

CCT

CENTER FOR COMMUNITY TRANSFORMATION





The Challenge of Reaching Scale in CCT Housing Microfinance



Objectives of CCT Housing Program:

- Platform for **family strengthening**
- Help **reaffirm the fathers' leadership in families**
(Productive loans for mothers, housing loans for fathers;
women's fellowship; fathers' kingdom builders fellowship)
- **Changed Lives + Strengthened Families =
Transformed Communities**



CCT Group of Ministries

VISION

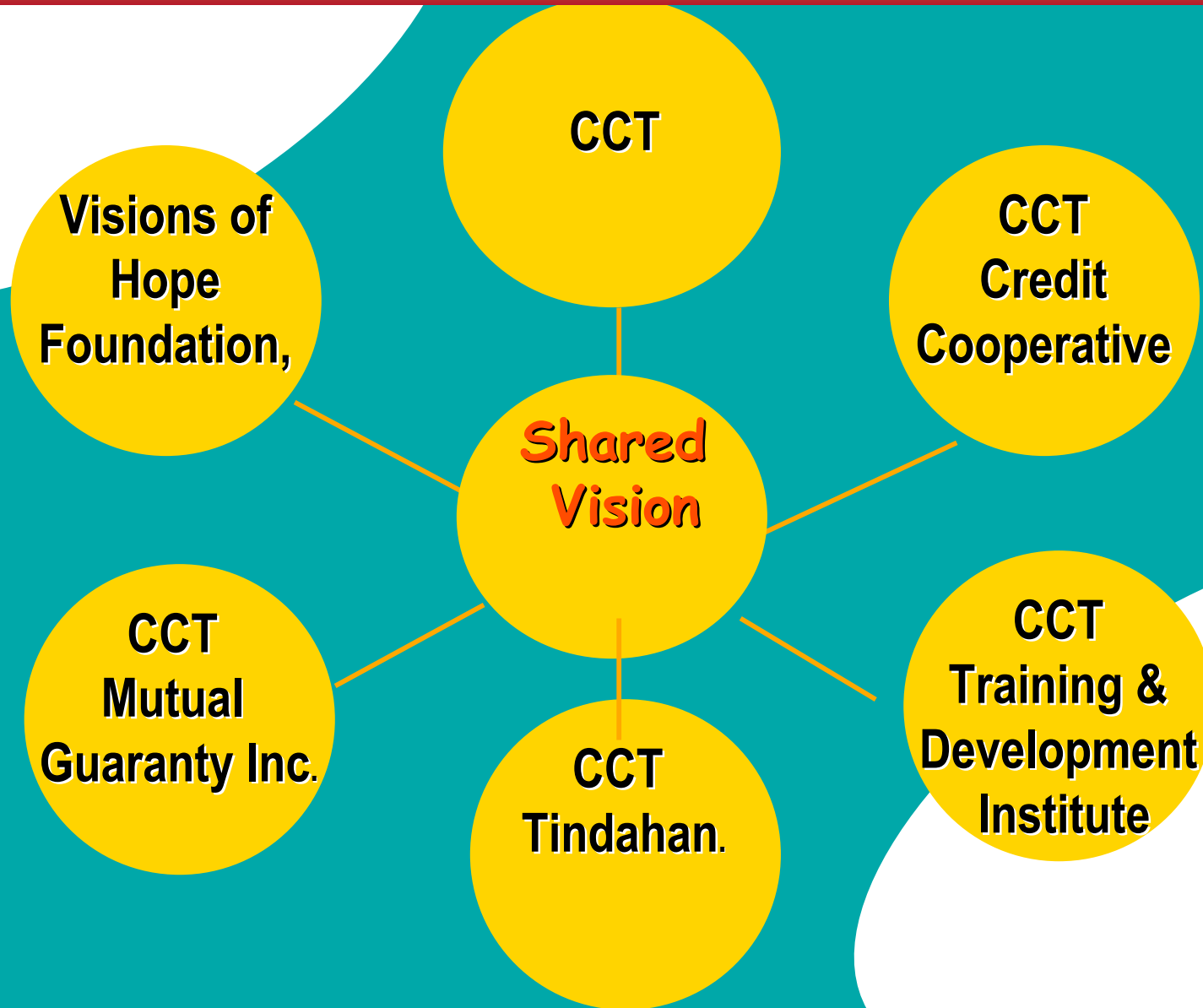
People live with dignity & sufficiency
In accordance with God's plan for a just, humane & caring society.

STRATEGY

Provision of holistic and integrated services & training of servant leaders



CCT Group of Ministries



Design of CCT Housing Program:

- Save and build approach
- Technical assistance in design and construction
 - Optimizing use and design of limited housing space;
 - Stronger structural foundations for houses built in danger zones e.g. riverbanks; dumpsites
 - Assistance in materials procurement.
- Training of male household members
- Family retreats/ other family strengthening interventions





CCT Housing Microfinance

Year	Amount of Loans Disbursed		No. of Persons
	Philippine Peso	US\$	
2003	723,200	15,722	50
2004	34,161,400	742,639	1,369
2005	63,611,200	1,382,852	1,296
2006	7,785,000	169,239	233
Aug.2007	7,293,000	158,543	237
Total	113,573,800	2,468,995	3,185



Scheme	Status	RR	Loan Balance		
			# of Persons	Amt. (PhP)	Amt. (US\$)
Old	STOPPED	76%	890	14.9 M	.32 M
Revised 1	STOPPED	79%	556	13.5 M	.29 M
Revised 2	STOPPED	98%	214	5.2 M	.11 M
Total			1,660	33.6 M	.72 M



CCT Housing	PhP	U\$	
Sources of revolving fund for Housing MF:			
>Habitat Trust Fund	16,000,000	347,826	
>CCT Board Members & 2 Donors	6,552,880	142,454	
>Savings deposits from home partners	6,866,939	149,281	
Total Revolving Fund	29,419,819	639,561	
Total Loans Disbursed	113,473,800	2,468,995	
Loan Portfolio	33,581,051	730,023	

The Product

CCT Housing Loan

- Loan for house renovation/repair
- Maximum of Php 30,000
- Payable in affordable weekly installments over one year (50 weeks)
- Can accelerate payments to avail of next loan for succeeding phase of house repair
- Package of entrepreneurship development and family strengthening services



Loan Amounts		Maturity Value		Weekly Payments		Daily	
Php	US\$	Php	US\$	Php	US\$	Php	US\$
50,000	1,087	59,000	1,283	1,180	26	168.57	3.66
40,000	870	47,200	1,026	944	21	134.86	2.93
30,000	652	35,400	770	708	15	101.14	2.20
25,000	543	29,500	641	590	13	84.28	1.83
20,000	435	23,600	513	472	10	67.43	1.46
15,000	326	17,700	385	354	8	50.57	1.10

The Price

- Incentive offered to Community Partners w/ one-year good track record
- Loan bears 18% p.a. interest flat rate (portion returned as patronage refund)
- Weekly savings deposits have accumulated to 20% of target loan (earning 5% p.a. interest)

CCT Microfinance Experience

	1998	2001	2006
Total outreach	2,676	13,470	127,000
Borrowers	2,218	9,209	72,732
Loan Portfolio	8.9M	25M	322M
Savings Mobilized	1.3M	10M	155M
Repayment Rate	52%	97%	99%
OSS		124%	115%
FSS		105%	107%
# of Branches	6	13	139
# of Bible Study Groups		509	6,729
Portfolio at Risk	100%	12%	3.3%

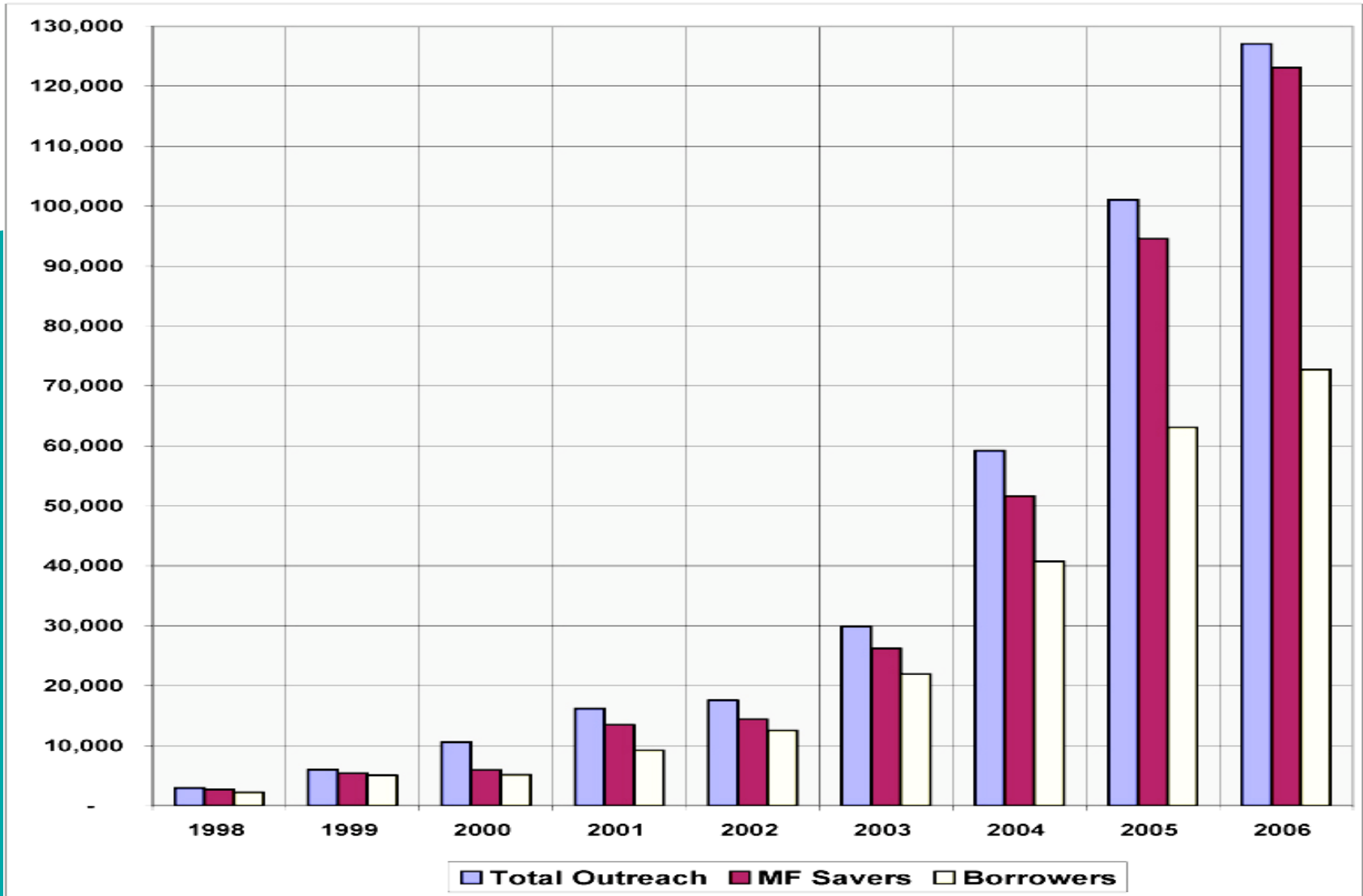


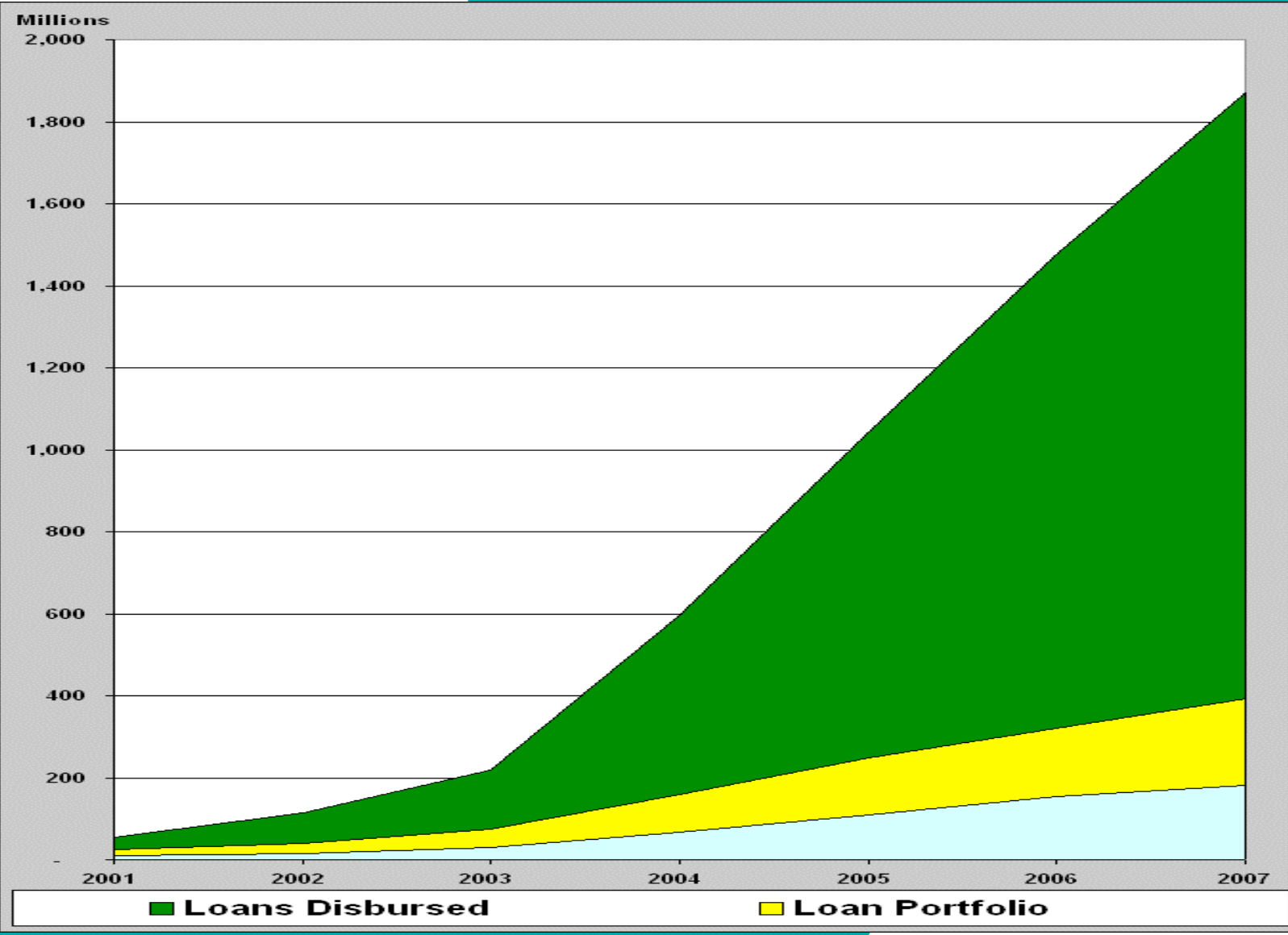
CCT Comparative Performance – MF Productive Loans

	Y 2001		Y 2007	
	PhP	U\$	PhP	U\$
Loans Disbursed	54.2 M	1.18 M	1.87 billion	40.7 M
Loan Portfolio	25.2 M	.55 M	392.5 M	8.5 M
Savings Deposits	10.2 M	.22 M	181 M	3.9 M

Comparative Performance By Year Institutional & Micro-Finance Program Outreach

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006
Total Outreach	2,930	5,960	10,571	16,164	17,601	29,864	59,193	101,047	127,028
MF Savers	2,676	5,405	5,940	13,470	14,392	26,199	51,624	94,536	123,089
Borrowers	2,218	5,050	5,155	9,209	12,542	21,933	40,710	63,084	72,732





Institute
rs

CCT MF Turn-Around Strategies

- Standardized loan products
- Standardized lending policies, systems and procedures
- Simplified recording, book keeping, MIS
- Quality partners and committed leaders
- Cohesive and involved fellowship groups meeting weekly
- Efficient collection system
 - Zero tolerance for delinquency
 - Internal control
 - Low overhead costs
 - Discipline for staff and partners

Directions for CCT Housing Program: **Scale-up**

Year	Total CCT Borrowers (Projected)	Target Home Partners
2007	120,000 (actual)	3,185 actual (2.6%)
2008	150,000	12,000 (8%)
2009	180,000	16,200 (9%)
2010	216,000	21,600 (10%)

Directions for CCT Housing Program:

Raise up equity funds for the common vision of “A Decent House for Every Filipino Family”

- CCT Cooperative members: Board & regular members; community partners
- Concerned business sector: individuals, families, corporations
- Donations from organizations
- Surplus from CCT Cooperative productive loans operations
- Development banks





CCT, August 2007

PhP

US\$

Sources of revolving fund for MF Business Loans:

>Preferred Shares of Community Partners	8.5 M	.18 M
>Common Shares of CCT Board & Members	15.6 M	.3 M
>Savings deposits from community partners	181 M	3.9 M
>Loans from Board members, non-interest bearing	27.5 M	.6 M
>Commercial loans	0.8 M	17,391
Total	233.4 M	5 M
Total Loans Disbursed (annualized)	1.87 billion	40.6 M
Loan Portfolio	392.6 M	8.5 M

Directions for CCT Housing Program:

- More intentional Family Retreats
- Network with co-vision sharers.
- - Young generation of idealistic architects concerned of the magnitude of housing problem in the Philippines (e.g. University of the Philippines Architectural Society) for design of low-cost and space-efficient houses attuned to Filipino culture & environment.



Directions for CCT Housing Program:

- Technical Skills Training of male household members who will eventually become Pool of skilled construction workers (i.e. masonry, plumbing, electricity). They will serve the manpower needs in the construction of houses.



Directions for CCT Housing Program:

- Putting up of a Housing and Development Corporation, a separate legal entity to focus on developing socialized housing models with unique Filipino design and will be affordable for its target clients





The CCT Dream...



ISAIAH 65:17-25



“Behold, I will create new heavens and a new earth. The former things will not be remembered, nor will they come to mind.

**But be glad and rejoice forever in what I will create.
I will ... take delight in my people;
The sound of weeping and of crying
will be heard in it no more...**





“Never again will there be in it an infant who lives but a few days.”





“Or an old man who does not live out his years”;

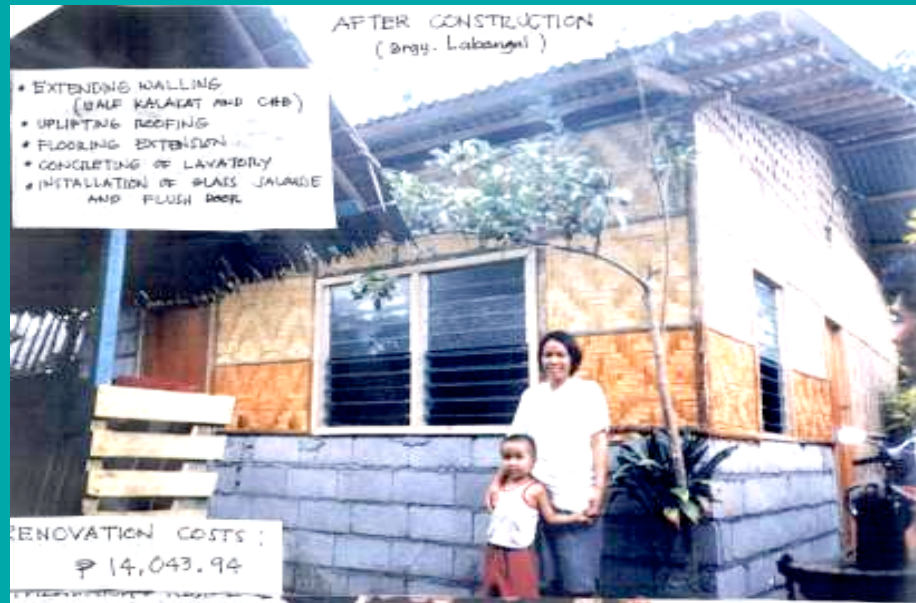


- Lifting of Roof
- Construction of Fire Wall
- Concreting of kitchen perimeter
- Installation of main door

AFTER CONSTRUCTION
(orgy. Labangul)



Renovation Costs: P11, 500.025



AFTER CONSTRUCTION
(orgy. Labangul)

- EXTENDING WALLING (WALL KALAGAT AND CHD)
- UPLIFTING ROOFING
- FLOORING EXTENSION
- CONCRETING OF LAVATORY
- INSTALLATION OF GLASS JALANJE AND FLUSH DOOR

RENOVATION COSTS :
P 14,043.94



“They will build houses and dwell in them,”



CCT Home
Partner: Mary
Ann Pantinople,
P 20,000 loan,
2 years, for
kitchen and
roofing repair

CCT Home
Partner:
Fegi Salvacion,
P50,000 Total
house
renovation/ new
house (3 yrs.)



CCT Home
Partner:
Conchita
Nevada,
P50,000
loan for
house
renovation,
1 year



“
They will plant vineyards
and eat their fruit.”





“(They) will long enjoy
the works of their hands.”





“They will not toil in vain
or bear children
doomed to misfortune”



“For they will
be a people
blessed
by the Lord...”

