



**BOARD RESOLUTION NO. 926
Series of 2015**

**REVISED IMPLEMENTING RULES AND REGULATIONS TO GOVERN THE
TIME OF COMPLETION OF SUBDIVISION AND CONDOMINIUM PROJECTS
UNDER PRESIDENTIAL DECREE NO. 957, OTHERWISE KNOWN AS
"THE SUBDIVISION AND CONDOMINIUM BUYERS' PROTECTIVE DECREE"
AND ALL OTHER PROJECTS REQUIRED BY LAW TO BE REGISTERED
WITH THE HOUSING AND LAND USE REGULATORY BOARD**

Pursuant to Article IV, Section 5(c) of Executive Order No. 648 (E.O. No. 648) as amended by Executive Order No. 90, and to Section 36 of Presidential Decree No. 957 (P.D. No. 957), the following Rules and Regulations (hereinafter "Rules") are hereby promulgated by the Housing and Land Use Regulatory Board (HLURB) to implement Section 20 and other related provisions of P.D. No. 957, and the time of completion of all other similar projects required by law and regulations to be registered with the HLURB.

SECTION 1. Title. This Rules shall be referred to as the "2015 Revised Implementing Rules and Regulations on Time of Completion".

SECTION 2. Scope of Application. This Rules shall apply to all projects required by law and regulations to be registered with HLURB.

When used in this Rules, the word "project" shall include:

- 2.1 All subdivisions, including residential, commercial, farmlot, and industrial subdivisions;
- 2.2 All condominiums, including residential and commercial condominiums;
- 2.3 Any other similar projects, including cemeteries, memorial parks and columbaria.

SECTION 3. Objective. This Rules aims to ensure that all projects, including the construction and provision of the facilities, improvements, infrastructures and other forms of development, including water supply and electrical facilities, which are offered and indicated in the approved project plans, brochures, prospectus, printed

matters, letters, or in any form of advertisement are completed within one year from the date of issuance of the license to sell of the project, or within such other period of time as may be fixed by the HLURB.

SECTION 4. Definition of Terms. When used in this Rules, the following terms shall be understood to mean as follows:

- 4.1 "Cease and Desist Order" refers to an order issued by the HLURB directed against a developer enjoining it from committing certain acts in relation to its project by reason of a violation of Presidential Decree No. 957, Batas Pambansa Blg. 220, or any of their implementing rules and regulations or any guidelines or circular issued thereunder.
- 4.2 "Cemetery" refers to a public or private land used for the burial of the dead and other uses indicated for cemetery purposes.
- 4.3 "Columbarium" refers to any structure, either freestanding or part of another building, containing niches for the inurnment of cremated human remains.
- 4.4 "Commercial Condominium" refers to the entire parcel of real property divided or to be divided primarily for commercial purposes into commercial units, including all structures thereon.
- 4.5 "Commercial Subdivision" refers to a tract or parcel of land registered under Act No. 496 which is partitioned primarily into individual lots for commercial use with or without improvements thereon and offered to the public for sale in cash or in installment terms.
- 4.6 "Condominium Project" refers to the entire parcel of real property divided or to be divided primarily for residential purposes into condominium units, including all structures thereon, and offered to the public for sale, in cash or in installment terms.
- 4.7 "Developer" refers to any person who develops or improves the subdivision project or condominium project for and in behalf of the owner thereof.
- 4.8 "Farmlot Subdivision" refers to a subdivision project primarily intended for agricultural production, with a minimum lot area of 1000 sq.m. and with a 25% maximum allowable buildable area.
- 4.9 "Industrial Subdivision" refers to a tract of land partitioned into lots for sale or lease to establishments engaged primarily in industrial production or services. The degree of development may be limited to the provision of utilities and location of areas for industrial buildings, facilities, and amenities, or it may also include the provision of buildings, facilities, and amenities.

- 4.10 "Land Development" refers to land clearing and grubbing, road construction, installation of power and water distribution system, construction of drainage and sewerage system and other developments contained in the approved plans and/or in the brochure and advertisement.
- 4.11 "Memorial Park" refers to a privately-owned cemetery provided with a systematic supervision and maintenance where park-like atmosphere is its outstanding quality.
- 4.12 "Owner" refers to the registered owner of the land subject of a project. An owner who develops a project by himself shall be considered as a developer.
- 4.13 "Project" refers to the different real estate development enumerated under Section 2 hereof which are required by law to be registered with the HLURB.
- 4.14 "Sale" or "sell" shall include every disposition or attempt to dispose, for a valuable consideration, of any lot, including the building and other improvements thereof, or any unit in a project. "Sale" and "sell" shall also include a contract to sell, a contract of purchase and sale, an exchange, an attempt to sell, an option of sale or purchase, a solicitation of a sale, or an offer to sell, directly or by an agent, or by a circular, letter, advertisement or otherwise.

A privilege given to a member of a cooperative, corporation, partnership, or any association and/or the issuance of a certificate or receipt evidencing or giving the right of participation in, or right to, any land in consideration of payment of the membership fee or dues, shall be deemed a sale within the meaning of this definition.

- 4.15 "Subdivision Project" shall mean a tract or a parcel of land registered under Act No. 496, as amended by Presidential Decree No. 1529, which is partitioned primarily for residential purposes into individual lots with or without improvements thereon, and offered to the public for sale, in cash or in installment terms. It shall include all residential, commercial, industrial and recreational areas as well as open spaces and other community and public areas in the project.
- 4.16 "Time of Completion" refers to the period of time fixed by the HLURB within which the owner or developer shall develop and complete the project, including the construction and provision of facilities, improvements and other forms of development, including water supply and electrical facility.

All other words as may be used in this Rules shall be interpreted in accordance with their normal and popular usage and meaning.

Section 5. Time of Completion of the Project. Within one year from the date of the issuance of the license for the project or such other period of time as may be fixed by HLURB in accordance with its rules and guidelines, every owner or developer shall construct and provide the facilities, improvements, infrastructures and other forms of development, including water supply and electrical facilities, which are offered and indicated in the approved project plans, brochures, prospectus, printed matters, letters or any form of advertisement.

Section 6. Additional Period of Time to Complete. No extension or additional period of time may be granted to develop and complete the project unless such failure or inability of the owner or developer to complete the project within the original period is caused by:

- 6.1 Existence of sub-soil condition that is discoverable only after actual excavation works in the project and would necessarily require additional excavation time;
- 6.2 Occurrence of an event which is independent of the will of the owner or developer, unforeseeable or unavoidable, and causes damage to the on-going project that requires reconstruction or causes delays which are directly attributable to the event and renders its completion within the original approved period impossible in a normal manner; provided however that the owner or developer is free from any participation or aggravation of the damage sustained by the project; or
- 6.3 Issuance of a lawful order by a court, government agency or local government unit resulting to the temporary enjoinder or stoppage of the construction or development of the project, except when the issuance of such order is attributable to any fault, mistake or negligence on the part of the owner or developer, or resulted from a dispute between the owner and developer in the development and completion of the project, and provided further that the owner or developer, within thirty (30) days from receipt or knowledge thereof, shall have notified in writing the Regional Field Office (RFO) where the project is registered of the fact of such issuance.

If the performance bond or security previously posted has already lapsed or shall prove insufficient based on the project's revised work program or program of development, the grant of additional period of time to complete the project shall be conditioned upon posting of a new bond or security in accordance with the existing rules and guidelines of HLURB.

Section 7. Fees. The fees provided for extension or additional time to develop applicable to the different classifications of subdivision and condominium projects in the approved Schedule of Fees of the HLURB, including Processing Fee, Additional Fee, and Inspection Fee are hereby adopted and made applicable to grant of additional time to complete the project as provided under this Rules and the guidelines issued by the HLURB.

Section 8. Monitoring. In the exercise of its visitorial power, the HLURB, may, on its own initiative or upon verified complaint, monitor the development and completion of a project in accordance with its existing rules, regulations and guidelines, and impose appropriate sanctions, fines and penalties in case of violation or non-compliance with this Rules and the guidelines issued pursuant hereto.

Section 9. Certificates of Completion for Land Development and Housing Component. Upon completion of the project's land development, the owner or developer shall apply for issuance of Certificate of Completion for Land Development (COCLD) from the RFO where the project is registered. If upon ocular inspection the project is found to have been completed in accordance with the approved time of completion, a COCLD shall be issued in accordance with the existing rules and guidelines of the HLURB. The issuance, however, of a COCLD shall not relieve the owner or developer of the obligation to maintain the roads, alleys, sidewalks, playgrounds, amenities, facilities, improvements infrastructures or other forms of developments represented or promised in brochures, advertisements and other sales propaganda, until proper donation or turnover of the same. Upon completion of the housing component, a separate Certificate of Completion for Housing Component (COCHC) may also be issued.

Section 10. Non-Completion Within the Approved Period. Except as provided under Section 6 hereof, non-completion of the project within the approved time of completion shall entitle an affected buyer to exercise its rights in accordance with Presidential Decree No. 957 and the Civil Code of the Philippines, in addition to the other rights and remedies provided for by other laws as may be warranted under the circumstance. Administrative fines, sanctions and penalties shall likewise be imposed on the owner or developer as provided under Sections 11, 12 and 13 hereof.

Section 11. Suspension of the License to Sell and Issuance of Cease and Desist Order. The license to sell of the project shall be suspended and the owner or developer shall be prohibited from further selling any of the project's lots or units in case of non-completion of the project as provided under Section 10 hereof. A cease and desist order (CDO) shall likewise be issued enjoining the owner or

developer from advertising the project and collecting any amortization payment from any buyer who is affected by the non-completion of the project.

Section 12. Administrative Fines and Sanctions. In case of non-completion of the project within the time fixed by the HLURB, an administrative fine shall be imposed in accordance with the existing rules and guidelines of the HLURB.

All fines imposed in this Rules shall be payable to HLURB and enforceable through writs of execution in accordance with the provisions of the HLURB's Rules of Procedure. Such fines shall be in addition to other administrative sanctions that may be imposed by the HLURB.

Section 13. Penalty Clause. In addition to the imposition of administrative fines and sanctions provided under Section 12 hereof, any violation of the provisions of this Rules shall be penalized in accordance with Section 12 of E.O. No. 648 and Section 38 (Administrative Fines) and Section 39 (Penalties) of Presidential Decree No. 957.

The rights and remedies provided in this Rules shall be in addition to any and all other rights and remedies that may be available under existing laws.

SECTION 14. Authority to Issue Guidelines and Circulars. The Chief Executive Officer of HLURB is hereby authorized to issue guidelines through memorandum circulars implementing or interpreting this Rules, provided that the provisions of such memorandum circulars shall not be inconsistent with or go beyond the provisions of this Rules.

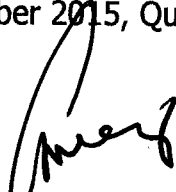
SECTION 15. Repealing Clause. Executive Committee Resolution No. 01, Series of 2007 (Amending the Delineation of Authority to Approve/Disapprove Applications for Extension of Time to Develop Subdivision and Condominium Projects) is hereby revoked. All other HLURB resolutions, rules and regulations, memoranda, circulars, guidelines and similar official issuances on the time of completion of subdivision and condominium projects, and all other projects required by law to be registered with the HLURB, that are inconsistent herewith are hereby repealed.

SECTION 16. Separability Clause. The provisions of this Rules are hereby declared separable, and in the event that any provision herein is declared null and void, the validity of all other provisions shall not be affected thereby.

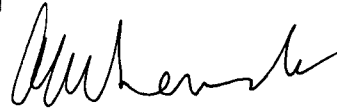
SECTION 17. Effectivity Clause. This Rules shall take effect fifteen (15) days after its publication in the Official Gazette or in any national newspaper of general circulation.

SECTION 18. Transitory Provision. Within ninety (90) days from the effectivity of this Rules, all on-going projects with an original fixed or approved period of completion or extension of time to develop that is shorter than the period of completion provided in the originally submitted or revised work program or program of development may apply for a final additional time to develop and complete the project based on their approved or revised work program or program of development, subject to existing rules and regulations, and guidelines of the HLURB.

APPROVED, this 1st day of October 2015, Quezon City.



CHITO M. CRUZ
HUDCC Chairman

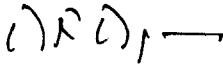


ANTONIO M. BERNARDO
Chief Executive Officer and Commissioner


AUSTERE A. PANADERO
Undersecretary, DILG

JOSE F. JUSTINIANO
Undersecretary, DOJ

RIA CORAZON A. GOLEZ-CABRERA
Commissioner



EMMANUEL F. ESGUERRA
Deputy Director-General, NEDA


LUIS A. PAREDES
Commissioner


MARIA CATALINA E. CABRAL
Undersecretary, DPWH

LINDA L. MALENAB-HORNILLA, MNSA
Commissioner

Attested:


CHARITO B. LANSANG
Board Secretary