

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City
18TH CONGRESS
First Regular Session



4777

House Bill No. _____

Introduced by **REP. EVELINA G. ESCUDERO**

EXPLANATORY NOTE

Property right is unique because there are multiple "rights" associated with the ownership of a property. In case of land ownership, the following rights, among others, are accorded by law to an owner of a land: right to sell, right to lease, right to use, right to possess and right to acquire mineral.

Our system of property registration as embodied in Presidential Decree (P.D.) No. 1529, as amended, covers this bundle of rights under real property right. However, the system of registration, especially on lease on registered property is limited only to registration by annotation, which is the inscription of a memorandum on the original certificate title of property and the owner's duplicate.

This bill proposes to expand this system of registration, especially on lease on registered lands by authorizing the issuance of certificates of lease. It is by virtue of this certificate that a lessee, like a certificate of title to an owner, may be able to prove the existence of the lease. True, Section 52, P.D. 1529, provides that a registration of lease in the Register of Deeds is a constructive notice to all persons from the time of such filing or registering. However, this Bill proposes to not only afford the lessee the constructive notice to the world but also an indefeasible proof of lease to further safeguard his right.

Passage of this bill is thus submitted for deliberation.

A handwritten signature in black ink, appearing to read "Evelina G. Escudero".

EVELINA G. ESCUDERO

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AN ACT
ESTABLISHING A SYSTEM OF REGISTRATION FOR LEASE
ON REGISTERED LANDS

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

SECTION 1. Short Title. This Act shall be known as the "*Property Lease Registration Act.*"

SEC. 2. Registration. Upon presentation for registration of a lease contract or agreement together with the owner's duplicate certificate, the Register of Deeds shall enter upon the original of the certificate of title and also upon the owner's duplicate certificate a memorandum thereof, the date and time of filing and the file number assigned to the contract or agreement, the number of the issued certificate of lease, and shall sign the said memorandum. He or she shall also note on the contract or agreement the date and time of filing and a reference to the volume and page of the registration book in which it is registered.

The Register of Deeds shall issue a certificate of lease in the name of the lessee with complete reference to the certificate of title of the registered land so leased and the details on the terms and conditions of the lease.

SEC. 3. Discharge or Cancellation. A lease on registered land may be discharged or canceled by means of an instrument executed by the lessee in a form sufficient in law, which shall be filed with the Register of Deeds who shall cause the cancellation of the certificate of lease and make the appropriate memorandum upon the certificate of title.

SEC. 4. *Amendatory Clause.* All laws, presidential decrees, executive orders, proclamations and/or administrative regulations, specifically Sections 54, 60, 61 and 62 of Presidential Decree No. 1529, as amended, which are inconsistent with the provisions of this Act are hereby amended, modified, superseded or repealed accordingly.

SEC. 5. *Implementing Rules and Regulations.* The Land Registration Authority in coordination with other agencies of government concerned shall within ninety (90) days from the effectivity of this Act promulgate the required rules and regulations for the effective implementation of this Act.

SEC. 6. *Separability Clause.* If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SEC. 7. *Effectivity Clause.* This Act shall take effect fifteen (15) days from its publication in the Official Gazette or at least two newspapers of national circulation.

Approved,