

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

Nineteenth Congress  
Regular Session  
Housing Bill No. **7618**



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**Introduced by Rep. Florida "Rida" P. Robes**

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**AN ACT LOWERING THE PERCENTAGE REQUIREMENT FOR  
THE VOLUNTARY DISSOLUTION OF CONDOMINIUM  
CORPORATIONS FOR CONDEMNED PROJECTS AND  
PROJECTS IN EXISTENCE FOR MORE THAN THIRTY (30)  
YEARS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO.  
4726 ENTITLED "THE CONDOMINIUM ACT"**

It is the policy of the State to safeguard life, health, property, and public welfare. To this end, condominium structures built for residential, commercial, and/or industrial uses continually provide opportunities for maximizing urban space and improving the quality of life in general of inhabitants and businesses in such areas.

The increasing threat of natural calamities, such as earthquakes and highly destructive storms, cast doubt on the safety of aged building projects, since they were not constructed using the improved engineering technologies available today. Moreover, urban migration and its effect on the transportation situation in metropolitan areas of the country require the development of economical but livable vertical housing opportunities for people to live within walking distance to their places of work.

It is also the policy of the state to recognize the role of the private sector, encourage private enterprise, and ensure the prosperity of the nation and an improved quality of life for all. Hence, unreasonable requirements on condominium redevelopment voting must be relaxed in order to facilitate the desire of the condominium corporation shareholders or members to improve their property, investment, and overall quality of life.

Unfortunately, the current legal and regulatory restrictions make it nearly impossible to redevelop and rehabilitate a condominium project, even for safety reasons and the overall improvement of the structure. By way of example, in order for a condominium corporation to be dissolved and its properties sold for redevelopment purposes, Republic Act No. 4726 currently provides near-impossible and extremely stringent requirements - such as the unanimous vote of all shareholders or members of the condominium corporation - for the dissolution of the said corporation.

In order to attract more investments in condominium redevelopment, improve the overall safety of metropolitan areas from natural disasters, and to facilitate the corporate dissolution of condominium corporations, the instant bill seeks to lessen the vote requirement for the dissolution of a condominium corporation. It must be emphasized that Japan and

Singapore – countries with the same need of more urban housing and the same threat of natural calamities - have enacted laws similar to the proposed amendment.

Considering the precarious and exhausting state of urban living due to the threat of natural calamities and worsening traffic congestion, the state must take all means to help create a safer, more accommodating, and more livable metropolitan area. Hence, the passage of this Bill is earnestly sought.

A handwritten signature in black ink, appearing to read "Florida P. Robes", written over the printed name.

**FLORIDA "FLORIDA" P. ROBES**

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IN EXISTENCE FOR MORE THAN THIRTY (30) YEARS,  
AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 4726  
ENTITLED “THE CONDOMINIUM ACT”**

*Be it enacted by the Senate and the House of Representatives of the Philippines in joint session:*

**Section 1. Short Title.** – This Act shall be known as the “Condominium Redevelopment Act of 2022.”

**Section 2. Declaration of Policy.** – It is hereby declared the policy of the state to ensure the safety and integrity of existing condominium developments in order to protect the public against the hazards that aged buildings pose to the unit-owners and the general public.

**Section 3. Scope.** – This Act shall cover all existing condominium projects which are now in existence or which may be constructed hereafter.

**Section 4.** Section 13, paragraph (d) of Republic Act No. 4726 is hereby reworded as follows:

“d. That the project or a material part thereof has been condemned or expropriated and that the project is no longer viable, or that the condominium owners, by a vote of a majority (50% plus 1) of the stockholders or members thereof at a general or special meeting duly called for the purpose, are opposed to continuation of the condominium regime after expropriation or condemnation of a material portion thereof; or”

**Section 5.** Section 14 of Republic Act No. 4726 is hereby reworded as follows:

“Sec. 14. The condominium corporation may also be dissolved in the following manner:

a. If the project has been in existence for thirty (30) years or more but less than fifty (50) years, by the affirmative vote of at least two-thirds (2/3) of the stockholders or members of the condominium corporation at a general or special meeting duly called for the purpose: Provided, That all the

requirements of Title XIV of the Revised Corporation Code of the Philippines are complied with; and

b. If the project has been in existence for fifty (50) years or more, by the affirmative vote of majority of the stockholders or members thereof at a general or special meeting duly called for the purpose: Provided, That all the requirements of Title XIV of the Revised Corporation Code of the Philippines are complied with.

For purposes of this Section and Section 13 hereof, the votes allocated to each unit owner shall be proportionate to the floor area owned in the condominium divided by total floor area owned by all unit owners.”

**Section 6.** Section 15 of Republic Act No. 4726 is hereby reworded as follows:

“Sec. 15. Unless otherwise provided for in the declaration of restrictions upon voluntary dissolution of a condominium corporation in accordance with the provisions of Sections thirteen and fourteen of this Act, the corporation shall be deemed to hold a power of attorney from all the members or stockholders to sell and dispose of their separate interests in the project and liquidation of the corporation shall be effected by a sale of the entire project as if the corporation owned the whole thereof, subject to the rights of the corporate and of individual condominium creditors. A member or stockholder shall be entitled to an advanced payment of his or her *pro rata* share from the proceeds of the sale of the entire project based on an agreed valuation between the condominium corporation and the buyer of the project. Such advanced payment shall be deducted from the final amount to be paid to the member or stockholder.

**Section 7. *Implementing Rules and Regulations.*** — The Human Settlements Adjudication Commission shall have the power to promulgate the implementing rules and regulations as may be necessary to fully implement the objectives and purposes of this Act within one (1) year from the approval hereof.

**Section 8. *Separability Clause.*** — If any part or provision of the Act shall be held unconstitutional or invalid, other provisions which are not affected thereby shall continue to be in full force and effect.

**Section 9. *Repealing Clause.*** — All laws issuances or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

**Section 10. *Effectivity.*** — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved.