



Republic of the Philippines  
Office of the President  
Housing and Urban Development Coordinating Council  
**HOUSING AND LAND USE REGULATORY BOARD**

**BOARD RESOLUTION NO. 929**  
**Series of 2015**

**APPROVING THE PURCHASE OF THE ASSET-BACKED SECURITIES ISSUED  
BY THE NATIONAL HOME MORTGAGE FINANCE CORPORATION AS  
COMPLIANCE WITH SECTION 18 OF REPUBLIC ACT NO. 7279,  
OTHERWISE KNOWN AS "THE URBAN DEVELOPMENT  
AND HOUSING ACT OF 1992"**

**WHEREAS**, under Section 18 of Republic Act No. 7279 or "The Urban Development and Housing Act of 1992," the Balanced Housing Development requirement may be complied with by developers of proposed residential subdivision projects through joint venture with any of the housing agency;

**WHEREAS**, under Department of Justice Opinion No. 116, series of 1999, purchase of socialized housing bonds issued by any of the housing agencies and approved by the HLURB can validly be made a part of the implementing rules and regulations of Section 18 of Republic Act No. 7279 because the same is very much germane to the objects and purposes of the law and investment in socialized housing bonds is undeniably within the scope of the term joint venture as defined in the said law;

**WHEREAS**, in an opinion issued on May 20, 2015 by the Secretary of the Department of Justice, under Republic Act No. 9267, or the "Securitization Act of 2004," asset-backed securities, in the sense that they refer to loans or receivables or other similar financial assets with an expected cash payment stream, including but not limited to receivables, mortgage loans and other debt instruments, are bonds, being evidence of a debt on which the issuing company or governmental body promises to pay the bondholders a specified amount of interest for a specified length of time, and to repay the loan on expiration date;

**WHEREAS**, the National Home Mortgage Finance Corporation (NHMFC), as the government's key shelter agency tasked to develop the secondary market for home mortgages in the Philippines through acquisition of quality-housing loan receivables and the issuance of asset-backed securities from the said pool of receivables;

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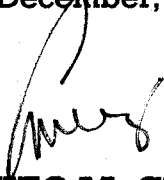
**WHEREAS**, pursuant to this mandate, the NHMFC proposes to issue asset-backed securities with housing loan receivables of HLURB-accredited developers for the purpose of replenishing and providing additional funding for socialized housing development;

**WHEREAS**, such asset-backed securities may be purchased by developers of residential subdivision projects as a mode of compliance with Section 28 of Republic Act No. 7279 and in accordance with Board Resolution No. 890, series of 2012;

**NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that purchase of the asset-backed securities issued by the NHMFC by developers of residential subdivision projects be, as the same is hereby **APPROVED** as a mode of compliance with Section 18 of Republic Act No. 727, or "The Urban Development and Housing Act of 1992."

**RESOLVED FURTHER**, that the Chief Executive Officer of HLURB is hereby authorized to issue guidelines through memorandum circulars implementing or interpreting this Rules, provided that the provisions of such memorandum circulars shall not be inconsistent with or go beyond the provisions of this Rules.

**APPROVED**, this 1st day of December, Quezon City.

  
**HON. CHITO M. CRUZ**  
HUDCC Chairman

  
**AUSTERE A. PANADERO**  
Undersecretary, DILG

  
**ANTONIO M. BERNARDO**  
Chief Executive Officer and Commissioner

**MARIA CATALINA E. CABRAL**  
Undersecretary, DPWH

  
**RIA CORAZON A. GOLEZ-CABRERA**  
Commissioner

Page 2

HLURB Board Resolution No. 929, S. of 2015

Approving the Purchase of the Asset-Backed Securities Issued by the National Home Mortgage Finance Corporation As Compliance with Sec. 18 of R.A. No. 7279, Otherwise Known as "The Urban Development and Housing Act of 1992"

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**EMMANUEL F. ESGUERRA**  
Deputy Director-General, NEDA

**LUIS A. PAREDES**  
Commissioner

Undersecretary, DOJ

**LINDA L. MALENAB-HORNILLA, MNSA**  
Commissioner

Attested:

**CHARITO B. LANSANG**  
Board Secretary