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REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

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HOUSE OF REPRESENTATIVES

Introduced by Representative Rufus B. Rodriguez

House Bill No. 9776

EXPLANATORY NOTE

There have many developments in the real estate industry/profession since the passage of Republic Act 9646 or the Real Estate Service Act of the Philippines. As such, there is a need to amend and improve the law in order for it to be more attuned to current times. Further, there are ambiguous provisions in the current law that have to be clarified.

Among the amendments proposed are to ensure equal representation of the members of the Board from Luzon, Visayas and Mindanao. Also, one of the functions of the Board (PRBRES) is to conduct licensure examinations of the three (3) professions namely: Real Estate Consultant, Real Estate Appraiser and Real Estate Brokers. We therefore have to ensure that the Members of the Board are knowledgeable and qualified in the 3 professions. Hence, the requirement of three (3) licenses as Chair or Member of the Board should mandatory and they must be a holder of a Master's Degree rather than a Bachelor's Degree.

There is a need to remove the representation of the government appraiser and assessor because the concern of the Board is not limited to the Assessor or government Appraisers but to all the Real Estate Professionals and Salespersons and in most cases government representative(s) cannot give priority service on the implementation of the law giving preference of their official functions and duties in the government agency-employer.

To clarify and to conform with technological and modern developments, there is a need to state the days in the conduct of the licensure examinations including the subjects covered on the day of the examination to avoid exercise of discretionary power of the Board and the PRC.

There is an existing bachelor's degree of Real Estate Management offered by university or college recognized by the CHED. However, such curriculum does not satisfactorily compensate the academic requirements for the demand of the profession. Hence, the offering of the bachelor's degree for real estate brokerage, real estate appraisal and master's degree shall be specified before one shall be allowed to take the licensure examination as the case maybe.

To avoid ambiguous interpretation of the period of revocation and suspension of the license and the professional identification card as well as the cancellation of special/temporary permit, there is a need to specifically mentioned that in the provision although stated in the other provisions.

On the provision constituting the act of engaging the practice of real estate service, the same should be properly clarified and/or specified to prevent ambiguity of its interpretation to include the practice of the profession independently within the territory, internationally, or in conformance with ASEAN integration or outside the country which needs an accreditation from the Board to determine the field of specialization pursuant to the requirement of RA 10968 and its implementing rules and regulations (IRR).

The Prohibition Against the Unauthorized Practice of Real Estate Service should be properly clarified to include the use titles such as real property specialists, real property consultants or any use of title(s), word, letter, figure or any sign or emblem tending to convey the impression that he/she is a real estate service professional.

To be at par with the international standards and to protect the public from being victimized by illegal practitioners or those unauthorized persons to practice the profession. A provision for the mandatory engagement of the professional services of Real Estate Professionals as a Real Estate Consultant, Real Estate Appraiser or Real Estate Broker, as the case maybe, shall be necessary included.

To prevent from abuse of discretion in appointing unqualified personnel/officials in government positions there is a need to specify that shall be filled-up only by registered and licensed Real Estate Appraiser.

On the qualification of Real Estate Salespersons, there is a need to categorically specify the requirement of its accreditation prior to the performance of the real estate brokerage profession and that they cannot independently practice the profession being under the direct supervision, accountability and the responsibility of the licensed Real Estate Broker.

On corporate practice of real estate service, there were estate, trust and cooperatives are now or currently venturing the business as real estate marketing, appraisal and consultancy which were not clearly stated in RA#9646 which resulted to illegal professional practice. Hence, the need for its enclosure in the amendment including the management of the professionals and engagement of the qualified personnel/staff.

For the Accredited and Integrated Professional Organization (AIPO) of the real estate professionals, since there are three (3) professions/disciplines in the RESA and each profession focused on specific interest as well as to ease out the existing conflict of interpretation of the law. It is hereby proposed to have a separate AIPO of the real estate professionals, namely: AIPO for the Real Estate Consultants, AIPO for the Real Estate Appraisers and AIPO for the Real Estate Broker with Salespersons as Associate Members, which accreditation shall be subject to the approval of the Commission pursuant to its existing rules.

Just like other profession, there is a need to state the credentials of the professional to protect the public, the clients and to disclose important and relevant information of the professional as to the Certificate of Registration Number, Professional Identification Card/License Number, Privilege Tax Receipt (PTR) Number and Accredited Professional Organization (APO) Permanent and Receipt Number is necessary to be enhanced.

Lastly, considering the value of the transactions that maybe involved as the consequence(s) for violating the law and the deletion or removal of the professional indemnity bond, the penalty and fine for violating the law should also be intensified or increased.

In view of the foregoing, immediate approval of this measure is earnestly requested.

RUFUS B. RODRIGUEZ

NINETEENTH CONGRESS)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

HOUSE OF REPRESENTATIVES

Introduced by Representative Rufus B. Rodriguez

House Bill No. 9776

AN ACT
AMENDING REPUBLIC ACT NO. 9646 ENTITLED "AN ACT REGULATING THE PRACTICE OF REAL ESTATE SERVICE IN THE PHILIPPINES, CREATING FOR THE PURPOSE A PROFESSIONAL REGULATORY BOARD OF REAL ESTATE SERVICE, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES"

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

ARTICLE I
TITLE, DECLARATION OF POLICY AND DEFINITION OF TERMS

Section 1. Title. – **[**This Act shall be known as the "Real Estate Service Act of the Philippines".**]** **THIS ACT SHALL BE KNOWN AS THE "EXPANDED REAL ESTATE SERVICE ACT OF THE PHILIPPINES".**

Section 2. Declaration of Policy. – The State recognizes the vital role of real estate service practitioners in the social, political, economic development and progress of the country by promoting the real estate market, stimulating economic activity and enhancing government income from real property-based transactions. Hence, it shall develop and nurture through proper and effective regulation and supervision a corps of technically competent, responsible and respected professional real estate service practitioners whose standards of practice and service shall be globally competitive and will promote the growth of the real estate industry.

Section 3. Definition of Terms. – As used in this Act, the following terms shall mean:

(a) "Appraiser" also known as Valuer, refers to a person who conducts valuation/appraisal; specifically, one who possesses the necessary qualifications, license, ability and experience to execute or direct the valuation/appraisal of real property.

(b) **[**"Assessor" refers to an official in the local government unit, who performs appraisal and assessment of real properties, including plants, equipment, and machineries, essentially for taxation purposes.**]** ***"*****REAL ESTATE ASSESSOR"**- **A DULY REGISTERED AND LICENSED NATURAL PERSON WHO WORKS IN A LOCAL GOVERNMENT UNIT AND PERFORMS APPRAISAL AND ASSESSMENT OF REAL PROPERTIES, INCLUDING PLANTS, EQUIPMENT AND MACHINERIES, ESSENTIALLY FOR TAXATION PURPOSES. THIS DEFINITION ALSO INCLUDED ASSISTANT ASSESSOR.**

(c) "Real Estate" refers to the land and all those items which are attached to the land. It is the physical tangible entity, together with all the additions or improvements on, above or below the ground.

(d) “Real estate development project” means the development of land for residential, commercial, industrial, agricultural, institutional or recreation purposes, or any combination of such including, but not limited to, tourist resorts, reclamation projects, building or housing projects, whether for individual or condominium ownership, memorial parks and others of similar nature.

(e) “Real estate developer” refers to any natural or juridical person engaged in the business of developing real estate development project for his/her or its own account and offering them for sale or lease.

(f) “Real property” includes all the rights, interests and benefits related to the ownership of real estate.

[(g)"Real estate service practitioners" shall refer to and consist of the following:
(1) Real estate consultant - a duly registered and licensed -natural person who, for a professional fee, compensation or other valuable consideration, offers or renders professional advice and judgment on: (i) the acquisition, enhancement, preservation, utilization or disposition of lands or improvements thereon; and (ii) the conception, planning, management and development of real estate projects.
(2) Real estate appraiser- a duly registered and licensed natural person who, for a professional fee, compensation or other valuable consideration, performs or renders, or offers to perform services in estimating and arriving at an opinion of or acts as an expert on real estate values, such services of which shall be finally rendered by the preparation of the report in acceptable written form.
(3) Real estate assessor - a duly registered and licensed natural person who works in a local government unit and performs appraisal and assessment of real properties, including plants, equipment, and machineries, essentially for taxation purposes.
(4) Real estate broker - a duly registered and licensed natural person who, for a professional fee, commission or other valuable consideration, acts as an agent of a party in a real estate transaction to offer, advertise, solicit, list, promote, mediate, negotiate or effect the meeting of the minds on the sale, purchase, exchange, mortgage, lease or joint venture, or other similar transactions on real estate or any interest therein.
(5) Real estate salesperson - a duly accredited natural person who performs service for, and in behalf of. a real estate broker who is registered and licensed by the Professional Regulatory Board of Real Estate Service for or in expectation of a share in the commission, professional fee, compensation or other valuable consideration.**]**

(g) **REAL ESTATE SALESPERSON - A DULY ACCREDITED NATURAL PERSON WHO PERFORMS SERVICE FOR, AND IN BEHALF OF A REAL ESTATE BROKER WHO IS REGISTERED AND LICENSED BY THE PROFESSIONAL REGULATION COMMISSION (PRC) FOR OR IN EXPECTATION OF A SHARE IN THE COMMISSION, PROFESSIONAL FEE, COMPENSATION OR OTHER VALUATION CONSIDERATION.**

(h) **REAL ESTATE SERVICE PROFESSIONALS SHALL REFER TO AND CONSIST OF THE FOLLOWING:**

(1) REAL ESTATE CONSULTANT – A DULY REGISTERED AND LICENSED NATURAL PERSONS WHO, FOR A PROFESSIONAL FEE, COMPENSATION OR OTHER VALUATION CONSIDERATION, OFFERS OR RENDERS PROFESSIONAL ADVICE AND JUDGMENT ON: (I) THE ACQUISITION,

ENHANCEMENT, PRESERVATION, UTILIZATION OR DISPOSITION OF LANDS OR IMPROVEMENTS THEREON; AND (II) THE CONCEPTION, PLANNING, MANAGEMENT AND DEVELOPMENT OF REAL ESTATE PROJECTS.

(2) REAL ESTATE APPRAISER - A DULY REGISTERED AND LICENSED NATURAL PERSONS WHO, FOR A PROFESSIONAL FEE, COMPENSATION OR OTHER VALUATION CONSIDERATION, PERFORMS OR RENDERS, OR OFFERS TO PERFORM SERVICES IN ESTIMATING AND ARRIVING AT AN OPINION OF OR ACTS AS AN EXPERT ON REAL ESTATE VALUES, SUCH SERVICES OF WHICH SHALL BE FINALLY RENDERED BY THE PREPARATION OF THE REPORT IN ACCEPTABLE WRITTEN FORM.

(3) REAL ESTATE BROKER - A DULY REGISTERED AND LICENSED NATURAL PERSONS WHO, FOR A PROFESSIONAL FEE, COMMISSION OR OTHER VALUATION CONSIDERATION, ACTS AS AN AGENT OF A PARTY IN A REAL ESTATE TRANSACTION TO OFFER, ADVERTISE, SOLICIT, LIST, PROMOTE, MEDIATE, NEGOTIABLE OR EFFECT THE MEETING OF THE MINDS OF THE SALE, PURCHASE, EXCHANGE, MORTGAGE, LEASE OR JOINT VENTURE, OR OTHER SIMILAR TRANSACTIONS ON REAL ESTATE OR ANY INTEREST THEREIN.

ARTICLE II
PROFESSIONAL REGULATORY BOARD OF REAL ESTATE SERVICE

[Section 4. Creation and Composition of the Board – There is hereby created a Professional Regulatory Board of Real Estate Service, hereinafter referred to as the Board under the supervision and administrative control of the Professional Regulation Commission (PRC), hereinafter referred to as the Commission, composed of a Chairperson and four (4) members who shall be appointed by the President of the Philippines from the three (3) recommendees chosen by the Commission from a list of five (5) nominees per position submitted by the accredited and integrated professional organization of real estate service practitioners: Provided, That two (2) of the members of the Board shall represent the government assessors and appraisers.

The first Board shall be organized within six (6) months from the effectivity of this Act.**]**

SECTION 4. CREATION AND COMPOSITION OF THE BOARD – THERE IS HEREBY CREATED A PROFESSIONAL REGULATORY BOARD OF REAL ESTATE SERVICE, HEREINAFTER REFERRED TO AS THE BOARD UNDER THE SUPERVISION AND ADMINISTRATIVE CONTROL OF THE PROFESSIONAL REGULATION COMMISSION (PRC), HEREINAFTER REFERRED TO AS THE COMMISSION, COMPOSED OF A CHAIRPERSON AND SIX (6) MEMBERS WHO SHALL BE APPOINTED BY THE PRESIDENT OF THE PHILIPPINES FROM THE THREE (3) RECOMMENDEES CHOSEN BY THE COMMISSION FROM A LIST OF FIVE (5) NOMINEES PER POSITION SUBMITTED BY THE ACCREDITED AND INTEGRATED PROFESSIONAL ORGANIZATION OF REAL ESTATE PROFESSIONALS. PROVIDED, THAT TWO (2) APPOINTEES SHALL COME FROM LUZON, TWO (2) FROM VISAYAS AND TWO (2) FROM MINDANAO TO BE ABLE TO HAVE EQUAL REGIONAL REPRESENTATION.

Section 5. Powers and Functions of the Board – The Board is hereby vested the following powers and functions:

(a) **[**Provide comprehensive policy guidelines for the promotion and development of the real estate industry;**]** **PROVIDE COMPREHENSIVE POLICY GUIDELINES FOR THE PROMOTION AND DEVELOPMENT OF THE REAL ESTATE PROFESSION;**

(b) Conduct licensure examinations for the practice of the real estate service profession and prescribe the appropriate syllabi of the subject for examination;

(c) Issue, suspend, revoke or reinstate, after due notice and hearing, certificates of registration or professional identification cards for the practice of real estate;

(d) Maintain a comprehensive and updated register of licensed real estate service professionals;

(e) Monitor the conditions affecting the practice of real estate service and adopt such measures as may be proper for the enhancement of the profession and/or the maintenance of high professional, ethical and technical standards;

(f) **[**Adopt a national Code of Ethics and Responsibilities to be strictly observed by all licensed real estate service practitioners;**]** **ADOPT A CODE OF ETHICAL STANDARDS AND RESPONSIBILITIES AND A TECHNICAL STANDARD FOR THE PRACTICE OF THE PROFESSION TO BE STRICTLY OBSERVED BY ALL LICENSED REAL ESTATE PROFESSIONALS AND THE ACCREDITED SALESPERSONS;**

(g) Hear or investigate any violation of this Act, its implementing rules and regulations, and the Code of Ethics and Responsibilities for real estate service practitioners and issue subpoena and subpoena duces tecum to secure the appearance of witness and the production of documents in connection therewith;

(h) **[**Safeguard and protect legitimate and licensed real estate service practitioners and, in coordination with the accredited and integrated professional organization of real estate services, monitor all forms of advertisements, announcements, signboards, billboards, pamphlets, brochures and others of similar nature concerning real estate and, where necessary, exercise its quasi-judicial and administrative powers to finally and completely eradicate the pernicious practices of unauthorized or unlicensed individuals;**]** **SAFEGUARD AND PROTECT LEGITIMATE AND LICENSED REAL ESTATE SERVICE PROFESSIONALS, SUPERVISE AND MONITOR THE PERFORMANCE OF THEIR PROFESSIONAL SERVICES INCLUDING ALL FORMS OF ADVERTISEMENTS, ANNOUNCEMENTS IN QUAD-MEDIA FORM, CALLING CARDS AND OTHER OF SIMILAR NATURE RELATED TO REAL ESTATE IN COORDINATION WITH THE ACCREDITED AND INTEGRATED PROFESSIONAL ORGANIZATION OF REAL ESTATE PROFESSIONALS AND, WHERE NECESSARY, EXERCISE ITS QUASI-JUDICIAL AND ADMINISTRATIVE POWERS TO FINALLY AND COMPLETELY ERADICATE THE PERNICIOUS PRACTICES OF UNAUTHORIZED OR UNLICENSED INDIVIDUALS;**

(i) **[**Prescribe, in cooperation with the Commission on Higher Education (CHED) or the concerned state university or college, the essential requirements as to the curricula and facilities of schools, colleges or universities seeking permission to open academic courses or already offering such courses in real estate service, and to see to it that these requirements, including the employment of qualified faculty members are properly complied with;**]** **PRESCRIBE, IN COOPERATION WITH THE COMMISSION ON**

HIGHER EDUCATION (CHED) OR THE CONCERNED STATE UNIVERSITY OR COLLEGE, THE ESSENTIAL REQUIREMENTS AS TO THE CURRICULA AND FACILITIES OF SCHOOLS, COLLEGES OR UNIVERSITIES SEEKING PERMISSION TO OPEN ACADEMIC COURSES OR ALREADY OFFERING SUCH COURSES IN THE BACHELOR'S DEGREE IN REAL ESTATE BROKERAGE, BACHELOR'S DEGREE IN REAL ESTATE APPRAISAL, MASTER'S DEGREE IN REAL ESTATE AND DOCTOR'S DEGREE IN REAL ESTATE AND TO SEE TO IT THAT THESE REQUIREMENTS, INCLUDING THE EMPLOYMENT OF QUALIFIED FACULTY MEMBERS WHO ARE LICENSED REAL ESTATE PROFESSIONALS ARE PROPERLY COMPLIED WITH;

(j) Promulgate, administer and enforce rules and regulations, necessary in carrying out the provisions of this Act;

(k) **[**Supervise and regulate the registration, licensure and practice of real estate service in the Philippines;**]** **SUPERVISE, ACCREDIT AND REGULATE THE REGISTRATION, LICENSURE AND THE INDEPENDENT PRACTICE OF REAL ESTATE SERVICE IN THE PHILIPPINES;**

(l) Assess and fix the rate of reasonable regulatory fees;

(m) Administer oaths and affirmations;

(n) Adopt an official seal of the Board;

(o) Evaluate periodically the status of real estate service education and profession and recommend and/or adopt measures to upgrade and maintain its high standard;

(p) **[**Prescribed guidelines and criteria for the Continuing Professional Education (CPE) program for real estate service practitioners in consultation with the accredited and integrated professional organization of real estate service practitioners;**]** **PRESCRIBED GUIDELINES AND CRITERIA FOR THE LADDERIZED CONTINUING PROFESSIONAL DEVELOPMENT (CPD) PROGRAMS FOR REAL ESTATE SERVICE PROFESSIONALS AND THE ACCREDITED REAL ESTATE SALESPERSONS IN CONSULTATION WITH THE ACCREDITED AND INTEGRATED PROFESSIONAL ORGANIZATION OF REAL ESTATE SERVICE PROFESSIONALS. WHICH CPD PROGRAMS SHOULD BE AN ENHANCEMENT OF THE COMPETENCY AND PROFICIENCY OF THE PROFESSIONALS IN PROVIDING CREDIBLE SERVICES;**

(q) **[**Screen, issue and monitor permits to organizations of real estate professionals in the conduct of seminars and accredit such seminars pursuant to the CPE program, as well as the instructors or lecturers therein, for the purpose of upgrading the quality and knowledge of the profession;**]** **SCREEN, ISSUE AND MONITOR PERMITS TO PROFESSIONAL ORGANIZATIONS IN THE CONDUCT OF CPD PROGRAMS, SEMINARS, TRAINING-WORKSHOP AND ACCREDIT THE SAME INCLUDING LECTURERS OR INSTRUCTORS, FOR THE PURPOSE OF UPGRADING THE QUALITY AND KNOWLEDGE OF THE PROFESSION. LIKEWISE, A POOL OF ACCREDITED SPEAKERS AS EXPERTS IN SPECIALIZED FIELD(S) SHALL BE ESTABLISHED AND MAINTAIN;**

(r) Monitor and supervise the activities of the accredited and integrated professional organization and other associations of real estate service practitioners; and

(s) Discharge such other powers, duties and functions as the Commission may deem necessary to carry out the provisions of this Act.

The policies, resolutions and rules and regulations issued or promulgated by the Board shall be subjected to the review and approval by the Commission. However, the Board's decisions, resolutions or orders which are not interlocutory, rendered in an administrative case, shall be subject to review by the Commission only on appeal.

Section 6. Qualifications of the Chairperson and Members of the Board. – The Chairperson and the Members of the Board shall, at the time of their appointment, possess the following qualifications:

(a) A citizen and resident of the Philippines;

(b) **[**A holder of a bachelor's degree related to real estate;**] A HOLDER OF A MASTER'S DEGREE IN REAL ESTATE;**

(c) **[**An active licensed practitioner of real estate service for at least ten (10) years prior to his/her appointment;**] A LICENSED REAL ESTATE PROFESSIONAL AND IN ACTIVE ACTUAL PRACTICE OF REAL ESTATE SERVICE FOR AT LEAST TEN (10) YEARS PRIOR TO HIS/HER APPOINTMENT. AND A HOLDER OF THREE (3) VALID LICENSES AS REAL ESTATE CONSULTANT, REAL ESTATE APPRAISER AND REAL ESTATE BROKER;**

(d) A bona fide member in good standing of the accredited and integrated professional organization of real estate service practitioners but not an officer or trustee at the time of his/her appointment;

(e) Neither be a member of the faculty of an institute, school, college or university, nor have any pecuniary interest direct or indirect, in any institution or association where review classes or lectures in preparation for the licensure examination are being offered or conducted; and

(f) Of good moral character, and must not have been convicted by final judgement by a competent court of a criminal offense involving moral turpitude.

Section 7. Term of Office. – The chairperson and the members of the Board shall hold office for a term of three (3) years from the date of their appointment and until their successor/s shall have been appointed; Provided, That the members of the first appointed Board shall office for the following terms: one (1) member as Chairperson, to serve for three (3) years; two (2) members to service for two (2) years and two (2) members, to serve for one (1) year.

The Chairperson and the members of the Board may be reappointed for a second term but in no case shall he/she service continuously for more than six (6) years. Any vacancy in the Board shall be filled for the unexpired portion of the term of the member who vacated the position. On the constitution of the first Board, the Chairperson and the members of the Board shall automatically be registered and issued certificates of registration and professional identification cards. Each member of the Board shall take the proper oath of office prior to the assumption of duty.

THE BOARD SHALL ELECT AMONG THEMSELVES A VICE-CHAIRPERSON WHO SHALL BE THE MOST SENIOR MEMBER OF THE BOARD.

Section 8. Compensation and Allowances of the Chairperson and Members of the Board. – The Chairperson and the members of the Board shall receive compensation and allowances comparable to the compensation and allowances received by the Chairman and the members of existing professional regulatory Boards under the Commission, as provided for the General Appropriations Act.

Section 9. Removal of the Chairperson and Members of the Board. – The Chairperson or any member of the Board may be suspended or removed by the President of the Philippines upon the recommendation of the Commission, for neglect of duty; abuse of power; oppression; incompetence; unprofessional, unethical, immoral or dishonorable conduct; commission or toleration of irregularities in the conduct of examination or tampering of the grades therein, or for any final judgment or conviction of any criminal offense involving moral turpitude.

Section 10. Supervision of the Board, Custodian of its Records, Secretariat and Support Services. – The Board shall be under the general supervision and administrative control of the Commission. All records of the Board, including applications for examination, examination papers and results, minutes of deliberations, administrative and other investigative cases involving real estate service practitioners, shall be kept by the Commission. The Commission shall designate the Secretary of the Board and shall provide the Secretariat and other support services to implement the provisions of this Act subject to the usual government accounting and auditing rules and regulations.

Section 11. Annual Report. – The Board shall, at the close of each calendar year, submit an annual report to the Commission, giving a detailed account of its proceedings and accomplishments during the year and recommending measures to be adopted with the end-in-view of upgrading and improving the conditions affecting the practice of real estate service in the Philippines.

ARTICLE III
LICENSURE EXAMINATION AND REGISTRATION

[Section 12. Licensure Examination. – Every applicant seeking to be registered and licensed as a real estate service practitioner, except a real estate salesperson, shall undergo an examination as provided for in this Act. Examinations for the practice of real estate service in the Philippines shall be given by the Board at least once every year in such places and dates as the Commission may designate.**]**

SECTION 12. LICENSURE EXAMINATION. – EVERY APPLICANT SEEKING TO BE REGISTERED AND LICENSED AS A REAL ESTATE PROFESSIONAL, SHALL UNDERGO AN EXAMINATION AS PROVIDED FOR IN THIS ACT. EXAMINATIONS FOR THE PRACTICE OF REAL ESTATE SERVICE IN THE PHILIPPINES SHALL BE GIVEN BY THE BOARD AT LEAST ONCE EVERY YEAR FOR TWO (2) DAYS IN SUCH PLACES AND DATES AS THE COMMISSION MAY DESIGNATE.

Section 13. Scope of Examination. – An examination shall be given to the licensure applicants for real estate brokers, real estate appraisers and real estate consultants which shall include, but not limited to, the following:

[(a) For real estate consultants – fundamentals of real estate consulting; standards and ethics; consulting tools and techniques, which include project feasibility study and investment measurement tools; real estate finance and economics; real estate consulting and investment analyses; consulting for specific engagements, which includes consulting for commercial, industrial, recreation and resort and hotel properties, and consulting for government and corporate and financial institutions; land management system and real property laws and any other related subjects as may be determined by the Board;**]**

(a) FOR REAL ESTATE CONSULTANTS –

(A.1) FUNDAMENTALS OF REAL ESTATE CONSULTING SUBJECTS – (1) FUNDAMENTALS ON CONSULTING; (2) STANDARDS AND ETHICS AND THE CANONS OF REAL ESTATE CONSULTANCY PRACTICE; (3) REAL ESTATE FINANCE AND ECONOMICS AND (4) LAND MANAGEMENT SYSTEM AND REAL PROPERTY LAWS;

(A.2) PROFESSIONAL CONSULTANCY PRACTICE SUBJECTS – (1) BUSINESS COMMUNICATION AND TECHNICAL WRITING; (2) CONSULTING TOOLS AND TECHNIQUES; (3) INVESTMENT MEASUREMENT TOOLS; (4) REAL ESTATE CONSULTING AND INVESTMENT ANALYSIS; (5) LEASING VERSUS BUYING ANALYSIS; (6) CONSULTING FOR SPECIFIC ENGAGEMENT; (7) ENVIRONMENTAL IMPACT ASSESSMENT (EIA) STUDY; (8) PROJECT FEASIBILITY STUDY (PFS); (9) CURRENT EVENTS AND TOPICS ON LATEST REAL ESTATE LAWS AND DEVELOPMENT; AND (10) CONSULTING CASES: SPECIFIC CONSULTING CASES/PROBLEMS-ESSAY; AND

(A.3) REVALIDA/DEFENSE – PROJECT FEASIBILITY STUDY.

[(b) For real estate appraisers – fundamentals of real estate principles and practices; standards and ethics; theories and principles in appraisal; human and physical geography; methodology of appraisal approaches; valuation procedures and research; appraisal of machinery and equipment; practical appraisal mathematics; appraisal report writing; real estate finance and economics; case studies; land management system and real property laws; and any other related subjects as may be determined by the Board; and**]**

(b) FOR REAL ESTATE APPRAISERS –

(B.1) FUNDAMENTALS OF REAL ESTATE APPRAISAL SUBJECTS – (1) STANDARDS AND ETHICS, CODE OF ETHICS AND RESPONSIBILITIES AND CANONS OF APPRAISERS ETHICAL PRACTICE; **(2) LAND MANAGEMENT SYSTEM AND REAL PROPERTY LAWS; (3) REAL ESTATE FINANCE AND ECONOMICS; (4) HUMAN AND PHYSICAL GEOGRAPHY; (5) GEOGRAPHIC INFORMATION SYSTEM (GIS) IN APPRAISAL AND (6) MAP READING;**

(B.2) TECHNICAL KNOWLEDGE SUBJECTS – (1) FUNDAMENTALS OF REAL ESTATE PRINCIPLES AND PRACTICES; (2) APPRAISAL PROCESS; (3) VALUATION/APPRAISAL PROCEDURES AND RESEARCH; (4) APPRAISAL REPORT WRITING; (5) PRACTICAL APPRAISAL MATHEMATICS; (6) GOVERNMENT ASSESSMENTS PRINCIPLES AND TAXATION; (8)

EXPROPRIATION APPRAISAL; AND (7) CURRENT EVENTS AND TOPICS ON LATEST REAL ESTATE LAWS AND DEVELOPMENT; AND

(B.3) PROFESSIONAL APPRAISAL PRACTICE SUBJECTS – (1) METHODOLOGY OF APPRAISAL APPROACHES; AND (2) CASE STUDIES ON SPECIALIZED VALUATION: PRACTICAL; AND

[(c) For real estate brokers – fundamentals of property ownership; code of ethics and responsibilities; legal requirements for real estate service practice; real estate brokerage practice; subdivision development; condominium concept; real estate finance and economics; basic principles of ecology; urban and rural land use; planning, development and zoning; legal aspect of sale, mortgage and lease; documentation and registration; real property laws; and other related subjects as may be determined by the Board.**]**

(c) FOR REAL ESTATE BROKERS –

(C.1) GENERAL/FUNDAMENTALS OF REAL ESTATE SERVICE SUBJECTS – (1) FUNDAMENTALS OF PROPERTY OWNERSHIP; (2) CODE OF ETHICS AND RESPONSIBILITIES AND THE CODIFIED CANONS FOR THE REAL ESTATE BROKERAGE PRACTICE; (3) LEGAL REQUIREMENTS FOR REAL ESTATE SERVICE PRACTICE, RA#9646-RESA AND ITS IRR, CONTINUING PROFESSIONAL DEVELOPMENT; AND (4) REAL PROPERTY TAXATION, REAL ESTATE TAXATION AS AMENDED BY TRAIN LAW;

(C.2) SPECIAL AND TECHNICAL KNOWLEDGE SUBJECTS – (1) SUBDIVISION DEVELOPMENT THEORIES AND PRINCIPLES; (2) THEORIES AND PRINCIPLES IN REAL ESTATE INVESTMENT TRUST (RA#9658), MACEDA LAW (RA#6552), TIME SHARE, AGRI LAW, CARPER AND OTHER TYPES OF REAL ESTATE HOLDING; (3) THEORIES AND PRINCIPLES IN LEGAL ASPECT OF CONTRACT, SALES, MORTGAGE AND LEASES; AND (4) PRINCIPLES ON DOCUMENTATION AND REGISTRATION;

(C.3) PROFESSIONAL BROKERAGE PRACTICE SUBJECTS – (1) REAL ESTATE BROKERAGE PRACTICE; (2) REAL ESTATE FINANCE AND ECONOMICS; (3) URBAN AND RURAL LAND USE PLANNING, DEVELOPMENT AND ZONING; (4) BASIC PRINCIPLES OF ECOLOGY AND THE ENVIRONMENT; (5) GEOGRAPHIC INFORMATION SYSTEM AND MAP READING; (6) BASIC APPRAISAL FOR REAL ESTATE BROKERS; AND (7) CURRENT EVENTS AND TOPICS ON LATEST REAL ESTATE LAWS AND DEVELOPMENT

(C.4) PRACTICAL APPLICATIONS – PROBLEM SOLVING SUBJECTS;

To conform with technological and modern developments, the Board may recluster, rearrange, modify, add to, or excluded any of the foregoing subjects as may be necessary.

Section 14. Qualification of Applicants for Examinations. – In order to be admitted to the licensure examination for real estate service, a candidate shall, at the time of filing his/her application, establish to the satisfaction of the Board that he/she possesses the following qualifications:

(a) A citizen of the Philippines;

(b) **[**A holder of a relevant bachelor's degree from a state university or college, or other educational institution duly recognized by the CHED: Provided, That as soon as a course

leading to a Bachelor's degree in Real Estate Service is implemented by the CHED, the Board shall make this course a requirement for taking the licensure examination; and**] A HOLDER OF A RELEVANT BACHELOR'S DEGREE FOR REAL ESTATE BROKERAGE OR REAL ESTATE APPRAISAL FROM A STATE UNIVERSITY OR COLLEGE, OR OTHER EDUCATIONAL INSTITUTION DULY RECOGNIZED BY THE CHED. PROVIDED, THAT THE REQUIREMENT FOR TAKING THE LICENSURE EXAMINATION FOR CONSULTANT MUST BE A MASTER'S DEGREE IN REAL ESTATE AS REQUIREMENT FOR TAKING THE LICENSURE EXAMINATION; AND**

(c) **[**Of good moral character, and must not have been convicted of any crime involving moral turpitude: Provided, Than an applicant for the licensure examination for real estate consultants must show proof that he/she has at least ten (10) years' experience as a licensed real estate broker or an assessor, or as a bank or institutional appraiser or an employed person performing real property valuation or at least five (5) years experience as a licensed real estate appraiser.**] OF GOOD MORAL CHARACTER, AND MUST NOT HAVE BEEN CONVICTED OF ANY CRIME INVOLVING MORAL TURPITUDE: PROVIDED, THAN AN APPLICANT FOR THE LICENSURE EXAMINATION FOR REAL ESTATE CONSULTANT MUST SHOW PROOF THAT HE/SHE HAS AT LEAST TEN (10) YEARS' ACTIVE EXPERIENCE AS A LICENSED REAL ESTATE BROKER PERFORMING ACTUAL REAL ESTATE BROKERAGE SERVICES/FUNCTIONS OR WITH AT LEAST FIVE (5) YEARS' ACTIVE EXPERIENCE AS LICENSED REAL ESTATE APPRAISER PERFORMING ACTUAL REAL ESTATE APPRAISAL FUNCTIONS/SERVICES.**

All applications for examination shall be filed with the Board which shall assess and approve said applications and issue to the qualified examinees the corresponding permits to take such examination.

Section 15. Ratings in the Examination. – In order that a candidate may be deemed to have successfully passed the examination, he/she must have obtained an average of at least seventy-five percent (75%) in all subjects, with no rating below fifty percent (50%) in any subject.

Section 16. Release of the Results of Examination. – The results of the licensure examination shall be released by the Board within ten (10) days from the last day of the examination.

Section 17. Issuance of the Certificate of Registration and Professional Identification Card. – A certificate of registration shall be issued to examinees who pass the licensure examination for real estate service subject to payment of fees prescribed by the Commission. The certificate of registration shall bear the signature of the Chairperson of the Commission and the Chairperson and the members of the Board, stamped with the official seal of the Commission, indicating that the person named therein in entitled to practice the profession with all the benefits and privileges appurtenant thereto. This certificate of registration shall remain in full force and effects until revoked or suspended in accordance with this Act.

Section 18. Refusal to Register. – The Board shall not register and issue a certificate of registration to any successful examinee who has been convicted by a court of competent jurisdiction of any criminal offense involving moral turpitude or has been found guilty of immoral or dishonorable conduct after investigation by the Board, or has been found to be psychologically unfit.

Section 19. [Revocation or Suspension of the Certificate of Registration and the Professional Identification Card or Cancellation of Special/Temporary Permit. – The Board may, after giving proper notice and hearing to the party concerned, revoke the certificate of registration and the professional identification card, or cancel the special/temporary permit of a real estate service practitioner, or suspend him/her from the practice of the profession on any of the following instances hereunder:**] REVOCATION OR SUSPENSION OF THE CERTIFICATE OF REGISTRATION AND THE PROFESSIONAL IDENTIFICATION CARD OR CANCELLATION OF SPECIAL/TEMPORARY PERMIT. – THE BOARD MAY, AFTER GIVING PROPER NOTICE AND HEARING TO THE PARTY CONCERNED, REVOKE THE CERTIFICATE OF REGISTRATION AND THE PROFESSIONAL IDENTIFICATION CARD, OR CANCEL THE SPECIAL/TEMPORARY PERMIT OF A REAL ESTATE SERVICE PRACTITIONER, OR SUSPEND HIM/HER FROM THE PRACTICE OF THE PROFESSION FOR A MINIMUM OF TWO (2) YEARS ON ANY OF THE FOLLOWING INSTANCES HEREUNDER:**

(a) Procurement of a certificate of registration and/or professional identification card, or special/temporary permit by fraud or deceit;
(b) Allowing an unqualified person to advertise or to practice the profession by using one's certificate of registration or professional identification card, or special/temporary permit;
(c) Unprofessional or unethical conduct;
(d) Malpractice or violation of any of the provisions of this Act, its implementing rules and regulations and the Code of Ethics and Responsibilities for real estate service professionals; and
(e) Engaging in the practice of the professional during the period of one's suspension.

Section 20. Registration Without Examination. – Upon application and payment of the required fees, the following shall be registered and shall be issued by the Board and the Commission a certificate of registration and a professional identification card without taking the prescribed examination.

(a) Those who, on the date of the effectivity of this Act, are already licensed as real estate brokers, real estate appraisers or real estate consultants by the Department and Industry (DTI) by virtue of Ministry Order No. 39 as amended: Provided, That they are in active practice as real estate brokers, real estate appraisers and real estate consultants and have undertaken relevant CPE to the satisfaction of the Board;
(b) Assessors and appraisers who, on the date of the effectivity of this Act, hold permanent appointments and are performing actual appraisal and assessment functions for the least five (5) years, have passed the Real Property Assessing Officer (RPAO) examination conducted and administered by the Civil Service Commission (CSC) in coordination with the Department of Finance (DOF), and have undertaken relevant CPE to the satisfaction of the Board; and
(c) Assessors and appraisers who, on the date of the effectivity of this Act, hold permanent appointments and have at least ten (10) years actual experience in real property appraisal or assessment and have completed at least one hundred twenty (120) hours of accredited training on real property appraisal conducted by national or international appraisal organizations or institutions/entities recognized by the Board and relevant CPE to the satisfaction of the Board.

Those falling under categories (b) and (c) shall register with the Board after they shall have complied with the requirements for registration as real estate appraisers: Provided, That those seeking to be licensed to new credentials level shall be required to take the pertinent licensure examination.

Those so exempt under the aforementioned categories shall file their application within two (2) years from the effectivity of this Act: Provided, That the renewal of the professional identification card is subject to the provisions of Section 17 hereof.

Section 21. Reinstatement, Reissuance or Replacement of Certificate of Registration, Professional Identification Card and Special/Temporary Permit. – The Board may, after the expiration of two (2) years from the date of revocation of a certificate of registration and/or professional identification card and upon application, compliance with the required CPE units, and for reasons deemed proper and sufficient, reinstate any revoked certificate of registration and reissue a suspended professional identification card and in so doing, may, in its discretion, exempt the applicant from taking another examination.

A new certificate of registration, professional identification card or special/temporary permit may be issued to replace lost, destroyed or mutilated ones, subject to the rules as may be promulgated by the Board.

Section 22. [Roster of Real Estate Service Practitioners. – The Board, in coordination with the integrated professional organization of real estate service practitioners, shall prepare, update and maintain a roster of real estate service practitioners which shall contain the names of all registered real estate service practitioners, their residence and office addresses, license number, dates of registration or issuance of certificates, and other data which the Board may deem pertinent. Copies thereof shall be made available to the public upon request.**] ROSTER OF REAL ESTATE SERVICE PROFESSIONALS AND ACCREDITED REAL ESTATE SALESPERSONS. – THE BOARD AND THE COMMISSION, IN COORDINATION WITH THE INTEGRATED PROFESSIONAL ORGANIZATION OF REAL ESTATE SERVICE PROFESSIONALS, SHALL PREPARE, UPDATE AND MAINTAIN A ROSTER OF REAL ESTATE SERVICE PROFESSIONALS AND THE ACCREDITED REAL ESTATE SALESPERSONS WHICH SHALL CONTAIN THE NAMES, THEIRS RESIDENCE AND OFFICE ADDRESSES, LICENSE NUMBER, DATES OF REGISTRATION OR ISSUANCE OF CERTIFICATES, AND OTHER DATA WHICH THE BOARD MAY DEEM PERTINENT. COPIES THEREOF SHALL BE POSTED AT PRC WEBSITE AND SHALL BE MADE AVAILABLE TO THE PUBLIC UPON REQUEST.**

Section 23. Issuance of Special/Temporary Permit. – Upon application and payment of the required fees and, subject to the approval of the Commission, the Board may issue special/temporary permit to real estate service practitioners from foreign countries whose services are urgently needed in the absence or unavailability of local real estate service practitioners for the purpose of promoting or enhancing the practice of the professional in the Philippines.

Section 24. Foreign Reciprocity. – No foreign real estate service practitioner shall be admitted to the licensure examination or be given a certificate of registration or a professional identification card, or be entitled to any of the privileges under this Act unless the country of which he/she is a citizen specifically allows Filipino real estate service practitioners to practice within its territorial limits on the same basis as citizens of such foreign country.

ARTICLE IV
PRACTICE OF REAL ESTATE SERVICE

Section 25. Oath. – All successful examinees qualified for registration and all qualified applicants for registration without examination as well as accredited salespersons shall be required to take an oath before any member of the Board or any officer of the Commission duly authorized by the

Commission to administer oaths prior to entering into the practice of real estate service of the Philippines.

[Section 26. Professional Indemnity Insurance/Cash or Surety Bond. – All real estate brokers and private real estate appraisers shall, in addition to the oath referred to in the preceding section, be required to post a professional indemnity insurance/cash or surety bond, renewable every three (3) years, in an amount to be determined by the Board, which in no case shall be less than Twenty thousand pesos (P20,000.00), without prejudice to the additional requirement of the client.**]**

[Section 27. Acts Constituting the Practice of Real Estate Service. – Any single act or transactions embraced within the provisions of Section 3(g) hereof, as performed by real estate service practitioners, shall constitute an act of engaging in the practice of real estate service.**]**

SECTION 26. ACTS CONSTITUTING THE PRACTICE OF REAL ESTATE SERVICE. – ANY SINGLE ACT OR TRANSACTIONS EMBRACED WITHIN THE PROVISIONS OF SECTION 3(G) HEREOF, AS PERFORMED BY REAL ESTATE SERVICE PROFESSIONALS AS WELL AS THAT BY THE ACCREDITED REAL ESTATE SALESPERSONS, SHALL CONSTITUTE AN ACT OF ENGAGING IN THE PRACTICE OF REAL ESTATE PROFESSION. PROVIDED, THOSE REAL ESTATE PROFESSIONALS WHO ARE INDEPENDENTLY PRACTICING THE PROFESSIONS AND SHALL PRACTICE THE PROFESSIONAL INTERNATIONALLY OR OUTSIDE THE COUNTRY SHALL BE ACCREDITED WITH THE BOARD TO DETERMINE THEIR FIELD OF PROFESSIONAL SPECIALIZATION PURSUANT TO THE REQUIREMENT OF RA#10968 AND ITS IMPLEMENTING RULES AND REGULATIONS (IRR);

[Section 28.] SECTION 27. Exemptions from the Acts Constituting the Practice of Real Estate Service. – The provisions of this Acts and its rules and regulations shall not apply to the following:

(a) Any person, natural or juridical, who shall directly perform by himself/herself the acts mentioned in Section 3 hereof which with reference to his/her or its own property, except real estate developers;
(b) Any receiver, trustee or assignee in bankruptcy or insolvency proceedings;
(c) Any person acting pursuant to the order of any court of justice;
(d) Any persons who is a duly constituted attorney-in-fact for the purpose of sale, mortgage, lease or exchange, or other similar contracts of real estate, without requiring any form of compensation or remuneration; and
(e) Public officers in the performance of their official duties and functions, except government assessors and appraisers.

[Section 29. Prohibition Against the Unauthorized Practice of Real Estate Service. – No person shall practice or offer to practice real estate service in the Philippines or offer himself/herself as real estate practitioner, or use the title, word, letter, figure or any sign tending to convey the impression that one is a real estate service practitioner, or advertise or indicate in any manner whatsoever that one is qualified to practice the profession, or be appointed as real property appraiser or assessor in any national government entity or local government unit, unless he/she has satisfactorily passed the licensure examination given by the Board, except as otherwise provided in this Act, a holder of a valid certificate of registration and professional identification card or a valid special/temporary permit duly issued to him/her by the Board and the Commission, and in the case of real estate brokers and private appraisers, they have paid the required bond as hereto provided.**] SECTION 28. PROHIBITION AGAINST THE UNAUTHORIZED PRACTICE OF REAL ESTATE SERVICE. – NO PERSON SHALL PRACTICE OR OFFER TO PRACTICE REAL ESTATE SERVICE PROFESSION IN THE PHILIPPINES OR OFFER HIMSELF/HERSELF AS REAL ESTATE PROFESSIONAL, REAL PROPERTY SPECIALISTS, REAL PROPERTY**

CONSULTANTS OR USE ANY TITLE, WORD, LETTER, FIGURE OR ANY SIGN OR EMBLEM TENDING TO CONVEY THE IMPRESSION THAT HE/SHE IS A REAL ESTATE SERVICE PROFESSIONAL, OR ADVERTISE OR INDICATE IN ANY MANNER WHATSOEVER THAT ONE IS QUALIFIED TO PRACTICE THE PROFESSION, OR BE APPOINTED AS REAL ESTATE APPRAISER OR ASSESSOR IN ANY NATIONAL GOVERNMENT ENTITY OR LOCAL GOVERNMENT UNIT, UNLESS HE/SHE HAS SATISFACTORILY PASSED THE LICENSURE EXAMINATION GIVEN BY THE BOARD, A HOLDER OF A VALID CERTIFICATE OF REGISTRATION AND PROFESSIONAL IDENTIFICATION CARD OR A VALID SPECIAL/TEMPORARY PERMIT DULY ISSUED TO HIM/HER BY THE BOARD AND THE COMMISSION.

SECTION 29. MANDATORY ENGAGEMENT OF THE PROFESSIONAL SERVICES OF REAL ESTATE PROFESSIONALS. – ALL REAL ESTATE BROKERAGE TRANSACTIONS SHALL BE PERFORMED BY A LICENSED REAL ESTATE BROKER WHOSE SIGNATURE SHOULD APPEAR IN THE CONTRACTS DOCUMENTS AS WITNESS THEREOF; ALL REAL ESTATE APPRAISAL WHETHER FOR PERSONAL, PRIVATE OR GOVERNMENT USE SHALL BE PERFORMED BY A LICENSED REAL ESTATE APPRAISER, WHOSE APPRAISAL REPORT SHALL BE ATTACHED TO THE DOCUMENTS THAT NEEDS OR REQUIRES THEIR TECHNICAL EXPERTISE; ALL REAL ESTATE REAL ESTATE CONSULTANCY SHALL BE PERFORMED BY A LICENSED REAL ESTATE CONSULTANT WHOSE SERVICES SHALL BE REQUIRED IN SUBDIVISION DEVELOPMENT AND SHOULD SIGN THE APPLICATION DOCUMENT IN SECURING THE DEVELOPMENT PERMIT APPROVAL. CONCERNED GOVERNMENT AGENCIES ARE REQUIRED TO PREPARE THEIR RESPECTIVE RULES ON THE COMPLIANCE OF THE LAW UPON ITS EFFECTIVITY. SERVICES OF REAL ESTATE PROFESSIONALS SHALL BE MANDATORY REQUIRED, RESPECTIVELY.

Section 30. [Positions in Government Requiring the Services of Registered and Licensed Real Estate Service Practitioners. – Within three (3) years from the effectivity of this Act, all existing and new positions in the national and local governments, whether career, permanent, temporary or contractual, and primarily requiring the services of any real estate service practitioners, shall be filled only by registered and licensed real estate service practitioners.**] POSITIONS IN GOVERNMENT REQUIRING THE SERVICES OF REGISTERED AND LICENSED REAL ESTATE PROFESSIONALS. – UPON EFFECTIVITY OF THIS ACT, ALL EXISTING AND NEW POSITIONS IN THE NATIONAL AND LOCAL GOVERNMENTS, WHETHER CAREER, PERMANENT, TEMPORARY OR CONTRACTUAL AND DESIGNATION, PRIMARILY REQUIRING THE EXPERTISE OF ANY REAL ESTATE PROFESSIONALS, SHALL BE FILLED-UP ONLY BY REGISTERED AND LICENSED REAL ESTATE APPRAISER.**

All incumbent assessors holding permanent appointments shall continue to perform their functions without need for reappointment and without diminution of status, rank and salary grade, and shall enjoy security of tenure. However, they may not be promoted to a higher position until they meet the qualification requirements of that higher position as herein prescribed. Nothing in this Act shall be construed to reduce any benefit, interest, or right enjoyed by the incumbents at the time of the enactment of this Act. The appointing authority shall exercise his power to appoint the assessor in accordance with the provisions of this Act only when a vacancy occurs.

Section 31. [Supervision of Real Estate Salespersons. – For real estate salespersons, no examination shall be given, but they shall be accredited by the Board: Provided, That they have completed at least two (2) years of college and have undergone training and seminars in real estate brokerage, as may be required by the Board. Real estate salespersons shall be under the direct supervision and accountability of a real estate broker. As such, they cannot by themselves

be signatories to a written agreement involving a real estate transaction unless the real estate broker who has direct supervision and accountability over them is also a signatory thereto. No real estate salesperson, either directly or indirectly, can negotiate, mediate or transact any real estate transaction for and in behalf of a real estate broker without first securing an authorized accreditation as real estate salesperson for the real estate broker, as prescribed by the Board. A real estate broker shall be guilty of violating this Act for employing or utilizing the services of a real estate salesperson when he/she has not secured the required accreditation from the Board prior to such employment.**] SUPERVISION OF REAL ESTATE SALESPERSONS. – REAL ESTATE SALESPERSONS SHALL BE ACCREDITED FIRST UNDER A LICENSED REAL ESTATE BROKER BY THE BOARD PRIOR TO THE PRACTICE OF THE REAL ESTATE BROKERAGE PROFESSION. PROVIDED, THAT THEY HAVE COMPLETED AT LEAST TWO (2) YEARS OF COLLEGE AND HAVE UNDERGONE REAL ESTATE BROKERAGE SEMINAR AS REQUIRED BY THE BOARD. REAL ESTATE SALESPERSONS SHALL BE UNDER THE DIRECT SUPERVISION, ACCOUNTABILITY, AND RESPONSIBILITY OF A LICENSED REAL ESTATE BROKER. AS SUCH, THEY CANNOT BY THEMSELVES PERFORM THE REAL ESTATE BROKERAGE SERVICES INDEPENDENTLY, EITHER DIRECTLY OR INDIRECTLY, CAN NEGOTIATE, MEDIATE OR TRANSACT ANY REAL ESTATE TRANSACTION, BE SIGNATORIES TO A WRITTEN AGREEMENT INVOLVING A REAL ESTATE BROKERAGE TRANSACTIONS UNLESS THE LICENSED REAL ESTATE BROKER WHO HAS DIRECT SUPERVISION, RESPONSIBILITY AND ACCOUNTABILITY OVER THEM IS ALSO A SIGNATORY THERETO. A REAL ESTATE BROKER SHALL BE GUILTY OF VIOLATING THIS ACT FOR EMPLOYING OR UTILIZING THE SERVICES OF A REAL ESTATE SALESPERSON WHEN HE/SHE HAS NOT SECURED THE REQUIRED ACCREDITATION FROM THE BOARD PRIOR TO SUCH EMPLOYMENT OR ENGAGEMENT OF THE SERVICES AND SUCH ACT MAY SUBJECT THE REAL ESTATE BROKER THE ADMINISTRATIVE SANCTIONS AS PROVIDED IN THE RULES. SALESPERSON SHALL BE ALLOWED ONLY TO PRACTICE THE REAL ESTATE BROKERAGE PROFESSIONAL UPON THE APPROVAL OF THE RESOLUTION GRANTING HIS/HER ACCREDITATION APPLICATION.**

No salesperson shall be entitled to received or demand a fee, commission or compensation of any kind from any person, other than the duly licensed real estate broker who has direct control and supervision over him, for any service rendered or work done by such salesperson in any real estate transaction.

No violation of this provision shall be a cause for revocation or suspension of the certificate of registration of the real estate broker unless there was actual knowledge of such violation or the broker retains the benefits, profits or proceeds of a transaction wrongfully negotiated by the salesperson.

Section 32. Corporate Practice of the Real Estate Service. –

(a) **[**No partnership or corporation shall engage in the business of real estate service unless it is duly registered with the Securities and Exchange Commission (SEC), and the persons authorized to act for the partnership or corporation are all duly registered and licensed real estate brokers, appraisers or consultants, as the case may be. The partnership or corporation shall regularly submit a list of its real estate service practitioners to the Commission and to the SEC as part of its annual reportorial requirements. There shall at least be one (1) licensed real estate broker for every twenty (20) accredited salespersons.**] NO PARTNERSHIP, CORPORATION, ESTATE, TRUST AND COOPERATIVES SHALL ENGAGE IN THE OCCUPATIONAL SERVICES PERFORMED BY REAL ESTATE PROFESSIONALS UNLESS IT IS DULY REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION (SEC) AS A JURIDICAL PERSON, AND THE OFFICERS/DIRECTORS/TRUSTEES**

OR PERSONS AUTHORIZED TO ACT FOR THE SAID JURIDICAL PERSON ARE ALL LICENSED REAL ESTATE BROKERS IN THE CASE OF REAL ESTATE BROKERAGE OR MARKETING AND SELLING REAL ESTATE AND PROJECTS; LICENSED REAL ESTATE APPRAISERS IN THE CASE OF REAL ESTATE APPRAISAL SERVICES OF REAL PROPERTIES, ITS IMPROVEMENTS AND THE MACHINERIES AND EQUIPMENT; OR LICENSED REAL ESTATE CONSULTANTS IN THE CASE OF REAL ESTATE CONSULTING SERVICES OF REAL ESTATE. THE PARTNERSHIP, CORPORATION, ESTATE, TRUST AND COOPERATIVES SHALL REGULARLY SUBMIT A LIST OF ITS REAL ESTATE PROFESSIONALS AND THE ACCREDITED REAL ESTATE SALESPERSONS TO THE COMMISSION THROUGH THE BOARD, TO THE SEC AND DHSUD AS PART OF ITS ANNUAL REPORTORIAL REQUIREMENTS. THERE SHALL A MAXIMUM OF TWENTY (20) ACCREDITED REAL ESTATE SALESPERSONS PER ONE (1) LICENSED REAL ESTATE BROKER WHO SHALL HAVE DIRECT RESPONSIBILITY AND ACCOUNTABILITY OF THEIR REAL ESTATE BROKERAGE ENDEAVOR.

(b) Divisions or departments of partnership and corporations engaged in marketing or selling any real estate development project in the regular course of business must be headed by full-time registered and licensed real estate brokers.

(c) **[**Branch offices of real estate brokers, appraisers or consultants must be manned by a duly licensed real estate broker, appraiser or consultant as the case may be.**] BRANCH OFFICES OF REAL ESTATE BROKER PERFORMING INDEPENDENT REAL ESTATE BROKERAGE SERVICES SHALL BE MANAGED BY A LICENSED REAL ESTATE BROKER OR BY THE LICENSED REAL ESTATE APPRAISER WHO IS PERFORMING INDEPENDENT REAL ESTATE APPRAISAL SERVICES OR SHALL BE MANAGED BY A LICENSED REAL ESTATE CONSULTANT PERFORMING INDEPENDENT REAL ESTATE CONSULTANCY SERVICES.**

(d) IN THE CASE OF APPRAISAL AND CONSULTANCY OFFICES, THE STAFF EMPLOYED THERETO SHALL BE QUALIFIED AND COMPETENT AS REQUIRED IN THE STANDARDS OF PROFESSIONAL PRACTICE. HENCE, FOR APPRAISAL OFFICE THE MINIMUM REQUIREMENT MUST BE A GRADUATE OF A BACHELOR'S DEGREE IN APPRAISAL AND FOR CONSULTANCY OFFICE MUST HAVE AT LEAST 10 YEARS ACTUAL EXPERIENCE IN REAL ESTATE BROKERAGE OR AT LEAST 5 YEARS ACTUAL EXPERIENCE IN APPRAISAL.

In case of resignation or termination from employment of a real estate service practitioners, the same shall be reported by the employer to the Board within a period not to exceed fifteen (15) days from the date of effectivity of the resignation or termination.

Subject to the provisions of the Labor Code, a corporation or partnership may hire the services of registered and licensed real estate brokers, appraisers or consultants on commission basis to perform real estate services and the latter shall be deemed independent contractors and not employees of such corporations.

Section 33. Display of License in the Place of Business. – Every registered and licensed real estate service practitioner shall establish and maintain a principle place of business and such other branch offices as may be necessary, and shall conspicuously display therein the original and/or certified true copies of his/her certificate of registration as well as the certificate of registration of all the real estate service practitioners employed in such office.

Section 34. [Accreditation and Integration of Real Estate Service Associations. – All real estate service associations shall be integrated into one (1) national organization, which shall be recognized by the Board, subject to the approval of the Commission, as the only accredited and integrated professional organization of real estate service practitioners.**] ACCREDITED AND INTEGRATED PROFESSIONAL ORGANIZATIONS (AIPOS). – ALL REAL ESTATE PROFESSIONALS AND THE ACCREDITED SALESPERSONS SHALL BE REQUIRED TO BE A MEMBER OF THE ACCREDITED AND INTEGRATED PROFESSIONAL ORGANIZATION. THERE SHALL BE SEPARATE AIPO FOR THE REAL ESTATE CONSULTANTS, REAL ESTATE APPRAISERS AND REAL ESTATE BROKER WITH SALESPERSONS AS ASSOCIATE MEMBERS, WHICH ACCREDITATION OF THE AIPO SHALL BE SUBJECT TO THE APPROVAL OF THE COMMISSION PURSUANT TO ITS EXISTING RULES.**

A real estate service practitioner duly registered with the Board shall automatically become a member of the accredited and integrated professional organization of real estate service practitioners, and shall receive the benefits and privileges appurtenant thereto. Membership in the accredited and integrated professional organization of real estate service practitioners shall not be a bar to membership in other associations of real estate service practitioners.

Section 35. Code of Ethics and Responsibilities for Real Estate Service Practitioners. – The Board shall adopt and promulgate the Code of Ethics and Responsibilities for real estate service practitioners which shall be prescribed and issued by the accredited and integrated professional organization of real estate service practitioners.

Section 36. [Continuing Professional Education (CPE) Program. – The Board shall develop, prescribe and promulgate guidelines on CPE upon consultation with the accredited and integrated professional organization of real estate service practitioners, affiliated association of real estate service practitioners and other concerned sectors, and in accordance with such policies as may have been prescribed by the Board, subject to the approval of the Commission. The Board shall create a CPE Council that shall be composed of a chairperson coming from the Board, a member from the accredited and integrated professional organization of real estate service practitioners and a member from the academe.**] CONTINUING PROFESSIONAL DEVELOPMENT (CPD) PROGRAM. – THE BOARD SHALL DEVELOP, PRESCRIBE AND PROMULGATE GUIDELINES AND PROGRAMS ON CPD IN CONSULTATION WITH THE ACCREDITED AND INTEGRATED PROFESSIONAL ORGANIZATION OF REAL ESTATE PROFESSIONALS, AFFILIATED ASSOCIATION OF REAL ESTATE SERVICE PROFESSIONALS AND OTHER CONCERNED SECTORS, AND IN ACCORDANCE WITH SUCH POLICIES AS MAY HAVE BEEN PRESCRIBED BY THE BOARD, SUBJECT TO THE APPROVAL OF THE COMMISSION. THE BOARD SHALL CREATE A CPD COUNCIL THAT SHALL BE COMPOSED OF A CHAIRPERSON COMING FROM THE BOARD, MEMBERS FROM THE ACCREDITED AND INTEGRATED PROFESSIONAL ORGANIZATION OF REAL ESTATE SERVICE PROFESSIONALS AND A MEMBER FROM THE ACADEME. THE CPD COUNCIL SHALL PREPARE AN ANNUAL CPD PROGRAMS TO BE SUBMITTED TO THE BOARD WHICH TRAINING PROGRAMS SHALL BE FOR THE ENHANCEMENT OF THE COMPETENCY AND PROFICIENCY OF THE PROFESSIONALS AND THE REAL ESTATE SALESPERSONS RELEVANT TO THE PRACTICE OF THE PROFESSION.**

Section 37. Enforcement Assistance to the Board. – The Board shall be assisted by the Commission in carrying out the provisions of this Act and its implementing rules and regulations and other policies. The lawyers of the Commission shall act as prosecutors against illegal practitioners and other violators of this Act and its rules. The duly constituted authorities of the government shall likewise assist the Board and the Commission in enforcing the provisions of this Act and its rules.

Section 38. [Indication of the Certificate of Registration, Professional Identification Card/License Number, Privilege Tax Receipt (PTR) Number and Accredited Professional Organization (APO) Number. – Real estate service practitioners shall be required to indicate the certificate of registration, professional identification card, PTR number and APO receipt number, and the date of issuance and the duration of validity on the documents he/she signs, uses or issues in connection with the practice of his/her profession.**] INDICATION OF THE CERTIFICATE OF REGISTRATION NUMBER, PROFESSIONAL IDENTIFICATION CARD/LICENSE NUMBER, PRIVILEGE TAX RECEIPT (PTR) NUMBER AND ACCREDITED PROFESSIONAL ORGANIZATION (APO) PERMANENT AND RECEIPT NUMBER. – REAL ESTATE PROFESSIONALS AND ACCREDITED REAL ESTATE SALESPERSONS SHALL BE REQUIRED TO INDICATE THE PRC REGISTRATION NUMBER OR LICENSE NUMBER, PROFESSIONAL IDENTIFICATION CARD NUMBER AND ITS VALIDITY, PTR NUMBER AND THE DATE OF ISSUANCE, AIPO PERMANENT AND RECEIPT NUMBER WITH ITS VALIDITY ON ALL THE DOCUMENTS HE/SHE SIGNS, USES OR ISSUES IN CONNECTION WITH THE PRACTICE OF HIS/HER PROFESSION.**

Section 39. [Penal Provisions. – Any violation of this Act, including violations of implementing rules and regulations, shall be meted the penalty of a fine of not less than One hundred thousand pesos (P100,000.00) or imprisonment of not less than two (2) years, or both such fine and imprisonment upon the discretion of the court. In case the violation is committed by an unlicensed real estate service practitioner, the penalty shall be double the aforesaid fine and imprisonment.**] PENAL PROVISIONS. – ANY VIOLATION OF THIS ACT, INCLUDING ITS IMPLEMENTING RULES AND REGULATIONS, SHALL BE METED WITH THE PENALTY OF A FINE OF NOT LESS THAN TWO HUNDRED THOUSAND PESOS (P200,000.00) OR IMPRISONMENT OF NOT LESS THAN TWO (2) YEARS, OR BOTH SUCH FINE AND IMPRISONMENT UPON THE DISCRETION OF THE COURT. IN CASE THE VIOLATION WAS COMMITTED BY AN UNLICENSED INDIVIDUAL OR THOSE UNAUTHORIZED TO PRACTICE THE REAL ESTATE PROFESSION, THE PENALTY SHALL BE DOUBLE THE AFORESAID FINE AND IMPRISONMENT.**

In case the violation is committed, by a partnership, corporation, association or any other juridical person, the partner, president, director or manager who has committed or consented to or knowingly tolerated such violation shall be held directly liable and responsible for the acts as principal or as a co-principal with the other participants, if any.

Section 40. Appropriations. – The chairperson of the Professional Regulation Commission shall immediately include in the Commission's programs the implementation of this Act, the funding of which shall be included in the annual General Appropriation Act and thereafter.

Section 41. Transitory Provision. – Within ninety (90) days from the effectivity of this Act, the DTI-Bureau of Trade Regulation and Consumer Protection (BTRCP) shall transfer all pertinent records, documents and other materials to the Professional Regulatory Board of Real Estate Service.

Section 42. Implementing Rules and Regulations. – Within six (6) months after the effectivity of this Act, the Commission, together with the Board and the accredited and integrated professional organization of real estate service practitioners, the Department of Finance and the CHED, shall prepare the necessary rules and regulations, including the Code of Ethics and Responsibilities for real estate service practitioners needed to implement the provisions of this Act.

Section 43. Separability Clause. – If any clause, sentence, paragraph or part of this Act shall be declared unconstitutional or invalid, such judgment shall not affect, invalidate or impair any other pair of this Act.

Section 44. Repealing Clause. – (a) Sections 3€ and (ee) of Act. No. 2728, as amended by Act No. 3715 and Act No. 3969, Section 472 and 473 of the Local Government Code of 1991 (Republic Act No. 7160), and pertinent provisions of the Civil Service Law are hereby modified accordingly.

(b) All laws, decrees, executive orders, department or memorandum orders and other administrative issuances or parts thereof which are inconsistent with the provisions of his Act are hereby modified, superseded or repealed accordingly.

Section 45. Effectivity. – This Act shall take effective fifteen (15) days following its publication in the Official Gazette or in a major daily newspaper of general circulation in the Philippines.

Approved,