



**DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT
DEPARTMENT OF JUSTICE
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
NATIONAL BUREAU OF INVESTIGATION
LAND REGISTRATION AUTHORITY
PROFESSIONAL REGULATION COMMISSION
PHILIPPINE NATIONAL POLICE**

**JOINT MEMORANDUM CIRCULAR NO. 01
SERIES OF 2021**

TO : ALL CONCERNED OFFICIALS AND PERSONNEL OF THE DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT, DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT, DEPARTMENT OF JUSTICE, DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES, NATIONAL BUREAU OF INVESTIGATION, LAND REGISTRATION AUTHORITY, PROFESSIONAL REGULATION COMMISSION, PHILIPPINE NATIONAL POLICE, LOCAL GOVERNMENT UNITS, AND ALL OTHERS CONCERNED

SUBJECT : CREATION OF THE “ANTI-ILLEGAL REAL ESTATE PRACTICES INTER-AGENCY TASK FORCE” AT THE NATIONAL, REGIONAL, AND LOCAL LEVELS AND PROVIDING FOR MECHANISMS TO ADDRESS ILLEGAL REAL ESTATE TRANSACTIONS

Section 1. Background

The Department of Human Settlements and Urban Development (DHSUD) continues to receive an alarming number of verified reports concerning real estate-related illegal transactions, specifically on housing, subdivision, and condominium projects, wherein unregistered developers and real estate brokers, agents, and salespersons are found to be selling units or lots to the public without the proper project certificates of registration and licenses to sell. Such swindlers have taken advantage of social media and other marketing tools to post and share false advertisements and promotions on housing, subdivision, and condominium project units for sale to unsuspecting buyers.

Against the regulations of the DHSUD, these unregistered, fly-by-night developers, brokers, agents, and salespersons present themselves as professionals as defined by Republic Act No. 9646, also known as the “Real Estate Service Act of the Philippines.” As part of their ploy, they:

- 1.1 Show and lay down attractive deals on sham housing, subdivision and condominium projects, farm lots, and memorial park developments;
- 1.2 Aggressively offer units belonging to existing projects at prices lower than their market values, and then quickly become out of reach by their victims after payment has been received;
- 1.3 Sell a certain housing, subdivision and condominium project unit, or a farm or memorial park lot to two (2) or more persons without the issuance of the corresponding deeds of conveyance to them;
- 1.4 Sell a project unit that is either mortgaged in favor of a financial institution or not registered at all; and
- 1.5 Facilitate the sale or conveyance of a project unit by acting as an intermediary, agent, or broker without being duly authorized by either the developer, project/lot owner, or the buyer.

Consequently, the lifetime savings and hard-earned money of unwary buyers are unjustly taken away from them as they either fail to determine whether the persons they are dealing with are legitimate and/or registered brokers or salespersons or not; and/or fail to require said purported agents to show them copies of the certificates, permits and licenses required of all real estate projects.

These fraudulent acts, punishable under Presidential Decree No. 957 or "Regulating the Sale of Subdivision Lots and Condominiums, Providing Penalties for Violations Thereof", not only undermine the land and housing program of the government but also defeat the objective of enhancing the economic, social, and moral condition of the Filipino people.

With the mandate of DHSUD to protect the rights of buyers of subdivision houses and/or lots, condominium units, and memorial lots and given its regulatory powers under Republic Act No. 11201, it can take concrete steps to effectively curtail the commission of these fraudulent acts, such as engaging the assistance and services of concerned stakeholder-agencies in the drive against these illegal real estate practices.

This Joint Memorandum Circular ("Circular" for brevity) is mutually entered into by the herein agencies to pursue a nationally and locally implemented comprehensive program that sufficiently addresses corrupt real estate practices prevalent in the country.

Section 2. Legal Bases

- 2.1 Section 9, Article XIII of the 1987 Philippine Constitution;
- 2.2 Executive Order No. 292 or the "Administrative Code of 1987";
- 2.3 Presidential Decree No. 957 (Regulating the Sale of Subdivision Lots and Condominiums, Providing Penalties for Violations Thereof);

- 2.4 Republic Act No. 6975 or the “Department of the Interior and Local Government Act of 1990”, as amended;
- 2.5 Republic Act No. 7160 or the “Local Government Code of 1991”;
- 2.6 Republic Act No. 9646, also known as the “Real Estate Service Act of the Philippines”; and
- 2.7 Republic Act No. 11201, otherwise known as the “Department of Human Settlements and Urban Development Act”.

Section 3. Purpose

This Circular aims to put an end to the illicit practices of unscrupulous developers, real estate brokers, agents, and salespersons engaged in the illegal selling of subdivision houses and/or lots, condominium units, and memorial lots. It shall provide the parameters for collaboration among the DHSUD, Department of Justice (DOJ), Department of Environment and Natural Resources (DENR), National Bureau of Investigation (NBI), Land Registration Authority (LRA), Professional Regulation Commission (PRC), Department of the Interior and Local Government (DILG), and Philippine National Police (PNP), and other concerned stakeholders in the industry, to protect home and project unit buyers, especially overseas Filipino workers, from becoming victims of real estate-related illegal transactions.

Section 4. Creation of the Anti-Illegal Real Estate Practices Inter-Agency Task Force

An “Anti-Illegal Real Estate Practices Inter-Agency Task Force” (hereinafter referred to as the “Task Force” for brevity) which shall be organized at the national, regional, and local levels by the DHSUD, in collaboration with the DOJ, DENR, NBI, LRA, DILG, PRC and PNP is hereby created upon the effectivity of this Circular.

Section 5. Composition of the Task Forces

The Task Forces at the national, regional, and local levels shall be composed of the following:

5.1 National Task Force

- Chairperson** : DHSUD
- Co-Chairperson** : DILG
- Co-Chairperson** : DOJ

- Members** : DENR
NBI
LRA
PNP
PRC

The members of the National Task Force shall be the heads of the Departments or agencies concerned who shall designate their permanent alternates, the ranks of whom must at least be an

Assistant Secretary in the case of a Department, or a third-ranking official in the case of an agency, bureau or commission.

5.2 Regional Task Force

Chairperson : Regional Director - DHSUD
Co-Chairperson : Regional Director – DILG
Co-Chairperson : Regional State Prosecutor – DOJ

Members : Regional Director - DENR
Regional Director - NBI
Regional Director – PNP
Regional Register of Deeds – LRA
Regional Director - PRC

5.3 Local Task Force

Chairperson : Assistant Regional Director - DHSUD
Co-Chairperson : Concerned City/Municipal Mayor
Co-Chairperson : DILG City Director / MLGOO

Members : City or Municipal ENRO
Chief of Police
City or Municipal Legal Officer
Such other officials as may be determined by the Local Task Force

The Chairpersons shall have the operational control and supervision of the Task Force, and the overall responsibility of ensuring that the objectives of this Circular are accomplished.

Section 6. Technical Working Groups

Each Task Force shall be supported by their respective Technical Working Groups (TWGs). The composite members of which shall be determined by the Task Force members in each level.

Whenever feasible, the TWG shall include private sector real estate professionals among its members.

Section 7. Secretariat

Each Task Force shall also be assisted by a Secretariat to be composed of employees from DHSUD Central or Regional Offices.

Section 8. Functions of The Task Forces

8.1 The **National Task Force** shall:

- 8.1.1 Oversee the overall implementation of this Circular and ensure the elimination of illegal real estate practices such as selling of project units without certificates of registration and licenses to sell, and other fraudulent real estate practices covered by Presidential Decree No. 957, Republic Act No. 9646, and other relevant laws, rules and regulations;
 - 8.1.2 Promote public awareness campaigns on homebuyers' protection, as well as against acts of unscrupulous developers of housing, subdivision and condominium projects and other illegal real estate practitioners;
 - 8.1.3 Set up and implement development capacity building action plan for members of both the National, Regional, and Local Task Forces to synchronize programs and align implementation;
 - 8.1.4 Develop programs to provide legal, technical, and other forms of assistance to actual and potential victims of real estate-related illegal transactions under Presidential Decree No. 957 and other related laws;
 - 8.1.5 Review and resolve issues and concerns relative to the implementation of this Circular, including policy recommendations of the Regional Task Force;
 - 8.1.6 Render technical and other necessary assistance to the local government units (LGUs) and other agencies upon request; and
 - 8.1.7 Perform such other functions consistent with the provisions of this Circular or as may be directed by the President of the Philippines.
- 8.2 **The Regional Task Force shall:**
- 8.2.1 Ensure and monitor the implementation of plans, programs, and projects at the regional level;
 - 8.2.2 Coordinate with the LGUs within its jurisdiction to ensure the effective implementation of this Circular;
 - 8.2.3 Submit regular status reports on the progress of the implementation of the provisions of this Circular, as well as its policy recommendations, to the National Task Force;
 - 8.2.4 Develop and install a hotline where the public can raise queries and report complaints on real estate malpractices or illegal activities;

- 8.2.5 Review and resolve issues and concerns relative to the implementation of this Circular, including policy recommendations of the Local Task Force;
- 8.2.6 Conduct information, education, and communication activities to increase the awareness of the public on the modus operandi of real estate scammers; and
- 8.2.7 Perform such other functions consistent with the provisions of this Circular or as may be directed/delegated by the National Task Force.

8.3 The Local Task Force shall:

- 8.3.1 Implement the plans, programs, and projects cascaded to it by the National and Regional Task Forces;
- 8.3.2 Coordinate and monitor the execution of the provisions of this Circular at the LGU level;
- 8.3.3 Coordinate closely with the Regional Task Force and enter into a Memorandum of Understanding with the latter to ensure the effective implementation of this Circular;
- 8.3.4 Submit regular status reports on the progress of the implementation of the provisions of this Circular, as well as its policy recommendations, to the Regional Task Force;
- 8.3.5 Conduct information, education, and communication activities to increase the awareness of the public on the modus operandi of real estate scammers;
- 8.3.6 Promptly file and prosecute cases concerning violations of Republic Act No. 9646, Republic Act No. 11201, Presidential Decree No. 957 and other related laws, provide legal assistance to law enforcers, and ensure the availability of public attorneys for the protection of individual's rights;
- 8.3.7 Assist the LGUs in the formulation of programs, projects, or activities in relation to addressing and protecting the public from illegal real estate practices; and
- 8.3.8 Perform such other functions consistent with the provisions of this Circular or as may be directed/delegated by the National or Regional Task Force.

Section 9. Roles of the Member-Agencies

- 9.1 The DHSUD shall:

- 9.1.1 Be the lead agency and chairperson of the national, regional, and local task forces;
 - 9.1.2 Convene the National, Regional, and Local Task Forces regularly and provide them with necessary secretariat support;
 - 9.1.3 Coordinate with and seek the assistance of concerned government agencies whenever necessary;
 - 9.1.4 Conduct information, education and communication activities, through community dialogues and webinars, to increase the awareness of the public on the modus operandi of real estate scammers;
 - 9.1.5 Take the lead in identifying real estate scammers or persons involved in illegal real estate practices, monitor their illegal activities, and launch operations through the proper law enforcement agency or body, to curtail their activities; and
 - 9.1.6 Perform such other functions as may be deemed necessary.
- 9.2 The **DILG** shall:
- 9.2.1 Be the co-chairperson of the National, Regional, and Local Task Forces;
 - 9.2.2 Enjoin each LGU to designate its representative, preferably a Department Head, to sit as member of the Local Task Force;
 - 9.2.3 Enjoin the LGUs to extend all forms of assistance to the National, Regional and Local Task Forces;
 - 9.2.4 Circularize to its regional offices and to LGUs issuances from the National Task Force;
 - 9.2.5 Assist in the conduct of information, education, and communication activities to increase the awareness of the public on the modus operandi of real estate scammers; and
 - 9.2.6 Perform such other functions as may be deemed necessary.
- 9.3 The **DOJ** shall:
- 9.3.1 Be the co-chair of the National and Regional Task Forces;
 - 9.3.2 Take the lead in the prosecution of identified real estate scammers or persons involved in illegal real estate practices;

9.3.3 Assist in the conduct of information, education, and communication activities to increase the awareness of the public on the modus operandi of real estate scammers; and

9.3.4 Perform such other functions as may be deemed necessary.

9.4 The **NBI** shall:

9.4.1 Investigate and prosecute identified real estate scammers or persons involved in illegal real estate practices;

9.4.2 Assist in the conduct of information, education, and communication activities to increase the awareness of the public on the modus operandi of real estate scammers; and

9.4.3 Perform such other functions as may be deemed necessary.

9.5 The **PNP** shall:

9.5.1 Receive and act on complaints from victims and conduct case conferences for the purpose of building up cases against suspected real estate scammers or persons involved in illegal real estate practices;

9.5.2 Conduct police operations against real estate scammers or persons involved in illegal real estate practices and effect their arrest where warranted;

9.5.3 Assist the complainants in the filing of criminal charges against alleged real estate scammers;

9.5.4 Actively participate, in coordination with the DHSUD, in the conduct of information, education and communication activities, through community dialogues and webinars, to increase the awareness of the public on the modus operandi of real estate scammers; and

9.5.5 Perform such other functions as may be deemed necessary.

9.6 The **LRA** shall:

9.6.1 Provide the Task Forces access to information from the database of LRA and its Registries of Deeds nationwide for the purpose of verifying and tracing back land titles used by purported real estate scammers in their illegal activities, at no cost to the requesting Task Force;

9.6.2 Actively participate, in coordination with the DHSUD, in the conduct of information, education and communication activities, through community dialogues and webinars, to

increase the awareness of the public on the modus operandi of real estate scammers; and

9.6.3 Perform such other functions as may be deemed necessary.

9.7 The **PRC** shall:

9.7.1 Provide the Task Forces, at no cost, quick access to information that will help in their expeditious verification of the PRC registration of persons engaged in the practice of real estate service profession;

9.7.2 Investigate and, where evidence warrants, administratively charge, motu proprio or upon complaint, registered professionals of real estate service and other allied professions found to be engaged in activities violative of the code of conduct of professionals;

9.7.3 Whenever necessary, seek authority or deputization from the DOJ to file and prosecute criminal cases against licensed and unlicensed individuals;

9.7.4 Suspend or revoke, after summary proceedings, the licenses of professionals who are found to be engaged in illegal real estate practices; and

9.7.5 Perform such other functions as may be deemed necessary.

9.8 The **DENR** shall:

9.8.1 Provide the Task Forces information as to the status of the lands used by real state scammers in their illegal activities;

9.8.2 Assist in the prosecution of individuals or groups selling lands of the public domain which are not classified as alienable and disposable;

9.8.3 Assist in the conduct of information, education, and communication activities to increase the awareness of the public on the modus operandi of real estate scammers; and

9.8.4 Perform such other functions as may be deemed necessary.

Section 10. Information-sharing

Every personal information shared by and among the member-agencies in pursuit of the objectives of this Circular shall be processed and treated with utmost confidentiality and shall in no way violate any of the provisions of Republic Act No. 10173 or the Data Privacy Act of 2012 and its Implementing Rules and Regulations (IRR).

Section 11. Funding

The member-agencies shall charge against their current appropriations such amounts as may be necessary for the implementation of this Circular, subject to the budgetary, accounting, and auditing rules and regulations.

Additional funds and possible sources as may be necessary for the implementation of this Circular and the strategic plan to be adopted pursuant thereto shall be identified and included by the DHSUD in its annual budget.

Section 12. Resolution Clause

The interpretation of ambiguous provisions of this Circular, if there be any, including those cases not covered herein, shall be referred to the National Task Force *en consulta* for its joint resolution, provided that nothing in this Circular shall be construed as precluding the Regional Task Force from issuing the necessary supplementary guidelines to implement its provisions.

Section 13. Separability

If any provision of this Circular is declared unconstitutional or void by any court of competent jurisdiction, or the applicability thereof to any person or circumstances is held invalid, the constitutionality and validity of the remainder of this Circular shall not be affected thereby. To this end, the sections and provisions hereof are declared to be severable.

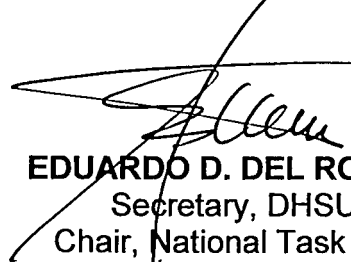

Section 14. Repealing Clause

All other circulars, rules or regulations issued by the member-agencies inconsistent with this Circular are hereby repealed or modified accordingly.


Section 15. Effectivity Clause


This Joint Memorandum Circular shall take effect immediately upon publication in a newspaper of general circulation or the Official Gazette. The Office of the National Administrative Register (ONAR) of the UP Law Center shall be provided three (3) certified copies hereof.

SIGNED AND AGREED UPON by the member-agencies this 2nd day of July 2021 in Quezon City, Metro Manila.



EDUARDO D. DEL ROSARIO
Secretary, DHSUD
Chair, National Task Force






EDUARDO M. AÑO
 Secretary, DILG
 Co-Chair, National Task Force

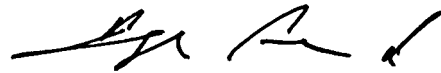

MENARDO I. GUEVARRA
 Secretary, DOJ
 Co-Chair, National Task Force

Department of Justice
 CN: 0202109002





ROY A. CIMATU
 Secretary, DENR
 Member, National Task Force


RENATO D. BERMEJO
 Administrator, LRA
 Member, National Task Force


TEOFILO S. PILANDO, JR.
 Chairman, PRC
 Member, National Task Force

ERIC B. DISTOR
 Officer-in-Charge, NBI
 Member, National Task Force



GUILLERMO LORENZO T. ELEAZAR
 Chief, PNP
 Member, National Task Force

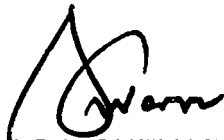
Professional Regulation Commission
 Administrative Service
 ARCHIVES AND RECEIPTS DIVISION

RECEIVED

Date _____ Time: _____





EDUARDO M. AÑO
 Secretary, DILG
 Co-Chair, National Task Force


MENARDO I. GUEVARRA
 Secretary, DOJ
 Co-Chair, National Task Force

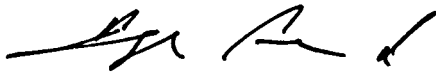
Department of Justice
 CN: O202109002


REPUBLIC OF THE PHILIPPINES
 DEPARTMENT OF ENVIRONMENT
 AND NATURAL RESOURCES


 SENRO61749


ROY A. CIMATU
 Secretary, DENR
 Member, National Task Force


RENATO D. BERMEJO
 Administrator, LRA
 Member, National Task Force


TEOFILO S. PILANDO, JR.
 Chairman, PRC
 Member, National Task Force

ERIC B. DISTOR
 Officer-in-Charge, NBI
 Member, National Task Force


GUILLERMO LORENZO T. ELEAZAR
 Chief, PNP
 Member, National Task Force