



**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**

October 31, 2011

**(Final Revised)**



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# **Total sales assisted by PRHFA stimulus from \$205MM Fund Assignment**

**As of October 31, 2011**

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

**\$3,036 million in Assisted Housing Sales  
22,198 units sold**



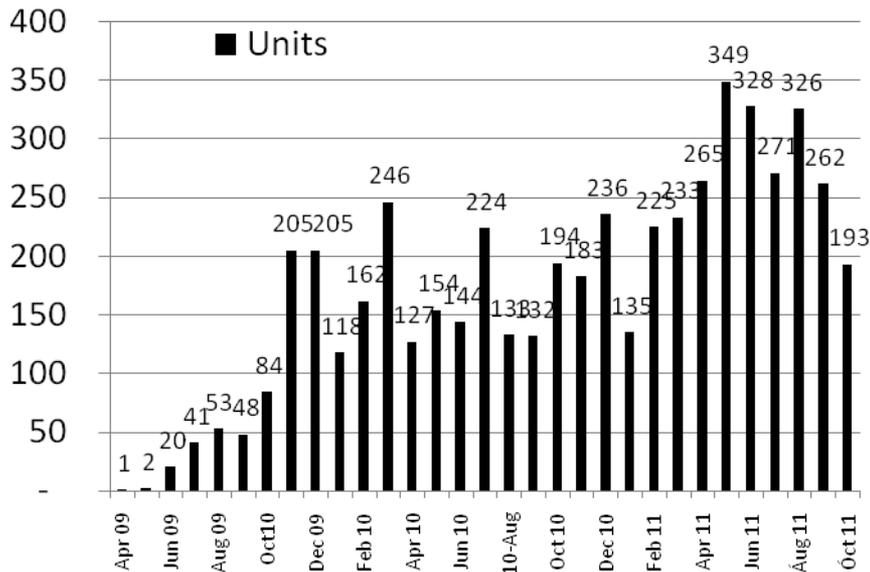
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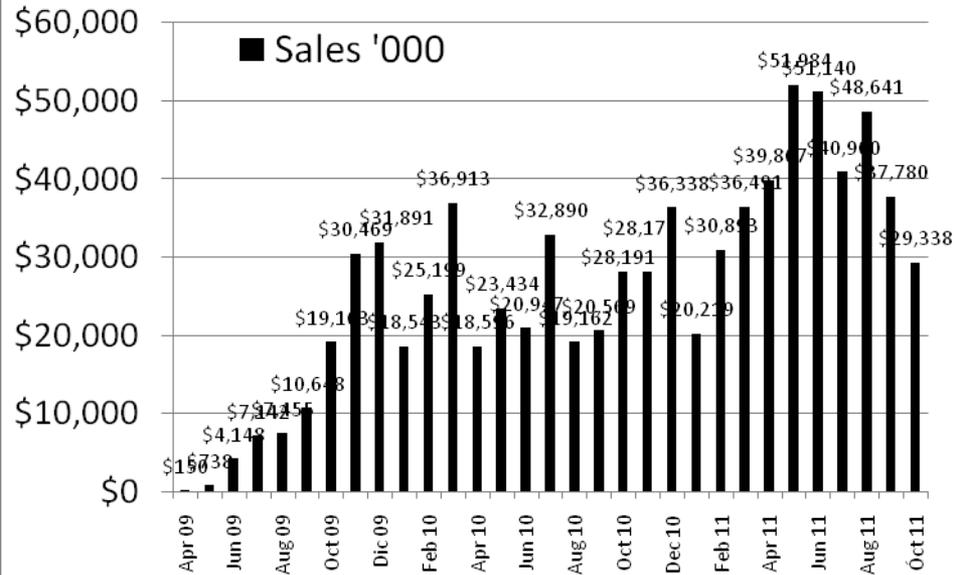
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## Silent Second Program (as of October 31, 2011)

- 5,299 second mortgages with a balance of \$64 MM
- \$807 million in assisted sales
- \$70 million assigned
- \$4 million available



**Total 972 New & 4,134 Existing**



**Total \$201MM New & \$577MM Existing**



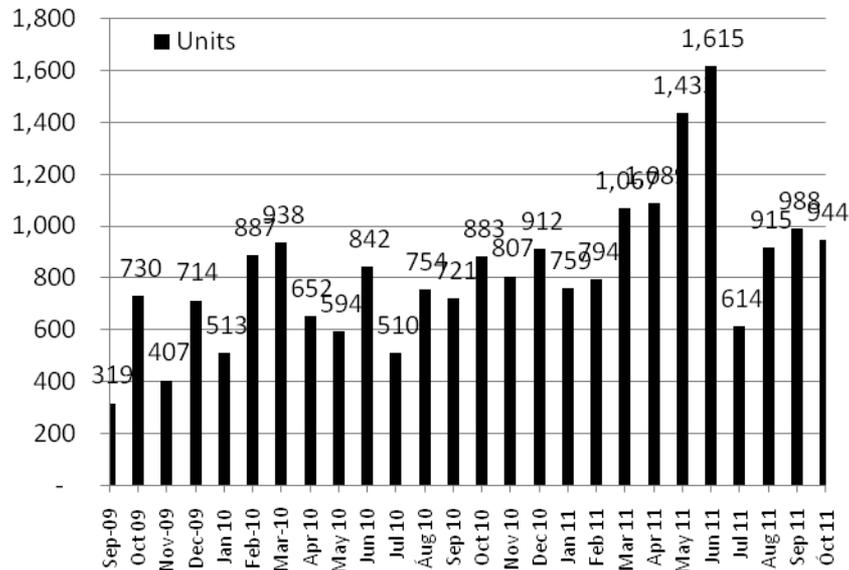
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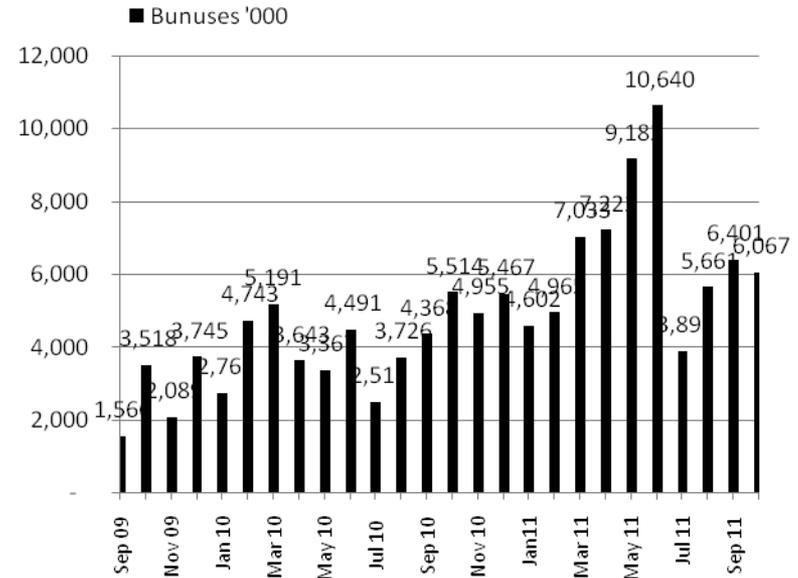
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## Down Payment assistance and Closing Cost Bonuses (a/o Oct 31, 2011)

- 21,409 participants, \$127.3MM in Bonuses y \$5.9M average bonus
- Sales of \$2,853 million
- 21% of the participants have also used the Silent Second
- \$135 million assigned
- \$7.7 million available



**Total 3,465 New & 16,012 Existing**



**Total \$23.4MM New & \$97.8MM Existing**



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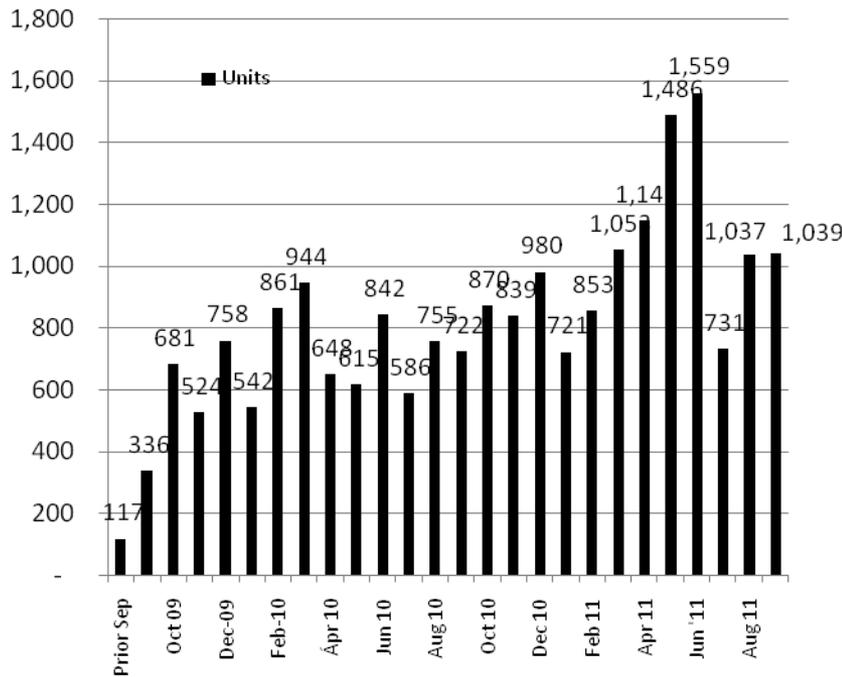
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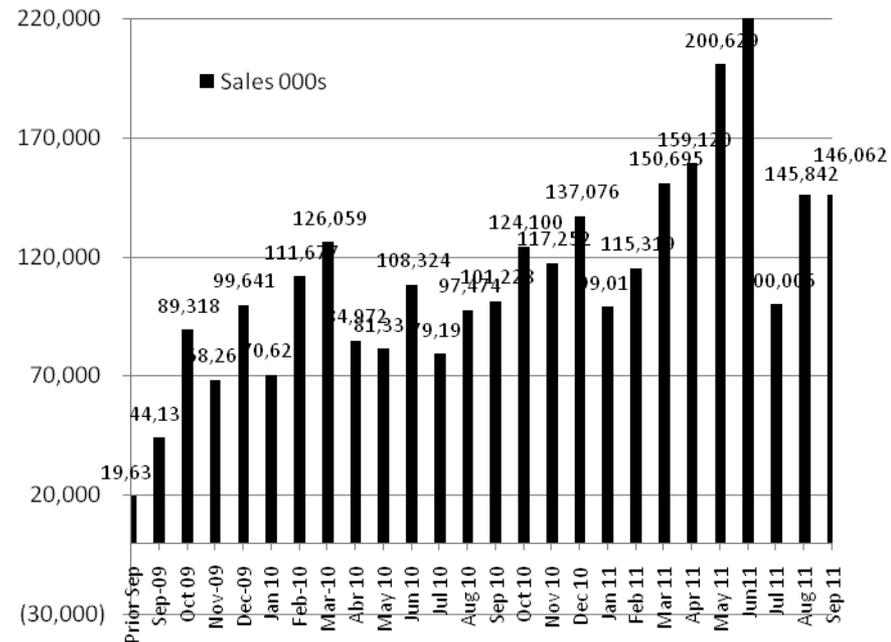


## Combined Programs (as of October 31, 2011)

- 22,198 participants (20% New Construction)
- \$3,036 million in sales (23% New)
- \$137 thousand average sales price



**Total 4,256 New & 17,942 Existing**



**Total \$707MM New & \$2,329MM 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**



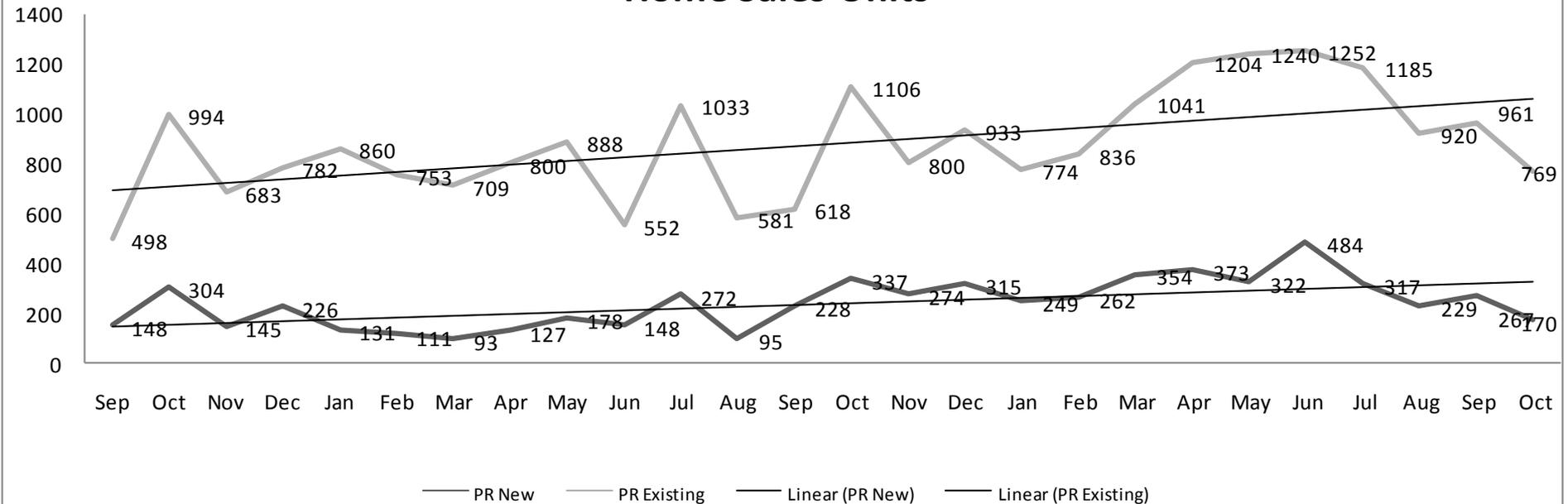
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## Puerto Rico Home Sales

### Home Sales Units



PR Data Source: PR Commissioner of Financial Institutions

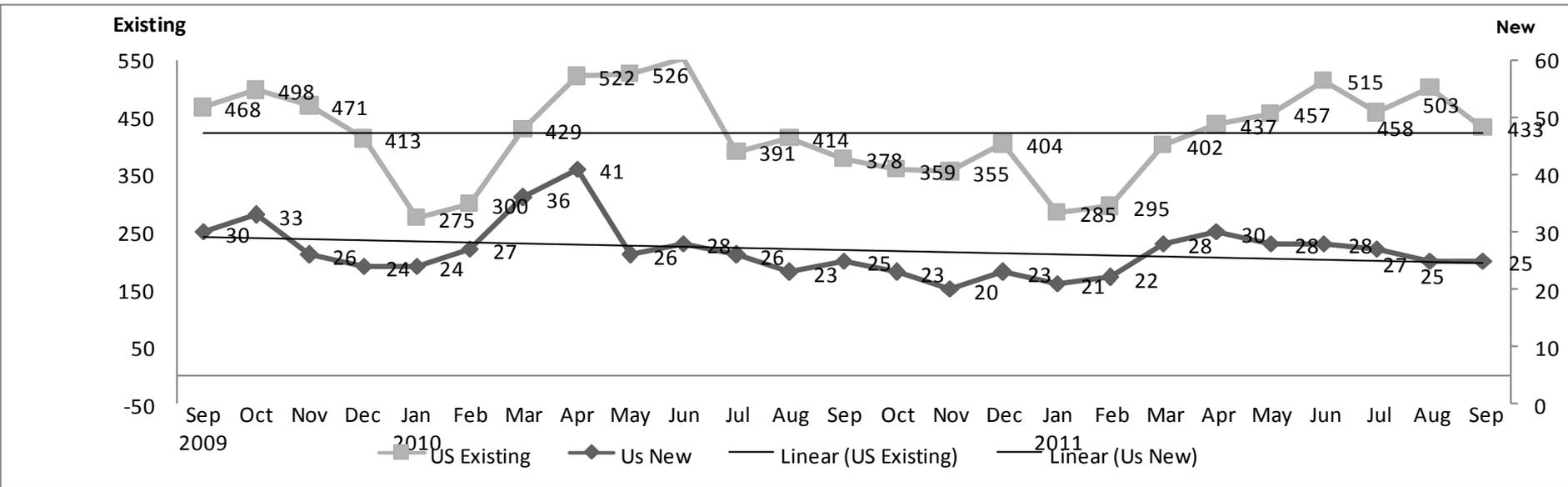


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# US Home Sales (000s)



US New Home Sales : US Census Bureau Monthly Unadjusted Data

US Existing Home Sales : National Association of Realtors Monthly Unadjusted Data

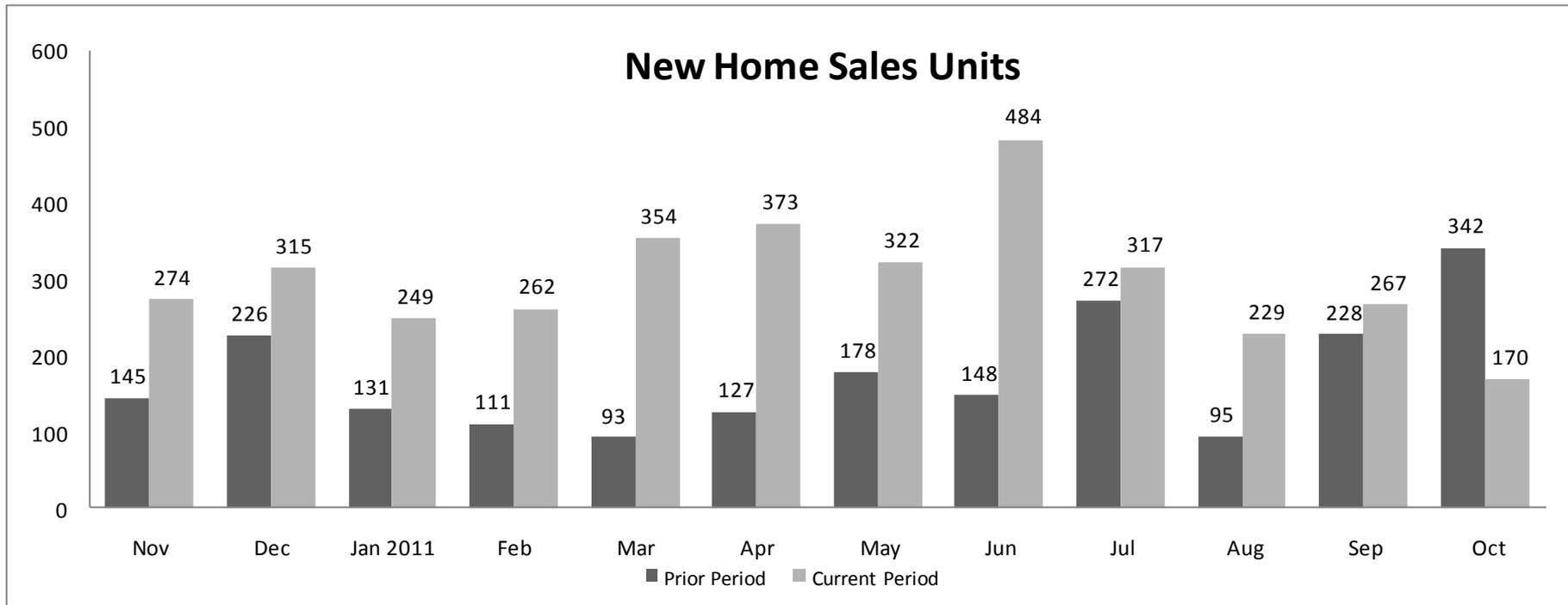


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## Puerto Rico New Home Sales



PR Data Source: PR Commissioner of Financial Institutions

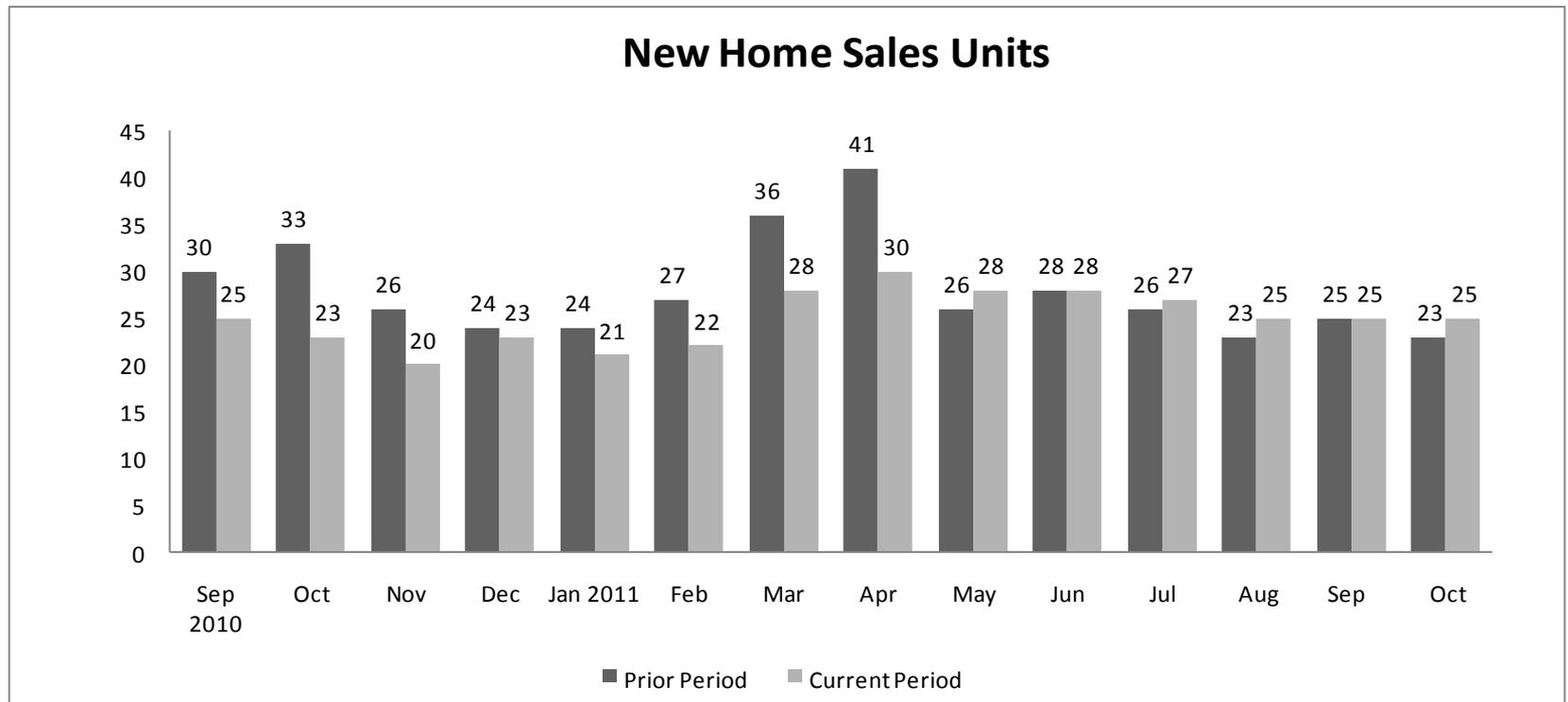


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## US New Home Sales (in '000s)



US Data Source : US Census Bureau Monthly Unadjusted Data

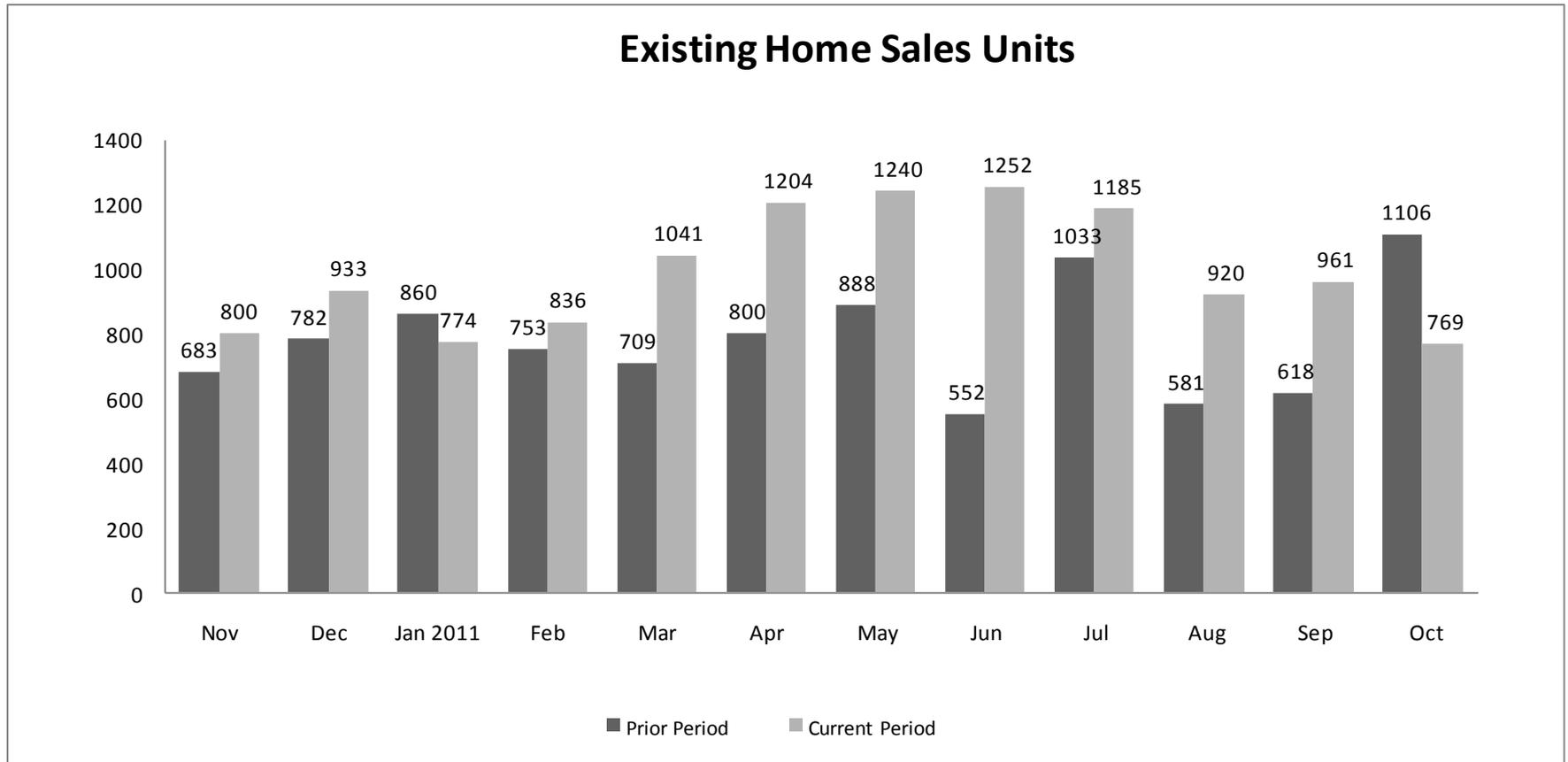


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## Puerto Rico Existing Home Sales



PR Data Source: PR Commissioner of Financial Institutions

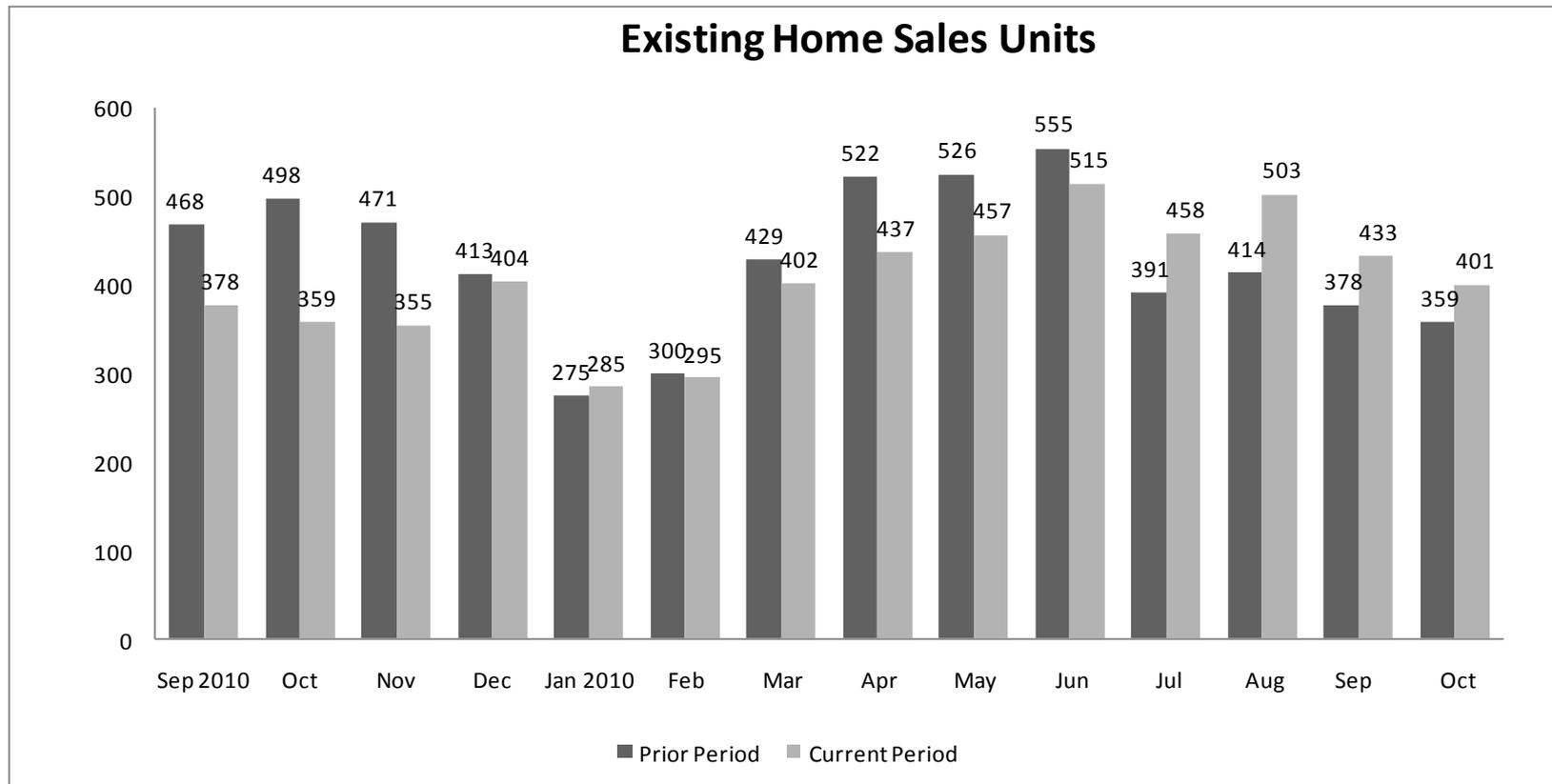


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# US Existing Home Sales (in '000s)



US Data Source: National Association of Realtors Monthly Unadjusted Data

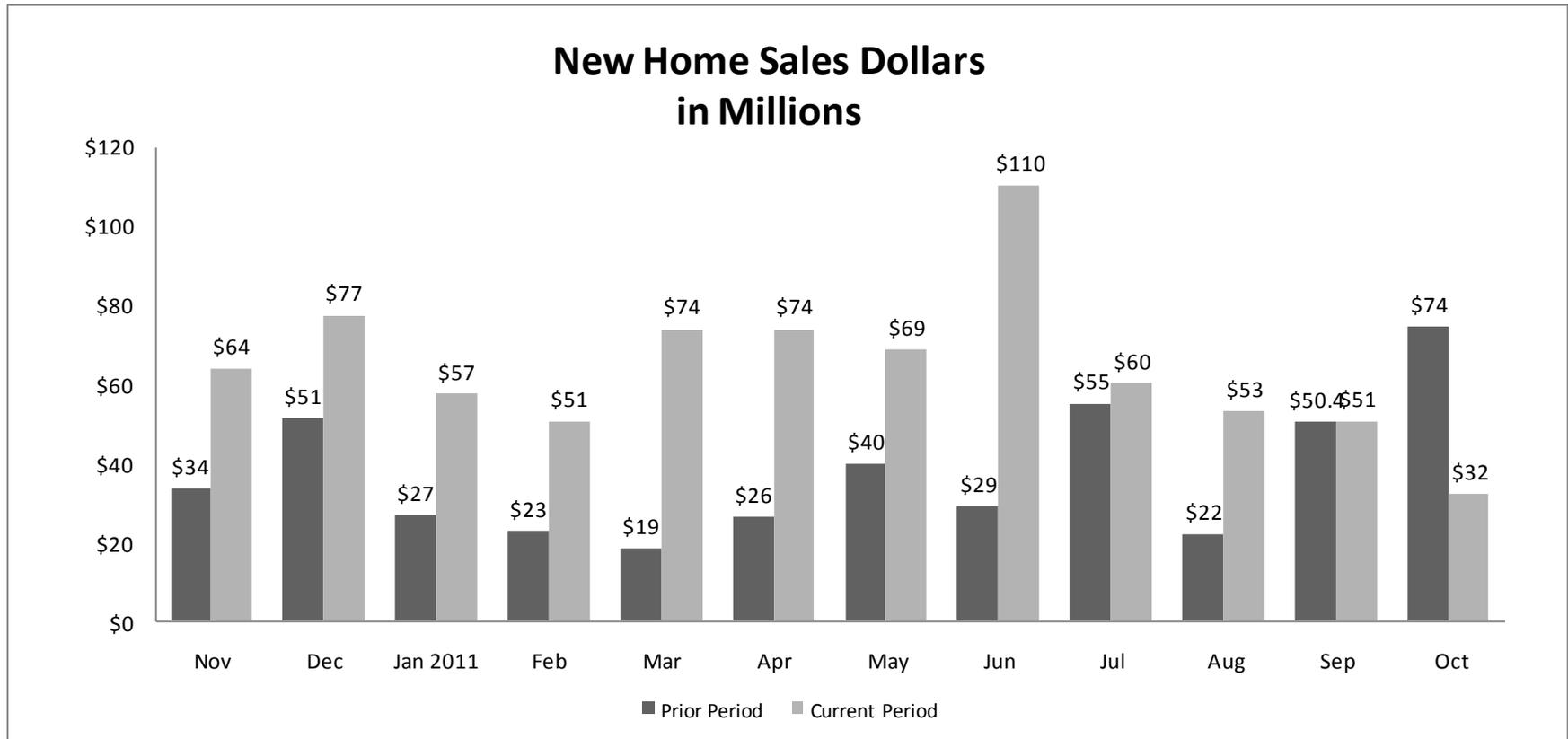


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## Puerto Rico New Home Sales



PR Data Source: PR Commissioner of  
Financial Institutions

**71.38% increase in sales dollar  
volume during the last twelve months**

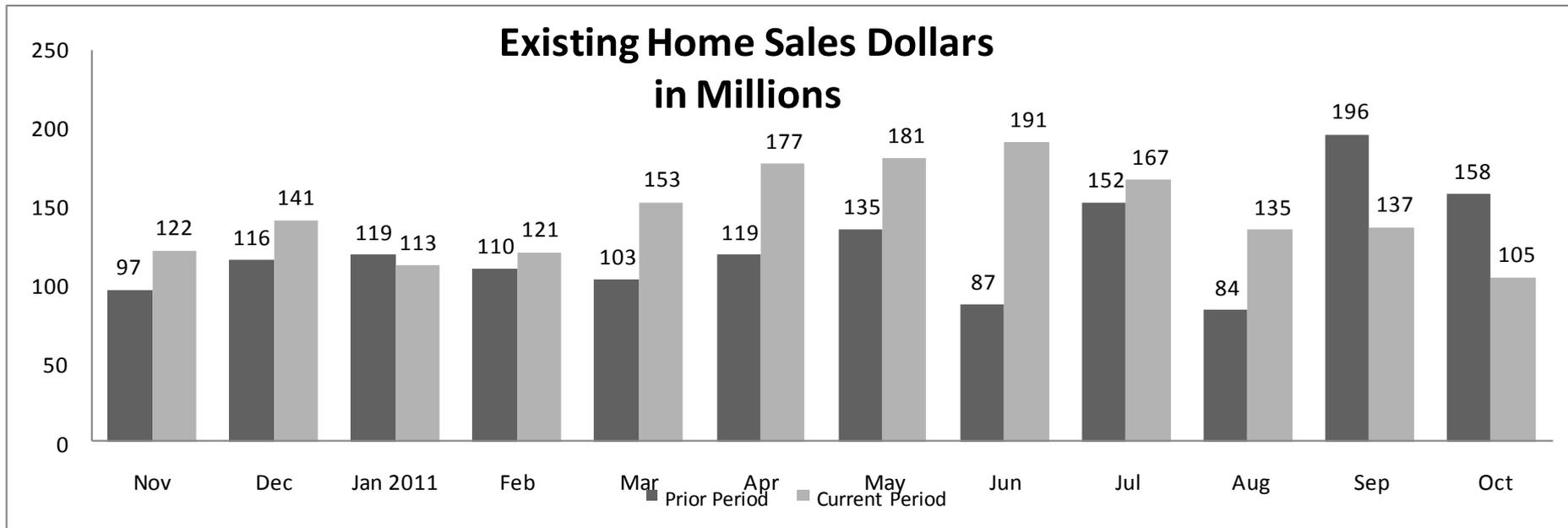


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## Puerto Rico Existing Home Sales



PR Data Source: PR Commissioner of  
Financial Institutions

**17.91% increase in sales dollar  
volume during the last twelve months**

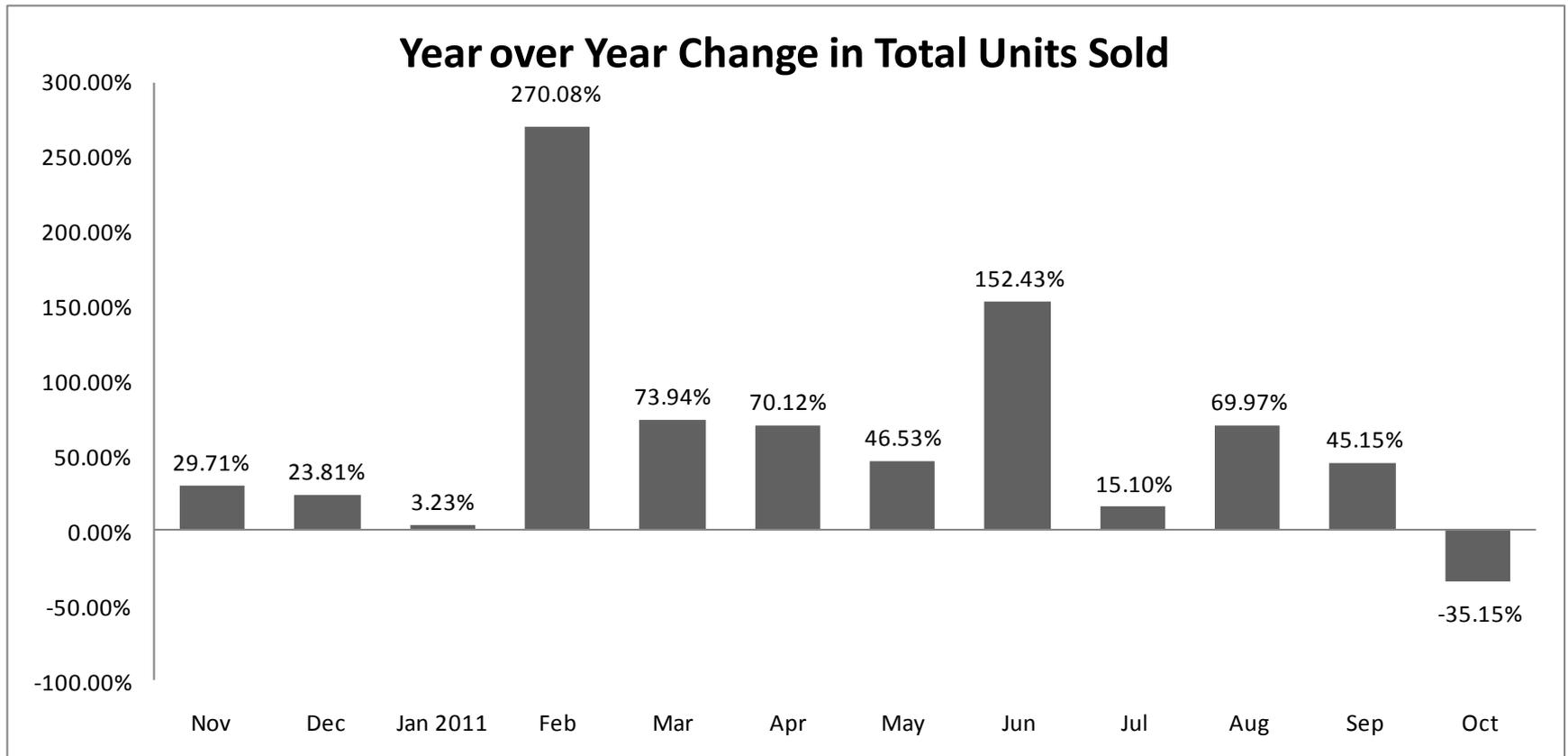


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## Puerto Rico



PR Data Source: PR Commissioner of  
Financial Institutions

**Total Increase in the last twelve months  
35.51% in units and 30.39% in dollars**



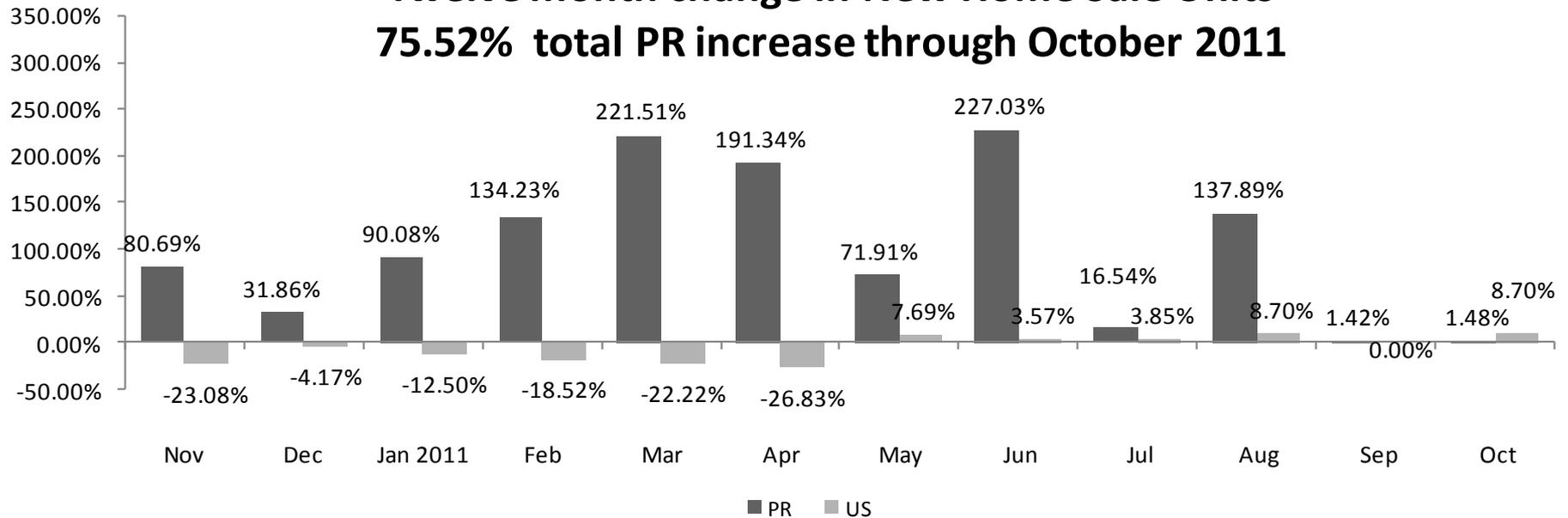
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## US Results vs. PR

### Twelve month change in New Home Sale Units 75.52% total PR increase through October 2011



**12 month cumulative change through October 2011**

**PR increased 75.52% &**

**US decreased 8.21 %**

US Data Source : US Census Bureau

PR Data Source: PR Commissioner Financial Institutions



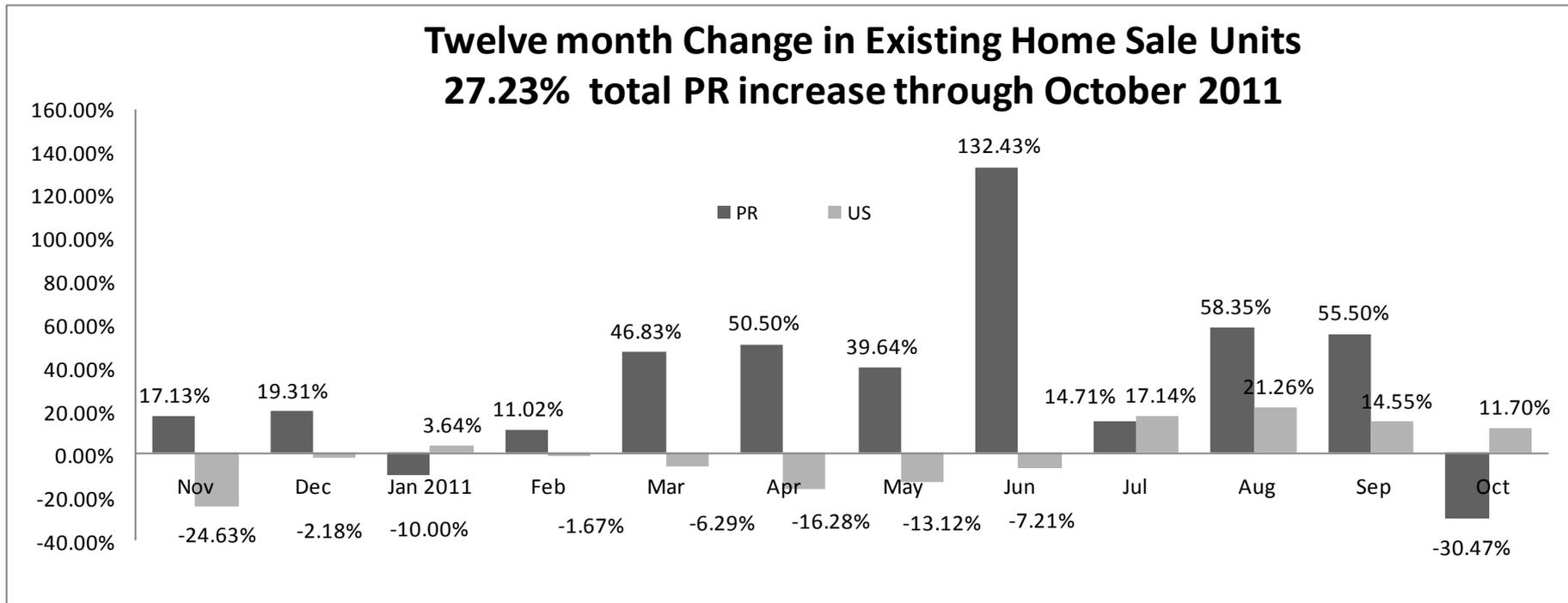
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# US Results vs. PR

## Twelve month Change in Existing Home Sale Units 27.23% total PR increase through October 2011



US Data Source : US National Association of Realtors

PR Data Source: PR Commissioner Financial Institutions

**12 month cumulative change through October 2011**  
**PR increased 27.23% &**  
**US decreased 1.75%**



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## Puerto Rico Home Sales Units

Closed Units	Prior New	Current New	Prior Exist	Current Exist	Total	New	Existing		
Sep 2010	148	228	498	618	30.96%	54.05%	24.10%		
Oct	304	342	994	1106	11.56%	12.50%	11.27%		
Nov	145	274	683	800	29.71%	88.97%	17.13%		
Dec	226	315	782	933	23.81%	39.38%	19.31%		
Jan 2010	131	249	860	774	3.23%	90.08%	-10.00%		
Feb	111	262	753	836	27.08%	136.04%	11.02%		
Mar	93	354	709	1041	73.94%	280.65%	46.83%		
Apr	127	373	800	1204	70.12%	193.70%	50.50%		
May	178	322	888	1240	46.53%	80.90%	39.64%		
Jun	148	484	552	1252	152.43%	227.03%	132.43%		
Jul	272	317	1033	1185	15.10%	16.54%	14.71%		
Aug	95	229	581	920	69.97%	141.05%	58.35%		
Sep	228	267	618	961	45.15%	17.11%	55.50%		
Oct	342	170	1106	769	-35.15%	-50.29%	-30.47%		
Last 12 Mths	2096	3616	9365	11915					
Increase by Category		72.52%		27.23%					
Overall Increase			35.51%						

PR Data Source: PR Commissioner of Financial Institutions



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## Puerto Rico Home Sales Dollars

Closed \$\$\$	Prior New	Current New	Prior Exist	Current Exist	Total	New	Existing
Sep 2010	\$38.5	\$50.4	\$72.4	\$195.7	121.91%	30.91%	170.30%
Oct	\$86.5	\$74.3	\$149.1	\$157.8	-1.49%	-14.10%	5.84%
Nov	\$33.6	\$63.8	\$96.9	\$122.0	42.38%	89.88%	25.90%
Dec	\$51.3	\$77.2	\$115.9	\$141.2	30.62%	50.49%	21.83%
Jan 2011	\$26.7	\$57.4	\$119.0	\$112.7	16.75%	114.98%	-5.29%
Feb	\$22.7	\$50.5	\$110.3	\$121.0	28.95%	122.47%	9.70%
Mar	\$18.5	\$73.8	\$103.4	\$152.7	85.81%	298.92%	47.68%
Apr	\$26.3	\$73.8	\$118.9	\$176.8	72.59%	180.61%	48.70%
May	\$39.9	\$68.6	\$135.3	\$180.6	42.24%	71.93%	33.48%
Jun	\$29.0	\$110.0	\$87.4	\$190.8	158.42%	279.31%	118.31%
Jul	\$55.0	\$60.0	\$152.2	\$166.8	9.46%	9.09%	9.59%
Aug	\$22.0	\$53.0	\$84.0	\$134.9	77.26%	140.91%	60.60%
Sep	\$50.4	\$50.5	\$195.7	\$136.9	-23.85%	0.20%	-30.05%
Oct	\$74.3	\$32.1	\$157.8	\$104.9	-40.97%	-56.80%	-33.52%
Last 12 Mth	\$449.7	\$770.7	\$1,476.8	\$1,741.3			
<b>Dollars in Millions</b>							
12 month Change by Category		71.38%		17.91%			
Overall Increase			30.39%				



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## US New Home Sales Units (in '000s)

Closed Units	Prior New	Current New	Change																
Sep 2010	30	25	-16.67%																
Oct	33	23	-30.30%																
Nov	26	20	-23.08%																
Dec	24	23	-4.17%																
Jan 2011	24	21	-12.50%																
Feb	27	22	-18.52%																
Mar	36	28	-22.22%																
Apr	41	30	-26.83%																
May	26	28	7.69%																
Jun	28	28	3.57%																
Jul	26	27	3.85%																
Aug	23	25	8.70%																
Sep	25	25	0.00%																
Oct	23	25	8.70%																
12 Mth	329	302																	
Change		-8.21%																	

US Data Source : US Census Bureau Monthly Unadjusted Data



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## US Existing Home Sales Units (in '000s)

Closed Units	Prior Exist	Current Exist	Change										
Sep 2010	468	378	-19.23%										
Oct	498	359	-27.91%										
Nov	471	355	-24.63%										
Dec	413	404	-2.18%										
Jan 2011	275	285	3.64%										
Feb	300	295	-1.67%										
Mar	429	402	-6.29%										
Apr	522	437	-16.28%										
May	526	457	-13.12%										
Jun	555	515	-7.21%										
Jul	391	458	17.14%										
Aug	414	503	21.50%										
Sep	378	433	14.55%										
Oct	359	401	11.70%										
12 Mth	5033	4945											
Change		-1.75%											

US Data Source: National Association of Realtors Monthly Unadjusted Data



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**Date of publication:** December 15, 2011 – Final Revised Report

**Future dates of publication:** Preliminary report is published the second week of month following the end of the month reported. The next preliminary report to be published on or about Dec 15.

Final report is published the last week of month following the end of the month reported. The next final report to be published on or about Dec 31.

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**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 Article 18 of Law 9 of March 2009, Article 4 of Law 209 of December 2009, and Article 6 of Law 132 of September 2010.