ASA
PHILIPPINES
Palaguin ang pag-asa.

Expanding Affordable Housing and Sustainable Settlements in the Philippines

Microfinance Council of the Philippines, Inc. (MCPI)
Housing Microfinance Forum

August 11, 2026

Serving Nanays Since 2004

VISION

A country we are proud of: where every Filipino family has the opportunity and the power to break free from poverty – building a life of dignity and integrity.

MISSION

Empower nanays to uplift their families through inclusive services and safety nets, while fostering an environment where our team can pursue meaningful careers and experience the fulfillment of transforming lives.

2.46M
total clients

₱47.7B
loan portfolio

12,143
total staff

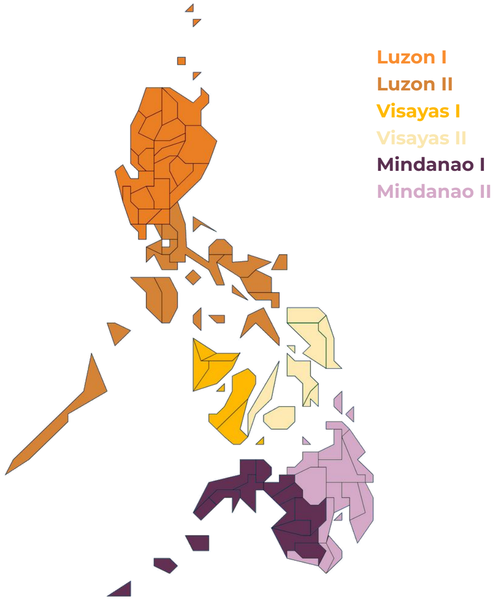
₱3.2B
Housing, WASH, and Solar Financing

₱22.1B
client savings (46%)

₱985M
Islamic Financing

₱952M
Emergency Loans for Disaster and Crisis Sit.

₱975M
Education Financing



2,045 branches across all 82 provinces, including satellite branches.

ASA Operations and Sustainability Division data from January to July 2026

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PARTNERSHIP WITH HABITAT TCIS

Habitat's Terwilliger Center for Innovation in Shelter (TCIS) has supported ASA's Housing Loan Product since 2017

TCIS has been providing technical assistance to ASA Philippines to refine the housing microfinance loan product through:

1. **Product Development and Prototyping** to align needs and capacities of low-income households, increase the uptake of the product for ASA's clients, and develop the capacity of ASA's staff in managing the product.
2. **Impact Evaluations** to measure client satisfaction, improvements in clients' living conditions and well-being, and product design improvements.

1.2M
Families served

P16.5B
Capital mobilized

P3.2B
Housing Loan Portfolio as of July 31, 2026

Our Home Improvement Financing Products

1. Offered starting a *nanay's* 2nd loan cycle, after an initial primary (business) loan
2. Repayment capacity of a *nanay* is validated by ASA MFOs before approval
3. Disbursement and collection follow ASA's standard microbusiness loan format (weekly repayment)

	Home	Water and Sanitation	Solar Home System
Purpose	Renovate or improve homes	Installation or improvement of household's Water and Sanitation Facilities	Provision for alternative energy source of electricity

The need is clear, but the constraint is nanay's capacity to pay

The Opportunity

1. Housing shortage remains widespread, with demand far outpacing supply
2. Many existing homes are substandard and in need of improvement
3. ASA is positioned to respond at scale, present in communities nationwide

The Challenge:

1. Capacity to pay: Demand alone isn't enough; we can only lend within a nanay's ability to repay
2. Build quality: Materials and labor availability are often below standard

Way Forward

We continuously look for ways to grow our nanay clients' household income. This is why housing loans are structured as a subsidiary product. **The primary business loan comes first, so we can help strengthen the nanay's income alongside improving their homes.**

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Country Profile: Philippines

- According to the Department of Human Settlements and Urban Development (DHSUD), the housing backlog is estimated at **8.25 million homes**.
- The deficit is expected to reach **22.6 million by 2040.**
- **The government's limited budget allocation** does not help reduce the housing backlog and exposes vulnerable population segments.
- **Low-income** households face the biggest hurdles to adequate housing.

112.7 million
population as of 2024

8.25 million
housing backlog as of 2025

3.7 million
informal settler families,
half a million living in slums and high-risk areas

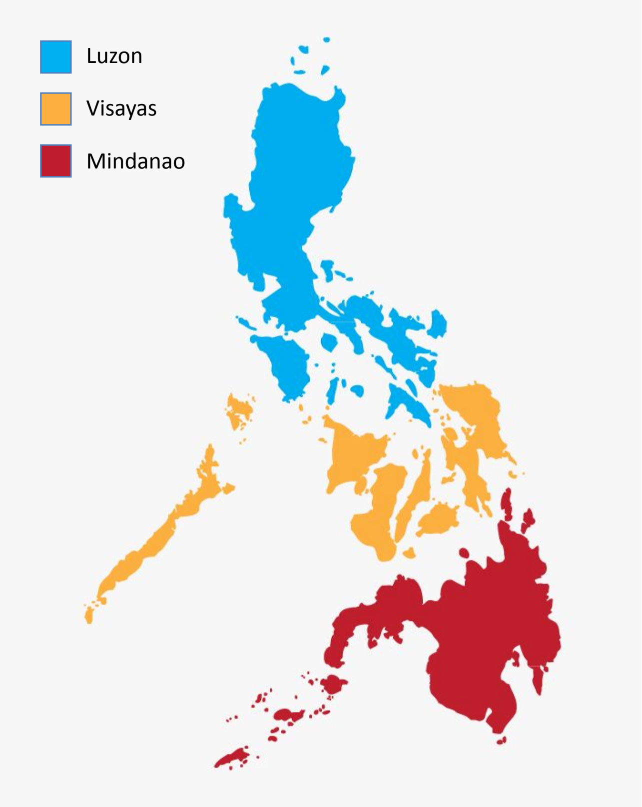
US$ 12.8 billion
market potential for owner-driven construction segment

Sources:
Department of Human Settlement and Urban Development (DHSUD) – Local shelter plan June 2023
UN-HABITAT Country Report – Philippines 2023
Clearing the housing backlog – TCIS Habitat Report 2020

Housing needs across the different regions

	Total Housing Needs	Total Informal Settler Families (ISF)
Luzon National Capital Region(NCR); Cordillera Administrative Regions (CAR) 1,2,3,4A,4B,5	3,370,206 **51%**	1,713,502 **46%**
Visayas Region 6,7,8	1,540,663 **23%**	1,028,442 **27%**
Mindanao Regions 9,10, 11, 12, 13 and Bangsamoro Autonomous Region in Muslim Mindanao (BARMM)	1,747,480 **26%**	1,011,593 **27%**
Total	**6,658,349**	**3,753,537**

Source: DHSUD, Consolidated Housing Data based on Local Shelter Plans, June 2023



Housing deficit according to price range

42% of the housing backlog is in the economic housing category, underscoring the critical need for affordable housing for low-income families.

Families earning PHP 15,000 to PHP 40,000 monthly (US$260 to 700)

Major challenges faced by this segment for access to housing are:

Economic constraints

- **Financial inclusion –** low-income families and informal workers remain unserved because they cannot meet the requirements of formal financing institutions
- **Lack of long-term housing finance –** access to financing for developers is limited, making it challenging to fund affordable housing projects
- **High land and construction costs –** Urban areas have extremely high land prices, making acquiring land for affordable housing projects difficult. The cost of construction materials and labor is high, partly due to the country's reliance on imported materials and fluctuating prices, and high inflation trend

Housing deficit per segment

Market Segment	Price Range	Units Needed	% of Total Need
Can't Afford/Needs Subsidy	400K & below	1,449,854	23%
Socialized Housing	400K & below	1,582,497	25%
Economic Housing	400K – 1.25M	2,588,897	42%
Low Cost Housing	1.25M – 3M	605,692	10%
Mid Cost Housing	3M – 6M	No need	
High End Housing	> 6M	No need	
Total Need		**6,226,940**	

Source: Securing the future of Philippines Industries – Housing

Other regulatory and policy constraints

- **Complex permit process and zoning restrictions –** The lengthy process of obtaining permits and zoning restrictions cause project delays and limit access to land for housing
- **Inadequate infrastructure and access to basic facilities –** Lack of investment in roads and basic infrastructure, especially in rural areas limits investment in housing projects
- **Limited incentives for private developers –** The government offers limited incentives for private developers to engage in affordable housing projects, often seen as less profitable than high-end developments.