



**AUTORIDAD PARA EL
FINANCIAMIENTO DE LA VIVIENDA
DE PUERTO RICO**

SUBSIDIARIA DEL
BANCO GUBERNAMENTAL DE FOMENTO
PARA PUERTO RICO

G O B I E R N O D E P U E R T O R I C O

Puerto Rico Housing Finance Authority Housing Stimulus Programs

June 30, 2011

(Preliminary – June US data not yet available)



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Total sales assisted by PRHFA stimulus from \$180MM Fund Assignment

As of June 30, 2011

- **Silent Second Mortgage**
- **Closing Cost and Down Payment Assistance Bonus**

**\$2,513 million in Assisted Housing Sales
18,437 units sold**



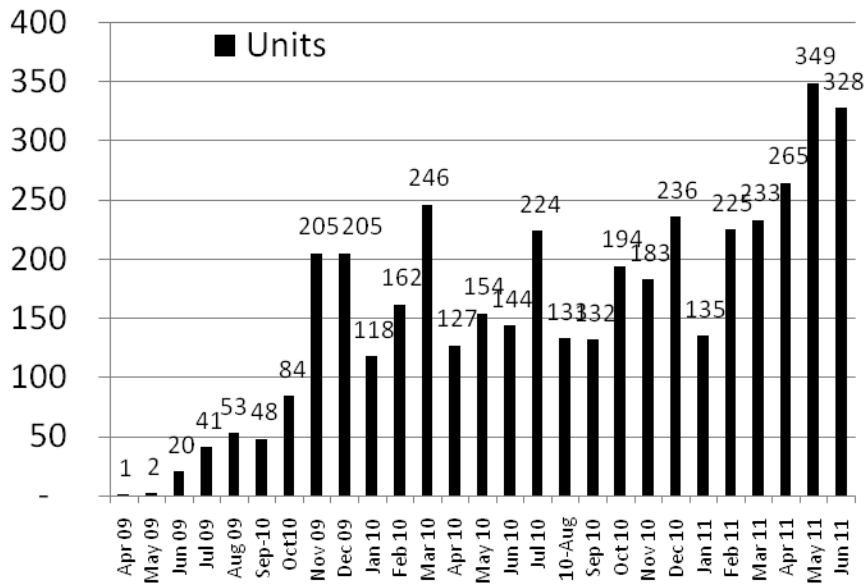
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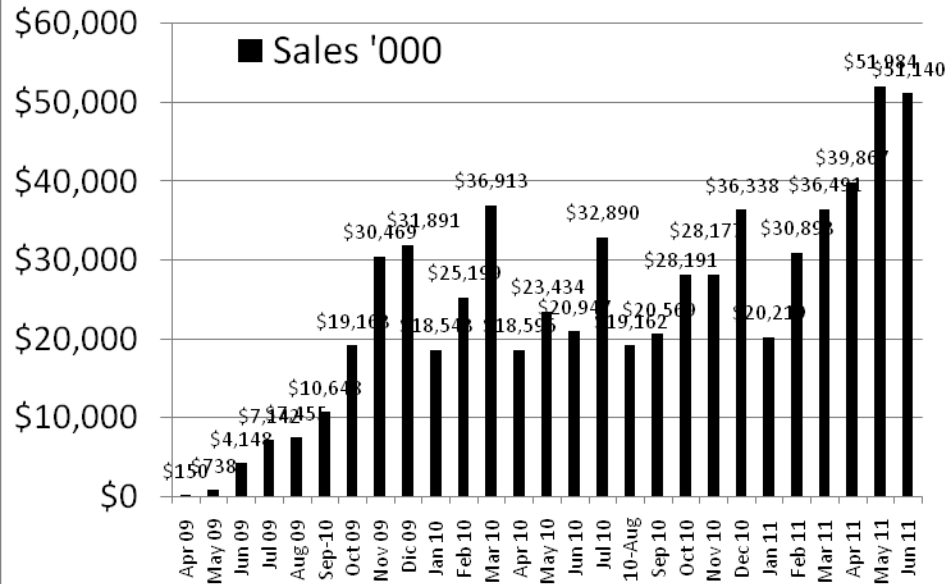
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Silent Second Program (as of June 30, 2011)

- 4,247 second mortgages with a balance of \$54.3 MM
- \$650 million in assisted sales
- \$60 million assigned
- \$5.7 available



Total 736 New & 2,336 Existing



Total \$143MM New & \$329MM Existing



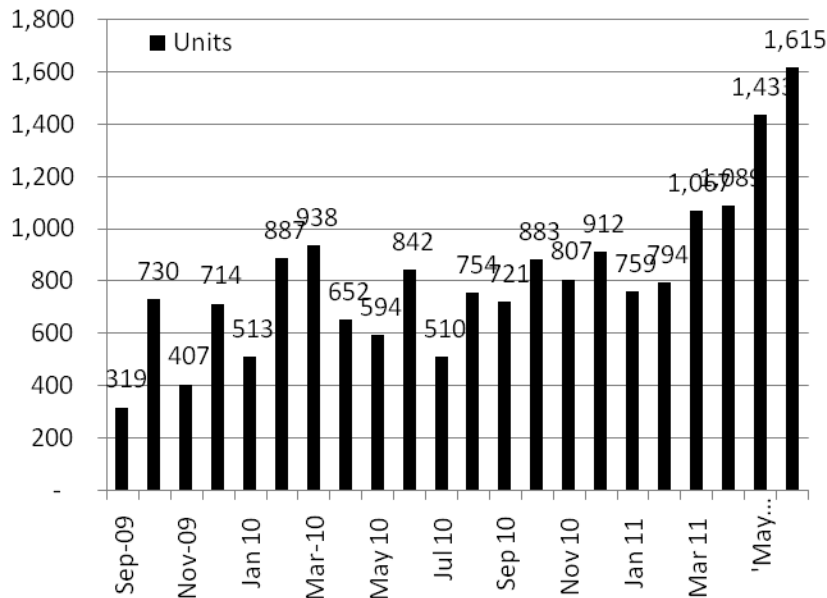
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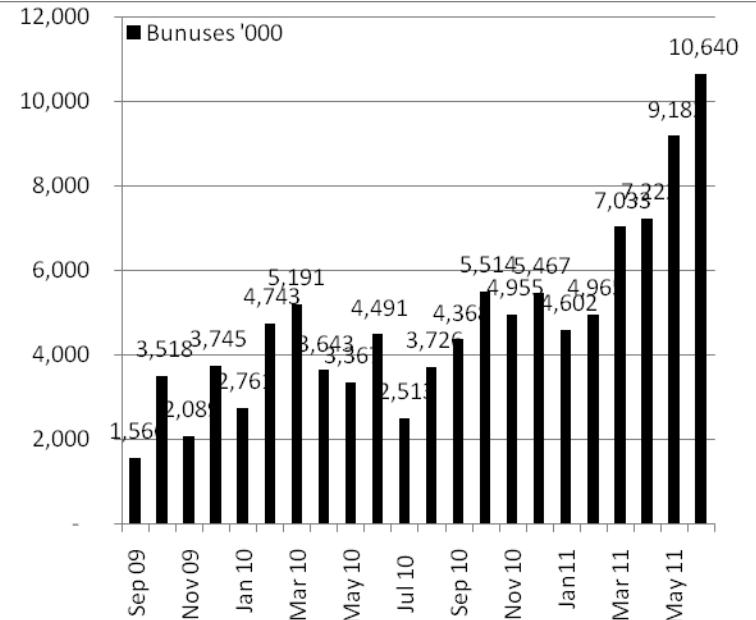
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Down Payment assistance and Closing Cost Bonues (a/o June 30, 2011)

- 17,948 participants, \$105.3MM in Bonuses y \$5.9M average bonus
- Sales of \$2.383 billion
- 21% of the participants have also used the Silent Second
- \$120 million assigned
- \$14.7 million available



Total 2,897 New & 13,436 Existing



Total \$18.4 MM New & \$76.3MM Existing



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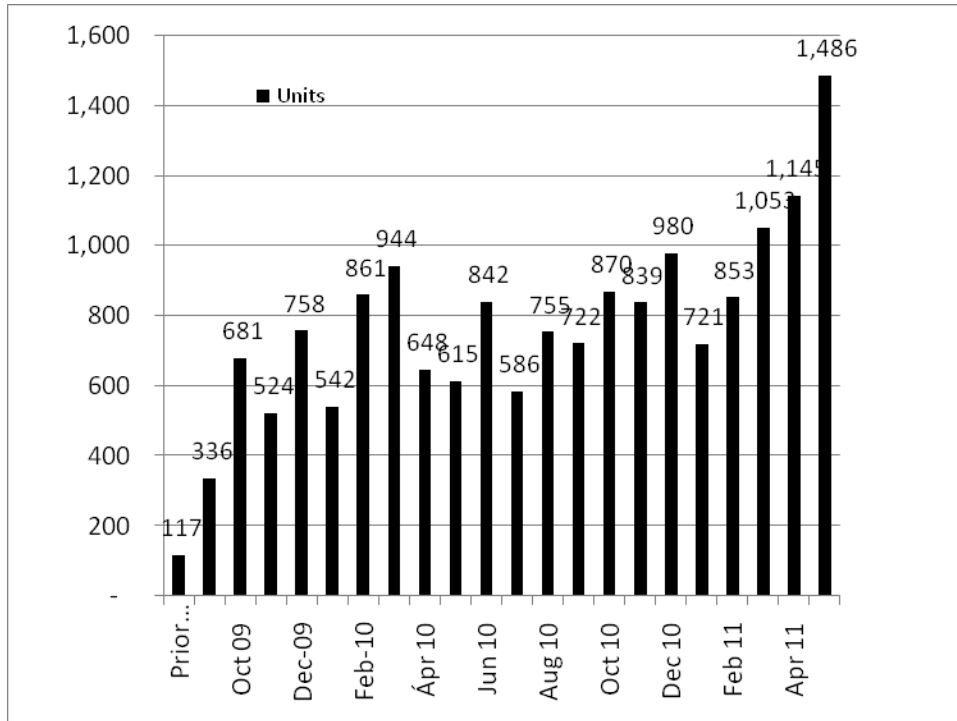
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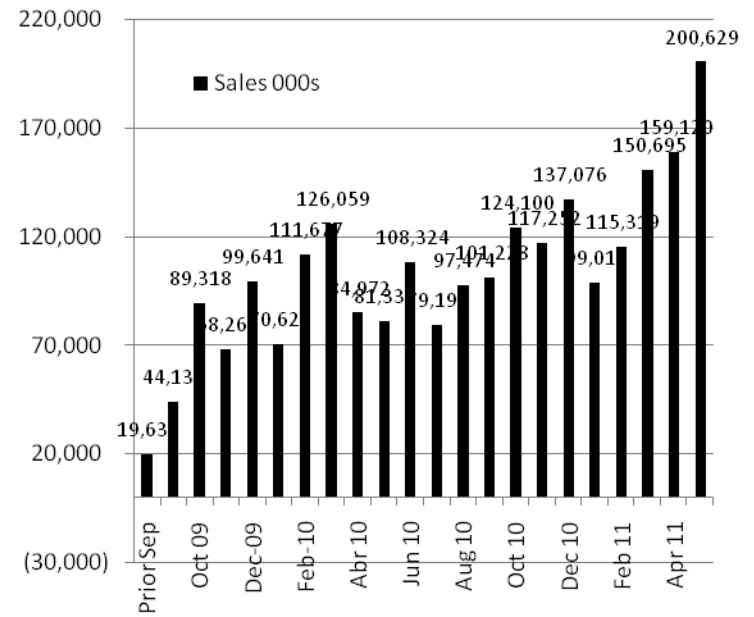


Combined Programs (as of June 30, 2011)

- 18,437 participants (19% New Construction)
- \$2,513 million in sales (24% New)
- \$136 thousand average sales price



Total 3,576 New & 14,861 Existing



Total \$591MM New & \$1,922MM Existing



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...Now with Law 132

1

**No Future Capital Gains Tax on New Residential Property
50% reduction on Future Capital Gains for Existing Property**

2

**No Recording Fees for New Residential Property
50% reduction in Recording Fees for Existing Property**

3

**Zero Capital Gain taxes on sale of Existing Property
\$5,000 deduction from ordinary income for Capital Loss on
sale of Existing Home for up to 15 years**

4

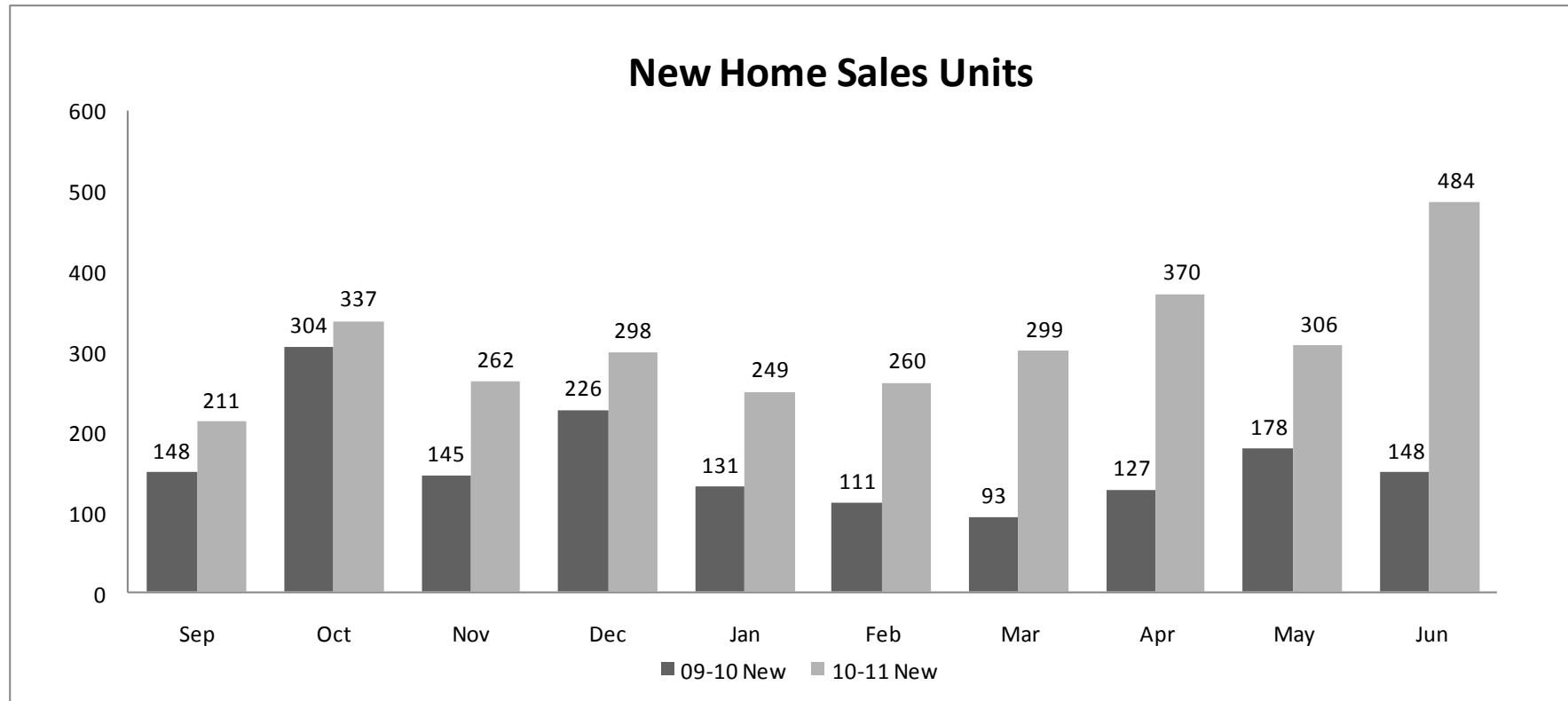
Residential Rental Income is Tax Exempt until 12/31/20

5

5 Year Property Tax abatement on New Residential Property

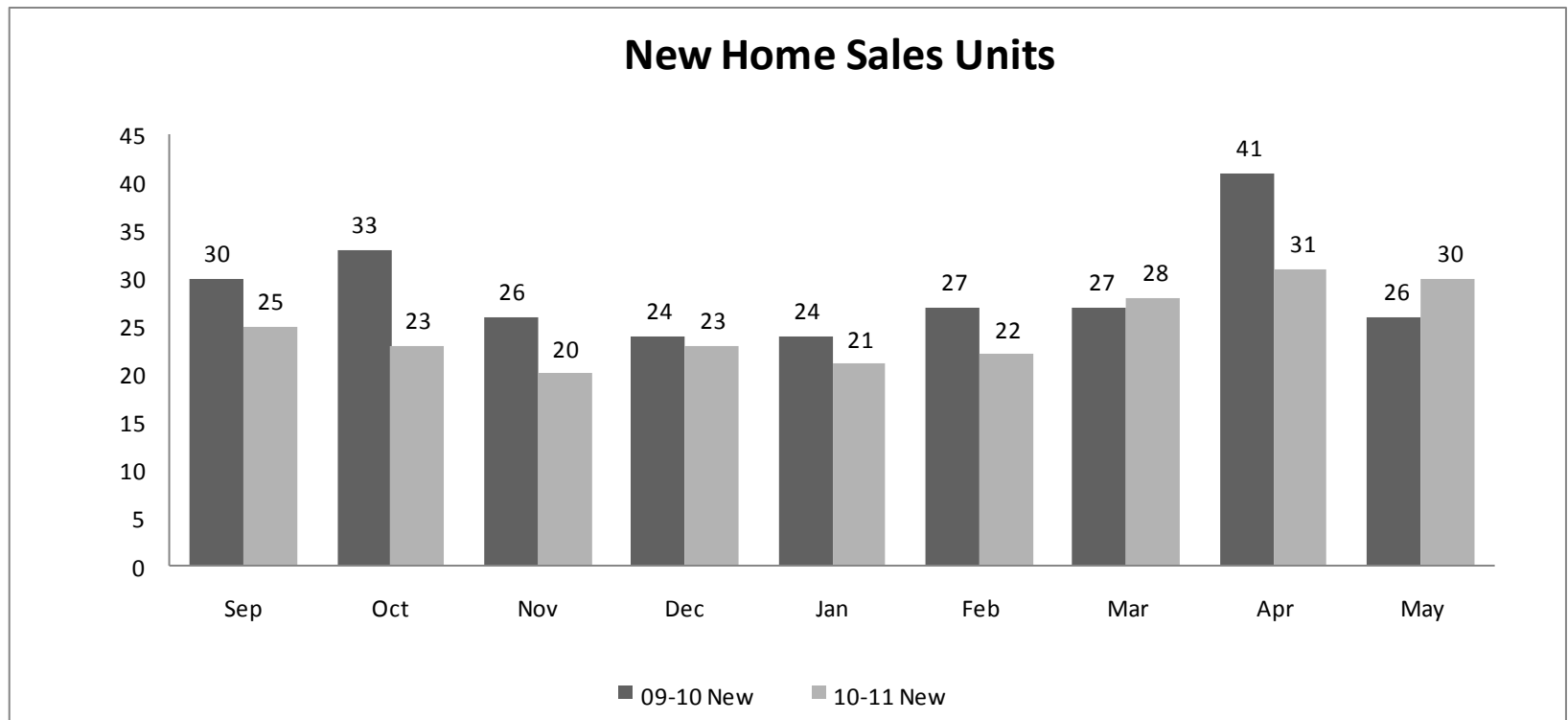


Puerto Rico New Home Sales





US New Home Sales (in '000s)



US Data Source : US Census Bureau Monthly Unadjusted Data

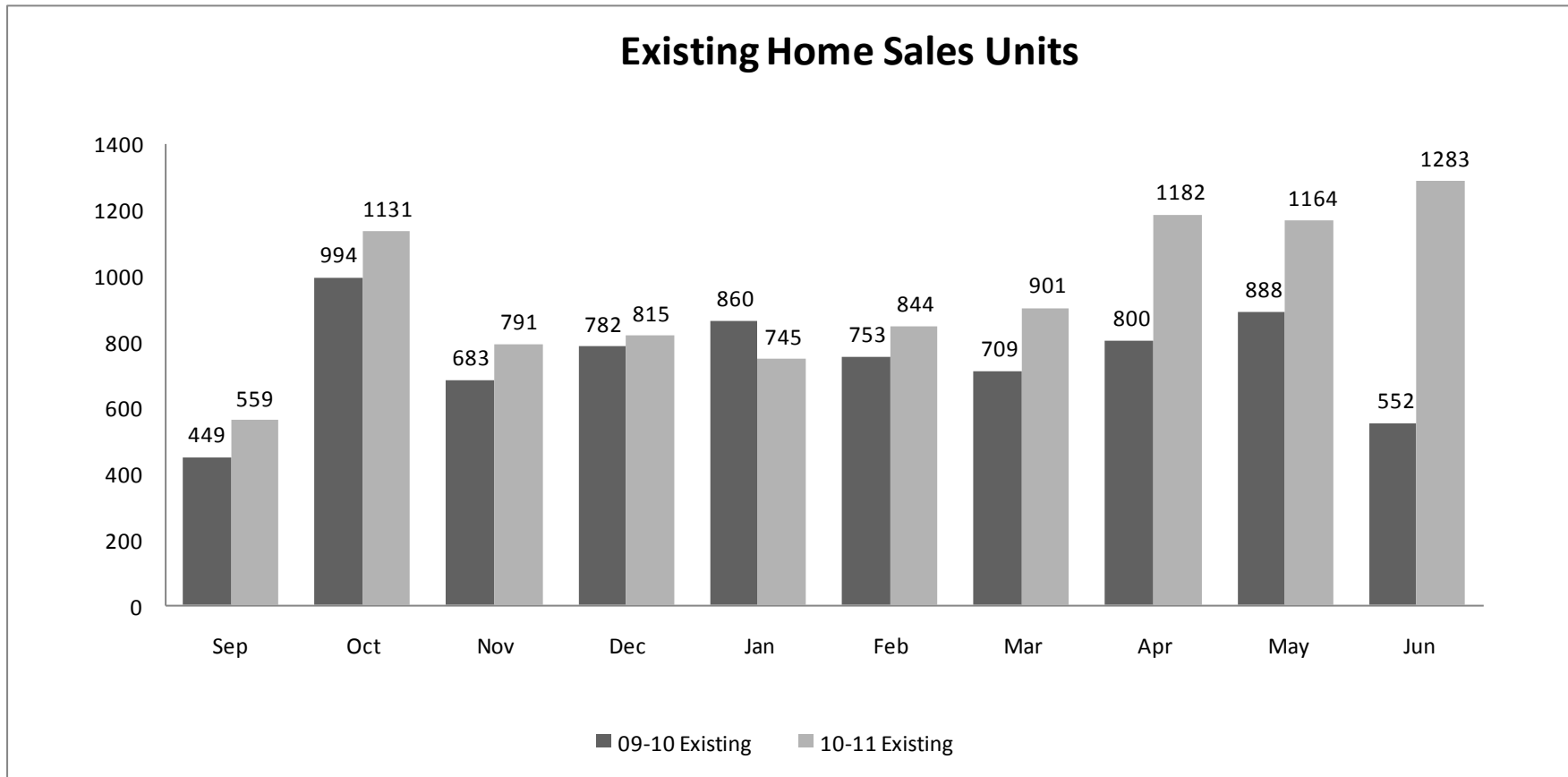


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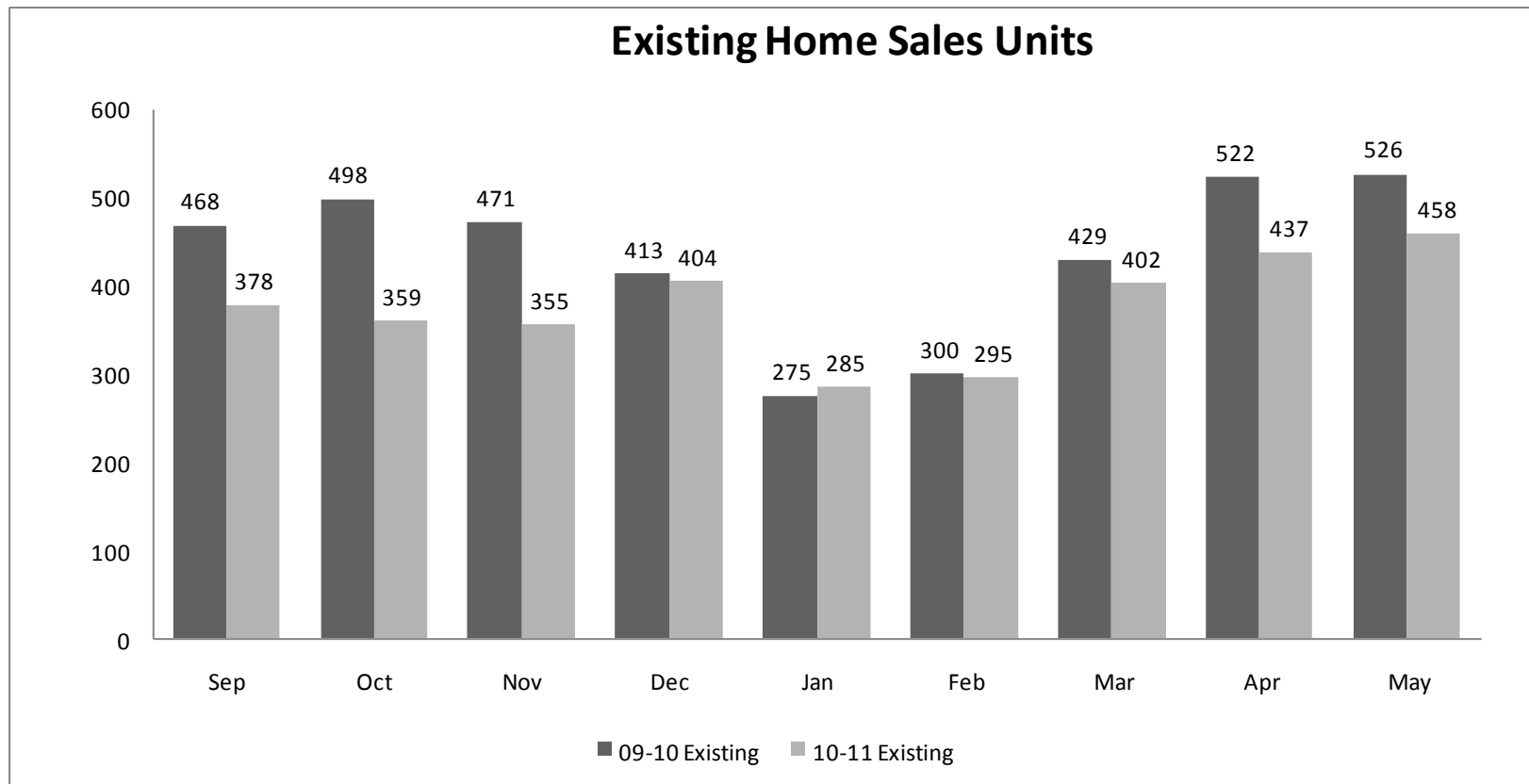
Puerto Rico Existing Home Sales



PR Data Source: PR Commissioner of Financial Institutions



US Existing Home Sales (in '000s)



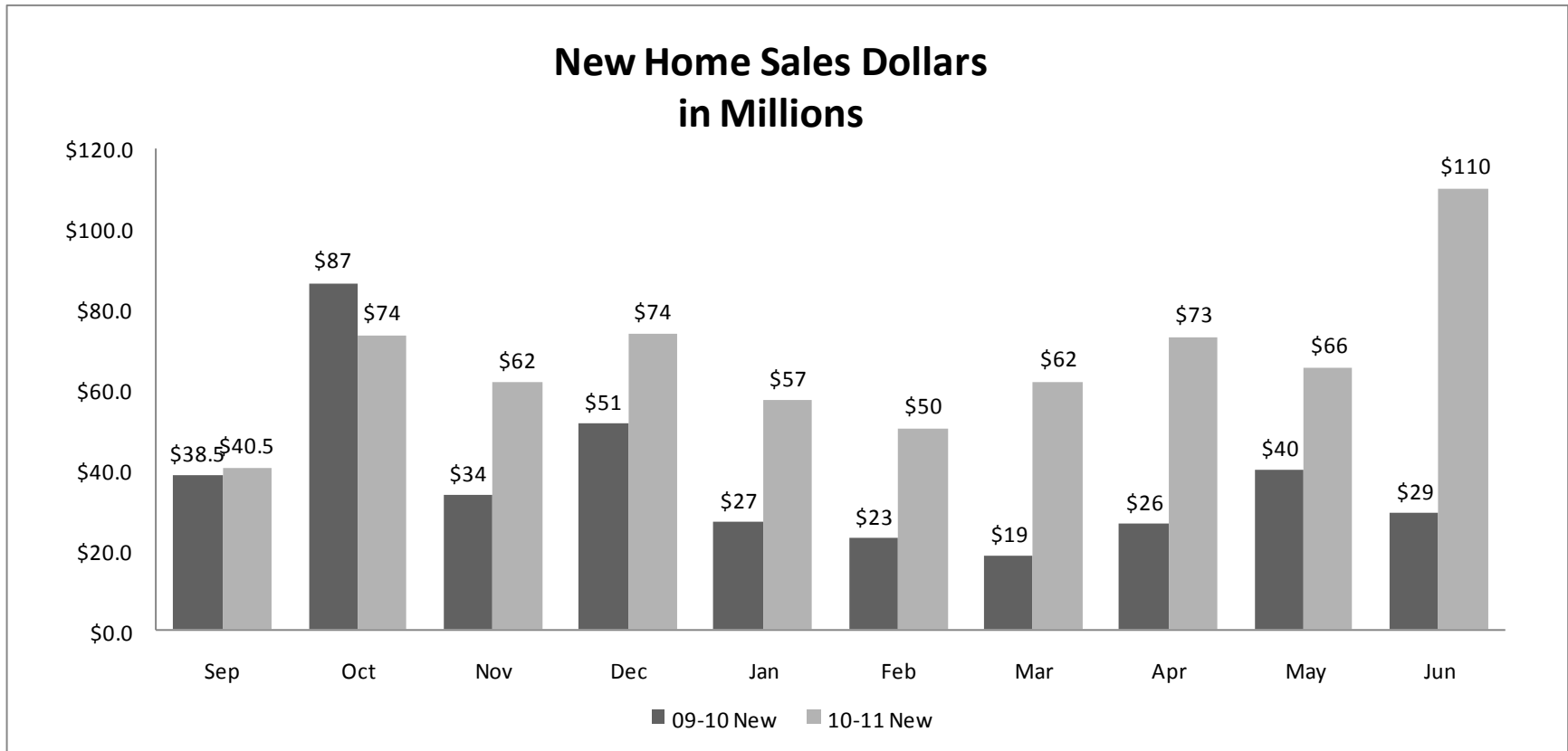


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Puerto Rico New Home Sales



PR Data Source: PR Commissioner of
Financial Institutions

**79.05% increase in sales dollar
volume during the last ten months**

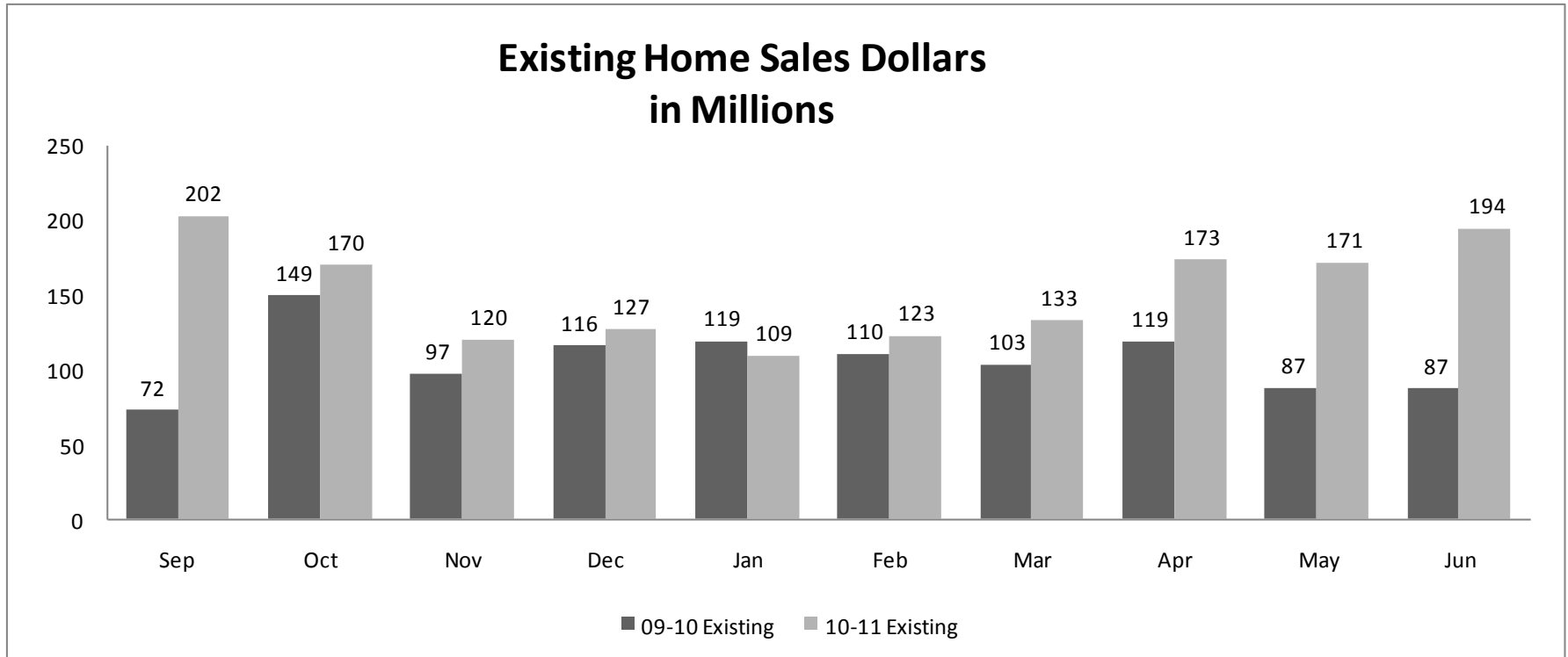


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Puerto Rico Existing Home Sales



PR Data Source: PR Commissioner of
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**37.34% increase in sales dollar
volume during the last ten months**



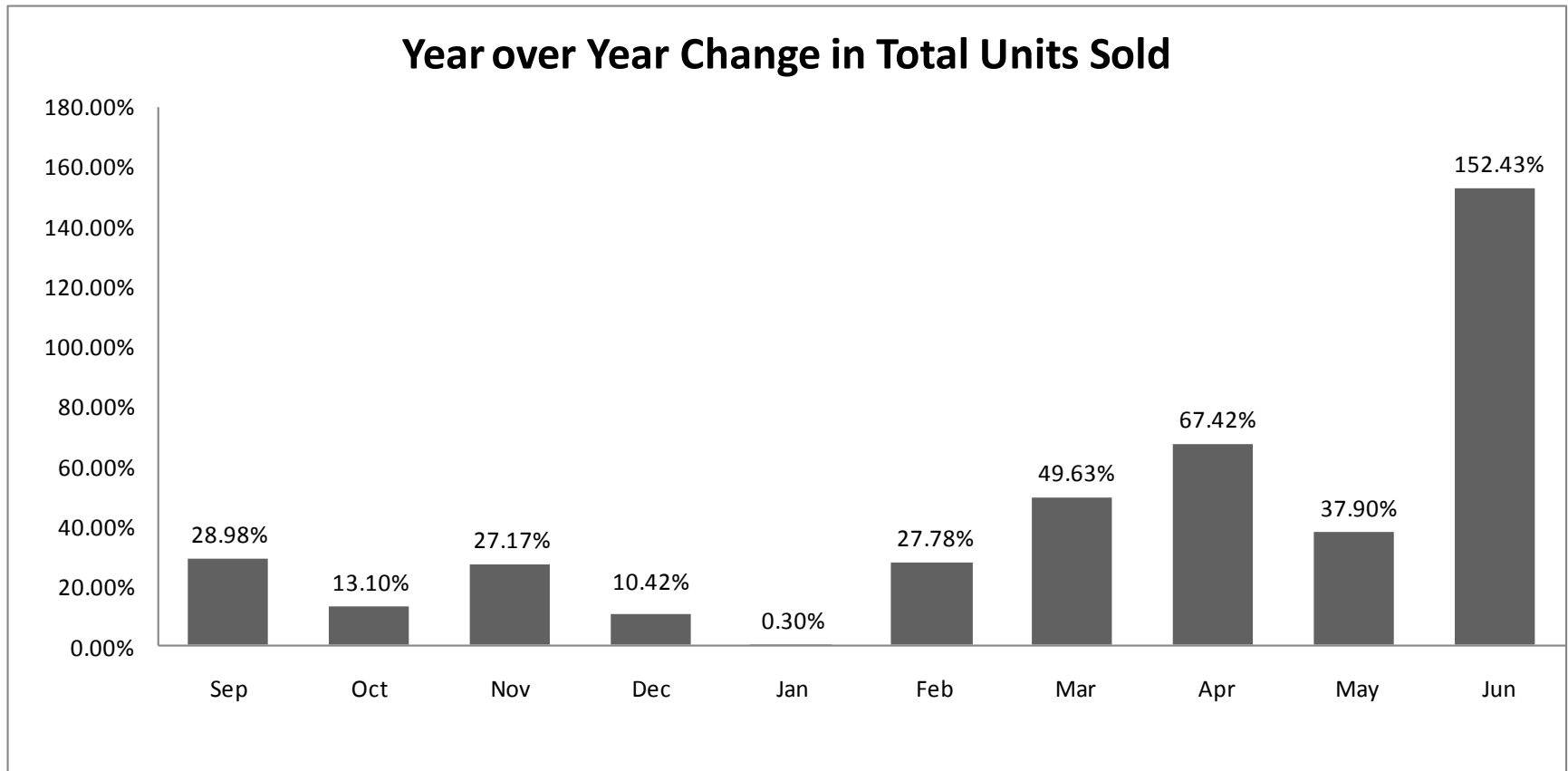
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G O B I E R N O D E P U E R T O R I C O

Puerto Rico

Year over Year Change in Total Units Sold



PR Data Source: PR Commissioner of
Financial Institutions

Total Increase over same period of
37.55% in units and 47.85% in dollars

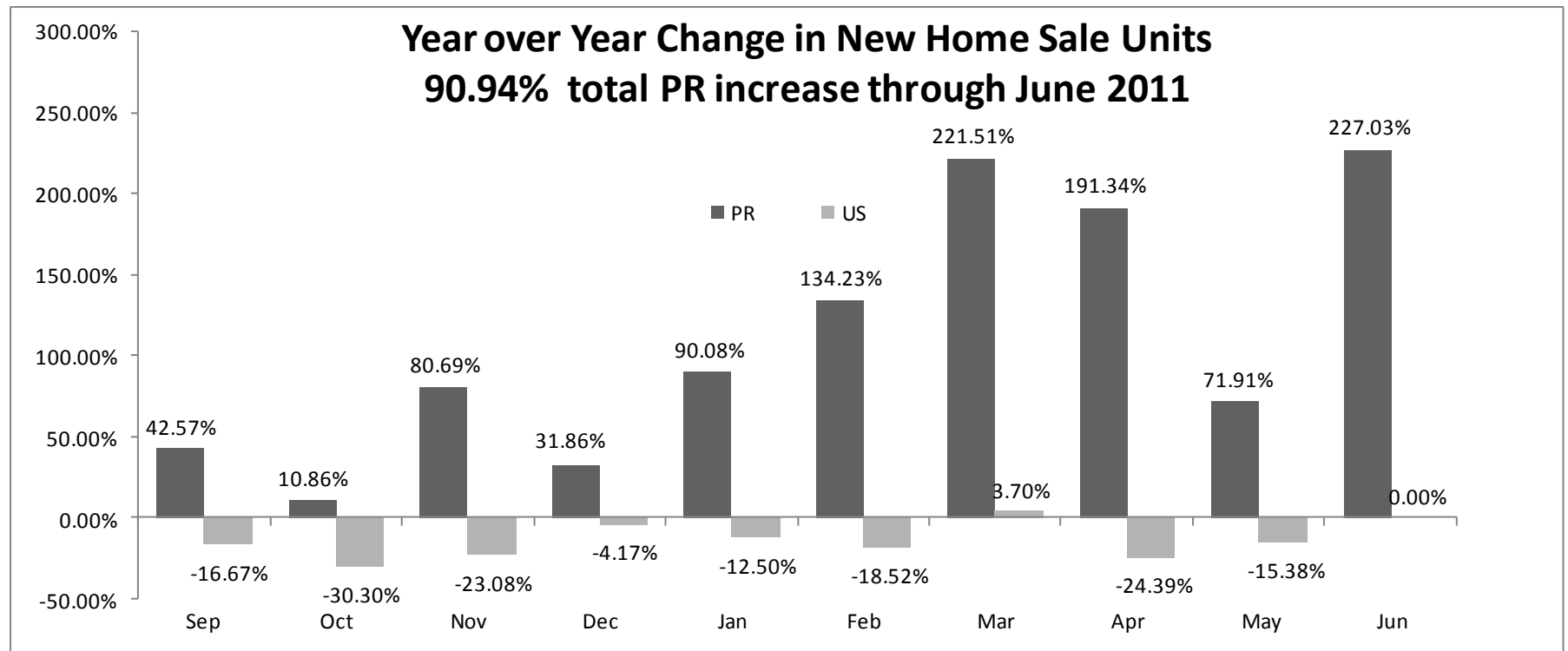


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US Results vs. PR



US Data Source : US Census Bureau

PR Data Source: PR Commissioner Financial Institutions

Up to May 2011 Overall Year over Year Change
PR increased 77.17% in units &
US decreased 13.57%



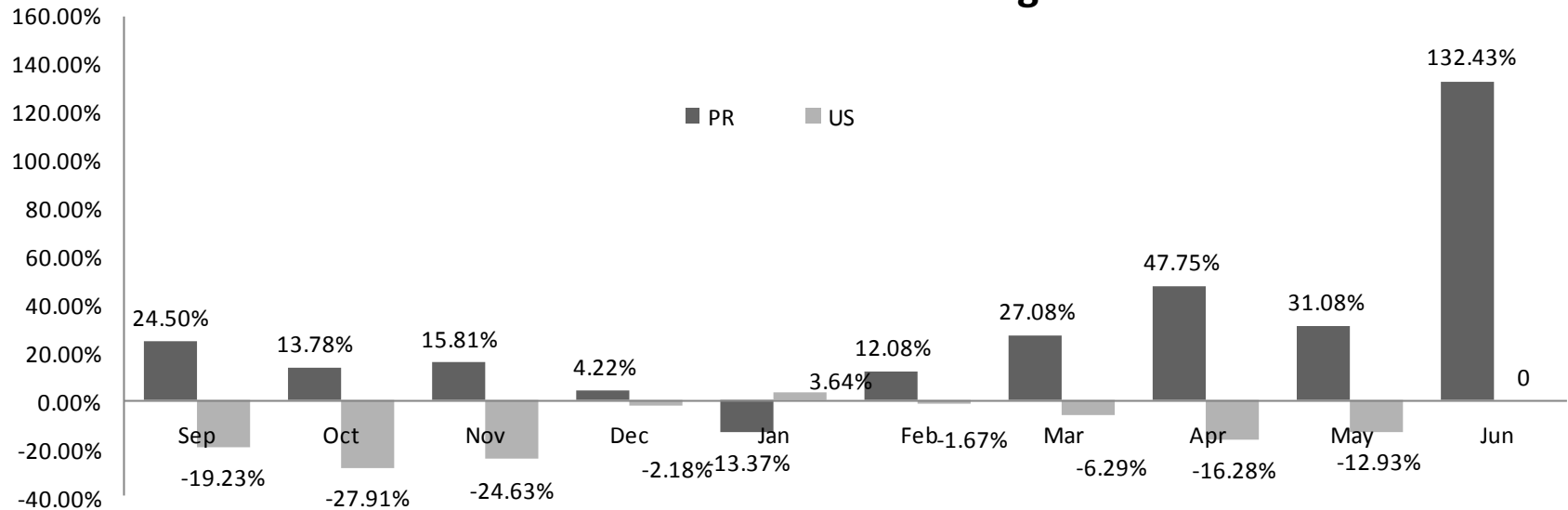
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US Results vs. PR

Year over Year Change in Existing Home Sale Units 26.04% total PR increase through June 2011



US Data Source : US National Association of Realtors

PR Data Source: PR Commissioner Financial Institutions

**Up to May 2011 Overall Year over Year Change
PR increased 17.55% in units sold &
US decreased 13.56%**



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G O B I E R N O D E P U E R T O R I C O

Mortgage Closings sept 2010 through april 2011

New Housing

25.3%	Principal	91.8%	Non-Resident	Persons
	Second Home	6.7%	2.0%	99.5%
	Investment	1.5%	Resident	Legal Entity
	Total	100.0%	98.0%	0.5%
		Total	100.0%	100.0%

Existing Housing

74.7%	Principal	93.5%	Non-Resident	Persons
	Second Home	3.0%	1.8%	99.7%
	Investment	3.4%	Resident	Legal Entity
	Total	100.0%	98.2%	0.3%
		Total	100.0%	100.0%



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Puerto Rico Home Sales Units

Closed Units	09-10 New	10-11 New	09-10 Existing	10-11 Existing	Total	New	Existing			
Sep	148	211	449	559	28.98%	42.57%	24.50%			
Oct	304	337	994	1131	13.10%	10.86%	13.78%			
Nov	145	262	683	791	27.17%	80.69%	15.81%			
Dec	226	298	782	815	10.42%	31.86%	4.22%			
Jan	131	249	860	745	0.30%	90.08%	-13.37%			
Feb	111	260	753	844	27.78%	134.23%	12.08%			
Mar	93	299	709	901	49.63%	221.51%	27.08%			
Apr	127	370	800	1182	67.42%	191.34%	47.75%			
May	178	306	888	1164	37.90%	71.91%	31.08%			
Jun	148	484	552	1283	152.43%	227.03%	132.43%			
Subtotal	1611	3076	7470	9415						
Increase by Category		90.94%		26.04%						
Overall Increase			37.55%							
			12491							

PR Data Source: PR Commissioner of Financial Institutions



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Puerto Rico Home Sales Dollars

Closed \$\$\$	09-10 New	10-11 New	09-10 Existing	10-11 Existing		Total	New	Existing		
Sep	\$38.5	\$40.5	\$72.4	\$202.4		119.04%	5.25%	179.56%		
Oct	\$87	\$74	\$149	\$170		3.20%	-14.88%	13.68%		
Nov	\$34	\$62	\$97	\$120		39.23%	83.63%	23.84%		
Dec	\$51	\$74	\$116	\$127		19.86%	43.86%	9.23%		
Jan	\$27	\$57	\$119	\$109		14.28%	114.23%	-8.15%		
Feb	\$23	\$50	\$110	\$123		30.00%	121.59%	11.15%		
Mar	\$19	\$62	\$103	\$133		59.89%	235.14%	28.53%		
Apr	\$26	\$73	\$119	\$173		69.77%	178.33%	45.75%		
May	\$40	\$66	\$135	\$171		35.22%	64.16%	26.67%		
Jun	\$29	\$110	\$87	\$194		162.07%	279.31%	122.99%		
Subtotal	\$373.0	\$667.9	\$1,107.9	\$1,521.6						
						Dollars in Millions				
Increase by Category		79.05%		37.34%						
Overall Increase			47.85%							
Total Sales for Period			\$2,189.5							

PR Data Source: PR Commissioner of Financial Institutions



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Date of publication: July 8, 2011

Future dates of publication: Final report is published the last week of month following the end of the month reported.

To obtain a copy of this report: (1) send your request to sonia.morales@prhfc.gobierno.pr, (2) call 787-765-7577 ext. 4572, (3) fax your request to 787-620-3521, or (4) by mail to PRHFA Executive Director, BOX 71361, San Juan PR 00936. This report is available in PDF electronic format only. Request must include an email address where the report is to be sent . The report is free.

Source of information: Puerto Rico Office of the Commissioner of Financial Institutions, U.S. Census Bureau, National Association of Realtors, and Puerto Rico Housing Finance Authority

Legal framework: This report is produced in compliance with Law 8 of March 2009, Law 209 of December 2009, and Law 132 of September 2010.