



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 6163



Introduced by Representative Sharon S. Garin

EXPLANATORY NOTE

The Real Estate Investment Act of 2009 was enacted to promote the development of the capital market for use as an instrument to fund infrastructure projects and further improve the real estate industry. To this end, the state must ensure that the funds invested in these companies are reinvested in the Philippines to secure full domestic participation in the real estate industry.

In view of the foregoing, the approval of this bill is earnestly requested.


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AAMBIS-Owa Partylist


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5 (GG) "REINVESTMENT PLAN" REFERS TO A SWORN STATEMENT,
6 DULY RECEIVED BY THE EXCHANGE AND THE COMMISSION,
7 SIGNED BY THE SPONSOR/PROMOTER AND THE PRINCIPAL
8 SHAREHOLDER OF THE REIT FIRMLY UNDERTAKING, AT THE
9 MINIMUM, TO REINVEST (I) ANY PROCEEDS REALIZED BY THE
10 SPONSOR/PROMOTER FROM THE SALE OF REIT SHARES OR
11 OTHER SECURITIES ISSUED IN EXCHANGE FOR INCOME

GENERATING REAL ESTATE TRANSFERRED TO THE REIT AND (II) ANY MONEY RAISED BY THE SPONSOR/PROMOTER FROM THE SALE OF ANY OF ITS INCOME-GENERATING REAL ESTATE TO THE REIT, IN ANY REAL ESTATE, INCLUDING ANY REDEVELOPMENT THEREOF, AND/OR INFRASTRUCTURE PROJECTS IN THE PHILIPPINES, WITHIN ONE (1) YEAR FROM THE DATE OF RECEIPT OF PROCEEDS OR MONEY BY THE SPONSOR/PROMOTER."

(hh) "Related Corporation" xxx

(ii) "Relate Part" xxx

(jj) "Securities Regulation Code" xxx

(kk) "Sponsor/Promoter" xxx

(ll) "Subsidiary" xxx

(mm) "Synthetic Investment Products" xxx

(nn) "Taxable Net Income" xxx

xxx

SEC. 2. Section 8 of Republic Act No. 9856 is hereby amended to read as follows:

"Section 8. Requirements. - Unless the Commission provides otherwise and after public hearing, taking into account public interest, the need to protect investors and develop the country's real estate investment industry to make it globally competitive, the following requirements shall apply:

xxx

8.19 REINVESTMENT IN THE PHILIPPINES – ANY PROCEEDS REALIZED BY THE SPONSOR/PROMOTER FROM THE SALE OF REIT SHARES OR OTHER SECURITIES ISSUED IN EXCHANGE FOR

INCOME-GENERATING REAL ESTATE TRANSFERRED TO REIT AND
ANY MONEY RAISED BY THE SPONSOR/PROMOTER FROM THE
SALE OF ANY OF ITS INCOME-GENERATING REAL ESTATE TO THE
REIT, IN ANY REAL ESTATE, INCLUDING ANY REDEVELOPMENT
THEREOF, AND/OR INFRASTRUCTURE PROJECTS IN THE
PHILIPPINES, MUST BE REINVESTED IN THE PHILIPPINES WITHIN
ONE (1) YEAR FROM THE DATE OF RECEIPT OF PROCEEDS OR
MONEY BY THE SPONSOR/PROMOTER.

SEC. 3. Section 9 of Republic Act No. 9856 is hereby amended to read as follows:

“Section 9. Reportorial and Disclosure Requirements. –

xxx

**9.4 REINVESTMENT PLAN – THE REIT SHALL SUBMIT A
REINVESTMENT PLAN TO THE EXCHANGE AND THE COMMISSION
UPON REGISTRATION. FURTHER, THE REIT MUST ANNUALLY
SECURE A CERTIFICATION FROM THE COMMISSION THAT IT IS
COMPLIANT WITH ITS REINVESTMENT PLAN.**

9.5 Failure of Compliance - xxx

SEC. 5. Separability Clause. – If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SEC. 6. Repealing Clause. – All laws, decrees, executive orders, rules and regulations or parts thereof which are contrary to or inconsistent with this Act are hereby repealed, amended or modified accordingly.

61 **SEC. 7. Effectivity.** – This Act shall take effect fifteen (15) days after its complete
62 publication either in the Official Gazette or in a newspaper of general circulation.

63 Approved,