

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

SIXTEENTH CONGRESS

Second Regular Session

House Bill No. **4710**



Introduced by **Rep. EVELIO R. LEONARDIA**

EXPLANATORY NOTE

The value of the Family Home under the Family Code was set at P200,000.00 and P300,000.00 for the rural area and urban area, respectively, when the Family Code was enacted way back in 1988 yet.

The aforesaid value of the family home based on the present assessment made by the National Economic Development Authority (NEDA) and the Housing and Urban Development Corporation Council (HUDCC) reflected in HUDCC Resolution No. 1 (Series of 2008) the price ceiling of socialized housing, is valued at P450,000.00 given the 31.1% growth in housing and repairs of the Consumer Price Index.

Thus, the need to increase the value of the Family Home on the basis of aforesaid data in that the Family Home in the rural area shall be set at P450,000.00 and for the urban area at P700,000.00, the latter value is based on the approximate ratio difference between the original rural and urban family home values.

As such, the approval of this Bill is earnestly sought.


REP. EVELIO R. LEONARDIA
Lone District, Bacolod City

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AN ACT
AMENDING ARTICLES 157 AND 160 OF EXECUTIVE ORDER NO. 209 AS
AMENDED BY EXECUTIVE ORDER NO. 227, OTHERWISE KNOWN AS THE
FAMILY CODE OF THE PHILIPPINES

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

SECTION 1. Articles 157 and 160 of the Executive Order No. 209, as amended, are hereby amended to read as follows:

“Art. 157. The actual value of the family home shall not exceed, at the time of its constitution, the amount of Seven Hundred Thousand Pesos in urban areas, and Four Hundred Fifty Thousand Pesos in rural areas, or such amount as may hereafter be fixed by law.

In any event, if the value of the currency changes after the adoption of this Code, the value most favorable for the constitution of a family home shall be the basis of evaluation.”

For purposes of this Article, urban areas are deemed to include chartered cities and municipalities whose annual income at least equals that legally required for chartered cities. All others are deemed to include chartered cities and municipalities whose annual income at least equals that legally required for chartered cities. All others are deemed to be rural areas.

Art. 160. When a creditor whose claims is not among those mentioned in Article 155 obtains a judgment in his favor, and he has reasonable grounds to believe that the family home is actually worth more than the maximum amount fixed in Article 157, as amended, he may apply to the court which rendered the judgment for an order directing the sale of the property under execution. The court shall so order if it finds that the actual value of the family home exceeds the maximum amount allowed by law as of the time of its constitution. If the increased actual value exceeds the maximum allowed in Article 157, as amended, and results from subsequent voluntary improvements introduced by the person or persons constituting the family home, by the owner or owners of the property, or by any of the beneficiaries, the same rule and procedure shall apply.

At the execution sale, no bid below the value allowed for a family home shall be considered. The proceeds shall be applied first to the amount mentioned in Article 157, as amended, and then to the liabilities under the judgment and the costs. The excess, if any, shall be delivered to the judgment debtor.

SEC. 2. All existing laws or parts thereof inconsistent with the provision of this Act are hereby repealed or modified accordingly.

SEC. 3 This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in two (2) newspapers of general circulation.

Approved,