



Republic of the Philippines  
**SOCIAL SECURITY SYSTEM**

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**CIRCULAR NO. 2021-013**

**TO : ALL HOUSING LOAN BORROWERS**

**SUBJECT : PANDEMIC RELIEF AND RESTRUCTURING PROGRAM 4 – HOUSING LOAN RESTRUCTURING AND PENALTY CONDONATION PROGRAM (HLRPCP)**

Pursuant to Social Security Commission (SSC) Resolution No. 456-s.2021 dated 15 September 2021 and SSC Resolution No. 548-s.2021 dated 27 October 2021 approving the Housing Loan Restructuring and Penalty Condonation Program (HLRPCP), the following guidelines are hereby issued:

**I. COVERAGE OF THE PROGRAM**

**A. For Condonation without Restructuring**

All housing loan borrowers, duly designated successor/s-in-interest/legal heir/s with past due housing loan obligations whether or not the original or previously restructured term has already expired or housing loans borrowers whose property has been foreclosed and undergone sheriff auction sale with SSS as the winning bidder and the Certificate of Sale has not yet been registered, under the following SSS housing loan programs:

1. Direct Individual Housing Loan Program including duplex housing loan accounts; and
2. Direct Housing Loan Facility for Overseas Filipino Workers (OFWs)/Trade Union Member (TUMs).

**B. For Condonation with Restructuring**

All housing loan borrowers/successor/s-in-interest/legal heir/s with past due housing loan obligations under the following SSS housing loan programs, provided that at least one (1) month of the original or previously restructured loan term remains:

1. Direct Individual Housing Loan Program including duplex housing loan accounts; and
2. Direct Housing Loan Facility for OFWs/TUMs.

*(Handwritten signatures and initials)*

## II. AVAILMENT PERIOD

The availment period shall be three (3) months from November 22, 2021 up to February 21, 2022.

## III. TERMS AND CONDITIONS

### A. ELIGIBLE APPLICANTS

All housing loan borrowers/successor/s-in-interest (who have assumed the original mortgage as supported by legal documents) /legal heir/s (of deceased housing loan borrowers, provided the estate has been settled either through judicial or extrajudicial process) with past due\* housing loan obligations under the following SSS housing loan programs:

1. Direct Individual Housing Loan Program including duplex housing loan Accounts; and
2. Direct Housing Loan Facility for OFWs/Worker's Organization Members (WOMs).

For successor/s-in-interest and legal heir/s applicants, the applicant must be a member of SSS who has at least twelve (12) continuous contributions prior to application and a total of at least twenty-four (24) monthly contributions.

Under Condonation with Restructuring, the housing loan account must not be expired with at least remaining one (1) month of the original or previously restructured loan term.

\*Past due shall mean that the housing loan is delinquent for a period of at least six (6) months as of the filing date of application within the condonation period.

### B. PAYMENT TERM

1. Condonation without Restructuring
  - a. Full payment – one-time payment (cash or manager's check) of the outstanding principal, interests, insurance dues and legal expenses within ninety (90) calendar days from receipt of notice of approval of application.
  - b. The applicant may use one (1) to three (3) SSS Payment Forms/transaction receipts (for e-payment) within the day for the full payment of his/her total obligations



## 2. Condonation with Loan Restructuring

- a. 50% down payment of the outstanding principal, interests, insurance dues and legal expenses within ninety (90) calendar days from receipt of notice of approval of application.
- b. Restructuring of the remaining 50% payable in twelve (12) monthly equal installments. The first amortization shall start on the month following the date of receipt of the applicant's 50% down payment. Payment deadline shall be on or before the 10<sup>th</sup> day of the month following the applicable month.
- c. For successor/s-in-interest and legal heir/s applicants, the age of successor/s-in-interest/legal heir/s must not exceed sixty (60) years old at the time of the restructured loan maturity.
- d. In case of several successors in interest, the age of the oldest successor in interest/legal heir shall be considered in the computation of the restructuring term.

### C. INTEREST RATE FOR LOAN RESTRUCTURING

Interest rate is 6.0% per annum which shall be fixed for the term of loan.

### D. PENALTY CHARGES

Any unpaid monthly amortization on the restructured loan after due date shall be subject to a penalty of 1% per month until fully paid or foreclosed.

### E. CONDITIONAL CONDONATION

All unpaid penalties shall be condoned upon full payment of outstanding principal balance, interests, insurance dues, legal expenses including attorney's fees, if any, either thru cash payment or loan restructuring.

Under loan restructuring, the principal balance should be zero at the end of the restructured loan term. If the restructured loan term expires and the loan remains outstanding, or if the restructured loan becomes delinquent beyond six (6) months, the proportionate balance of the condonable penalties shall revert to and form part of the total obligation which shall be due and demandable, and the mortgage shall be subject to immediate foreclosure pursuant to the terms and conditions of the original Mortgage Contract or Supplemental/ Amended Mortgage Contract, as the case may be.

### F. BOOKING

The restructured amount shall be the sum of the outstanding principal



balance, interests, insurance dues, legal expenses including attorney's fees, if any.

#### **G. INSURANCE FOR LOAN RESTRUCTURING**

1. The original housing loan borrower/designated successor/s-in-interest/legal heir/s shall be covered by Mortgage Redemption Insurance (MRI) based on the restructured loan amount.
2. The mortgaged property shall be covered by Fire and Earthquake Insurance (FEI) based on either the original loan or restructured loan amount, whichever is higher.
3. Payment of insurance premiums shall be included in the housing loan amortization to be paid by the housing loan borrower/ successor/s-in-interest/legal heir/s for the duration of the restructured loan. Said insurance premium shall be calculated with the applicable taxes and withholding amount relative to the loan, loan documents and/or insurance involved to amend the amounts to be paid, if applicable.

#### **H. DEFAULT**

A restructured loan shall be considered in default if it has accumulated arrearages equivalent to at least six (6) monthly amortizations. In such cases, SSS shall pursue the foreclosure of the mortgage.

#### **I. OTHER TERMS AND CONDITIONS**

1. For Condonation without Restructuring
  - a. Applicant shall submit a duly accomplished application form and be required to pay a processing fee of Five Hundred Pesos (P500.00), receipt of which shall be attached to the filed application form.
  - b. Applicant shall be required to pay in full/cash payment all due and demandable arrears composed of outstanding principal, interest, insurance dues and legal expenses within ninety (90) calendar days from receipt of notice of approval. In case the full amount of outstanding principal, interest, insurance dues and legal expenses is not fully settled/paid within ninety (90) calendar days, all unpaid balances shall be deemed due and demandable. Any partial payment made during the ninety (90) days period shall be treated as regular payment subject to usual application of payment including penalty.
2. For Condonation with Restructuring
  - a. Applicant shall submit duly accomplished application form and be required to pay a processing fee of Five Hundred Pesos (P500.00),




receipt of which shall be attached to the filed application form.

- b. Applicant shall be required to pay 50% of all due and demandable arrears composed of outstanding principal, interest, insurance dues and legal expenses within ninety (90) calendar days from receipt of notice of approval.
- c. The remaining 50% of the outstanding principal, interest, insurance dues and legal expenses shall be restructured and shall be payable in twelve (12) monthly equal installments.
- d. In case the 50% of outstanding principal, interest, insurance dues and legal expenses amount is not fully settled/paid within ninety (90) calendar days, all unpaid balances shall be deemed due and demandable. Any partial payment made during the ninety (90) days period shall be treated as regular payment subject to usual application of payment which shall include the penalty.
- e. The applicant must be updated in the payment of the real property tax. Authenticated/certified photocopy of the official receipts or tax clearance shall be submitted upon filing of the application.
- f. The housing loan borrower/successor/s-in-interest/legal heir/s shall be required to execute a duly notarized Supplemental Mortgage Contract (SMC) and promissory note incorporating the new terms and conditions of the restructured loan. Thereafter, the housing loan borrower/successor/s-in-interest/legal heir/s shall be responsible for the annotation of SMC on the Transfer Certificate of Title (TCT)/Condominium Certificate of Title (CCT) at the Registry of Deeds.
- g. Failure of the housing loan borrower/successor/s-in-interest/legal heir/s to sign and submit the SMC and Promissory Note within ninety (90) calendar days from the date of receipt of notice of approval with attached SMC and Promissory Note form shall cause the cancellation of the application for condonation and restructuring.
- h. Failure of the housing loan borrower/successor/s-in-interest/legal heir/s to submit the SMC to the Registry of Deeds for annotation on the Transfer Certificate of Title (TCT)/Condominium Certificate of Title (CCT) of the collateral property within ninety (90) calendar days from receipt of the SMC signed by the SSS designated signatory shall cause the cancellation of the application for condonation and restructuring.



For inquiries, members are advised to log on to [www.sss.gov.ph](http://www.sss.gov.ph) or call at 1455 for assistance.

Please be guided accordingly.

  
**AURORA C. IGNACIO**  
President and CEO

29 OCT 2021

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Date

*(Policy - Loans Repayments)*  
Prepared by: Member Loans Department