



Republic of the Philippines
SANGGUNIANG PANLUNGSOD
City of Mandaluyong

ORDINANCE NO. 450, S-2010

AN ORDINANCE PRESCRIBING THE AMOUNT OF INTEREST
TO BE COLLECTED ON ACCUMULATED ARREARAGES
OF AWARDEES OF HOUSING AND LANDED
ESTATES AND OTHER MATTERS

BE IT ORDAINED by the Sangguniang Panlungsod of the City of Mandaluyong in session assembled:

SECTION 1. TITLE OF ORDINANCE. This Ordinance shall be known as *"Condonation of Interest on Unpaid Land and Housing Amortizations under the Land for the Landless and Home for the Homeless Program of the City of Mandaluyong"*.

SECTION 2. DECLARATION OF POLICY. It is the declared policy of the City Government that the socialized housing project dubbed as Land for the Landless and Home for the Homeless Program shall be strengthened, streamlined, reassessed and re-evaluated in order that the beneficiaries/awardees shall not be forcibly evicted from their awarded condominium units and/or lots wherein they have erected their house to shelter their families, and in so doing, a condonation of interests of their unpaid amortization will certainly unburden them in the payment of such accumulated interests which, oftentimes, is far bigger than the arrearages on the principal loan.

SECTION 3. SCOPE AND COVERAGE. This Ordinance applies only to all unpaid monthly amortizations by beneficiaries/awardees of condominium units and/or lots distributed and awarded to them by the City Government of Mandaluyong through the Mandaluyong Development and Housing Board (MHDB). Simply put, this does not apply to unpaid amortization under the Community Mortgage Program (CMP) where the City acted as the originator of the transactions between the beneficiaries/awardees and other National Government agencies and other similar institutions involved in such community project.

SECTION 4. AMOUNT OF INTEREST ON ARREARAGES. The amount of interest on total accumulated arrearages of awardees of housing and landed estate from date of start of amortization up to February 28, 2010 shall be computed at the following rates:

More than 5 years of arrearages as of February 28, 2010	15% of the balance of arrearages as of February 28, 2010;
5 years or less but more than 16 months of arrearages as of February 28, 2010	10% of the balance of arrearages as of February 28, 2010;
16 months or less of arrearages as of February 28, 2010	1/2% per month of arrearages as of February 28, 2010.

SECTION 5. The total amount of interest as computed above shall be added to the present contract price of the housing/landed estate awarded to the beneficiary to arrive at the new contract price for the year 2010.

- SECTION 6. Beginning with the year 2010 and every year thereafter, there will be no more monthly interest on arrearages to be paid by the awardees. Instead, a one-half percent (1/2%) interest per month or a flat rate of six percent (6%) interest on arrearages at the end of the year shall be added every end of the year to the latest contract prices to arrive at the new contract price at the beginning of each year.
- SECTION 7. Any awardee who has been issued Certificate of Full Payment and who has not paid any interest on his account shall pay a flat interest rate of five percent (5%) of the contract price before any application for transfer of certificate can be entertained by Mandaluyong Development and Housing Board (MHDB).
- SECTION 8. Transfer of right by succession to surviving spouse shall be subject to payment of transfer fees as provided in Sections 2 and 4 of Ordinance No. 399, S-2008.
- SECTION 9. Beginning with the year 2010, any employee of the City Government who has been awarded a right over a housing/landed estate property and who transferred/mortgaged his right over said property without the written permission of the City Mayor shall be suspended from the government service for a period of at least six (6) months aside from any sanction that may be imposed by the City Government.
- SECTION 10. Awardees of housing/landed estate who allow their units to be rented are given up to six (6) months after approval of the Ordinance to pay for 80% of their accumulated arrearages, otherwise, their respective units/lots shall be confiscated and awarded to their respective renters, if qualified, or otherwise forfeited in favor of the City Government.
- SECTION 11. Renters of awardees of housing and landed estate of the City Government who have accumulated more than ten percent (10%) of the Contract Price as arrearages have the opportunity to apply with Mandaluyong Housing and Development Board (MHDB) for the housing/landed estate unit they are renting, subject to the requirements prescribed by Ordinance No. 399, S-2008;
- SECTION 12. MHDB DIRECTED TO FILE LEGAL ACTIONS:

In view of the substantial amount of condonation of interest of arrearages, the MHDB with the assistance of Legal Department is directed to file immediate legal action against awardees or present occupants with large amount of arrearages who continue disregarding demand letters issued by MHDB or who do not comply with the provisions of Promissory Notes signed by them, for confiscation/recovery of housing units/lots occupied by them and to cancel any Deed of Conveyance previously executed by the City Government in favor of said awardees.

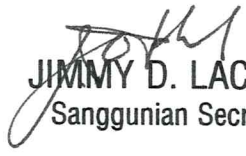
Directing, likewise, the MHDB to exert all efforts to utilize every, any or all lawful strategies in order to collect effectively the arrearages, accumulated interest and transfer fees on all transfer of rights executed between the awardees and the transferees.

SECTION 13. REPEALING CLAUSE. Any provisions of any ordinance, policies, rules and regulations inconsistent with any provision of this Ordinance shall be deemed cancelled or repealed accordingly.

SECTION 14. EFFECTIVITY. This Ordinance shall take effect upon approval and after publication for at least once in a newspaper of general circulation in Metro Manila.

ENACTED on this 2nd day of August, 2010 in the City of Mandaluyong.

I HEREBY CERTIFY THAT THE FOREGOING ORDINANCE
WAS ENACTED AND APPROVED BY THE SANGGUNIANG
PANLUNGSOD OF MANDALUYONG IN REGULAR SESSION
HELD ON THE DATE AND PLACE FIRST ABOVE GIVEN.


JIMMY D. LACEBAL
Sanggunian Secretary

ATTESTED:


DANILO L. DE GUZMAN
City Vice Mayor &
Presiding Officer

APPROVED:


BENJAMIN DC. ABALOS, JR.
City Mayor
Date: AUG 13 2010