



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session



COMMITTEE REPORT NO. 21

Submitted by the Committee on Housing and Urban Development on **November 24, 2025**

Re: House Bill No. **6276**

Recommending its approval in substitution of House Bills Numbered 484, 1170, and 2111

Sponsors : Representatives Ma. Victoria Co-Pilar, Roman T. Romulo, Arturo B. Robes, and Howard A. Guintu

Mr. Speaker:

The Committee on Housing and Urban Development to which were referred House Bill No. 484, introduced by Rep. Roman T. Romulo, entitled:

“AN ACT EXPANDING THE RESTRUCTURING AND CONDONATION PROGRAM FOR SOCIALIZED AND LOW-COST HOUSING LOANS, AMENDING FOR THE PURPOSE SECTIONS 3, 4, AND 5 OF REPUBLIC ACT NO. 9507, OR THE SOCIALIZED AND LOW-COST HOUSING LOAN RESTRUCTURING AND CONDONATION ACT OF 2008”

House Bill No. 1170, introduced by Rep. Arturo B. Robes, entitled:

“AN ACT ESTABLISHING A SOCIALIZED AND LOW-COST HOUSING LOAN RESTRUCTURING AND CONDONATION PROGRAM”

and House Bill No. 2111, introduced by Rep. Howard A. Guintu, entitled:

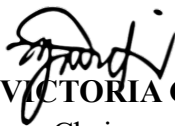
“AN ACT ESTABLISHING A SOCIALIZED AND LOW-COST HOUSING LOAN RESTRUCTURING AND CONDONATION PROGRAM”

has considered the same and recommends that the attached House Bill No. **6276**, entitled:

AN ACT
INSTITUTING A LOAN RESTRUCTURING AND CONDONATION
PROGRAM FOR SOCIALIZED AND LOW-COST HOUSING

be approved in substitution of House Bills Numbered 484, 1170, and 2111 with Representatives Roman T. Romulo, Arturo B. Robes, Howard A. Guintu, Ma. Victoria Co-Pilar, Leila M. De Lima, Kenneth T. Gatchalian, Jan “Atty. JP” Padiernos, Kenneth Paolo Tereng, Henry “Indy” F. Oaminal Jr., Antolin A. Oreta III, Irene G. Labadlabad, Gerald Cloyd Alexis V. Galang, Antonio A. Ferrer, Elijah Rumbaoa San Fernando, Lani Mercado-Revilla, Terry L. Ridon, Nathaniel M. Oducado, Roy M. Gonzales, Sonny “SL” L. Lagon, Steve Chiongbian Solon, and Roy M. Loyola as authors thereof.

Respectfully submitted,


MA. VICTORIA CO-PILAR
Chairperson

Committee on Housing and Urban Development

THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
QUEZON CITY

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 6276

(In substitution of House Bills Numbered 484, 1170, and 2111)

Introduced by **Representatives ROMAN T. ROMULO, ARTURO B. ROBES, HOWARD A. GUINTU, MA. VICTORIA CO-PILAR, LEILA M. DE LIMA, KENNETH T. GATCHALIAN, JAN “ATTY. JP” PADIERNOS, KENNETH PAOLO TERENG, HENRY “INDY” F. OAMINAL JR., ANTOLIN A. ORETA III, IRENE G. LABADLABAD, GERALD CLOYD ALEXIS V. GALANG, ANTONIO A. FERRER, ELIJAH RUMBAOA SAN FERNANDO, LANI MERCADO-REVILLA, TERRY L. RIDON, NATHANIEL M. ODUKADO, ROY M. GONZALES, SONNY “SL” L. LAGON, STEVE CHIONGBIAN SOLON, and ROY M. LOYOLA**

AN ACT
INSTITUTING A LOAN RESTRUCTURING AND CONDONATION PROGRAM FOR
SOCIALIZED AND LOW-COST HOUSING

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1. *Short Title.*** — This Act shall be known as the "Housing Loan Condonation Act".

2
3 **SEC. 2. *Declaration of Policy.*** - It is the policy of the State to undertake a continuing program
4 of urban land reform and housing that will make available at affordable cost decent housing and
5 basic services to underprivileged and homeless citizens.

6
7 To this end, a rational loan restructuring and condonation program shall be instituted that takes
8 into consideration the credit worthiness and credit discipline of the borrowers, and the financial viability
9 of the lending institutions.

10
11 **SEC. 3. *Coverage of the Restructuring Program for Delinquent Socialized and Low-Cost***
12 ***Housing Loan Accounts.*** - There is hereby established a Socialized and Low-Cost Housing Loan
13 Restructuring and Condonation Program under the National Housing Authority (NHA), the Social
14 Housing Finance Corporation (SHFC), the National Home Mortgage Finance Corporation (NHMFC)
15 and the Philippine Guarantee Corporation (PGC). Under this program:

- 16
17 a. For a period of twenty-four (24) months after the issuance of the implementing rules and
18 regulations of this Act, all socialized and low-cost housing loans with the NHA, SHFC,
19 NHMFC, and PGC that have at least three (3) months of unpaid monthly amortizations as
20 of the effectivity of this Act are hereby declared covered by the benefits of this Act,
21 notwithstanding that the same accounts have availed of the benefits of a previous
22 restructuring or condonation program: *Provided, That* the original principal amount of the
23 housing loans shall not exceed One million eight hundred thousand pesos (P 1,800,000.00);

- b. An application for restructuring shall not be charged a processing fee and no downpayment shall be required for a borrower to apply for the benefits of this loan restructuring and condonation program;
- c. All existing interests on principal, penalties, and surcharges shall be condoned upon approval of the restructuring application under this Act: *Provided*, That an interest rate of three percent (3%) or the interest rate of the original loan, whichever is lower, shall be imposed upon the restructured loan;
- d. The term of a housing loan account being applied for restructuring may be extended for a period longer than its original term in order to lower the amount of the monthly amortization: *Provided*, That in no instance shall the term of extension of the restructured loan exceed the difference between the borrower's age at the time of application and the age of seventy (70);
- e. In case of permanent physical incapacity of a borrower, the legal heirs and successors- in-interest may assume payment of outstanding balance of the housing loan: *Provided*, That such legal heirs and successors-in-interest shall pass the NHA, SHFC, NHMFC, and PGC's eligibility requirement before they are allowed to assume payment of the borrower's loan obligation: *Provided, further*, That in case of death of the borrower, the proceeds of the Mortgage Redemption Insurance shall have been fully applied;
- f. The loan restructuring under this Act may be availed of only once except in case of *force majeure* affecting the ability to fulfill the financial obligation of the borrower; and
- g. The loan restructuring and condonation program provided for in this Act shall be construed as a separate and distinct program from the ones being implemented by the NHA, SHFC, NHMFC, and PGC and the borrower has the option to choose which loan restructuring and condonation program will be availed.

SEC. 4. Authority to Continue the Restructuring Program. — Notwithstanding the lapse of the period provided in Section 3(a) of this Act, the governing boards of the NHA, SHFC, NHMFC, and PGC are hereby authorized to continue the loan restructuring and condonation program under this Act.

SEC. 5. Exclusion from Coverage. — In no instance shall the following housing loan accounts be covered by this Act:

- a. Any account without a single payment since takeout;
- b. An account which housing unit has been abandoned by the borrower-owner for more than one (1) year from the date of delinquency;
- c. An account which housing unit is occupied by a third party other than the original registered beneficiary or the legal heirs of the beneficiary; and
- d. An account that has been foreclosed or a contract-to-sell that has been cancelled, or has been surrendered to the NHA, SHFC, NHMFC, or PGC through *dacion en pago*, the title of which has already been consolidated or transferred in the name of the NHA, SHFC, NHMFC, or PGC.

1 **SEC. 6. *Incentive for Prompt Payment of Monthly Amortization.*** — Upon the effectivity of this
2 Act, all accounts, the monthly amortizations of which are paid on time, shall be entitled to incentives,
3 including a reasonable discount on loan interest, the amount or percentage of which shall be
4 determined by the respective boards.
5

6 **SEC. 7. *Implementing Rules and Regulations.*** — The Department of Human Settlements and
7 Urban Development, NHA, SHFC, NHMFC, and PGC shall, in consultation with the relevant
8 stakeholders, promulgate within ninety (90) days from the effectivity of this Act the rules and
9 regulations to implement the provisions of this Act.
10

11 **SEC. 8. *Separability Clause.*** — If any portion or provision of this Act is declared
12 unconstitutional, the remaining parts or provision not affected thereby shall remain in force and
13 effect.
14

15 **SEC. 9. *Repealing Clause.*** — All laws, decrees, orders, issuances, rules and regulations, or any
16 part thereof inconsistent with the provisions of this Act are hereby repealed, amended, or modified
17 accordingly.
18

19 **SEC. 10. *Effectivity.*** — This Act shall take effect fifteen (15) days after its publication in the
20 *Official Gazette* or in a newspaper of general circulation.
21

22 *Approved,*

FACT SHEET

HOUSE BILL NO. 6276

(In substitution of House Bills Numbered 484, 1170, and 2111)

AN ACT

INSTITUTING A LOAN RESTRUCTURING AND CONDONATION PROGRAM FOR SOCIALIZED AND LOW-COST HOUSING

Introduced by *Representatives ROMAN T. ROMULO, ARTURO B. ROBES, HOWARD A. GUINTU, MA. VICTORIA CO-PILAR, LEILA M. DE LIMA, KENNETH T. GATCHALIAN, JAN “ATTY. JP” PADIERNOS, KENNETH PAOLO TERENG, HENRY “INDY” F. OAMINAL JR., ANTOLIN A. ORETA III, IRENE G. LABADLABAD, GERALD CLOYD ALEXIS V. GALANG, ANTONIO A. FERRER, ELIJAH RUMBAOA SAN FERNANDO, LANI MERCADO-REVILLA, TERRY L. RIDON, NATHANIEL M. ODUCAO, ROY M. GONZALES, SONNY “SL” L. LAGON, STEVE CHIONGBIAN SOLON, and ROY M. LOYOLA*

Committee Referral: COMMITTEE ON HOUSING AND URBAN DEVELOPMENT
Committee Chairperson: REP. MA. VICTORIA CO-PILAR

OBJECTIVES:

- To make available at affordable cost, decent housing and basic services to the under- privileged and homeless citizens
- To reduce homelessness through condonation of unpaid interests and penalties on housing loan accounts with the National Housing Authority (NHA), Social Housing Finance Corporation (SHFC), National Home Mortgage Finance Corporation (NHMFC), and Philippine Guarantee Corporation (PGC) beneficiaries
- To encourage the beneficiaries of NHA, SHFC, NHMFC, and PGC to make prompt and regular housing loan payments by offering incentives and discounts to prevent loan defaults and decrease the foreclosure rates on socialized housing units

KEY PROVISIONS:

- Condone interests and penalties related to unpaid housing amortizations of NHA, SHFC, NHMFC, and PGC beneficiaries
- Restructures housing loans of NHA, SHFC, NHMFC, and PGC beneficiaries, extends the loan period provided that the extension does not exceed the difference between the borrower’s age at the time of the application and the age of seventy (70), and allows the transfer of loan to legal heirs or successors-in-interest
- Authorizes the NHA, SHFC, NHMFC, and PGC to continue the restructuring program beyond the 24-month application period
- Provides incentives for up-to-date accounts including reasonable discounts on loan interest as determined by the respective boards

RELATED LAWS:

- Presidential Decree No. 757 – “Creating the National Housing Authority and Dissolving the Existing Housing Agencies, Defining its Powers and Functions, Providing Funds Therefor, and for other Purposes”
- Presidential Decree No. 1267 – “Creating a National Home Mortgage Finance Corporation Defining its Powers and Functions, and for other Purposes”
- Executive Order No. 272, s. 2004 – “Authorizing the Creation of the Social Housing Finance Corporation and Directing the Transfer of the Community Mortgage Program, Abot- Kaya Pabahay Fund Program, and other Social Housing Powers and Functions of the National Home Mortgage Finance Corporation to the Social Housing Finance Corporation”
- Republic Act No. 9507 – “Socialized and Low-Cost Housing Loan Restructuring and Condonation Act of 2008”
- Executive Order No. 58, s. 2018 (7th Edition) – “Approving the Merger of the Home Guaranty Corporation and the Philippine Export-Import Credit Agency (PhilEXIM), Transferring the Guarantee Functions, Programs and Funds of the Small Business Corporation, and the Administration of the Agricultural Guarantee Fund Pool and the Industrial Guarantee and Loan Fund to the PhilEXIM, and Renaming the PhilEXIM as the Philippine Guarantee Corporation”
- Republic Act No. 11201 – “Department of Human Settlements and Urban Development Act”
- Republic Act No. 12216 – “National Housing Authority Act”