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Pag-IBIG Fund hits highest ever performing loans ratio of 90%

Pag-IBIG Fund reached a 90.12% performing loans ratio (PLR) in 2017, the agency's highest ever in its 37-year history. This feat was sustained in the first quarter of 2018 in which it recorded a 90.4% PLR.

The high PLR shows that nine out of 10 of Pag-IBIG Fund's housing borrowers regularly paid their monthly home loan amortizations, reinforcing the agency's sustainability.

"PLR is one of the barometers of Pag-IBIG Fund's sustainability. If our home loan borrowers regularly pay their monthly amortizations, our liquidity improves and we can plow the funds back to our housing portfolio so that more members, especially those with low income, can avail of home loan. This supports President Rodrigo Roa Duterte's social protection agenda. It also aligns with the main objective of BALAI Filipino (Building Adequate, Livable, Affordable, and Inclusive Filipino Communities) program – to provide decent shelter for every Filipino family," Housing and Urban Development Coordinating Council (HUDCC) and Pag-IBIG Fund Chairperson Eduardo D. del Rosario remarked.

Pag-IBIG Fund Chief Executive Officer (CEO) Acmad Rizaldy P. Moti said, *"The high PLR, and conversely low non-performing loans ratio or NPLR, allows Pag-IBIG Fund to maintain low housing loan interest rates. We appreciate our member-borrowers for being conscientious in meeting their Pag-IBIG obligations. Our PLR went up by 15% in five years, from 75% in 2012 to 90.12% in 2017, thereby significantly improving our collections through the years."*

Pag-IBIG Fund generated P51.6 billion in housing collections in 2017, including collections from the sale of Real and Other Properties Acquired (ROPA) – an increase of 9% from the amount collected in 2016. This amount is also 13% above the collection target for 2017 and the highest in the history of Pag-IBIG Fund.

"We will intensify our collection strategies in the coming years so that more will benefit, in turn, from our housing program," added Deputy CEO for Home Lending Operations Cluster Marilene C. Acosta.

To increase collections and improve its PLR, Pag-IBIG Fund outsourced its collection services by accrediting collection agencies starting 2013 and tele-collection companies beginning 2014.

Other factors that contributed to improved collections in 2017 were: regular sending of Monthly Billing Statement to home loan borrowers through outsourced service providers; providing additional payment facilities like Bayad Centers, SM Business Centers, Metrobank, LANDBANK, and M.Lhuillier; enhancing the text blast which includes payment reference numbers with the amount and due date; and, sending of email blast.

Of late, Pag-IBIG Fund has also partnered with EC Pay, Cashpinas, and Globe GCash for off-branch payments of housing loan and membership savings starting July 2, 2018. (END)

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