

## NATIONAL HOME MORTGAGE FINANCE CORPORATION

Description	Performance Measures				Baseline Data (if available)			Targets		
	Formula	Weight		Rating System*	Data Provider if applicable	2010	2011	2012	2013	2014
		2013	2014							
<b>MFO 1 : Housing Finance Services</b>										
<b>Performance Indicator Set 1 : Purchase of Quality Mortgages and other Housing Receivables under Housing Loan Receivables Purchase Program (HLRPP)</b>										
Quantity 1 : Value of housing receivables approved by Credit Committee for purchase	Absolute value of housing receivables approved by Credit Committee for purchase	10%	10%	(Actual/Target) x Weight				₱1.16 Billion	₱0.80 Billion	₱2.0 Billion
Timeliness 1 (2013) : Percentage of applications for provision of housing finance that are released within 11 working days from Credit Committee approval	Number of applications for provision of housing finance that are released within 11 working days from Credit Committee approval over Number of approved applications for provision of housing finance	4%	0%	(Actual/Target) x Weight				≥90%	100%	100%

Performance Measures					Baseline Data (if available)			Targets		
Description	Formula	Weight		Rating System*	Data Provider if applicable	2010	2011	2012	2013	2014
		2013	2014							
Timeliness 1 (2014) : Percentage of applications for provision of housing finance that are released within the turn-around time (TAT) (30 calendar days) from receipt of complete documents	Number of applications for provision of housing finance with complete documentation that are released within the turn-around time over Number of applications for provision of housing finance with complete documentation	0%	4%	(Actual/Target) x Weight				N/A	100%	100%
<b>Performance Indicator Set 2: Securitization of Home Mortgages and Other Housing Receivables</b>										
Quantity 1: Value of underlying assets of mortgage backed securities approved for issuance by the Board.	Absolute value of underlying assets of mortgage backed securities approved for issuance by the Board	10%	10%	(Actual/Target) x Weight				₱0.603 Billion	₱0.50 Billion	₱2.00 Billion

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		2013	2014							
Quantity 2: Value of financial engagement for other government agencies/private entities with NHMFC as financial advisor/arranger	Absolute value of financial engagement for other government agencies/private entities with NHMFC as financial advisor/arranger	4%	4%	(Actual/Target) x Weight				≥ ₱2.0 Billion	₱4.00 Billion	₱6.00 Billion
Quantity 3: Extraction Rate Per Issue based on the approved indicative structure by the Board	Percentage of indicative net proceeds from securitization issue over the indicative issue size  where: Net proceed is equal to the target issue less the sum of estimated subordinated notes to be held by NHMFC, execution costs, and the required balance of reserves at the closing date	4%	4%	(Actual/Target) x Weight				52%	58%	65%

Performance Measures					Baseline Data (if available)			Targets		
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		2013	2014							
<b>Performance Indicator Set 3 : Provision of Financial Advisory/ Consultancy and Other Services/Engagements</b>										
Quantity 1: Number of new, creative and innovative products/services acted upon by the Board	Absolute number	3%	3%	All or nothing				1 (Retail Bond)	At least 2	At Least 3
<b>Subtotal of Weights:</b>		<b>35%</b>	<b>35%</b>							
<b>MFO 2 : Account / Loan Management</b>										
<b>Performance Indicator Set 1 : Master Servicer of Securitized Accounts / Management of Accounts</b>										
Timeliness 1: Percentage of payables remitted to the trustee within due date	Percentage of the amount remitted to the Trustee within due date over total collections due to Special Purpose Trust	9%	9%	(Actual/Target) x Weight				100%	100%	100%
Quantity 1: Collection Efficiency Ratio	Value of actual collection over target collection for the year	8%	8%	(Actual/Target) x Weight				91%	91%	91%

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Quantity 2: Decreasing the value of acquired assets/ non-performing loans (NPLs)	For CY 2013: Reduction in NPL over Baseline  2014: Value of reduction in NPLs over total Value of NPLs as of end of the year	8%	8%	(Actual/Target) x Weight			₱12.314 Billion	5% Reduction (₱0.615 Billion)	6% Reduction (₱0.700 Billion)	
<b>Subtotal of Weights:</b>		<b>25%</b>	<b>25%</b>							
<b>MFO 3 : Alternative Savings Schemes / Products</b>										
<b>Performance Indicator Set 1 : Provision of high yield/ affordable instruments for retail investors (yield of Philippine Dealing System Treasury Reference Rates (PDSTF) + spread</b>										
Quantity 1 : Percentage of issuance to individual investor based on the approved indicative structure by the Board	Percentage of the indicative size of retail notes to be issued over the indicative issue size	10%	10%	(Actual/Target) x Weight			49.75%	60% of ₱0.50 Billion	70% of ₱2.00 Billion	
<b>Subtotal of Weights:</b>		<b>10%</b>	<b>10%</b>							

Description	Performance Measures				Rating System*	Data Provider if applicable	Baseline Data (if available)			Targets	
	Formula	Weight		2010			2011	2012	2013	2014	
		2013	2014								
<b>MFO 4 : Secondary Mortgage Institutions (SMI) Operations Support Services</b>											
<b>Performance Indicator Set 1 : Quality of Bonds</b>											
Quality 1a : Issue Rating - BB1	Rating	7%	7%	> AA - 100% AA - 90% < AA up to BBB-80% < BBB - 0%				AA	≥AA	≥AA	
Quality 1b : Issue Rating - BB2	Rating	7%	7%	> AA - 100% AA - 90% < AA up to BBB-80% < BBB - 0%				AA	≥AA	≥AA	
Timeliness 1 : Compliance on the submission of requirements to rating agency (BB3) (CY 2013)	Percentage of the number of rating documents submitted by NHMFC over the total number of required documents by the rating agency	6%	0%	(Actual/Target) x Weight				N/A	100%	N/A	

Performance Measures					Baseline Data (if available)			Targets		
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		2013	2014							
Quality 1c: Issue Rating BB3 (CY 2014)	Rating	0%	6%	> AA - 100% AA - 90% < AA up to BBB-80% < BBB - 0%				N/A	N/A	≥AA
<b>Subtotal of Weights:</b>		<b>20%</b>	<b>20%</b>							
<b>General Administrative Services (GAS)</b>										
Indicator 1: Number of Quality Management Systems developed and implemented	Absolute number	4%	4%	(Actual/Target) x Weight				1 (Rizal Counselling)	At least 2 (Foreclosure and Custodianship)	At least 4 (Asset Disposition Procurement Telling Review of Disbursement Voucher)

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		2013	2014							
Indicator 2: Number of ISO Certification for Quality Management Systems obtained	Absolute number	6%	6%	(Actual/Target) x Weight			1 (Rizal Counselling)	At least 1 (Expanded Counselling System for NCR and Luzon)	At least 2 (Foreclosure and Custodianship)	
<b>Subtotal of Weights:</b>		<b>10%</b>	<b>10%</b>							
<b>TOTAL OF WEIGHTS:</b>		<b>100%</b>	<b>100%</b>							

\*Provided that the result will not exceed the allotted weight.