DEVELOPMENT OF HOUSING AND CONDOMINIUM PROJECTS
(source: Housing and Land Use Regulatory Board)

The growing demand for different types of residential (as well as commercial) units has made property development a profitable and attractive venture, although requiring larger amount of capitalization.

The Housing and Land Use Regulatory Board (HLURB) is the planning, regulatory and quasi-judicial national government body tasked to regulate land use and, real estate and housing development.

Developing a Subdivision Project

A registered owner or developer of a parcel of land who wishes to convert the same into a subdivision project shall apply with the Local Government Unit (LGU) concerned for the approval of subdivision Development Permit (DP). The owner/developer shall subsequently apply for Certificate of Registration (CR) and License to Sell (LS) with HLURB prior to the selling of units/house or lots.

A. Developing Residential Subdivision Projects
   1. Residential Projects under Presidential Decree (PD) 957
      - Minimum design standards (Implementing Rules and Regulations (IRR) of PD 957 Rule I)
      - Requirements (IRR of PD 957 Rule II & Rule IV)
      - Downloadable forms
      - Process (flowchart)

   2. Residential Projects under BP 220
      - Minimum design standards (Rule II, BP 220 IRR)
      - Requirements (Rule III, Rule IV BP 220 IRR)
      - Downloadable Forms
      - Process (flowchart)

B. Other Subdivision Projects (All items below are linked to related IRRs)
   1. Farm lot Subdivision
   2. Commercial Subdivision
   3. Industrial Subdivision
   4. Memorial Parks

Developing Condominium Projects

An owner/developer of a condominium project is required to apply for Development Permit, Certificate of Registration and License To Sell with the HLURB prior to actual development and selling of units therein.

A. Residential Condominium Project
   - Minimum Design Standards (Rule I, PD 957 IRR)
   - Requirements (Rule III, PD 957 IRR)
   - Downloadable Forms
   - Process (flowchart)

B. Commercial Condominium Project
   - Minimum Design Standards (Rule I, PD 957 IRR)
C. Columbarium Project

Requirements for Certificate of Registration and License to Sell

For Registration

1. Sworn Registration Statement using either:

   a. HURB Form 001 for Corporation; or
   b. HLURB Form 003 for Single Proprietorship

2. Certified True Copy of Transfer Certificate of Title (TCT or Original Certificate Of Title (OCT) duly stamped with original marking “Certified True Copy” by the proper Register of Deeds and bearing its seal or security marker.

   a. When a project covers more than 20 individual titles without the required marks described above, the following shall be required:

      a.1 Photocopy of TCTs
      a.2 Certification from the register of deeds concerned with its seal or security mark giving the following information:

         a.2.1 TCT or OCT numbers;
         a.2.2 Name of all registered owner(s) and their sharing, If any;
         a.2.3 Area covered by each title;
         a.2.4 Number of OCT or TCT from which the title is derived;
         a.2.5 Statement of all uncancelled liens and encumbrances, If any;
         a.2.6 Lot and block numbers as well as PSD/PSU/PCS number. etc.

   b. When certified copy of the TCT was issued more than one month prior to the application for Certificate of Registration, affidavit of the owner that the property is free from liens and encumbrances. When the applicant is not the owner, deed from the registered owner showing clearly the authority of the applicant to the property, e.g., its development and sale of individual lots or units; to sign and receive documents; and other relevant authority. In case the subdivision/condominium project or portion thereof is mortgaged.

   c. In case the project or portion thereof is mortgaged, it is sufficient if the instrument of mortgage contains a stipulation that the mortgagee shall release the mortgage or any subdivision lot or unit as soon as the full purchase price for the same is paid by the buyer. Otherwise, accomplished the following:

      c.1 Mortgage’s Undertaking
      c.2 Mortgagor’s Undertaking
3. Duly audited balance sheet (certified copy of the original) issued and signed by the authorized official of the applicant and under the latter’s authority.

   a. When individual persons are involved and no balanced sheet can be submitted, income tax returns for the preceding year duly received by BIR office and tax receipts evidencing payment.

   b. When applicant is a new corporation, partnership, association or single proprietorship, i.e., no financial statement or income tax return has been prepared yet, sworn statement declaring:

      b.1 Other assets or sources of funds and other resources;

      b.2 The nature of control or ownership over such assets, funds or resources;

      b.3 Commitment to the effect that, if necessary, the same shall be used to complete the project.

4. Articles of Incorporation (or of Partnership or Association), amendments thereof and existing by-laws (or its equivalent) clearly indicating the authority of the applicant to engage in real estate trade particularly in the development and selling of lots or units. When an applicant deviates from the intended line of business stipulated in its articles of incorporation (or partnership or association), authorization from the Securities and Exchange Commission (SEC) and/or the appropriate government agency to engage in the development and selling of the subject project.

5. A copy of any circular, prospectus, brochure, advertisement, or communication used/to be used for public offering of subject project and for circulation upon approval by the Board.

6. Sample copy of Contract to Sell to be used in the public offering of lots, units or lots and units under the provisions of PD 957.

   (The duties and responsibilities of owners/developers to buyers as provided under Sections 17 to 20, 22 to 27, 30, 31 and 33 of P.D. 957 must be incorporated in all Contracts to Sell.)

7. Affidavit of Willingness to Change Name.

8. Certified true copy of Environmental Compliance Certificate (ECC)/Certificate of Non-coverage (CNC), whichever is applicable, duly issued by the Department of Environmental and Natural Resources (DENR).

9. Zoning Certificate from HLURB Regional Officer.

10. Certified true copy of Dept. of Agrarian Reform (DAR) conversion order.

11. Electrical plan and specifications duly signed and sealed by a licensed professional electrical engineer and duly approved by the local franchised holder.

12. Permit to operate a deep well and subsequent submission of confirmed water resistivity test from the national Water Resources Board (NWRB). Water potability test results from concerned government agencies.

13. Road right of way and drainage right of way (if applicable).
14. Affidavit of Undertaking to Submit Titles
   a. Condominium Project
   b. Subdivision Project

15. Additional requirements For Condominium Projects
   a. Master Deeds with Declaration of Restrictions evidenced by the proper annotation thereof in the title(s) by the Register of Deeds concerned.
   b. Building Permit

16. Additional requirements For All Types of Residential Subdivision projects:
   a. 2 copies of verified survey returns with label for all non-saleable areas including but not limited to parks and playgrounds, community facilities and roads and easements.
   b. Copy of the following documents in case the development permit was issued by the Local Government Unit (LGU) pursuant to the 1991 Local Government Code and related issuances:
      b.1 Sangguniang Resolution/Ordinance granting of development permit/subdivision development plan containing the following information:
         b.1.1 full name of the grantee or permittee and his address;
         b.1.2 complete project name and its location;
         b.1.3 date of the resolution or ordinance;
         b.1.4 project area;
         b.1.5 full listing of title(s) covering the project;
         b.1.6 legal basis of the approval (PD 957, EO 648 and other related laws);
      b.2 Certified true copy of resolution conferring authority to the mayor or other local government official to issue development permit in cases where the same was not granted by the Sangguniang Bayan/Panlungsod. Evidence of approval of the subdivision scheme by the local government official must be any original copy or one certified as true copy thereof by the authorized local government official, indicating clearly his full name and position and the date of approval. It must contain the same data as described above. Most important of all, it must bear an indication of Sanggunian approval such as but not limited to words like “APPROVED BY AUTHORITY OF THE SANGGUNIAN" or others of similar import, it being understood that the Sanggunian has properly issued such authority.
   c. Proof of compliance to Sec. 18 of RA 7279 in any of the following manner:
      c.1 Development Permit of socialized housing projects within the main subdivision.
c.2 License to sell of socialized housing project offered as compliance if location of compliance is not within the main subdivision project.

c.3. Joint venture agreement with LGU or other housing agencies or other owner / developer.

c.4. Copy of bond issued by the Home Mutual Development Fund / PAG-IBIG or Home Guaranty Corporation (HGC) where the main project is located or by any of the housing agencies.

17. Additional Requirements for Memorial Parks/Cemeteries/Columbarium

1. Authenticated copy of the verified survey returns of the mother title, sections and blocks in each section together with the technical description of road lots, open spaces, facilities and blocks as surveyed by a duly licensed geodetic engineer.

Note that an application for Certificate of Registration and License to Sell of a memorial park/cemetery shall be processed by the Office of the proponent has at least accomplished 20% of the total development of the project.

Responsibilities & Obligations of Owners/Developers

1. Complete the project in accordance with the approved development plan therefore not later than (Indicate target date of completion) and advise buyers in writing of such time frame for development.

2. Maintain the common facilities until their turnover is authorized pursuant to PD 1216.

3. Register the instrument relative to any sale with the Register of Deeds, whether or not the price is fully paid, within 180 days from execution.

4. Deliver the title free from liens and encumbrance to fully paid buyers or if mortgaged redeem and deliver the same within six months from full payment.

5. Secure clearance prior to any mortgage, alteration of plans, advertisement or change of ownership.

6. Pay the real estate tax/assessment on the lot/unit until the year the title is transferred to or actual possession/occupation is taken by the buyer.

7. Refrain from forfeiting payments made by the buyers who suspend amortization after due notice to owner or developer on ground of incomplete development or non-development.

8. Submit report showing its extent of project development and changes in corporate officer within sixty days after each semester.

9. Observe the prescribed maximum selling price for BP 220 projects (Economic and Socialized Housing).

10. Display the registration certificate and this license in a conspicuous place in all offices of the owner and developer.

11. Initiate the organization of home/unit owners.

12. Refrain from levying any fee for an alleged community benefit upon the buyers; and
13. Ensure the development of Socialized Housing Project presented as compliance to Section 18, RA 7279.

For more information on the licensing and registration of subdivision and condominium projects, please contact any of the following:

The **HLURB regional office**, which has jurisdiction over the place where the subdivision or the condominium is located, or

**Rules and Standard Development Group**
Housing and Land Use Regulatory Board
2/F HLURB Building
Kalayaan Ave., cor. Mayaman St.
Diliman, Quezon City

Tel. No. (632) 924-3386
Fax No. (632) 927-2724
E-Mail: rsdg@hlurb.gov.ph
Website: www.hlurb.gov.ph