

FIFTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )



'10 DEC 14 P2:40

SENATE

S: NO. 2626

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**Introduced by Senator Antonio "Sonny" F. Trillanes IV**

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**Explanatory Note**

The widespread construction and development of real estate sites near and around Metro Manila suggests a healthy and bright future for the Philippines' real estate industry. In fact in a report published last June 2010<sup>1</sup>, the real estate industry grew by 10% from January to the second week of February this year compared to the same period last year. With the growth in private property ownership in the country, real estate has become a major area of business which as a result, contributes a significant impact to growth in the economy. The expansion of the Philippine real estate would mean more income to the government and thus more funds for the provision of basic services.

Furthermore, the enactment of RA 9646 otherwise known as the Real Estate Service Act of the Philippines further contributes in keeping the momentum gained by the real estate industry. RA9646 intends to effectively develop and nurture a corps of highly respected, technically competent, and disciplined real estate service practitioners in the country.

By giving more persons access to employment opportunities, and to further contribute to the growth of the Philippine real estate industry, this Act aims to provide a fertile ground for employment generation to more qualified persons thereby easing the rise in unemployment.

It is in this light that we seek to amend certain provisions of the foresaid law in order to provide more employment opportunities in the real estate business.

In view of the foregoing, the immediate passage of this bill is earnestly sought.

**ANTONIO "SONNY" F. TRILLANES IV**

Senator

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<sup>1</sup> <http://www.cbre.com.ph/news-center.aspx?id=15> (Accessed on 08 Dec. 2010)

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AN  
ACT PROMOTING EMPLOYMENT OPPURTUNITIES IN REAL ESTATE SERVICE  
IN THE PHILIPPINES, AMENDING FOR THE PURPOSE CERTAIN PROVISIONS OF  
REPUBLIC ACT NO. 9646, OTHERWISE KNOWN AS THE REAL ESTATE  
SERVICE ACT OF THE PHILIPPINES

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

1           **SECTION 1.** Section 2 of Republic Act No. 9646 is hereby amended to read as follows:  
2                           **"Section 2. Declaration of Policy.** - The State recognizes the vital  
3                           role of real estate service practitioners in the social political, economic  
4                           development and progress of the country by promoting the real estate  
5                           market, stimulating economic activity, **PROMOTING EMPLOYMENT**  
6                           **OPPURTUNITIES IN THE SECTOR** and enhancing government  
7                           income from real property-based transactions. Hence, it shall develop and  
8                           nurture through proper and effective regulation and supervision a corps of  
9                           technically competent, responsible and respected professional real estate  
10                          service practitioners whose standards of practice and service shall be  
11                          globally competitive and will promote the growth of the real estate  
12                          industry.

1           **SEC 2.** Section 31 of the same law is hereby amended to read as follows:

2                   **“Section 31. *Supervision of Real Estate Salespersons.*** – For real  
3           estate salespersons, no examinations shall be given, but they shall be  
4           accredited by the Board: *Provided,* That they have completed  
5           **RELEVANT EDUCATION** [at least two (2) years of college] and have  
6           undergone training and seminars in real estate brokerage, as may be  
7           required by the Board. Real estate salespersons shall be under the direct  
8           supervision and accountability of a real estate broker. As such, they cannot  
9           by themselves be signatories to a written agreement involving a real estate  
10          transaction unless the real estate broker who has direct supervision and  
11          accountability over them is also a signatory thereto. No real estate  
12          salesperson, either directly or indirectly, can negotiate, mediate or transact  
13          any real estate transaction for and in behalf of a real estate broker without  
14          first securing an authorized accreditation as real estate salesperson for the  
15          real estate broker, as prescribed by the Board. A real estate broker shall be  
16          guilty of violating this Act for employing or utilizing the services of a real  
17          estate salesperson when he/she has not secured the required.

18                   X x x”

19  
20           **SEC. 3.** Section 32 of RA 9646 is amended to read as follows:

21                   **“Section 32. *Corporate Practice of the Real Estate Service.***-

22           (a) No partnership or corporation shall engage in the business of real estate  
23           service unless it is duly registered with the Securities and Exchange Commission  
24           (SEC), and the persons authorized to Act for the partnership or corporation are all  
25           duly registered and licensed real estate brokers, appraisers or consultants, as the

1 case may be. The partnership or corporation shall regularly submit a list of its real  
2 estate service practitioners to the Commission and to the SEC as part of its annual  
3 reportorial requirements. [There shall at least be one (1) licensed real estate  
4 broker for every twenty (20) accredited salespersons.]

5 (b) X x x

6 (c) X x x

7

8 **SEC. 4.** All laws, decrees, executive orders, department or memorandum orders and  
9 other administrative issuances or parts thereof which are inconsistent with the provisions of this  
10 Act are hereby modified superseded or repealed accordingly.

11

12 **SEC. 5.** This Act shall take effect fifteen (15) days following its publication in the  
13 *Official Gazette* or in a major daily newspaper of general circulation in the Philippines.

Approved,