Take-out

P51.6 to P53.8B



Corporate-Wide Performing Loans (PL) Ratio

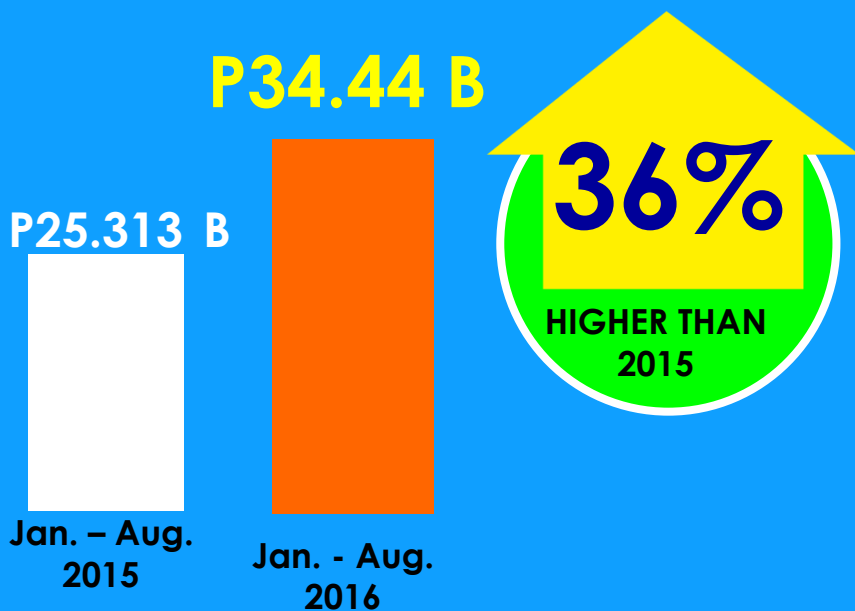


**net of impairment loss*



Actual Housing Loan Takeouts (Corporate-Wide)

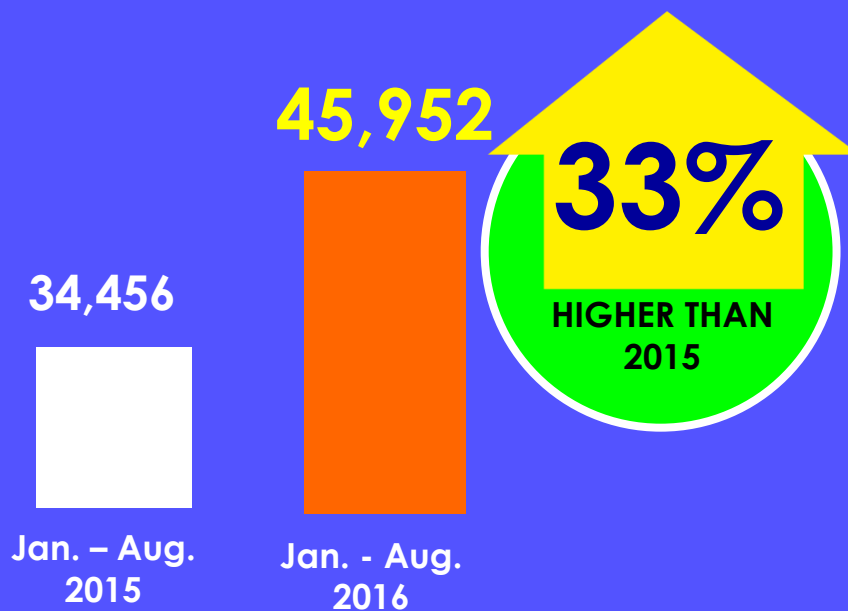
LOAN VALUE



Total Loan Value
inclusive of approvals
(Jan. - Aug. 2016)

P48.56 B

NO. OF UNITS



Total No. of Units
inclusive of approvals
(Jan. - Aug. 2016)

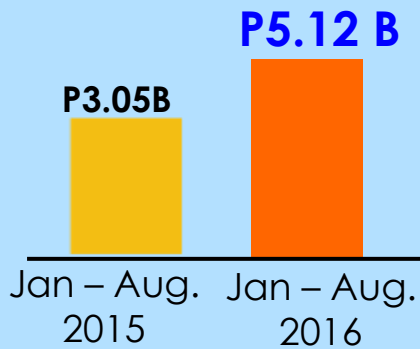
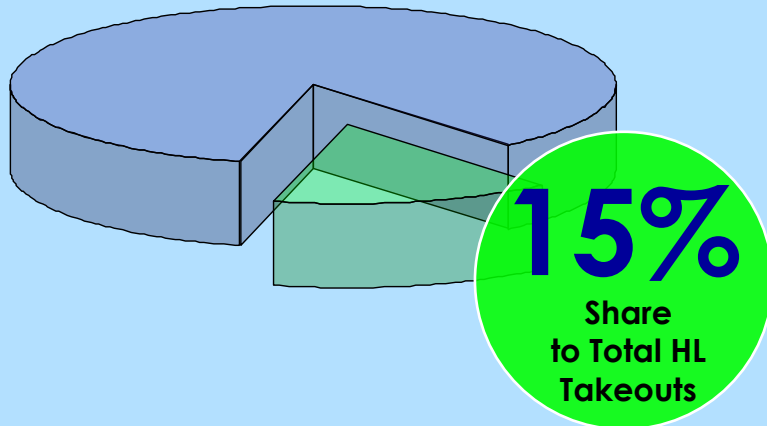
63,787



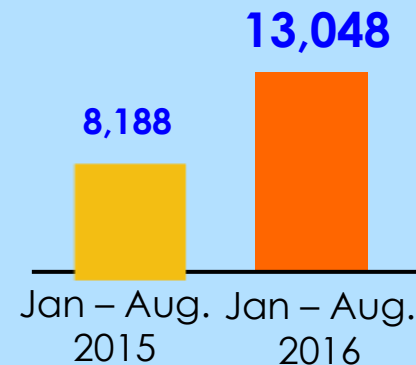
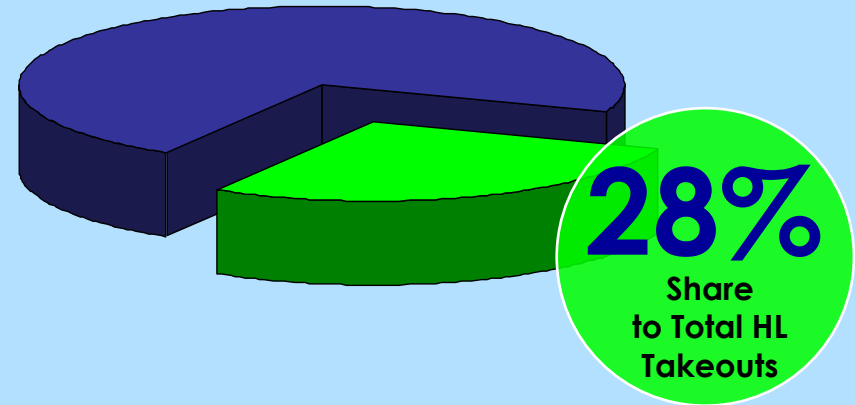
Affordable Housing Loan Takeouts

Corporate-Wide (January - August 2016)

ACTUAL LOAN VALUE **P34.44 B**



ACTUAL NO. OF UNITS **45,952**



Major Reforms





Better Benefits for Members

Low HL Interest Rate Policy

End-User Financing Program



Affordable Housing Loan Program



*1-year re-pricing period effective July 1, 2016

End-User Financing Program Rates per Re-Pricing Period

Loan Amount	End-User Financing Program Rates per Re-Pricing Period							
	1-Yr Fixing	3-Yr Fixing	5-Yr Fixing	10-Yr Fixing	15-Yr Fixing	20-Yr Fixing	25-Yr Fixing	30-Yr Fixing
Up to (PHP 6M)	5.500%	6.500%	7.270%	8.035%	8.585%	8.800%	9.050%	10.000%



Risk-Based Pricing Framework

Formula for Risk Based Pricing:

- Interest Rate =
 Base Rate + Cost of Servicing and Administering
 + Expected Loss Rate
 + Margin + Use of Capital
- Rounded total to the nearest 0.005%

Interest Rates before adoption of risk-based pricing (Cir. 247)		Interest Rates adopting of risk-based pricing (Cir. 310)	
Interest rates based on loan amount		Interest rates based on fixing period effective July 2016	
Up to 400k	6%	1 year-fixing	5.500%
Over 400k up to 750k	7%	3 year-fixing	6.500%
Over 750k up to 1 M	8.5%	5 year-fixing	7.270%
Over 1 M up to 1.25 M	9.5%	10 year-fixing	8.025%
Over 1.25 M up to 2 M	10.5%	15 year-fixing	8.585%
Over 2M up to 3 M	11.5%	20 year-fixing	8.800%
		25 year-fixing	9.050%
		30 year-fixing	10.000%

**Amortization Savings
for a P1 Million Loan**

Savings from Risk-Based Pricing



Improved Insurance

for Housing Loan Borrowers

Insurance Premium Cut by Almost 50%

Features	Before (YRT Insurance Pool)	Now (Lockton Philippines and Reinsurance Brokers, Inc.)
Premium Rates	41¢ per P1,000	23¢ per P1,000
Burial Benefit	None	Up to P20,000
Effect of Total Permanent Disability	None	Full payment of loan
Effect of terminal illness	None	Amortization support up to P500,000
Experience Refund	None	20% of the insurer's profit to be refunded to the insured
Medically Sub-standard Premium	With additional premium	None
Claims Processing	Within 30 days	Within 24 hours

**MRI Premium
for OFWs
Reduced by 90%**

from P2.41
NOW only P0.23
for every
P1,000.00

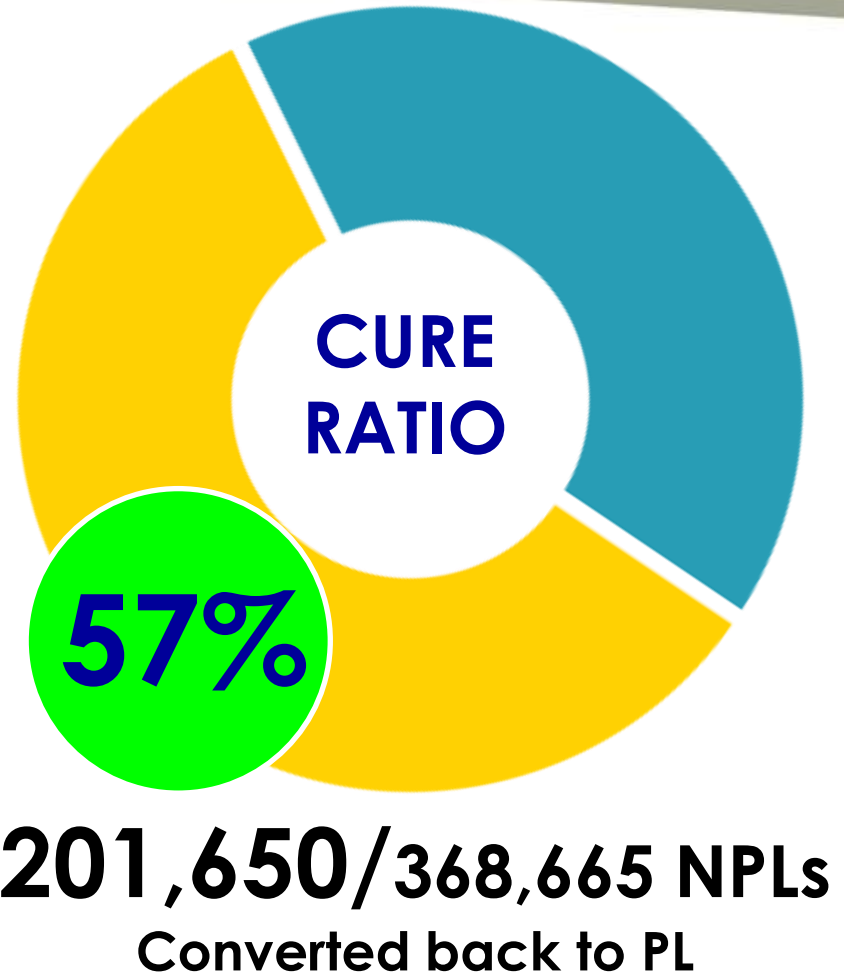




Outsourcing of Collections

REMEDICATION COLLECTIONS (IN MILLIONS)

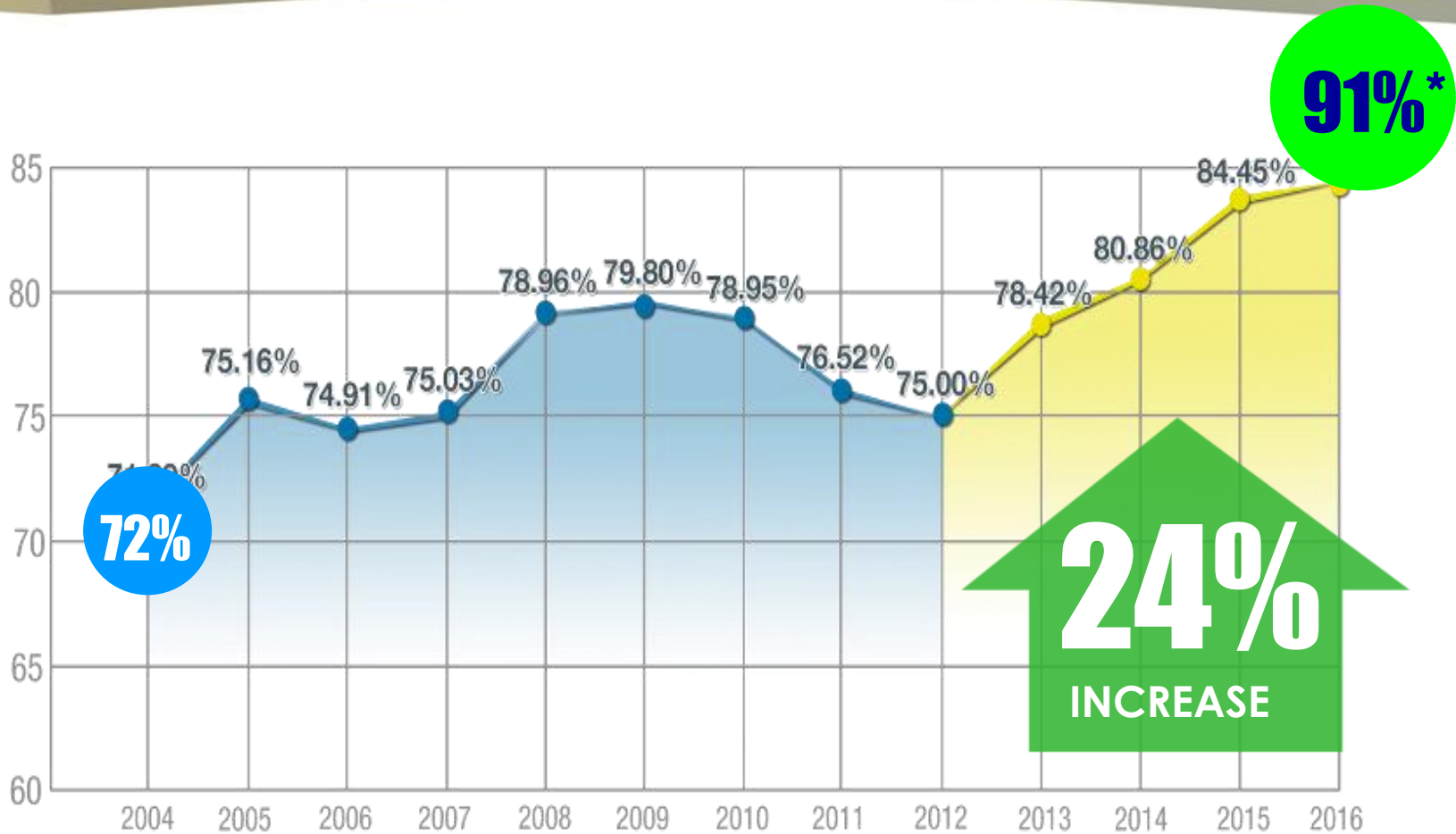
2013	P 3,346.553
2014	P 2,761.936
2015	P 2,934.007
2016 as of August	P 2,219.332
Overall Total as of August 2016	P11,261.828



as of Aug. 2016



Corporate-Wide Performing Loans (PL) Ratio



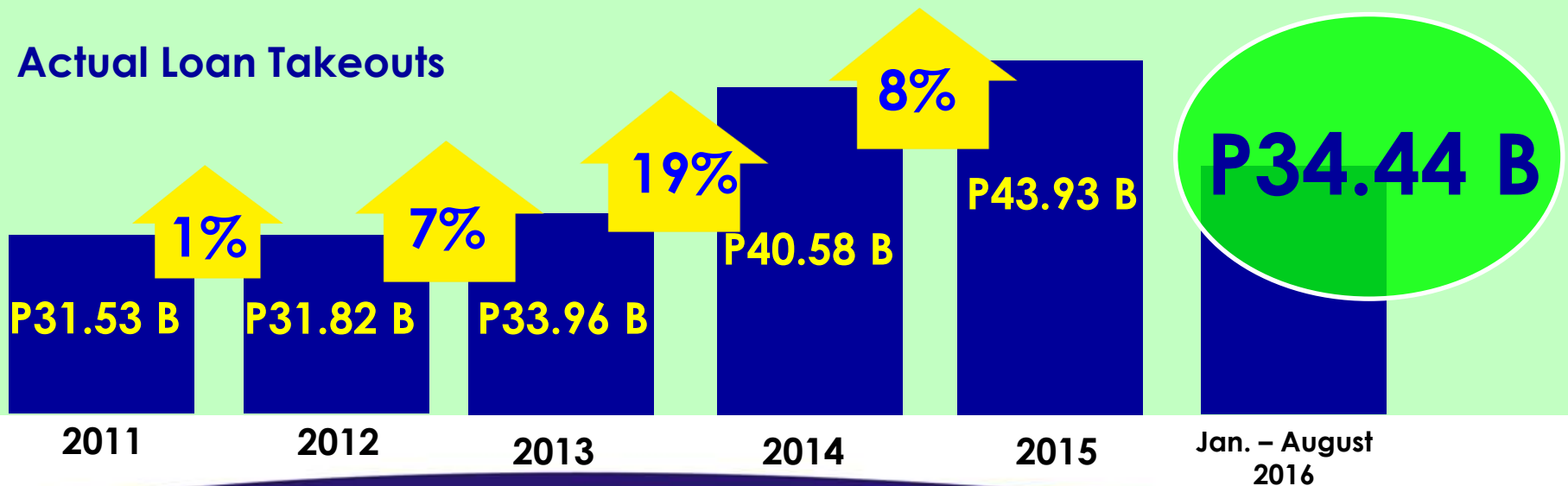
**net of impairment loss*



Creation of Business Development Sector

- Helps maintain and strengthen the Fund's dealings with its partner-developers
- Establishes and keeps an active and growing business relationship with corporate accounts and developers
- BDS started on 3Q 2012

Actual Loan Takeouts





Loan-To-Value (LTV) Ratio

Before

- Borrower Evaluation System (BES) determines applicable LTV:
 - LTV reduced by as much as 10%, depending on BES result
 - As low as 70% LTV for borrowers with POOR results



Fixed LTV for developer-assisted accounts

- 100% for loans up to P450K, provided property is in a socialized housing project.
- 90% for loans up to P1.7 M**
- 85% for loans over P1.7 M

Features	Circular 247	Circular 310
Effectivity	April 5, 2009	July 2, 2012
LTV Ratio	Up to P750,000 – 100% (Covered by Buyback Guaranty)	Beyond the BP220 Limit Up to P750,000 – 90% (No more Buyback Guarantee)



Enhanced Appraisal for “Green” Features

Premium pricing covers:

- Landscape Waste Minimization in accordance with Green Technology
- Use of Solar or Energy Efficient Lighting System
- Eco-sanitation (i.e. waste water recycling and treatment system)

**Maximum 20%
positive adjustment***

**Adjustment is based on various factors such as location, area, features, etc.*

Pag-IBIG Fund Updates

Thank you

