

**NATIONAL HOME MORTGAGE FINANCE CORPORATION  
2015 Performance Scorecard**

Performance Measure					NHMFC Submission			CGO-A Evaluation		Supporting Documents	Remarks	
Objectives/Measures	Formula	Weight	Rating Scale	Targets	Actual	Rating	Score	Rating				
SOCIAL IMPACT	SO 1	<b>Contributing to the Reduction of the Housing Backlog by Sustaining the Liquidity of the Housing Sector through the Strengthening of the Secondary Mortgage Market</b>										
	SM 1	Value of funds provided to originators to be recycled to housing thru securitization	Absolute value of funds provided to originators to be recycled to housing through securitization	20%	Actual/Target x Weight	₱1 Billion	₱708 Million	14.17%	₱708 Million	14.17%	<ul style="list-style-type: none"> <li>Report from NHMFC's Securitization Group - Mortgage Acquisition Department</li> <li>Copies of Credit Committee Resolution on the Approval of Purchase of Accounts under CTS</li> </ul>	<ul style="list-style-type: none"> <li>Actual is lower than target by 29%</li> <li>Total amount is derived from REM Accounts, CTS Accounts, and UHLP, amounting to 381,728,096.99 (406 accounts), 59,404,810.70 (59 accounts), and 267,472,649.03 (2,077 accounts), respectively.</li> </ul>
	<b>Sub-total</b>			<b>20%</b>				<b>14.17%</b>		<b>14.17%</b>		
	SO 2	<b>Maintenance of the Profitability of NHMFC Operations</b>										
SM 2	EBITDA Margin	Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) / Total Revenues (excluding subsidy)	10%	Actual/Target x Weight	30%	33.21%	10.00%	33.21%	10.00%	<ul style="list-style-type: none"> <li>2015 Unaudited Financial Statement</li> </ul>	<ul style="list-style-type: none"> <li>EBITDA is at ₱238.76 M and the total revenue is ₱718.90 M</li> </ul>	
FINANCIAL	SO 3	<b>Improvement of collection to meet the obligations of the Corporation</b>										
	SM 3	Collection Efficiency	Total collections during the year / Total collectible due for the year	10%	Actual/Target x Weight	92%	92.44%	10.00%	102.66%	10.00%	<ul style="list-style-type: none"> <li>Collection Performance Report</li> <li>Unaudited Cashflow Statement</li> <li>Five-Year Collection Target (2013-2017)</li> </ul>	<ul style="list-style-type: none"> <li>According to NHMFC, the total yearly collectible is from a 5-year Collection Plan. A minimum of a 2% yearly increment is set.</li> <li>Based on Unaudited Statement of Cash Flows, total inflows representing collections of amortization totaled ₱2,296.44 Million. Collectibles for CY 2015 totaled ₱2,236.94 Million</li> </ul>

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<b>SO 4</b>	<b>Disposition of acquired assets/non-performing loans</b>										
SM 4	Decrease on acquired assets/NPLs	Value of reduction in NPLs	10%	Actual/Target x Weight	P770 Million	P996 Million	10.00%	P996 Million	10.00%	<ul style="list-style-type: none"> <li>Collection Performance Report</li> </ul>	<ul style="list-style-type: none"> <li>Actual is higher than target by 29.38%</li> </ul>
			30%				30.00%		30.00%		
<b>SO 5</b>	<b>Provide Originators with Innovative and Competitive Products and Services</b>										
SM 5	Satisfaction rating from borrowers	Rating	8%	All or nothing	Satisfactory	Satisfactory	8.00%	Satisfactory	8.00%	<ul style="list-style-type: none"> <li>Customer Satisfaction Rating Report</li> <li>Samples of the Customer Satisfaction Surveys</li> </ul>	<ul style="list-style-type: none"> <li>The Customer Feedback Form of NHMFC has three categories: services, facilities, and overall satisfaction. NHMFC used a Survey with two-point scale (Satisfied or Not Satisfied)</li> <li>By end of 2015, the results per categories were averaged out wherein out of the 928 respondents, 97.04% rated the services of NHMFC as Satisfactory, 93.96% rated the facilities of NHMFC as Satisfactory and 100% are Satisfied overall</li> </ul>
SM 6	Number of new products rolled-out and fully subscribed or new services meeting target income	Absolute number	4%	All or nothing	At least 2	1) e-payment for Juan and Juana 2) BIDA	4.00%	1) e-payment for Juan and Juana 2) BIDA	4.00%	<ul style="list-style-type: none"> <li>Office Orders (Numbers 2260 and 2306)</li> <li>News Clipping</li> <li>Accounts of Smartmoney Payment</li> <li>Collection Service Agreement between NHMFC and Smart e-Money, Inc.</li> <li>BIDA Transactions for 2015</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
SM 7	Number of new, creative and innovative products/services/projects/programs	Absolute number	4%	All or nothing	At least 2	1) BIDA BULTO 2) Blue Ocean	4.00%	1) BIDA BULTO 2) Blue Ocean	4.00%	<ul style="list-style-type: none"> <li>Board Resolution (Resolution No. 3856, Series of 2015)</li> <li>Memorandum from the Corporate</li> </ul>	<ul style="list-style-type: none"> <li>Of the two, only BIIDA-BULTO had a board resolution. However, the three Blue Ocean Projects were discussed</li> </ul>

STAKEHOLDERS

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	acted upon by the Board									Secretary and the President • Minutes of Board Meetings	in Board Meetings. • The three Blue Ocean Projects are as follows: Issuance of LGU Bonds Compliant with UDHA; Reverse Mortgage: Maginhawang BUhay dahil sa baHAY (MABUHAY); and Wholesale/Retail Residential Receivables Acquisition Program and Home Ownership thru Mortgage for Every Filipino (WR4AP-a-HOME).	
<b>SO 6 Expand Investment Opportunities for Juan and Juana</b>												
	SM 8	Percentage of subscription to target investors	Percentage of subscription to target investors	4%	Actual/Target x Weight	70%	No Issuance	0%	No Issuance	0%	• Unsigned Conformity Letter for DOF • Conformity Letter signed by the BSP authorized representative • Others <sup>1</sup>	• NHMFC was not able to engage in securitization activities as the Mandate Letter and Confidentiality Agreement has not been signed.
	<b>Sub-total</b>			<b>20%</b>				<b>16.00%</b>		<b>16.00%</b>		
<b>SO 7 Streamline Processes and Procedures for Core Processes</b>												
INTERNAL PROCESS	SM 9	Average turnaround time for provision of housing finance from receipt of complete documents	Sum of days to process applications with complete documents/Total number of applications with complete documents	10%	(1-(Actual-Target)/Target) x Weight	30 working days	21 working days	10.00%	21 working days	10.00%	• Monitoring Report of Performance Targets • Summarized List of Application for Provision of Housing Finance • Copies of Credit Committee Resolutions	• The turnaround time is based on the date received by NHMFC to either the date when it gets approved by the credit committee or the take-out date after finalizing the certificate of occupancy.

<sup>1</sup> SHFC Risk Management Committee Report No. 2015-02 Excerpt; SHFC Letter to DOF dated 2 June 2015; SHFC Board Resolution No. 456, Series of 2015; DOF Letter on NHMFC Submission of Financial Runs and Hard Copy of the Presentation for the Securitization of the CMP-ABS; NHMFC Mandate Letter and Confidentiality Agreement transmitted to SHFC; and SHFC Approval Letter on the Approval of Due Diligence and Appraisal Activity

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	<i>Sub-total</i>		<b>10%</b>				<b>10.00%</b>		<b>10.00%</b>			
LEARNING AND GROWTH	<b>SO 8</b>	<b>Quality Public Service of NHMFC Employees by Enhancing their Competencies</b>										
	SM 10	Competency Framework	Competency Framework drafted and approved	5%	Actual/Target x Weight	Establish Competency Framework	Competency Framework established and signed	5.00%	Competency Framework established and signed	5.00%	• NHMFC Competency Framework Manual •	
	<b>SO 9</b>	<b>Develop and ISO 9001:2008 Quality Management System</b>										
	SM 11	ISO Certification for all processes	Absolute	10%	All or nothing	Completed documenting the QMS (all processes)	Completed documenting the QMS (all processes) QMS Manual signed	10.00%	Completed documenting the QMS (all processes) QMS Manual signed	10.00%	• QMS of Securitization of Loan Mortgages •	
	<b>SO 10</b>	<b>An Effective and Efficient IT-supported Systems and Procedures</b>										
	SM 11	% completion of the ISSP	% completion of the ISSP	5%	Actual/Target x Weight	60%	60%	5.00%	66%	5.00%	<ul style="list-style-type: none"> <li>• Status Report of System</li> <li>• Memorandum from OIC for Corporate Support Services Group on the Completion of ISSP</li> </ul>	<ul style="list-style-type: none"> <li>• Based on the submission of NHMFC, there are six application systems, namely, Financial System (Phase II), Management Reporting System, Collection System (Phase II), Support System (Phase II), Collection System (Phase III), and Support System (Phase III). - The first four application systems has been completed. The last two is scheduled to be completed in 2016.</li> </ul>
		<i>Sub-total</i>		<b>20%</b>				<b>20.00%</b>		<b>20.00%</b>		
		<b>TOTAL</b>		<b>100%</b>				<b>90.17%</b>		<b>90.17%</b>		