

Pag-IBIG Fund grants 19,000 socialized housing loans in Jan-Sept, up by 15%

Pag-IBIG Fund has increased its socialized housing loan portfolio this year by funding in the last nine months the acquisition of 19,189 affordable homes worth over P7.440 billion.

The number of socialized homes financed from January to September this year is 15% higher than the 16,505 homes funded in the same period last year. The amount disbursed for socialized housing is also 24% higher than the P6.017 billion released in January to September 2017.

By the end of 2018, Pag-IBIG Fund aims to finance 26,709 units worth P8.873 billion under socialized housing.

Socialized housing loans make up 31% of all homes financed by Pag-IBIG Fund since January. The program benefits minimum- and low-wage workers who are usually shunned by banks.

“Socialized housing is designed especially for the minimum- and low-wage workers. President Rodrigo Roa Duterte directed that there be government programs catering to this marginalized sector, hence, we have this housing program that caters to their financial capacity. This is the essence of BALAI Filipino (Building Adequate, Livable, Affordable, and Inclusive Filipino Communities) – decent shelter for every Filipino family,” said Secretary Eduardo D. del Rosario, Chairperson of the Housing and Urban Development Coordinating Council (HUDCC) and the Pag-IBIG Fund Board of Trustees.

Socialized housing loans are up to P580,000 for a 32-square-meter residential unit in a horizontal housing project. Under its Affordable Housing Program, Pag-IBIG Fund now offers the lowest interest rate of 3% per annum, which is 33% lower than the previous 4.5% per annum.

Pag-IBIG Fund subsidizes these low interest rates through its tax savings, being a tax-exempt agency as specified under Republic Act No. 9679.

“Our charter allows Pag-IBIG Fund to offer the lowest rates for minimum- and low-wage workers. And because of the Fund’s better-than-expected financial performance, we see no reason to increase the 3% per annum subsidized rate in the near future. Unlike other institutions, we have a 100% loan-to-value ratio in socialized housing program wherein borrowers don’t have to pay for equity when they apply for a socialized housing loan with Pag-IBIG Fund,” said Pag-IBIG Fund Chief Executive Officer Acmad Rizaldy P. Moti. (END)