



**LANDBANK**

**HEAL**

**LENDING PROGRAM**

**Help via Emergency loan  
Assistance for LGUs**

To supplement the government's initiatives  
in fighting COVID-19 and in providing direct  
support to vulnerable groups and individuals  
through the LGUs





# HEAL LENDING PROGRAM



<b>Eligible Projects/ Loan Purposes</b>	Permanent working capital as additional source of fund for the provision of goods and services
<b>Eligible Borrower</b>	Local Government Units including those whose IRAs are not yet with LANDBANK (Provincial, City, Municipal)
<b>Credit Facility</b>	Term Loan
<b>Amount of Loan</b>	Based on the actual request of the LGU provided the total loan exposure (including the proposed emergency loan) will not exceed the net borrowing capacity (NBC) of the LGU per BLGF computation.
<b>Loan Tenor</b>	Loan maturity shall be up to maximum of 5 years and shall be further based on LGU's cash flow. For this purpose, other LGU projects (existing or in the pipeline) that will affect the NBC should be considered in the computation of the tenor. A maximum of 1 year grace period on principal payment may be allowed.
<b>Interest Rate</b>	Five (5%) per annum, fixed for the term of the loan
<b>Other Fees</b>	Standard fees and charges shall apply
<b>Availability Period</b>	Up to December 31, 2020
<b>Mode of Release</b>	Staggered or lump sum and to be credited to borrower's account maintained with LANDBANK
<b>Repayment Mode</b>	Monthly, quarterly, semi-annually or annually based on cash flow
<b>Acceptable Collateral/ Security</b>	Assignment of Internal Revenue Allotment up to the extent of the loanable amount
<b>Credit Enhancer</b>	Authority to debit account for the maturing principal and interest amortization



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## Other Terms and Conditions

- The Bank has the option to debit the borrower’s deposit account to cover any loan payment as they fall due.
- The Bank reserves the right to withhold loan releases should there be:
  1. A case filed against the LGU or its officials involving the projects to be financed;
  2. Adverse findings on the project or object of financing; or Withdrawal of the Sanggunian on the authority of the Local Chief Executive (LCE) to contract this loan.

## Documentary Requirements

### Pre-processing

1. Sanggunian Resolution
  - Authorizing the LCE to borrow funds, negotiate and enter into a loan agreement with LANDBANK;
  - Authorizing the LCE to sign, endorse loan documents, mortgages, deed of assignments, agreements, notes and other documents pertaining to the loan obtained from LANDBANK; and
  - Approving the projects to be financed
2. Approved/supplemental budget for the current year; and
3. List of elected officials and key officers, if not yet available on file

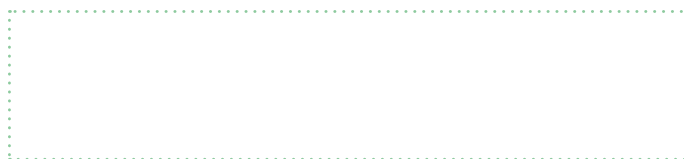
*Note: The list of **Pre-release** and **Post-release Documentary Requirements** is to be provided by the LANDBANK Account Officer.*

For more information, contact:

### **Programs Management Department II**

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*Regulated by the Bangko Sentral ng Pilipinas  
(+632) 8708-7087; consumeraffairs@bsp.gov.ph*

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