

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. **1337**

HOUSE OF REPRESENTATIVES

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Introduced by HONORABLE SCOTT DAVIES S. LANETE, M.D.

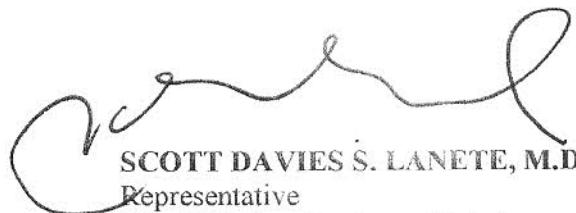
EXPLANATORY NOTE

Many families in the urban areas today are choosing the condo life. This is mainly because a condominium is like a hybrid between an apartment and a house and more importantly, why you buy a condominium, you own it outright. Thus, condominium living is fast becoming a new way of life for modern Filipino families.

However, buying a condominium is not always as convenient as it seems. News about fraud, abuses and exploitations by condominium seller and/or developers are not new. Almost everyday, we hear news of Filipino families who dream of owning a condominium unit end up not being able to make their dream a reality because they have become victims of fraud, abuses and exploitations of condominium sellers and/or developers.

Considering that it is a policy of the State to undertake, in cooperation with the private sector, a comprehensive and continuing urban development, the present Condominium Buyer's Protective Decree of 1976 must be amended to provide additional protection to buyer's of condominium units.

The amendment of the present law will serve as a deterrent to the deliberate violation of the law by some unscrupulous owners and/or developers and ensure further the protection of buyers of condominium units. Hence, the passage of this bill is urgently sought.



SCOTT DAVIES S. LANETE, M.D.
Representative
Third District, Province of Masbate

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House Bill No. **1337**

Introduced by **HONORABLE SCOTT DAVIES S. LANETE, M.D.**

**AN ACT MANDATING THE FULL DISCLOSURE OF RELEVANT FACTS AND
ALL REQUIREMENTS BY THE OWNERS AND/OR DEVELOPERS OF
CONDOMINIUM PROJECTS TO THE BUYERS AMENDING FOR THE PURPOSE
PD 957 AND FOR OTHER PURPOSES**

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

Section 1. Short Title. This Act shall be known as "The Condominium Buyers' Protective Decree of 2016."

Sec. 2. *Declaration of Policy.* It is the policy of the State to undertake, in cooperation with the private sector, a comprehensive and continuing urban development. Toward this end, certain reforms must be made in the present law to add more protection to the buyers of condominium units.

Sec. 3. *Full Disclosure of All Documentary Requirements.* It shall be mandatory for the owners and/or developers to provide a list, which shall specify all documents, required from the buyer.

The list of documentary requirements shall be acknowledged by the buyer by affixing his/her signature.

Within thirty (30) days from the signing, the buyer must submit all the documentary requirements to the developer. Failure to submit all the required documents shall cause the forfeiture of the offer to buy the condominium unit.

No deposit/reservation fee/down payment shall be paid by the buyer until all the documentary requirements are processed and accepted by the developer as valid and complete.

Sec 4. *Copy of by-laws and Master Deed.* It shall be mandatory for the owners and/or developers to provide the buyer a copy of the by-laws and the master deed. Should a hard copy not be feasible, the owners and/or developers shall direct the buyer to their website where the by-laws and master deed are posted.

Sec. 5. *Condominium Corporation Board.* It shall be mandatory for the owners and/or developers to provide the buyer a list of the names of the current board of the Condominium Corporation. Should a hard copy not be feasible, the owners and/or developers shall direct the buyer to their website where such list is disclosed.

Sec. 6. *Copies of the Architectural and/or Engineering Plans.* It shall be mandatory for the owners and/or developers to provide the buyer copies of the architectural and/or engineering plans of the condominium project. Should a hard copy not be feasible, the owners and/or developers shall direct the buyer to their website where such plans are posted.

Sec 7. *Certified True Copy of Land Title.* It shall be mandatory for the owners and/or developers to provide the buyer a certified true copy of the title of the condominium project with the annotation any liens on the property, if any. The cost for obtaining a certified true copy of the title shall be borne by the owners and/or developers.

Sec. 8. *Signature on Ads and Promotional Materials.* The buyer may ask the broker and/or company officials to sign any official ad or promotional materials issued for the condominium project.

Sec. 9. *Penalties.* Any owner and/or developer of condominium projects who neglect or fail to establish and maintain green spaces in their projects shall be punished with a fine of not less than Five Hundred Thousand Pesos (Php500,000.00) but not more than One Million Pesos (Php1,000,000.00), without prejudice to the filing of appropriate administrative, criminal or civil charges against them.

Sec 10. *Implementing Rules and Regulations.* The Housing and Land Use Regulatory Board shall have the power to promulgate the implementing rules and regulations as may be necessary to fully implement the objectives and purposes of this Act within one (1) year from the approval hereof.

Sec. 11. *Separability Clause.* – If any part or provision of this Act shall be held unconstitutional or invalid, other provisions, which are not affected thereby, shall continue to be in full force and effect.

Sec. 12. *Repealing Clause.* – All laws, issuances or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

Sec. 13. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,