



**HOUSE IMPROVEMENT LOAN PROGRAMME (BM2 A)
QUOTATION REQUEST NO. 0707**

Name: Hardware F. Ocoa
Date: 9 March 1988

**WE REQUEST ANOTATION NET PRICES IN THE ORIGINAL OF THIS REQUEST FOR
THE FOLLOWING ARTICLES TO BE HANDED TO THE PURCHASE SECTION**

Quantity	Unit	Description of Articles	Unit Price	Total
60	QQS.	Steel of 1/2"	154.70	9.282
20	QQS.	Steel of 3/4"	153.60	3.072
				12,354
Head Purchase Section:		Date of Supply: 25.3.88	Supplier's Signature and Stamp: Date:	

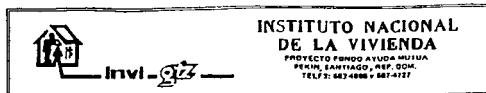


**HOUSE IMPROVEMENT LOAN PROGRAMME (BM2 B)
QUOTATION REQUEST NO.**

Name: Hardware La Fuente
Date: 9 March 1988

**WE REQUEST ANOTATION NET PRICES IN THE ORIGINAL OF THIS REQUEST FOR
THE FOLLOWING ARTICLES TO BE HANDED TO THE PURCHASE SECTION**

Quantity	Unit	Description of Articles	Unit Price	Total
60	QQS.	Steel of 1/2"	160.00	9,600.00
20	QQS.	Steel of 3/4"	180.00	3,600.00
				13,200.00
Head Purchase Section:		Date of Supply: 25.3.88	Supplier's Signature and Stamp: Date:	



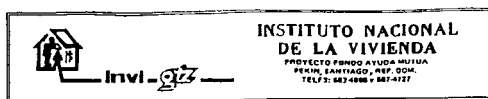
**HOUSE IMPROVEMENT LOAN PROGRAMME (BM2 C)
QUOTATION REQUEST NO. 0709**

Name: Hardware Stores Don Pepe
Date: 9 March 1988

**WE REQUEST ANOTATION NET PRICES IN THE ORIGINAL OF THIS REQUEST FOR
THE FOLLOWING ARTICLES TO BE HANDED TO THE PURCHASE SECTION**

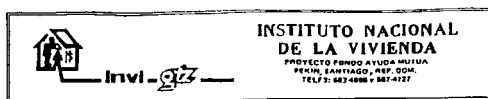
Quantity	Unit	Description of Articles	Unit Price	Total
60	QQS.	Steel of 1/2"	122.64	7,358.40
20	QQS.	Steel of 3/4"	168.15	3,363.00
				10,721.40

Head Purchase Section:	Date of Supply: 25.3.88	Supplier's Signature and Stamp: Date:
------------------------	-------------------------	--



**HOUSE IMPROVEMENT LOAN PROGRAMME
ANALYSIS OF QUOTATIONS OBTAINED BY PHONE (BM 3)**

No:												
Date:												
Quoted Quantity	Unit	Description Articles	Quotation 1		Quotation 2		Quotation 3		Quotation 4		Quotation 5	
			Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
29	sheet	Zinc	41.40	828	43.15	863	47.20	944				
Totals												
Suppliers						Observations						
1. El Chismoso												
2. La Chunchita						More reliable than the others						
3. Carbonero												
4.												
5.												



**HOUSE IMPROVEMENT LOAN PROGRAMME
PURCHASE ORDER (BM 5)**

No:	2439			
Date:	18.03.88			
Messer:	Hardware Store Don Pepe, San Cristobal St. 188			
Kindly dispatch the materials detailed as follows to be used in accordance with your Offer No. of date	House Improvement Loan Program, Santiago 0709 9 March 1988			
Date of Supply: 25.3.88	Location: Store INVI Payment Condition Invoice			
Head Purchase Section:	Eng. E. Martinez			
Head Admin. Division:	Reynaldo Calderon			
Approved by:				
Quantity	Unit	Article	Price	
			Unit	Total
60	QQS.	Steel of 1/2"	122.64	7,358.40
20	QQS.	Steel of 3/4"	168.15	3,363.00
				10,721.40
Date:	Supplier:	Receiver:		

Santiago, 27.3.1988

No: 00127
To: Director General, National Housing Institute (INVI), Santo Domingo
Via: Sub-director Administration
Ref: Payment request

(a) Payment Request No. 0043 for the amount of \$RD10,725.40
 (b) Purchase order No. 2439
 (c) Quotation analysis No. 1811 and quotations Nos. 0707, 0708 and 0709
 (d) Purchase request No. 3994

We kindly request the payment for the purchase of steel of 1/2" and 3/4" to be used for house improvement under the Project House Improvement Loan Program, Santiago.

The amount to be paid is \$RD 10,725.40 (Ten thousand seven hundred twenty-five Pesos and forty Centavos) to the Hardware Stores Don Pepe Ltd., and charged to the project's account.

Eng. E. Martinez, Project Director



**HOUSE IMPROVEMENT LOAN PROGRAMME
 PAYMENT REQUEST (BM 6)**

No: 0043
Date: 27.3.1988

To be paid to: Hardware Stores Don Pepe
For the value of: RD\$ 10,721.40 (Ten thousand seven hundred twenty-one Pesos and forty Centavos)
For: The purchase of steel to be used for the improvement of houses under the House Improvement Loan Program in Santiago.
Chargeable to: House Improvement Loan Program, Santiago
Paid by the funds of: INVI/GTZ

Project Director: Eng. E. Martinez
Head of Department:
Head of Division:
Technical Sub-director: Eng. Salvador Jorge
Admin. Sub-director: Roberto Mendez
Director General: Eng. M. Pimentel Kareh

DISTRIBUTION OF ACCOUNTS

Debits	Value	Credits	Value
0001-01	7,358.40	1-0000-03	10,721.40
0001-01.1	3,363.00		

Received by: _____ **Identification No:** _____

Paid by Cheque no: 013947

I. The management of the stores

The dispatch, receipt and administration of building materials is an extremely sensitive issue. Considering the danger of loss and theft, a strict and permanent control is required at all levels. This also implies an unavoidable administrative or, in fact, bureaucratic input and burden.

Following the acquisition of building materials and their storage in INVI's stores in Santo Domingo, the project director requests the dispatch of supplies to the project store in Santiago (form MS 1). Local suppliers and others who send the purchased items to the project's store directly use their own dispatch and shipment documents.

The request must be approved by the head of the purchasing section in accordance with the purchase request and documents, who then instructs the INVI store to supply and dispatch the materials.

The storekeeper allocates the materials, prepares the shipment order (form MS 2) and sends the items weekly or in accordance with demand and requirements to the project's store in Santiago. The shipment order, signed by the storekeepers at INVI's Head Office and Santiago as well as by the driver, helps to insure that the materials sent will, in fact, arrive at their destination.

The shipment order also serves to identify the origin of the materials sent by purchase order (BM 5) and supplier, and to verify the shipment of the materials actually requested. Therefore, for each purchase order an individual shipment order must be prepared.

When the materials have been received at the project store, the storekeeper prepares a "report on receipt in store" (form MS 3) permitting the verification of materials received either from INVI's general store or from suppliers in accordance with their sequence of arrival.

For each item, the storekeeper maintains a control card (Material stock and dispatch control"- (form MS 4)), enabling him to identify the materials by the date of entrance and exit in accordance with the purchase and dispatch order. It also permits the verification of availability of materials and the ordering of additional ones whenever necessary.

In addition to the storekeeper, the project's accountant also maintains a control of the materials in store and their value by item or article, based on the copies of purchase, receipt and dispatch documents he receives, using the material store stock ledger (form MS 5) for that purpose. The ledger permits not only the verification of stock and dispatches by the store, but also the actual values of materials supplied to the borrowers. This might be particularly important if the cost of a certain material has increased during the disbursement period.

The disbursement of materials to borrowers is authorized by the technical supervisor who authorizes the storekeeper to dispatch the item in accordance with the budget and disbursement schedule. In order to maintain a daily control of disbursement, the project's accountant registers all dispatch authorizations in a daily control sheet. (form MS 6)

J. *Loan recovery*

1. *Recovery policy*

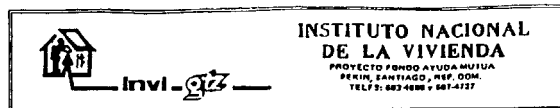
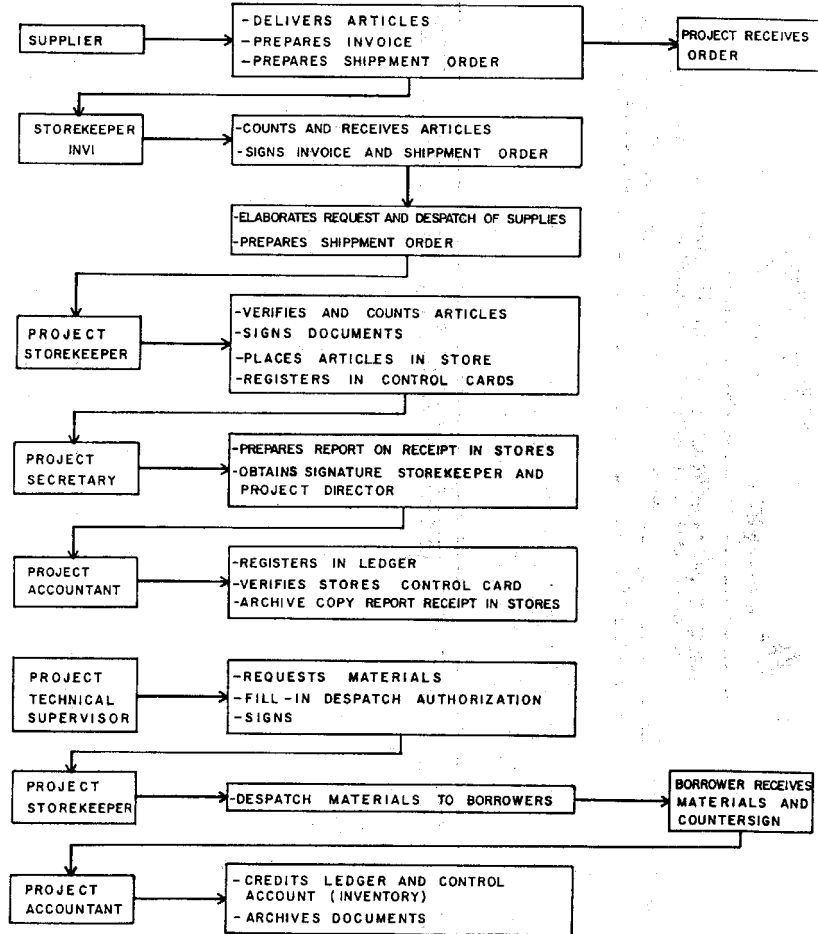
The funds allocated for the House Improvement Loan Programme in Santiago are revolving ones. This implies that the loans recovered are paid into the special project's account and the money is used to lend again to other borrowers. Responsibility for recovery lies with the Loan Recovery Section of the regional office of INVI in Santiago which is responsible for various housing projects, in close co-operation and co-ordination with the project's accountant.

Loan recovery begins one month after the ultimate disbursement of materials in accordance with the budget and schedule. The recovery of loans granted to public- and private-sector employees should take place by means of deductions from salary or wages authorized by the borrower. However, most private employers refuse to assume the responsibility for the additional administrative burden, whereas public-sector agencies are not punctual or reliable with their payments.

Therefore, most borrowers pay directly to the INVI 's collector. Having learned from the experience of similar projects in other countries, the Team members do not expect the borrower to come to the office and pay.

Most borrowers pay their quota monthly. Only in a few cases of some casual labourers is repayment weekly or fortnightly. Although in theory it would be better to collect weekly in such cases, these additional visits to the borrower's home are a heavy burden to the collector. It has been found that the serious borrowers will pay even though they are casual labourers and depend on daily income.

HOUSE IMPROVEMENT LOAN PROGRAMME PROCEEDINGS FOR STORES



HOUSE IMPROVEMENT LOAN PROGRAMME (MS 1) REQUEST AND DESPATCH OF SUPPLIES

Dispatch No: 1633
Place and date: Santiago, 3.4.88
Requesting unit: House Imp., Santiago
Requested by: Eng. E. Martinez, Project Director
Authorised by: Head Purchase Section

Instructions:

1. Applicant should fill in this form.
2. Requests for dispatch should be closed by one or various lines below the ultimate item.
3. Request should be signed by the authorized director of the project.
4. The authorized storekeeper should sign the dispatch.
5. If not all materials are available at store, storekeeper should inform purchase section.

Code	Description of Articles	Quantity		Unit	Price	Value	Observations
		Requested	Dispatched				
00301-1	Steel of 1/2"	60	60	QQS	112.64	7,358.40	
00301-3	Steel of 3/4"	20	10	QQS	168.15	1,681.50	10 on 14.3.88
00104-0	Portland cement (titan)	250	250	Bags	13.50	3,375.00	
00421-2	Zinc (c. 29)	214	214	sheet	41.40	8,859.60	
						21,274.50	
Dispatched by:				Received by:			



INSTITUTO NACIONAL DE LA VIVIENDA

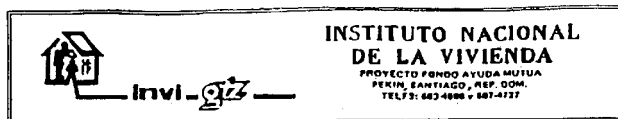
Pedro Henríquez Ureña • Esq. Leopoldo Navarro • Antiguo Local Banco Central
Santo Domingo, República Dominicana

SHIPMENT ORDER (MS 2)

No: 02109	
Date: 4.4.88	Requesting Unit: House Improvement, Santiago
To be used in: Pekin - Santiago, various houses	
Supplier: Don Pepe	Order no: 2439
Purchase Request No: 3994	Invoice No:

Quantity	Description	Price	
		Unit	Total
60	Steel of 1/2"	122.64	7,358.40
10	Steel of 3/4"	268.15	1,681.50
			9,039.90

Shipped by:	Received by:
Observations: 10 QQS Steel 3/4" will be supplied on 14.3.88	



HOUSE IMPROVEMENT LOAN PROGRAMME REPORT ON RECEIPT IN STORES (MS 3)

Date: 5.4.88	Reception No: 0343
Supplier: Various	Purchase Order No: 0106
Supplied by: Stores INVI	Received by: Margarito Jaquez
Vehicle No: 263-926	Driver: Marcos Estrella
License No: B 731211	Ref:
Date:	Location: Store, Santiago

Description of Articles	Code	Unit	Quantity	Price Unit	Value
Steel of 1/2"	00301-1	QQS	60	122.64	7,358.40
Steel of 3/4"	00301-3	QQS	10	168.15	1,681.50
Portland cement (Titan)	00104-0	bags	250	13.50	3,375.00
Zinc (c. 29)	00421-2	sheets	214	41.40	8,859.60
					21,274.50

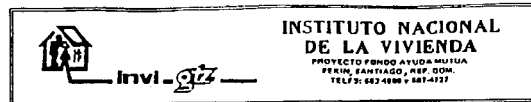
Observations: According to control No. 23928 and receipt No. 25299

Received by Storekeeper:



**HOUSE IMPROVEMENT LOAN PROGRAMME
MATERIAL STOCK AND DESPATCH CONTROL (MS 4)**

Article: Zinc (c. 29)			No: 007		
Description: Sheets					
Date	In		Out		Balance
	Purchase Order No.	Quantity	Dispatch Order No.	Quantity	Quantity
5.4.88	0343	214			214
7.4.88			0036	40	174
11.4.88	0365	200			374
12.4.88			0039	60	314
14.4.88			0042	150	164



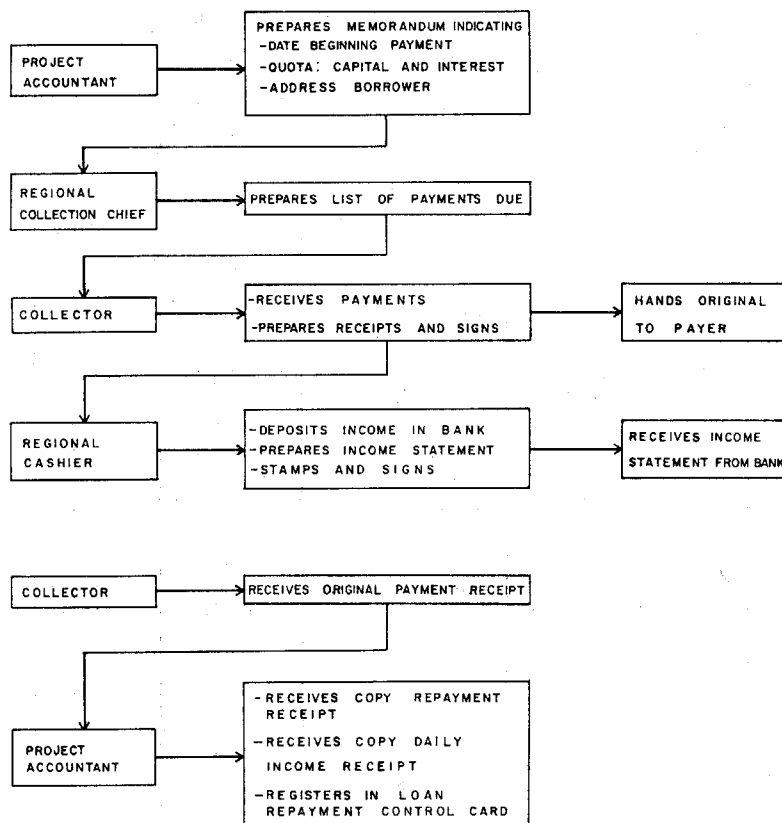
**HOUSE IMPROVEMENT LOAN PROGRAMME
MATERIAL STORE STOCK LEDGER (ACCOUNTS) (MS 5)**

Article: Zinc (c. 29)		Ref:				Section:			
Unit: Sheets		Control Ac: Inventory				No: 007			
Date	Voucher No.	Article			Price Costs		Values		
		In	Out	Balance	Unit	Price	Debit	Credit	Balance
5.4.88	0343	214		214	41.40	8,859.60	8,859.60		8,859.60
7.4.88	0036		40	174	41.40	1,656.00		1,656.00	7,203.60
11.4.88	0365	200		200	50.00	10,000.00	10,000.00		17,203.60
12.4.88	0039		60	114	41.40			2,484.00	4,719.60
				200	50.00				10,000.00
14.4.88	0042		114		41.40	4,719.60			
			36	164	50.00	1,800.00		6,519.60	8,200.00

DAILY CONTROL OF MATERIAL DISPATCHES (ACCOUNTS) (MS6)

May 1988					Page No.1	
Date	Loan No.	Dispatch order	Material	Costs	Total value	
2.5.	0096	0214	Cement	266.88	407.84	
			Steel Ø 3/8	140.96		
2.5.	0082	7041	Sand	92.81	256.55	
			Gravel	154.00		
			Wire	9.74		
2.5.	0094	0216	Zinc	165.63	1,279.26	
			Blocks	594		
			Cement	405.17		
			Steel Ø 1/2	114.48		
3.5.	0071	0217	Cement	163.75	383.07	
			Steel Ø 1/2	207.08		
			Nails	12.24		
3.5.	0098	0218	Timber	56.88	767.59	
			Zinc	214.70		
			Blocks	196.01		
			Cement	300.00		

**HOUSE IMPROVEMENT LOAN PROGRAMME
PROCEEDINGS LOAN RECOVERY**



2. Administration of loan recovery

After the final disbursement of building materials, the project's accountant opens a loan repayment control card (form LR 3) and informs the head of INVI's collection section in Santiago by memorandum. The project's accountant also prepares a list of the borrowers, the date and quota of payment as well as their addresses and hands it monthly to INVI's collector. Prior to the first repayment, the collector visits the field office in order to identify the address precisely with one of the social workers or technicians.

In accordance with the repayment list, the collector visits the borrower's house on the specified dates. The collector issues re-payment receipts (form LR 1), the original of which is given to the borrower; one copy is annexed to the daily list of recoveries, one copy is submitted to the project's accountant and one copy goes to the collection section. The INVI collector daily remits the cash collected to the project's accountant who:

- (a) Counts the amount received and compares it with the total due;
- (b) Examines whether all repayments were made and records arrears;
- (c) Prepares a payment receipt (form LR 2) for the collector, a copy of which is maintained in the recovery file and another is sent to the collection section;
- (d) Prepares a deposit statement for the bank and sends the driver to deposit the cash;
- (e) Maintains a copy of the deposit statement in the loan recovery file and sends the original to the collection section of INVI;
- (f) Enters the amounts repaid in the Loan Repayment Control Card of each borrower (form LR 3).

The project's accountant prepares monthly reports on the status of recovery, indicating debit and credit. This report is submitted to the Director General and GTZ, together with the project's progress report.

3. *Arrears and defaults*

Although the project may use several legal and other instruments in order to insure repayment it has been found that the best approach is carefully to screen and select applicants. As in most other countries, the poor are better payers than the middle class. However, they are also more vulnerable and sometimes may be unable to repay the loan for shorter or longer periods.

It is, therefore, essential to maintain close contact and dialogue with the borrower during the repayment period. A good collector knows his "clients", is sympathetic and understanding of their problems and is considered a friend rather than the arm of enforcement of the institution and the Law.

The reasons for arrears or defaults are seldom a reluctance to pay. Very often it is the loss of job, illness of the borrower or a household member (with the resulting high costs of medicines and treatment), or other emergencies including recurrent annual needs, such as the purchase of school uniforms and books for the children every September.

Under some projects, insurance funds have been established and every borrower must pay an amount additional to the loan repayment into that fund. Considering that the project's goal is to reach as low as possible on the income scale, it has been decided to avoid any additional burdens. Instead, a close monitoring system has been introduced.

In case of arrears of more than 30 days, the project's Team will be consulted and asked to intervene. The collector will inform the social worker and/or the accountant about the reason given by the borrower and ask their opinion. Usually, the social worker will visit the borrower in arrears to evaluate the case and learn the reasons for the non-payment. If the latter are found to be justified, the borrower will be invited to the office to renegotiate and reschedule the loan (form LR 5).

Very often the borrower will assume an obligation to resume repayment within one to three months. During that period, the collector will continue to visit the borrower to inquire about his or her situation and inform the Team about his impressions. During that period, it is important that the borrower does not have the feeling that his or her case and arrears have been forgotten.

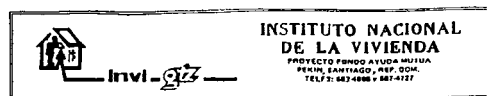
In the case of rescheduling a loan, the monthly quota is determined on the remaining debt and the period of repayment, taking into account the income and affordability.

Only in a few cases, the project's lawyer will be asked to intervene. If the social workers are of the opinion that the borrower is purposely attempting avoid repaying the loan, the lawyer will be asked to visit the borrower and discuss the matter. If the results of this visit are negative, the lawyer informs the borrower in writing that INVI intends to take legal action and seize the mortgage or enforce the promissory note. The weight of the legal language and the lawyer's presence usually persuade even the most ardent defaulters.

As an instrument of monitoring and in order to be able to control arrears and identify adequate policy measurers, the project's Team discusses on a monthly basis the evaluation of arrears in loan recovery (form LA 4). The financial aspects (loan to number and value, monthly quota and arrears) are filled in by the accountant. The actions are discussed and decided by the Team. The results are monitored by the Project Director in consultation with the head of the collection section of I NVI.

Observations on the loan repayment of Alfredo Alejandro Sanchez Rosario

- Alfredo requested a loan of \$RD2200. In the technical evaluation the loan value was estimated at \$RD2800 including 20 per cent contingencies.
- Actual construction costs amounted to \$RD2700. In accordance with the maximum payment capacity established by the social workers (\$RD130 per month), it was decided that Alfredo would repay \$RD129.63 monthly for a period of two years. The total repayment including interest would amount to \$RD3111.12. Alfredo had to pay within one and a half years, the monthly quota would amount to \$RD167.17 which he could not afford (minimum income required \$RD838.85 per month).
- After agreeing with Alfredo, the promissory note had to be corrected.
- Although Alfredo was to begin paying the loan on 14 July 1988, as he received final disbursement on 14 July 1988, he preferred to begin repayment on 28 June 1988 because he received his salary on that day.



HOUSE IMPROVEMENT LOAN PROGRAMME REPAYMENT RECEIPT (LR 1)

Year
Receipt No: 00328
Loan No: 0096

Received from: Alfredo A. Sanchez Rosario

Address: La Sabita 52. Pekin

The total of RDS: 129.63

For: House Improvement Loan

Quota No: 3

Signature Collector:

Date: 15.8.88



**HOUSE IMPROVEMENT LOAN PROGRAMME
PAYMENT RECEIPT (LR2)**

No: 271
Day: 14 **Month:** June **Year:** 1988

We have received from: Emilio Barera, Collector
The amount of: One thousand eighteen and two **pesos RD\$:** 1,018.02
For concept of:
Credited to account no: 10337, reserve bank
Cheque No: -- **Value RD\$:** -
Cash: RD\$ 1,018.02
Total: RD\$ 1,018.02

Authorised signature:



**HOUSE IMPROVEMENT LOAN PROGRAMME
LOAN REPAYMENT CONTROL CARD (LR 3)**

Borrower: Alfredo A. Sanchez Rosario
Address: La Sabita 52 **Sector:** Pekin
Loan No: 0096 **Date:** 28.4.88 **No. of Quotas:** 24
Loan value: RD\$ 2,700.00 **Period:** 2 years
Repayment: RD\$ 3,111.12 **Quota:** RD\$ 129.63

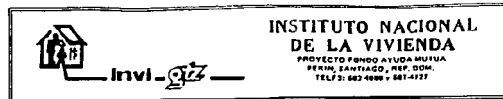
Commencement of recovery: Date: 14.6.88
Termination: Date: 14.5.90

Payment							
	Date	Receipt No.	Quota	Capital	Interest	Arrears	Balance
1988	28.6.	0158	1	129.63			2,981.49
	28.7.	0237	2	129.63			2,851.86
	29.8.	0328	3	129.63			2,722.23
	28.9.	0513	4	129.63			2,592.60
	30.10.	0821	5	129.63			2,462.97
	28.11.	1014	6	129.63			2,333.34
	-	-	(7)	-		129.63	
1989	28.1.	1451	7/8	259.26			2,074.08
	27.2.	1913	9	129.63			1,944.45
	28.3.	2421	10	129.63			1,814.82
	28.4.	2718	11	129.63			1,685.19
	29.5.	2997	12	129.63			1,555.56
	28.7.	3221	13	129.63			1,425.93
	28.8.	3614	14	129.63			1,296.30
	30.9.	4013	15	129.63			1,166.67
	28.9.	4496	16	129.63			1,037.04
	29.10.	5002	17	129.63			907.41
	29.11.	5513	18	129.63			777.78
	29.12.	5937	19	129.63			648.15
balance carried over							648.15



**HOUSE IMPROVEMENT LOAN PROGRAMME (LR 4)
EVALUATION OF ARREARS IN LOAN RECOVERY**

Month: Nov.		Year: 1988				Action	Results
No.	Loan No.	Loan Value	Monthly Quota	Arrears			
				Month	Total Value		
1.	0014	900	55.72	4	222.88	Reschedule loan	Agreement on 1.12.88
2.	0031	2,600	160.98	3	482.94	Visit social worker	Did not find borrower at home
3.	0033	1,100	68.11	5	340.55	Reschedule loan	Agreement 6.12.88
4.	0085	2,700	129.63	3	388.89	Visit social worker	Will come to office to negotiate
5.	0097	5,300	123.32	4	493.28	Reschedule loan	Agreement in January
6.	0113	800	38.41	9	345.69	Visit lawyer	Letter sent on 13.12.88
7.	0142	4,400	142.91	5	714.55	Reschedule loan	Agreement in January
8.	0151	3,600	172.85	7	1,209.95	Legal action	Letter sent on 2.12.88
9.	0197	3,000	102.53	3	307.59	Reschedule loan	Agreement 7.12.88
10.	0213	2,800	173.36	4	693.44	Visit lawyer	5.12.88 - no results
11.	0249	3,700	126.46	3	379.38	Visit social worker	Will come to office to reschedule
Total		30,900	1,294.28	50	5,579.14		



**HOUSE IMPROVEMENT LOAN PROGRAMME
EVALUATION OF LOAN RECOVERY ARREARS (LR 5)**

Date of visit:	14.11.88		
Loan No:	0097	Address:	Pellerano 8, Pekin
Loan value:	5,300	Quota:	RD\$ 123.32
		Total no. of Quotas:	60
No. of quotas in arrears:	4	Amount arrears:	RD\$ 493.28
Declared payment capacity: RD\$ 140			
Reason for arrears: Mr. Paulino lost his job 5 months ago, he was promised another job in the Aymecsa Garage, but the owner went to Miami and will come only next week. At the moment his wife works in the market but money not enough because they have 7 children.			
Borrower's suggestions: To start repaying again RD\$ 160 as soon as employed. Also, his sister sent him from New York US\$ 150 and he will bring tomorrow RD\$ 250 to the office.			
Observations/Recommendations of Social Workers: Emilio (the collector), should go to the bank with Mr. Paulino to change the cheque, to make sure that he pays the RD\$ 250.			
Date:	3.11.88	Signature:	
Observations legal advisor: Agree! No action needed at the moment. Gladys should verify with Aymecsa if he will be employed there.			
Date:	7.11.88	Signature:	



Decision Project Director: Agree

Date: 17.11.88

Signature:

Follow-up:

Date	Action	Responsible	Recommendation
13.11.88	Mr. Paulino paid the RD\$ 250 as promised	E. Cabrera	
15.11.88	Employment with Aymecsa confirmed, will start there on 1.12.88	Gladys	Invite Mr. Paulino to office to reschedule loan on 3.12.88
4.12.88	Reschedule loan agreement With Paulino Will pay		Will pay RD\$ 160 p.m. from 1.1.89 to 1.10.89 and then continue to pay RD\$ 123.32 for the rest period.

III. CRITICAL EVALUATION

After completing the manual and reaching the stage of critical evaluation the Team was haunted by doubts whether what it is doing is justified and useful. After all, the Revolving Housing Fund in Santiago is a particular case or model and is neither comparable nor replicable in the same form, not even in the Dominican Republic.

Nevertheless, although the model cannot be copied indiscriminately the methodology and procedures could guide and benefit professionals and others who either administer similar programmes or plan to do so. For that reason, an attempt has been made not only to describe the project and its concept as is often the case, but rather to portray the methodology and procedures with concrete examples, clearly identifying the problems and constraints involved.

A principal or conceptual question which might be asked is one regarding the usefulness and benefits of a house-improvement programme.

In many third-world cities the major problem is that of urban growth or influx, overcrowding, scarcity and the high cost of suitable land and building materials and of accessibility by the majority of lower-income households.

House-improvement, oriented towards the individual shelter owner who occupies a plot whether legally or not, cannot, therefore, solve or even mitigate the acute problem of access to urban housing. For this, other preventive policies and programmes are required such as site-and-services or site-without-services, worker's homes and self-help housing through co-operatives or otherwise.

House-improvement is a corrective and complementary instrument that enables the squatter house-owner to improve and extend both shelter and the immediate environment and obtain additional space, be it for residential or commercial-productive use. At the individual level, the improvement can be conceived subjectively and objectively as a concrete and useful one.

Various studies indicate that house improvement programmes may contribute by augmenting the existing housing stock in a given squatter settlement by as much as 15 to 25 per cent. Considering that squatters often comprise 40 to 70 per cent of the total urban households, the improvement programme may contribute not only to environmental quality but also to additional habitable space constructed.

The improvement of existing housing cannot and does not benefit the entire squatter population unless it is heavily subsidized. Rather it should permit even the lower-income households access to modest credits, in accordance with payment capacity, to improve their shelter gradually and step-by-step.

An innovative element of the proposed approach is the progressive improvement of existing housing, relating the loan offer to the payment capacity of the applicants and borrowers. To that extent an attempt has been made to relate the improvement process to informal house building and in fact to accelerate it.

Conceptually, the project attempts to enable the individual improvement and extension of existing housing through self-help in its wider sense. That is to say, the self-help does not necessarily imply a manual contribution but rather the responsibility for the administration of construction, contracting and supervising the foreman and workers, the reception and storing of building materials and the application for building materials.

Self-help is often a myth rather than a reality. Unless the borrower is an experienced builder, he or she will not be able to assume responsibility for the construction. Also, the participation of non-skilled household members under the supervision of the foreman is often rejected or frowned upon by the experienced mason who prefers to employ his own unskilled labour.

For the majority of borrowers, the opportunity or "shadow" costs of self-help construction are simply too high. Most loan applicants are permanently employed, have more than one source of income and work long hours. The few leisure hours, particularly on the weekend, are essential for recuperation. Even if the loan applicant is willing to contribute his own labour, the burden is often intolerable and, because construction may require several months, prove a nuisance to the family. The mobilization of other labour, particularly by unemployed members of the household, usually does not work either because the latter, even if unemployed, are occupied with the search for work which is just as time-consuming.

Also, mutual aid for house-improvement was not considered feasible in the present case. First, and as has already been mentioned, the atomization of urban society in the Dominican Republic is advanced to a degree that neighbourhood mutual aid is not likely to happen. Moreover, as improvement loans are applied for and disbursed individually, and considering that borrowers live in different locations in the settlement and improve their homes at different times, logistically and otherwise it would have been extremely difficult to organize mutual aid groups to improve the housing.

House-improvement loans for squatter settlements imply, in fact, the formalization and the acceleration of an existing informal system and even a way of life. To what extent are governmental institutions such as INVI capable of responding flexibly to the needs of the squatters and their mode of life or survival?

There are two closely related aspects to that issue which need to be considered. Formal institutions, whether public or private, must maintain certain procedures that may be termed "bureaucratic" in order to guarantee their functioning. To that extent there is an implicit contradiction between institutional requirements and the non-formal communications and life-style of the squatters that cannot be easily bridged.

As in most third-world countries, public-sector wages in the Dominican Republic (and therefore also motivation) are extremely low. Considering rapidly diminishing real income as a result of inflation, most employees depend on second and even third jobs and are not inclined to sacrifice their afternoons, evenings or weekends. Although working together with the target group and participation in planning, management and monitoring may contribute to and enhance motivation, continuous dedication of the project's Team can seldom be maintained.

Consequently, it has often been held that non-governmental, private, non-profit or religious organizations are in a better position and more likely to sponsor programmes such as house improvements, or any other type of self-help. This is usually true in the case of smaller schemes, many of which are designed and implemented by a charismatic leader. However, as soon as a larger and more complex scheme is developed, the same "bureaucratic" problems are likely to occur. Many excellent voluntary organizations have faced the problems of "sclerosis" once they have expanded their scope of operations and administer considerable funds.

If the operations of such private organizations remain limited even though impressive their impact at urban and national levels will not be very significant.

To that extent it is important to recognize that not all problems and contradictions have solutions. This implies that the house-improvement and similar schemes must be designed and implemented taking into account institutional constraints.

Another major issue that needs to be discussed in more detail is the economic feasibility and cost-benefits of house-improvement programmes. House-improvement credits are consumption- rather than production-oriented. Whereas production credits can and should be granted based on economic (cost-recovery) considerations, housing loans require subsidies, particularly if lower-income households are the target group. This is probably true not only for third-world countries but also for industrialized ones. Experience suggests that an interest-rate subsidy is likely to be the most effective and socially the most justified form of subsidy.

The objective of house-improvement loans should be to minimize and rationalize the application of subsidies rather than to eliminate them. For that reason, loan conditions should be adjusted to the payment capacity of the borrowers and the recovery period minimized, also with the objective of diminishing the impact of inflation.

Many similar house-improvement schemes have confronted excessive administration costs or overheads that negatively affect their benefits. Under the House Improvement Loan Scheme in Santiago, an attempt has been made to rationalize the use of personnel and minimize overheads in relation to the number and value of loans granted.

Based on the sometimes negative experience of various similar projects, it is suggested that operation costs and overheads should not exceed 10 per cent of loan disbursements and considering an average value of \$RD3000 (\$US472) per loan, it was suggested that the project's Team in Santiago should process no less than 24 credits per month.

Average operation costs of the project comprise:		
	Category	\$RD
1.	Personnel	6,231.50
2.	Vehicles	467.30
3.	Stationery, telephone etc.	413.20
4.	Bank charges	9.00
Total		7,119.00 (\$US1,121.00)

The number of loans actually processed does not exceed 15 per month, implying that operation costs and overheads constitute 13.7 per cent. In order to improve productivity and thus disbursements, incentives could have been offered to the Team members. However, the concept of incentives contradicts the policy and standard procedures of INVI and may lead to complaints and the opposition of other project staff and of the Institute employees. This issue has not yet been solved.

Although economic incentives are not necessarily the only means of motivating the project's personnel, they are often essential considering that the administration of house improvement programmes requires personal dedication, compassion and sacrifice on behalf of those who participate in it.

ANNEX

Analysis of loan amount and conditions (Pesos 500 to 1000)												
Loan amount \$RD	1 year			1.5 years			2 years			2.5 years		
	Quote		Minimum monthly family income	Quote		Minimum monthly family income	Quote		Minimum monthly family income	Quote		Minimum monthly family income
	No.	Value \$RD		No.	Value \$RD		No.	Value \$RD		No.	Value \$RD	
500	12	44.89	224.47	18	30.96	154.79	24	24.01	120.03	30	19.85	99.25
600	12	53.87	269.36	18	37.15	185.75	24	28.81	144.04	30	23.82	119.10
700	12	62.85	314.25	18	43.34	216.70	24	33.61	168.05	30	27.79	138.94
750	12	67.34	336.70	18	46.44	232.18	24	36.01	180.05	30	29.77	148.87
800	12	71.83	359.15	18	49.53	247.66	24	38.41	192.05	30	31.76	158.79
900	12	80.81	404.04	18	55.72	278.62	24	43.21	216.06	30	35.73	178.64
1000	12	89.79	448.94	18	61.92	309.58	24	48.01	240.06	30	39.70	198.49

Analysis of loan amount and conditions (Pesos 1000 to 3000)												
Loan amount \$RD	1.50 years			2 years			2.50 years			3 years		
	Quote		Min. monthly family income	Quote		Min. monthly family income	Quote		Min. monthly family income	Quote		Min. monthly family income
	No.	Value \$RD		No.	Value \$RD		No.	Value \$RD		No.	Value \$RD	
1000	18	61.92	309.58	24	48.01	240.06	30	39.49	198.49	36	34.18	170.89
1100	18	68.11	340.53	24	52.81	264.07	30	43.67	218.34	36	37.60	187.98
1200	18	74.30	371.49	24	57.62	288.08	30	47.64	238.19	36	41.01	205.07
1300	18	80.49	402.45	24	62.42	312.08	30	51.61	258.04	36	44.43	222.15
1400	18	86.68	433.41	24	67.22	336.09	30	55.58	277.89	36	47.85	239.24
1500	18	92.87	464.36	24	72.02	360.10	30	59.55	297.74	36	51.27	256.33
1600	18	99.06	495.32	24	76.82	384.10	30	63.52	317.59	36	54.68	273.42
1700	18	105.26	526.28	24	81.62	408.11	30	67.49	337.44	36	58.10	290.51
1800	18	111.45	557.24	24	86.42	432.12	30	71.46	357.29	36	61.52	307.60
1900	18	117.64	588.19	24	91.22	456.12	30	75.43	377.13	36	64.94	324.69
2000	18	123.83	619.15	24	96.03	480.13	30	79.40	396.98	36	68.36	341.78
2100	18	130.02	650.11	24	100.83	504.14	30	83.37	416.83	36	71.77	358.87
2200	18	136.21	681.07	24	105.63	528.14	30	87.34	436.68	36	75.19	375.95
2300	18	142.40	712.02	24	110.43	552.15	30	91.31	456.53	36	78.61	393.04
2400	18	148.60	742.98	24	115.23	576.15	30	95.28	476.38	36	82.03	410.13
2500	18	154.79	773.94	24	120.03	600.16	30	99.25	496.23	36	85.44	427.22
2600	18	160.98	804.90	24	124.83	624.17	30	103.22	516.08	36	88.86	444.31
2700	18	167.17	835.85	24	129.63	648.17	30	107.19	535.93	36	92.28	461.40
2800	18	173.36	866.81	24	134.44	672.18	30	111.16	555.78	36	95.70	478.49
2900	18	179.55	897.77	24	139.24	696.19	30	115.13	575.63	36	99.12	495.58
3000	18	185.75	928.73	24	144.04	720.19	30	119.10	595.48	36	102.53	512.66

Analysis of loan amount and conditions (Pesos 3000 to 5000)												
Loan amount \$RD	2 years			2.50 years			3 years			3.50 years		
	Quote		Min. monthly family income	Quote		Min. monthly family income	Quote		Min. monthly family income	Quote		Min. monthly family income
	No.	Value \$RD		No.	Value \$RD		No.	Value \$RD		No.	Value \$RD	
3000	24	144.04	720.19	30	119.19	595.48	36	102.53	512.66	42	90.76	453.80
3100	24	148.84	744.20	30	123.06	615.32	36	105.95	529.75	42	93.79	468.93
3200	24	153.64	768.21	30	127.03	635.17	36	109.37	546.84	42	96.81	484.05
3300	24	158.44	792.21	30	131.00	655.02	36	112.79	563.93	42	99.84	499.18
3400	24	163.24	816.22	30	134.97	674.87	36	116.20	581.02	42	102.86	514.31
3500	24	168.05	840.23	30	138.94	694.72	36	119.62	598.11	42	105.89	529.43
3600	24	172.85	864.23	30	142.91	714.57	36	123.04	615.20	42	108.91	544.56
3700	24	177.65	888.24	30	146.88	734.42	36	126.46	632.29	42	111.94	559.69
3800	24	182.45	912.24	30	150.85	754.27	36	129.87	649.37	42	114.96	574.81
3900	24	187.25	936.25	30	154.82	774.12	36	133.29	666.46	42	117.99	589.94
4000	24	192.05	960.26	30	158.79	793.97	36	136.71	683.55	42	121.01	605.06
4100	24	196.85	984.26	30	162.76	813.82	36	140.13	700.64	42	124.04	620.19
4200	24	201.65	1008.27	30	166.73	833.67	36	143.55	717.73	42	127.06	635.32
4300	24	206.46	1032.28	30	170.70	853.51	36	146.96	734.82	42	130.09	650.44
4400	24	211.26	1056.28	30	174.67	873.36	36	150.38	751.91	42	133.11	665.57
4500	24	216.06	1080.29	30	178.64	893.21	36	153.80	769.00	42	136.14	680.70
4600	24	220.86	1104.30	30	182.61	913.06	36	157.22	786.09	42	139.16	695.82
4700	24	225.66	1128.30	30	186.58	932.91	36	160.63	803.17	42	142.19	710.95
4800	24	230.46	1152.31	30	190.55	952.76	36	164.05	820.26	42	145.22	726.08
4900	24	235.26	1176.32	30	194.52	972.61	36	167.47	837.35	42	148.24	741.20
5000	24	240.06	1200.32	30	198.49	992.46	36	170.89	854.44	42	151.27	756.33

Analysis of loan amount and conditions (Pesos 1000 to 3000)												
Loan amount \$RD	1.50 years			2 years			2.50 years			3 years		
	Quote		Min. monthly family income	Quote		Min. monthly family income	Quote		Min. monthly family income	Quote		Min. monthly family income
	No.	Value \$RD		No.	Value \$RD		No.	Value \$RD		No.	Value \$RD	
1000	18	61.92	309.58	24	48.01	240.06	30	39.49	198.49	36	34.18	170.89
1100	18	68.11	340.53	24	52.81	264.07	30	43.67	218.34	36	37.60	187.98
1200	18	74.30	371.49	24	57.62	288.08	30	47.64	238.19	36	41.01	205.07
1300	18	80.49	402.45	24	62.42	312.08	30	51.61	258.04	36	44.43	222.15
1400	18	86.68	433.41	24	67.22	336.09	30	55.58	277.89	36	47.85	239.24
1500	18	92.87	464.36	24	72.02	360.10	30	59.55	297.74	36	51.27	256.33
1600	18	99.06	495.32	24	76.82	384.10	30	63.52	317.59	36	54.68	273.42
1700	18	105.26	526.28	24	81.62	408.11	30	67.49	337.44	36	58.10	290.51
1800	18	111.45	557.24	24	86.42	432.12	30	71.46	357.29	36	61.52	307.60
1900	18	117.64	588.19	24	91.22	456.12	30	75.43	377.13	36	64.94	324.69
2000	18	123.83	619.15	24	96.03	480.13	30	79.40	396.98	36	68.36	341.78
2100	18	130.02	650.11	24	100.83	504.14	30	83.37	416.83	36	71.77	358.87
2200	18	136.21	681.07	24	105.63	528.14	30	87.34	436.68	36	75.19	375.95
2300	18	142.40	712.02	24	110.43	552.15	30	91.31	456.53	36	78.61	393.04
2400	18	148.60	742.98	24	115.23	576.15	30	95.28	476.38	36	82.03	410.13
2500	18	154.79	773.94	24	120.03	600.16	30	99.25	496.23	36	85.44	427.22
2600	18	160.98	804.90	24	124.83	624.17	30	103.22	516.08	36	88.86	444.31
2700	18	167.17	835.85	24	129.63	648.17	30	107.19	535.93	36	92.28	461.40
2800	18	173.36	866.81	24	134.44	672.18	30	111.16	555.78	36	95.70	478.49
2900	18	179.55	897.77	24	139.24	696.19	30	115.13	575.63	36	99.12	495.58
3000	18	185.75	928.73	24	144.04	720.19	30	119.10	595.48	36	102.53	512.66

Analysis of loan amount and conditions (Pesos 3000 to 5000)												
Loan amount \$RD	4 years			4.50 years			5 years			5.50 years		
	Quote		Min. monthly family income	Quote		Min. monthly family income	Quote		Min. monthly family income	Quote		Min. monthly family income
	No.	Value \$RD		No.	Value \$RD		No.	Value \$RD		No.	Value \$RD	
3000	48	81.98	409.90	54	75.19	375.97	60	69.80	349.02	66	65.43	327.15
3100	48	84.71	423.56	54	77.70	388.50	60	72.13	360.66	66	67.61	338.06
3200	48	87.44	437.22	54	80.21	401.03	60	74.46	372.29	66	69.79	348.96
3300	48	90.18	450.89	54	82.71	413.57	60	76.79	383.93	66	71.97	359.87
3400	48	92.91	464.55	54	85.22	426.10	60	79.11	395.56	66	74.15	370.77
3500	48	95.64	478.21	54	87.73	438.63	60	81.44	407.19	66	76.34	381.68
3600	48	98.38	491.88	54	90.23	451.16	60	83.77	418.83	66	78.52	392.58
3700	48	101.11	505.54	54	92.74	463.70	60	86.09	430.46	66	80.70	403.49
3800	48	103.84	519.20	54	95.25	476.23	60	88.42	442.10	66	82.88	414.39
3900	48	106.57	532.87	54	97.75	488.76	60	90.75	453.73	66	85.06	425.30
4000	48	109.31	546.53	54	100.26	501.29	60	93.07	465.37	66	87.24	436.20
4100	48	112.04	560.19	54	102.77	513.83	60	95.40	477.00	66	89.42	447.11
4200	48	114.77	573.86	54	105.27	526.36	60	97.73	488.63	66	91.60	458.01
4300	48	117.50	587.52	54	107.78	538.89	60	100.05	500.27	66	93.78	468.92
4400	48	120.24	601.18	54	110.28	551.42	60	102.38	511.90	66	95.96	479.82
4500	48	122.97	614.85	54	12.79	563.96	60	140.71	523.54	66	98.15	490.73
4600	48	125.70	628.51	54	115.30	576.49	60	107.03	535.17	66	100.33	501.63
4700	48	128.43	642.17	54	117.80	589.02	60	109.36	546.80	66	102.51	512.54
4800	48	131.17	655.84	54	120.31	601.55	60	111.69	558.44	66	104.69	523.44
4900	48	133.90	669.50	54	122.82	614.08	60	114.01	570.07	66	106.87	534.35
5000	48	136.63	683.16	54	125.32	626.62	60	116.34	581.71	66	109.05	545.25

Analysis of loan amount and conditions (Pesos 5000 to 8000)												
Loan amount \$RD	3 years			4 years			5 years			6 years		
	Quote		Min. monthly family income	Quote		Min. monthly family income	Quote		Min. monthly family income	Quote		Min. monthly family income
	No.	Value \$RD		No.	Value \$RD		No.	Value \$RD		No.	Value \$RD	
5000	36	170.89	854.44	48	136.63	683.16	60	116.34	581.71	72	103.03	515.14
5100	36	174.31	871.53	48	139.37	696.83	60	118.67	593.34	72	105.09	525.45
5200	36	177.72	888.62	48	142.10	710.49	60	120.99	604.97	72	107.15	535.75
5300	36	181.14	905.71	48	144.83	724.15	60	123.32	616.61	72	109.21	546.05
5400	36	184.56	922.80	48	147.56	737.81	60	125.65	628.24	72	111.27	556.35
5500	36	187.98	939.88	48	150.30	751.48	60	127.98	639.88	72	113.33	566.66
5600	36	191.39	956.97	48	153.03	765.14	60	130.30	651.51	72	115.39	576.96
5700	36	194.81	974.06	48	155.76	778.80	60	132.63	663.15	72	117.45	587.26
5800	36	198.23	991.15	48	158.49	792.47	60	134.96	674.78	72	119.51	597.57
5900	36	201.65	1008.24	48	161.23	806.13	60	137.28	686.41	72	121.57	607.87
6000	36	205.07	1025.33	48	163.96	819.79	60	139.61	698.05	72	123.63	618.17
6100	36	208.48	1042.42	48	166.69	833.46	60	141.94	709.68	72	125.70	628.48
6200	36	211.90	1059.51	48	169.42	847.12	60	144.26	721.32	72	127.76	638.78
6300	36	215.32	1076.60	48	172.16	860.78	60	146.59	732.95	72	129.82	649.08
6400	36	218.74	1093.68	48	174.89	874.45	60	148.92	744.58	72	131.88	659.38
6500	36	222.15	1110.77	48	177.62	888.11	60	151.24	756.22	72	133.94	669.69
6600	36	225.57	1127.86	48	180.35	901.77	60	153.57	767.85	72	136.00	679.99
6700	36	228.99	1144.95	48	183.09	915.44	60	155.90	779.49	72	138.06	690.29
6800	36	232.41	1162.04	48	185.82	929.10	60	158.22	791.12	72	140.12	700.60
6900	36	235.83	1179.13	48	188.55	942.76	60	160.55	802.75	72	142.18	710.90
7000	36	239.24	1196.22	48	191.29	956.43	60	162.88	814.39	72	144.24	721.20
7100	36	242.66	1213.31	48	194.02	970.09	60	165.20	826.02	72	146.30	731.50
7200	36	246.08	1230.39	48	196.75	983.75	60	167.53	837.66	72	148.36	741.81

Analysis of loan amount and conditions (Pesos 5000 to 8000)												
Loan amount \$RD	3 years			4 years			5 years			6 years		
	Quote		Min. monthly family income	Quote		Min. monthly family income	Quote		Min. monthly family income	Quote		Min. monthly family income
	No.	Value \$RD		No.	Value \$RD		No.	Value \$RD		No.	Value \$RD	
7300	36	249.50	1247.48	48	199.48	997.42	60	169.86	849.29	72	150.42	752.11
7400	36	252.91	1264.57	48	202.22	1011.08	60	172.19	860.93	72	152.48	762.41
7500	36	256.33	1281.66	48	204.95	1024.74	60	174.51	872.56	72	154.54	772.72
7600	36	259.75	1298.75	48	207.68	1038.41	60	176.84	884.19	72	156.60	783.02
7700	36	263.17	1315.84	48	210.41	1052.07	60	179.17	895.83	72	158.66	793.32
7800	36	266.59	1332.93	48	213.15	1065.73	60	181.49	907.46	72	160.72	803.62
7900	36	270.00	1350.02	48	215.88	1079.40	60	183.82	919.10	72	162.79	813.93
8000	36	273.42	1367.11	48	218.61	1093.06	60	186.15	930.73	72	164.85	824.23

Analysis of amount and conditions (Pesos 5000 to 8000)															
Loan Amt.	3 years			4 years			5 years			6 years			7 years		
	Quote		Min. month family income	Quote		Min. month family income	Quote		Min. month family income	Quote		Min. month family income	Quote		Min. month family income
	No	Value \$RD		No	Value \$RD		No	Value \$RD		No	Value \$RD		No	Value \$RD	
5000	36	170.89	854.44	48	136.63	683.16	60	116.34	581.71	72	103.03	515.14	84	93.70	468.50
5100	36	174.31	871.53	48	139.37	696.83	60	118.67	593.34	72	105.09	525.45	84	95.57	477.87
5200	36	177.72	888.62	48	142.10	710.49	60	120.99	604.97	72	107.15	535.75	84	97.45	487.24
5300	36	181.14	905.71	48	144.83	724.15	60	123.32	616.61	72	109.21	546.05	84	99.32	436.61
5400	36	184.56	922.80	48	147.56	737.81	60	125.65	628.24	72	111.27	556.35	84	101.20	505.98
5500	36	187.98	939.88	48	150.30	751.48	60	127.98	639.88	72	113.33	566.66	84	103.07	515.35
5600	36	191.39	956.97	48	153.03	765.14	60	130.30	651.51	72	115.39	576.96	84	104.94	524.72
5700	36	194.81	974.06	48	155.76	778.80	60	132.63	663.15	72	117.45	587.26	84	106.82	534.09
5800	36	198.23	991.15	48	158.49	792.47	60	134.96	674.78	72	119.51	597.57	84	108.69	543.16
5900	36	201.65	1008.24	48	161.23	806.13	60	137.28	686.41	72	121.57	607.87	84	110.57	552.83
6000	36	205.07	1025.33	48	163.96	819.79	60	139.61	698.05	72	123.63	618.17	84	112.44	562.20
6100	36	208.48	1042.42	48	166.69	833.46	60	141.94	709.68	72	125.70	628.48	84	114.31	571.57
6200	36	211.90	1059.51	48	169.42	847.12	60	144.26	721.32	72	127.76	638.78	84	116.19	580.94
6300	36	215.32	1076.60	48	172.16	860.78	60	146.59	732.95	72	129.82	649.08	84	118.06	590.31
6400	36	218.74	1093.68	48	174.89	874.45	60	148.92	744.58	72	131.88	659.38	84	119.94	599.68

6500	36	222.15	1110.77	48	177.62	888.11	60	151.24	756.22	72	133.94	669.69	84	121.81	609.05
6600	36	225.57	1127.86	48	180.35	901.77	60	153.57	767.85	72	136.00	679.99	84	123.68	618.42
6700	36	228.99	1144.95	48	183.09	915.44	60	155.90	779.49	72	138.06	690.29	84	125.56	627.79
6800	36	232.41	1162.04	48	185.82	929.10	60	158.22	791.12	72	140.12	700.60	84	127.43	637.16
6900	36	235.83	1179.13	48	188.55	942.76	60	160.55	802.75	72	142.18	710.90	84	129.31	646.53
7000	36	239.24	1196.22	48	191.29	956.43	60	162.88	814.39	72	144.24	721.20	84	131.18	655.90
7100	36	242.66	1213.31	48	194.02	970.09	60	165.20	826.02	72	146.30	731.50	84	133.05	665.27
7200	36	246.08	1230.39	48	196.75	983.75	60	167.53	837.66	72	148.36	741.81	84	134.93	674.64
7300	36	249.50	1247.48	48	199.48	997.42	60	169.86	849.29	72	150.42	752.11	84	136.80	684.01
7400	36	252.91	1264.57	48	202.22	1011.08	60	172.19	860.93	72	152.48	762.41	84	138.68	693.38
7500	36	256.33	1281.66	48	204.95	1024.74	60	174.51	872.56	72	154.54	772.72	84	140.55	702.75
7600	36	259.75	1298.75	48	207.68	1038.41	60	176.84	884.19	72	156.60	783.02	84	142.42	712.12
7700	36	263.17	1315.84	48	210.41	1052.07	60	179.17	895.83	72	158.66	793.32	84	144.30	721.49
7800	36	266.59	1332.93	48	213.15	1065.73	60	181.49	907.46	72	160.72	803.62	84	146.17	730.86
7900	36	270.00	1350.02	48	215.88	1079.40	60	183.82	919.10	72	162.79	813.93	84	148.05	740.23
8000	36	273.42	1367.11	48	218.61	1093.06	60	186.15	930.73	72	164.85	824.23	84	149.92	749.60

Analysis of the number of loans by category with an initial capital of \$RD1 million				
Category (\$RD)	Percentage	Loan value	Number of loans	Total loans (\$RD)
500-1000	10	750.00	28.17	21,126.76
1000-3000	25	2000.00	70.42	140,845.07
3000-5000	50	4000.00	140.85	563,380.28
5000-8000	15	6500.00	42.25	274,647.89
Total			281.69	1,000,000.00

Cash Flow (\$RD)			
	1988	1989	1990
Availability	-	16,699.30	226,831.84
Income	370,199.30	796,632.54	433,392.42
Revolving Fund	353,500.00	586,500.00	58,000.00
Capital	10,934.38	144,737.29	278,331.15
Interest	5,764.92	65,395.25	97,061.27
Expenditures	353,500.00	586,500.00	58,000.00
Revolving Fund	353,500.00	586,500.00	58,000.00
Balance	16,699.30	226,831.84	602,224.26

Use of the funds by loan category and available balance by year and month						
CATEGORY						
Year and month	I	II	III	IV	Total loans	Total available 1,000,000.00
1988	10,500.00	56,000.00	196,000.00	91,000.00	353,500.00	
June	1,500.00	8,000.00	28,000.00	13,000.00	50,500.00	949,500.00
July	1,500.00	8,000.00	28,000.00	13,000.00	50,500.00	899,000.00
August	1,500.00	8,000.00	28,000.00	13,000.00	50,500.00	848,500.00
September	1,500.00	8,000.00	28,000.00	13,000.00	50,500.00	798,000.00
October	1,500.00	8,000.00	28,000.00	13,000.00	50,500.00	747,500.00
November	1,500.00	8,000.00	28,000.00	13,000.00	50,500.00	697,000.00
December	1,500.00	8,000.00	28,000.00	13,000.00	50,500.00	646,500.00
1989	10,500.00	84,000.00	336,000.00	156,000.00	586,500.00	
January	1,500.00	8,000.00	28,000.00	13,000.00	50,500.00	596,000.00
February	1,500.00	8,000.00	28,000.00	13,000.00	50,500.00	545,500.00
March	1,500.00	8,000.00	28,000.00	13,000.00	50,500.00	495,000.00
April	1,500.00	8,000.00	28,000.00	13,000.00	50,500.00	444,500.00
May	1,500.00	8,000.00	28,000.00	13,000.00	50,500.00	394,000.00
June	1,500.00	8,000.00	28,000.00	13,000.00	50,500.00	343,500.00
July	1,500.00	8,000.00	28,000.00	13,000.00	50,500.00	293,000.00
August		8,000.00	28,000.00	13,000.00	49,000.00	244,000.00
September		8,000.00	28,000.00	13,000.00	49,000.00	195,000.00
October		8,000.00	28,000.00	13,000.00	49,000.00	146,000.00

November		4,000.00	28,000.00	13,000.00	45,000.00	101,000.00
December			28,000.00	13,000.00	41,000.00	60,000.00
1990			32,000.00	26,000.00	58,000.00	
January			32,000.00	13,000.00	45,000.00	15,000.00
February				13,000.00	13,000.00	2,000.00
Total	21,000.00	140,000.00	564,000.00	273,000.00	998,000.00	-

Recovery of the revolving fund by year by type (\$RD)									
Type of loan	Loan value	Recovery							
		1988	1989	1990	1991	1992	1993	1994	1995
I	21,000.00								
	C	762.62	9,885.12	9,806.07	546.20				
	I	166.18	1,539.12	687.62	10.60				
	T	928.80	11,424.24	10,493.69	556.80				
II	14,000.00								
	C	2,269.00	30,085.40	54,943.08	45,176.44	7,526.08			
	I	907.00	9,932.20	11,594.12	4,046.28	252.00			
	T	3,176.00	40,017.60	66,537.20	49,222.72	7,778.08			
III	564,000.00								
	C	6,376.86	84,554.89	171,533.54	192,035.55	103,465.85	6,033.31		
	I	3,192.84	36,023.33	53,627.83	53,627.83	7,271.77	119.30		
	T	9,569.70	120,578.22	225,161.37	221,744.67	110,737.62	6,152.61		
IV	273,000.00								
	C	1,525.90	20,211.88	42,048.46	50,060.92	57,555.58	63,113.90	35,509.18	2,974.18
	I	1,498.90	17,900.60	31,151.70	26,164.04	18,669.38	10,109.56	2,659.22	69.26
	T	3,024.80	38,112.48	73,200.16	76,224.96	76,224.96	73,223.46	38,168.40	3,043.44
Totals	998,000.00								
	Funds								
	Total capital	10,934.38	144,737.29	278,331.15	287,819.11	168,547.51	69,147.21	35,509.18	2,974.18
	Total interest	5,764.92	65,395.25	97,061.27	59,930.04	26,193.15	10,228.86	2,659.22	69.26
	Total funds	16,699.30	210,132.54	375,392.42	347,749.15	194,740.66	79,376.07	38,168.40	3,043.44
	Accumulations	16,699.30	226,831.84	602,224.26	949,973.41	1,144,714.00	1,224,090.14	1,262,258.54	1,265,301.98
	C	Capital							
	I	Interest							
	T	Total							