

## **Pag-IBIG reports best-ever housing portfolio in its history**

Pag-IBIG Fund disbursed a total of P40.6 billion in 2014 - the highest since 2011, for the housing loans of Pag-IBIG members, equivalent to the acquisition and construction of 54,026 housing units. 2011 is the year when the reforms were implemented after the Globe Asiatique controversy in 2010.

Not only did the Fund disburse the highest loan takeout in 2014, it also recorded its best-ever housing portfolio, bringing to 87% its Performing Loans Ratio (PLR) from the 77% level in 2006, the lowest on Pag-IBIG's record in the last ten years.

With the figures, Vice President Jejomar Binay, concurrently Chairman of the Pag-IBIG Fund Board of Trustees, said that the agency has once again demonstrated its solid and robust financial standing, benefitting more Pag-IBIG members.

The 2014 takeout level is 19% or a P6.6 billion increase from 2013's disbursement of P34 billion. This increase is more than double the 9% or P3 billion average takeout growth since 2011.

"Pag-IBIG's performance could have recorded a higher figure, as we have 12,172 housing units worth P10.8 billion that the Fund has already approved but we have not taken out yet. The reason is that there are pending documents, but from our side, we have completed all the process steps. This means that process-wise, we have approved a total loan of 51.4B in 2014." Binay said.

"In 2011, we started to implement reforms in the Fund. We strengthened our underwriting policies and removed program features that were prone to abuse. We also created a business development sector whose task is to provide proactive assistance to Pag-IBIG partners. We rationalized our interest rates, which resulted in lower costs to own a decent home. Now, we are reaping the fruits of those reforms," Binay added.

In the fourth quarter of 2014 alone, Pag-IBIG disbursed P11.9 billion, the second highest loan disbursement in a three-month period throughout the history of the Fund's housing loans operations. President and CEO Atty. Darlene Berberabe beams with pride in sharing the outstanding results of its home lending operations for 2014. She shared, "Our Home Lending business has been competently managed and led by my Deputy CEO Acmad Rizaldy Moti. We went through tough challenges, but focus and decisiveness have helped us implement the things that needed to be done."

Pag-IBIG Fund also recorded a collection of P32.0 billion from housing loan amortizations, P1.3 billion higher than the P30.7 billion collection target in 2014. Including collections from asset recovery, the total housing loan collections of the Fund amounted to P33.9 billion or P2 billion higher than the amount collected in 2013.

According to Berberabe, Pag-IBIG uses email and texts to remind member-borrowers of their monthly amortizations and, in partnership with payment centers like Bayad Center and SM, now makes payment easier as such can be done even during weekends at the borrower's convenience. The Fund also outsourced to courier services the monthly billing statements to ensure their on-time delivery. On top of the improved service, the outsourcing has also provided the Fund a 50% savings on billing statement production cost.

Berberabe added that one of best decisions made by Pag-IBIG was to tap the services of collection agencies to help the agency collect from delinquent accounts under a no cure, no pay arrangement. This initiative, she said, has generated for the Fund an additional P2.7 billion collection for the year 2014.

Pag-IBIG records show that the total amount collected since the Fund tapped the services of collection agencies in 2013 already reached P6.0 billion. This means additional money for the Fund to lend out to more members. The collection effort converted back to performing loans 88,202 or 47% of the 189,498 total delinquent accounts endorsed to the collection agencies.

“The innovative practices and hard work of Atty. Berberabe and its senior management, and the men and women of Pag-IBIG Fund made all these achievements possible. We are proud to say that the reforms instituted by the Fund, which adhere to the principles of excellence and good governance resulted in more Filipinos being able to provide decent and affordable homes for their families, as well as a sustainable Pag-IBIG Fund,” Binay said.