



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

SUBSIDIARIA DEL  
BANCO GUBERNAMENTAL DE FOMENTO  
PARA PUERTO RICO

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# **Puerto Rico Housing Finance Authority Housing Stimulus Programs**

**August 31, 2011**

**(Final)**



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# **Total sales assisted by PRHFA stimulus from \$185MM Fund Assignment**

**As of August 31, 2011**

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

**\$2,758 million in Assisted Housing Sales  
20,205 units sold**



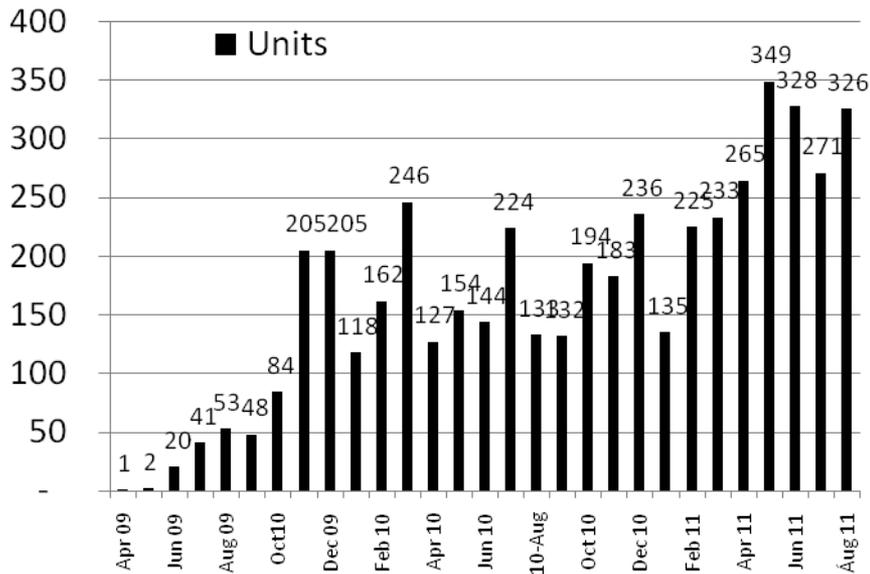
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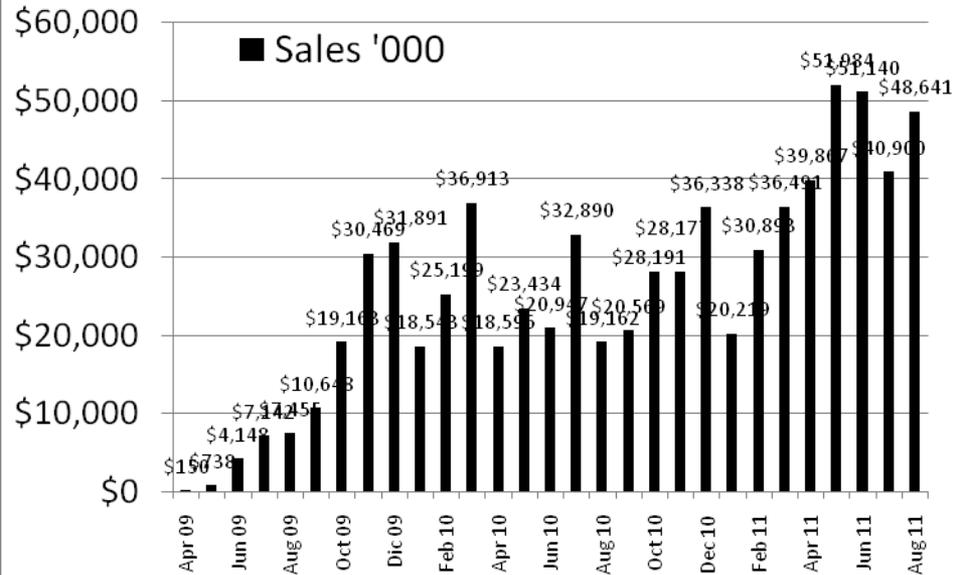
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## Silent Second Program (as of August 31, 2011)

- 4,844 second mortgages with a balance of \$61 MM
- \$740 million in assisted sales
- \$65 million assigned
- \$4 available



**Total 941 New & 3,903 Existing**



**Total \$195MM New & \$545MM Existing**



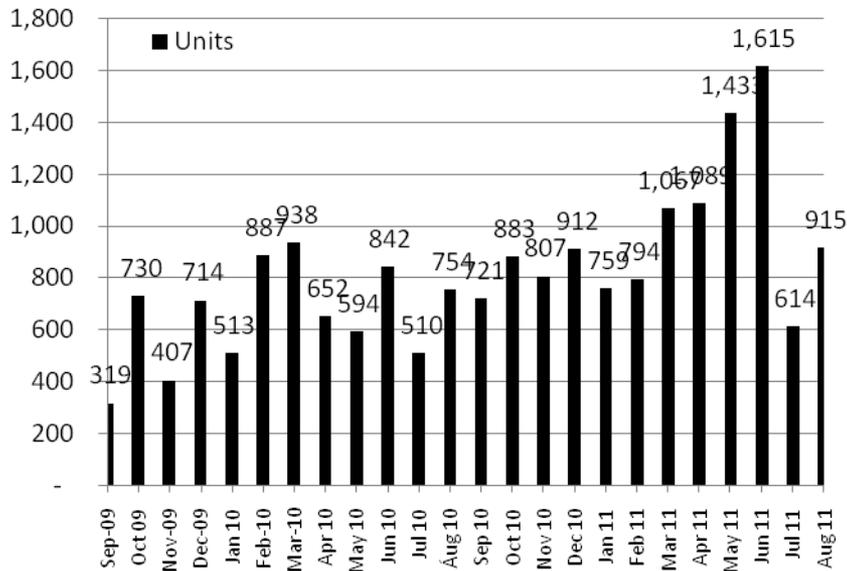
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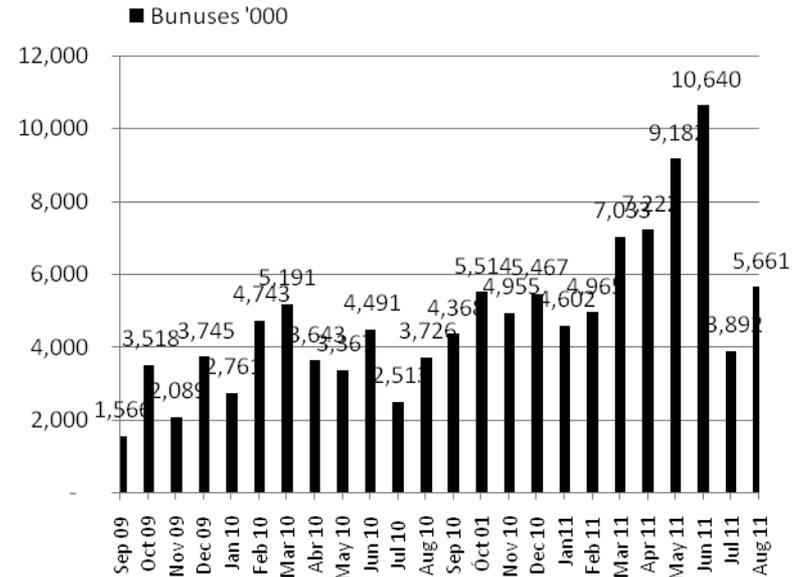
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## Down Payment assistance and Closing Cost Bonuses (a/o Aug 31, 2011)

- 19,477 participants, \$114.9MM in Bonuses y \$5.9M average bonus
- Sales of \$2.589 billion
- 21% of the participants have also used the Silent Second
- \$120 million assigned
- \$5.1 million available



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



**Total \$22.3MM New & \$92.6MM Existing**



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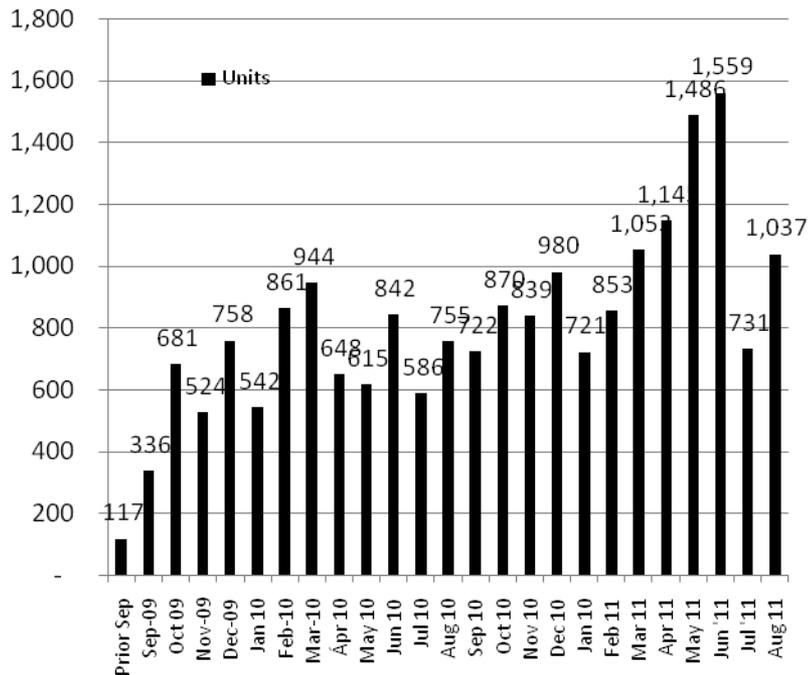
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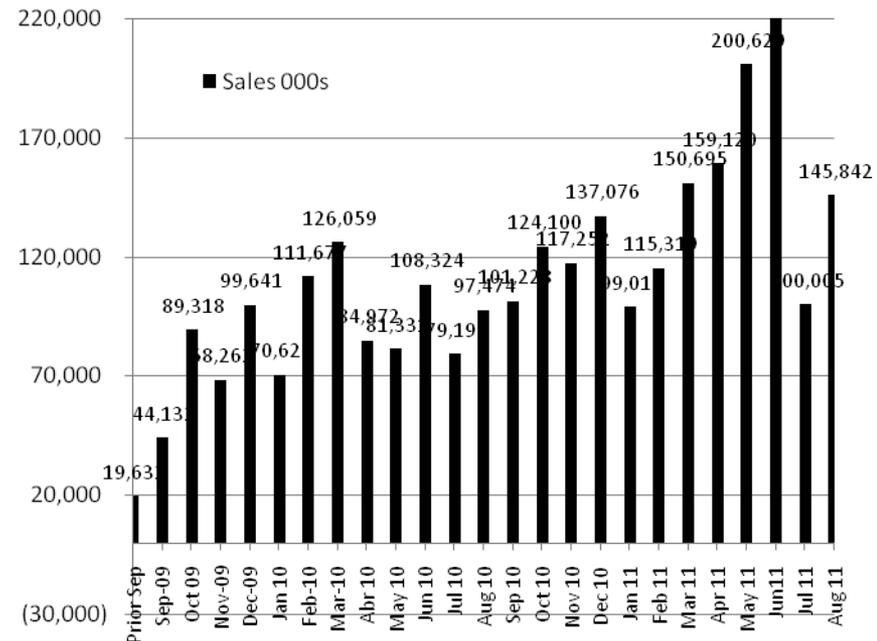


## Combined Programs (as of august 31, 2011)

- 20,205 participants (19% New Construction)
- \$2,758 million in sales (23% New)
- \$136 thousand average sales price



**Total 3,885 New & 16,320 Existing**



**Total \$645MM New & \$2,113MM 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**

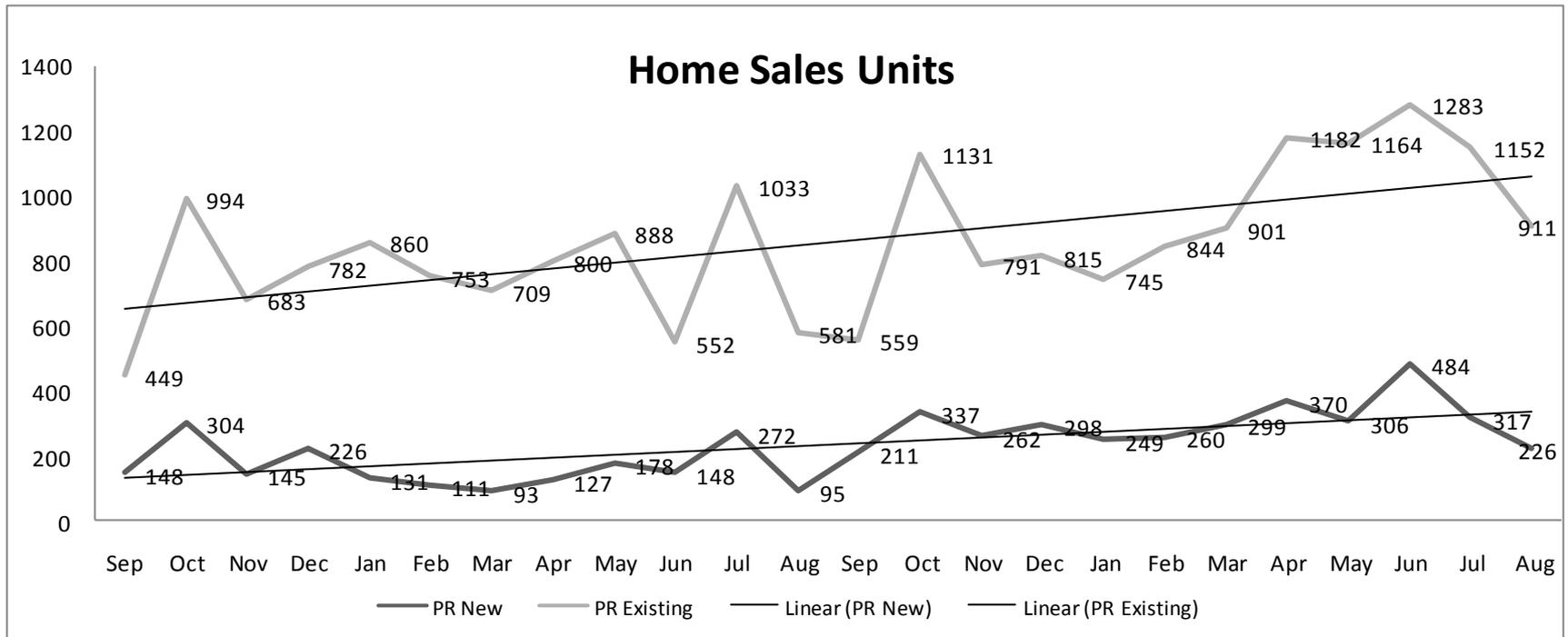


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## Puerto Rico Home Sales



PR Data Source: PR Commissioner of Financial Institutions

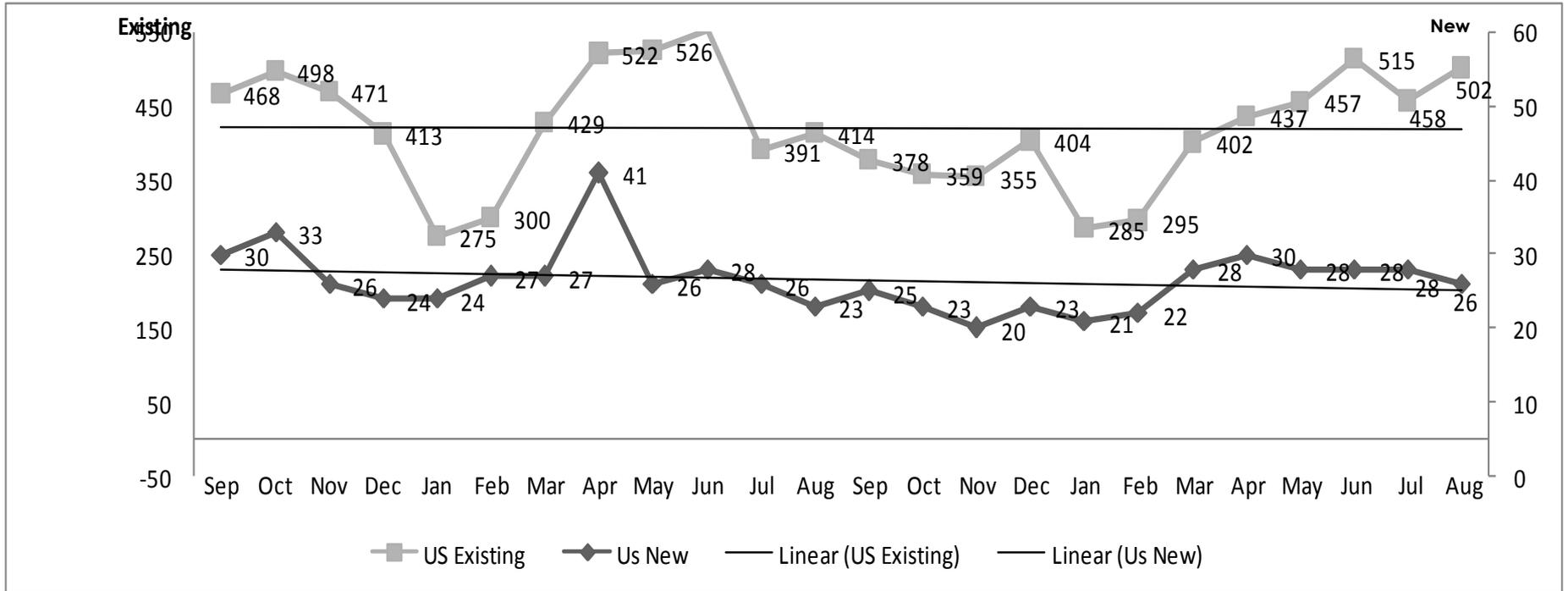


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# US Home Sales (000s)



**US New Home Sales : US Census Bureau Monthly Unadjusted Data**

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

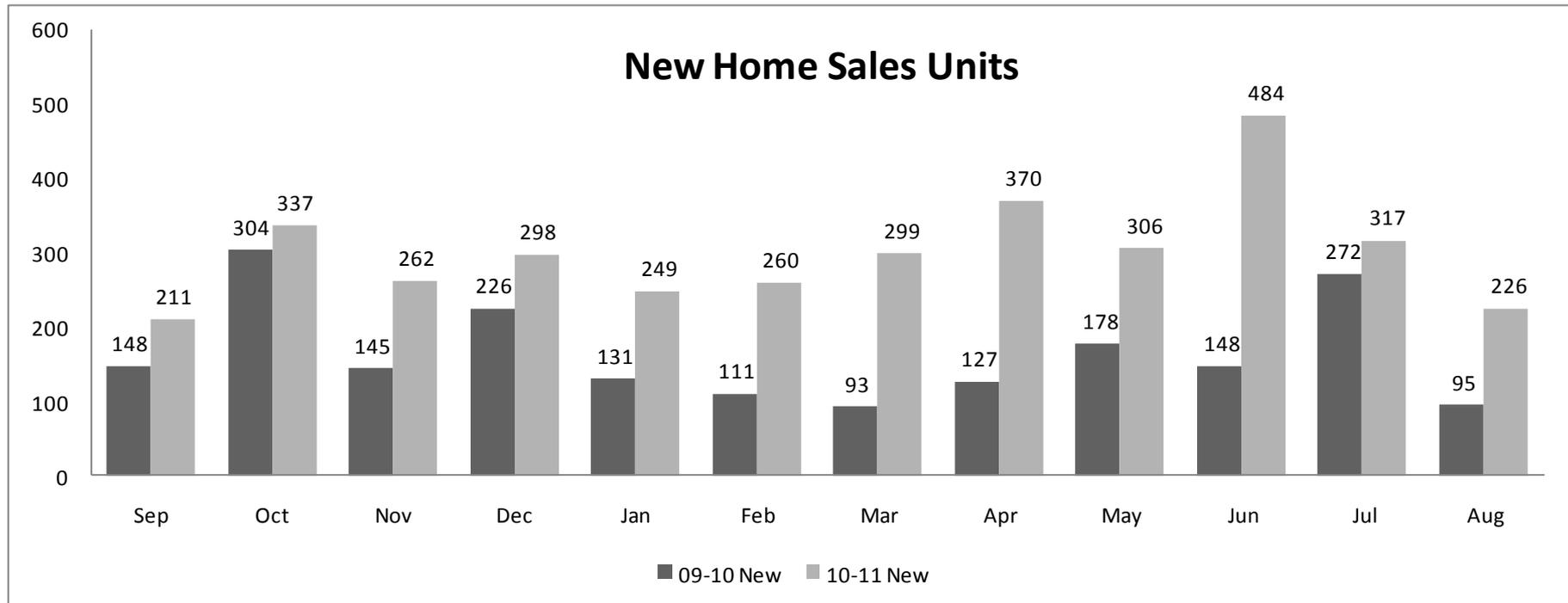


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## Puerto Rico New Home Sales



PR Data Source: PR Commissioner of Financial Institutions

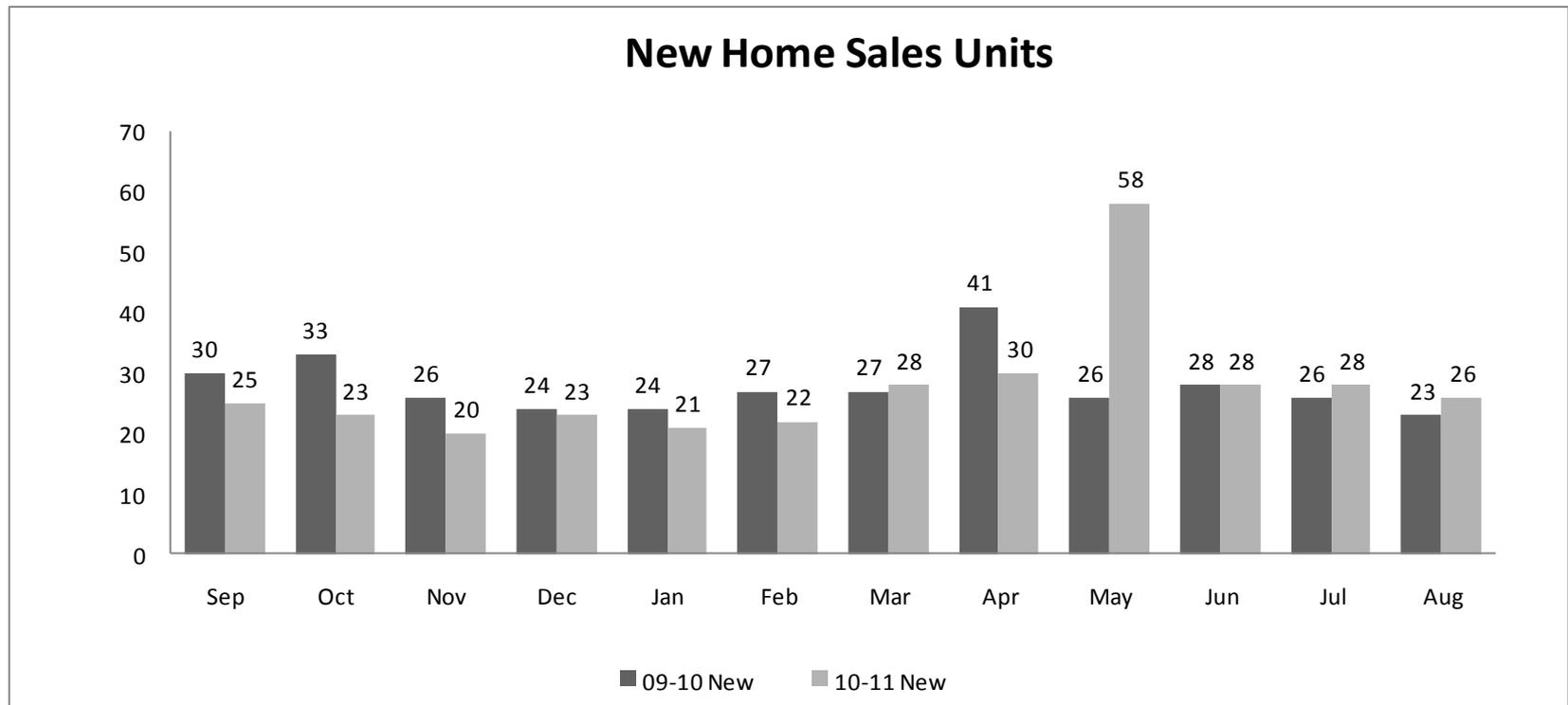


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# US New Home Sales (in '000s)



US Data Source : US Census Bureau Monthly Unadjusted Data

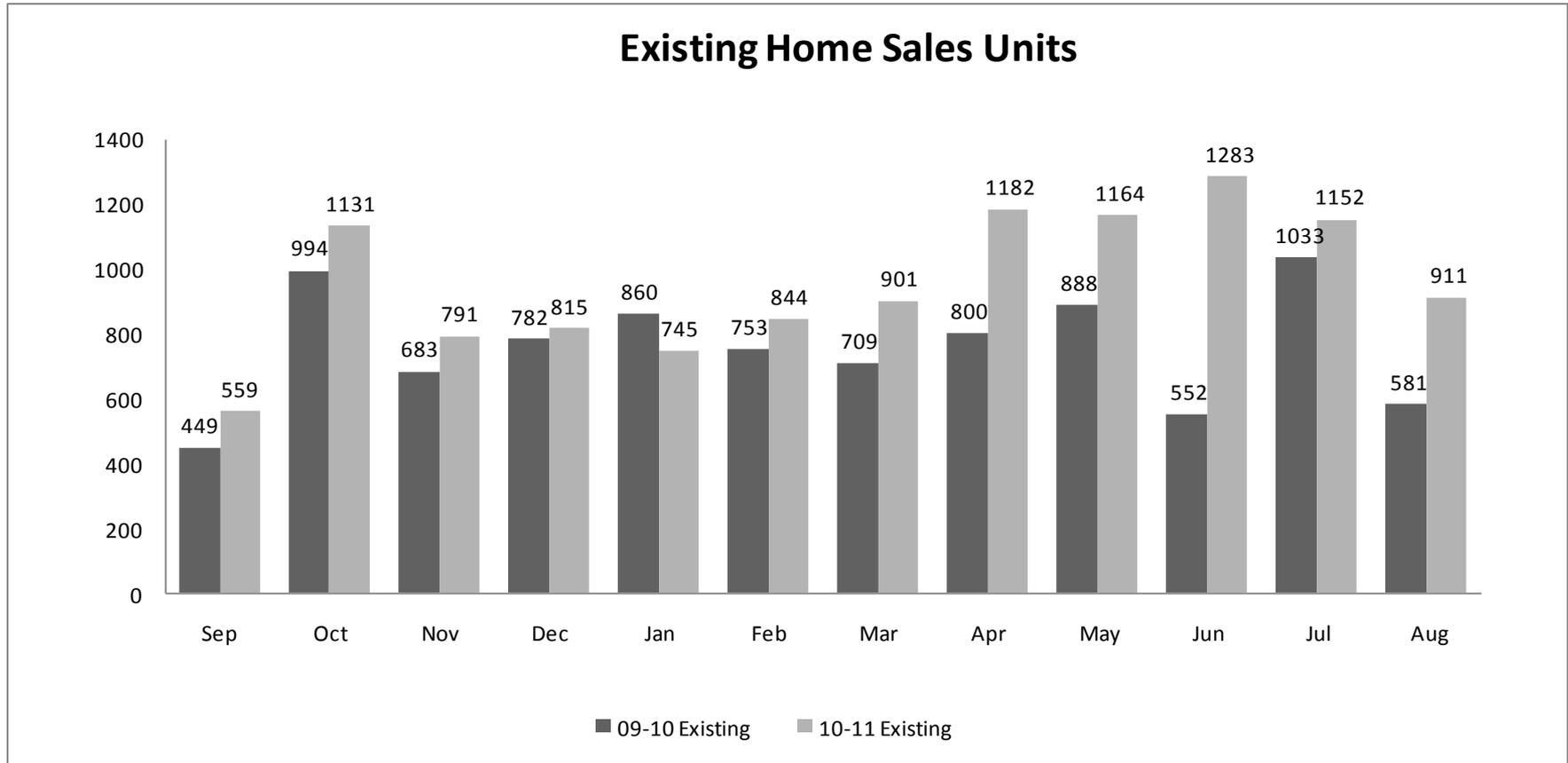


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## Puerto Rico Existing Home Sales



PR Data Source: PR Commissioner of Financial Institutions

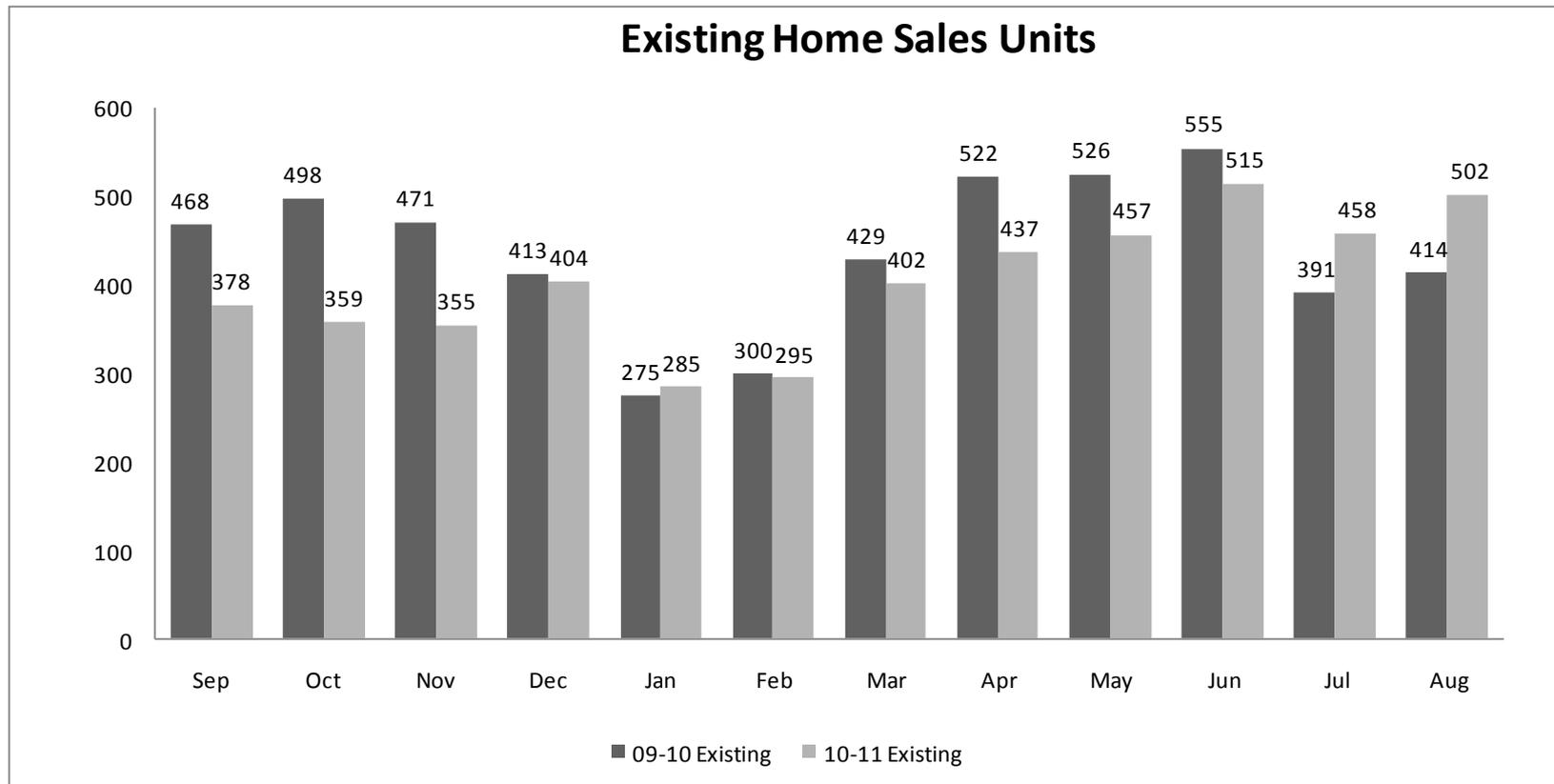


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# US Existing Home Sales (in '000s)



US Data Source: National Association of Realtors Monthly Unadjusted Data

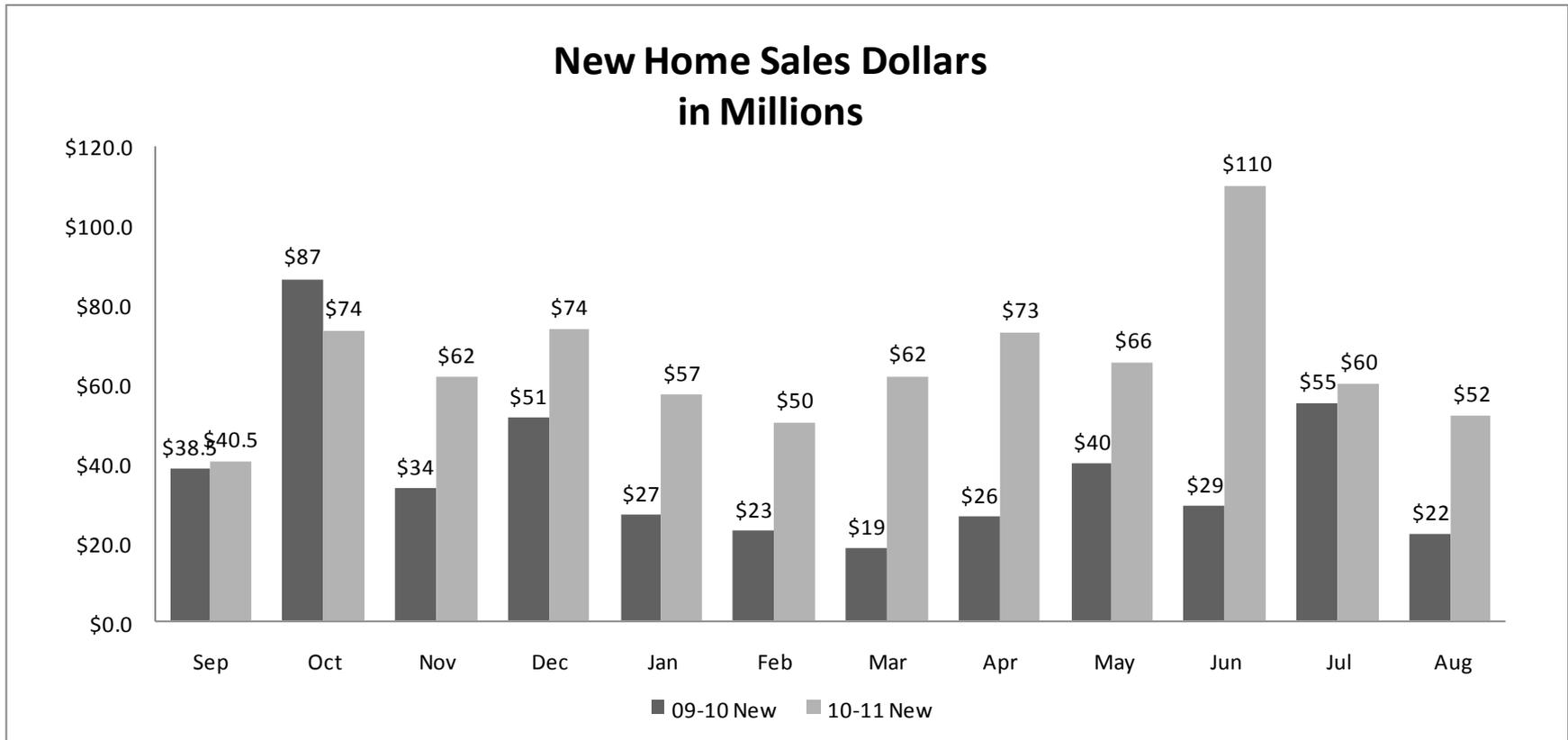


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## Puerto Rico New Home Sales



PR Data Source: PR Commissioner of  
Financial Institutions

**70.06% increase in sales dollar  
volume during the last eleven months**

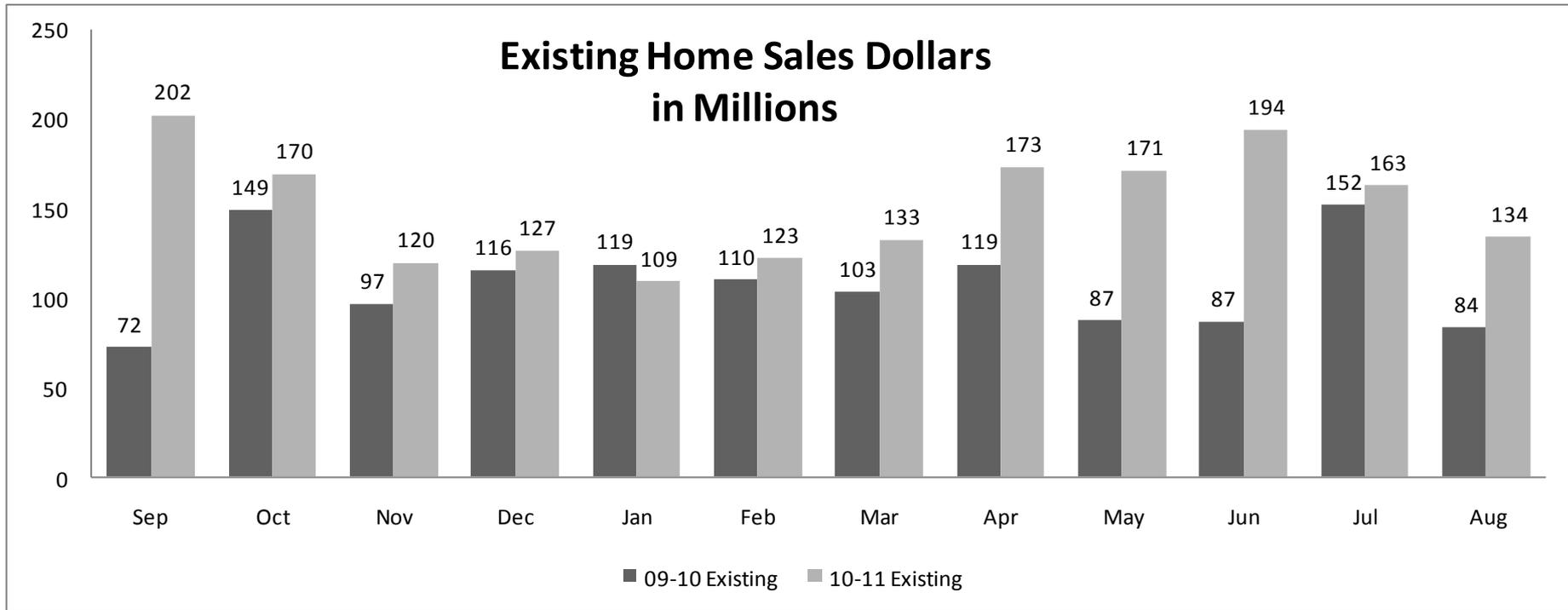


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## Puerto Rico Existing Home Sales



PR Data Source: PR Commissioner of  
Financial Institutions

**33.71% increase in sales dollar  
volume during the last eleven months**

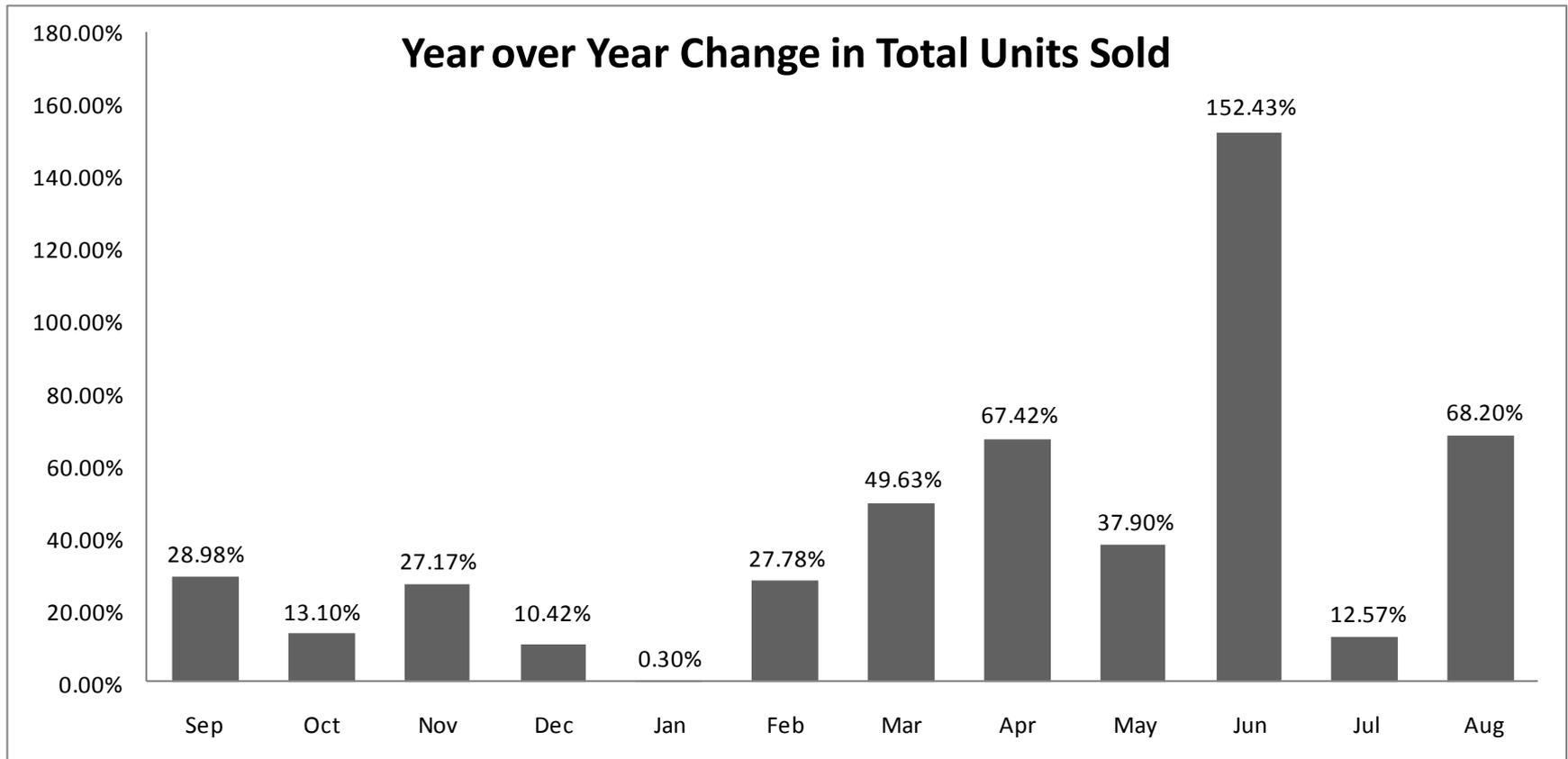


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# Puerto Rico



PR Data Source: PR Commissioner of  
Financial Institutions

**Total Increase over same period of  
45.36% in units and 53.95% in dollars**

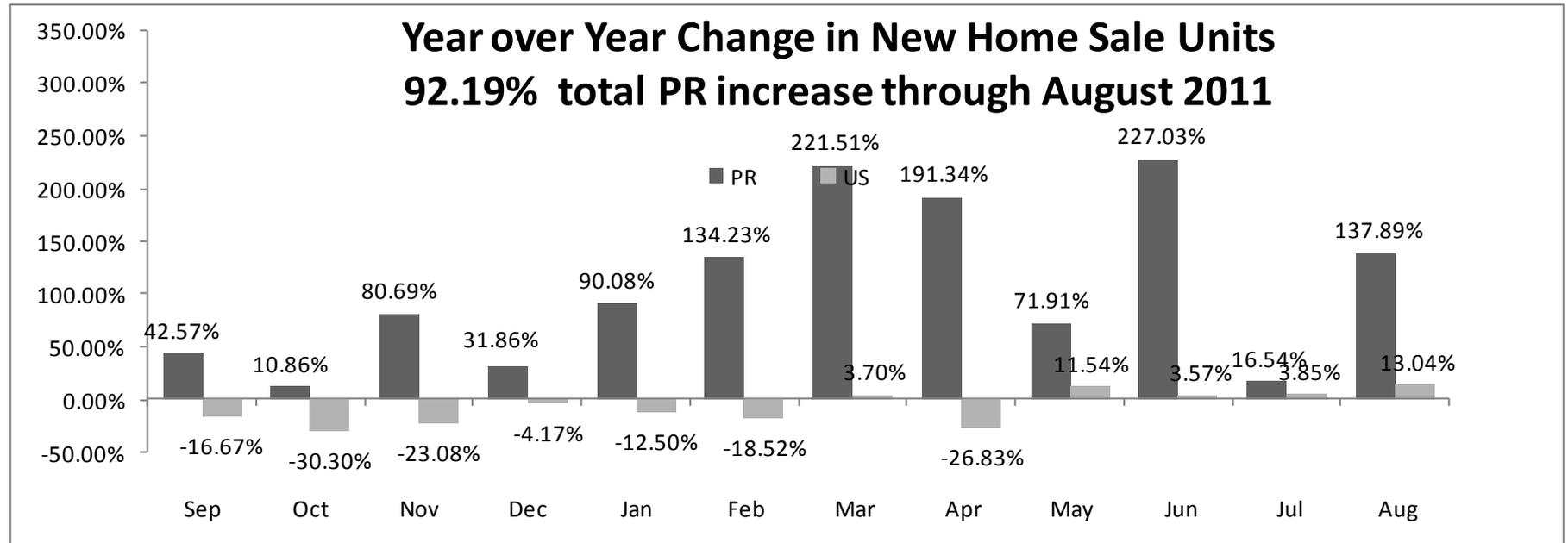


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## US Results vs. PR



**Overall Year over Year Change**  
**PR increased 92.19% &**  
**US decreased 9.85 %**

US Data Source : US Census Bureau

PR Data Source: PR Commissioner Financial Institutions

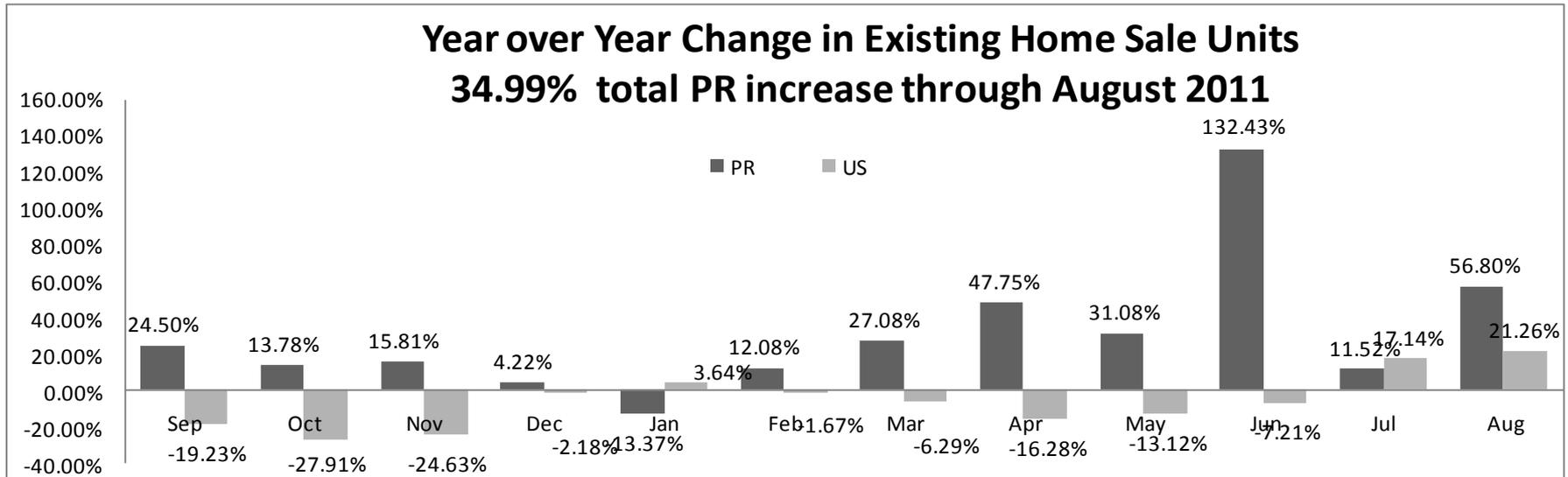


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## US Results vs. PR



US Data Source : US National Association of Realtors

PR Data Source: PR Commissioner Financial Institutions

**Overall Year over Year Change**  
PR increased 34.99% &  
US decreased 7.89



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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%			
Jul	272	317	1033	1152	12.57%	16.54%	11.52%			
Aug	95	226	581	911	68.20%	137.89%	56.80%			
Subtotal	1978	3619	9084	11478						
Increase by Category		92.19%		34.99%						
Overall Increase			45.36%							

PR Data Source: PR Commissioner of Financial Institutions





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

Closed Units	09-10 New	10-11 New	New										
Sep	30	25	-16.67%										
Oct	33	23	-30.30%										
Nov	26	20	-23.08%										
Dec	24	23	-4.17%										
Jan	24	21	-12.50%										
Feb	27	22	-18.52%										
Mar	27	28	3.70%										
Apr	41	30	-26.83%										
May	26	28	7.69%										
Jun	28	28	3.57%										
Jul	26	28	7.69%										
Aug	23	26	13.04%										
	335	302											
		-9.85%											

US Data Source : US Census Bureau Monthly Unadjusted Data



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

Closed Units	09-10 Existing	10-11 Existing	New							
Sep	468	378	-19.23%							
Oct	498	359	-27.91%							
Nov	471	355	-24.63%							
Dec	413	404	-2.18%							
Jan	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	502	21.26%							
	5262	4847								
		-7.89%								

US Data Source: National Association of Realtors Monthly Unadjusted Data



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**Future dates of publication:** Final report is published the last week of month following the end of the month reported. Next preliminary report to be published on or about Oct 15. Next final report to be published on or about Oct 30.

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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.