


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

04 AUG 11 P4:23

SENATE

RECEIVED BY: 

S. No. 1719

Introduced by Senator S. R. Osmeña III

EXPLANATORY NOTE

To safeguard public interest, there is a need to enact a comprehensive law that will upgrade and professionalize the real estate service practice in the country and at the same time accord the real estate industry the due recognition that it deserves as a vital component in national development.


Unscrupulous parties involved in anomalous practices in real estate transactions who control practically 75% of the real estate transactions in the country have gone unpunished mainly because of the dearth of effective legislation. As a consequence, such deceitful brokers jeopardized the stability of the real estate industry and continually victimize the public.

This bill, therefore, seeks to create the Professional Regulatory Board of Real Estate Service (PRBRES) whose supreme authority will put system, order, discipline and true professionalism in the real estate industry. The creation of PRBRES will specifically help eradicate or minimize the practice of spurious or "colorum" brokers who have adversely affected the profession as it has eroded the stability of our Torrens System. Consequently, provision for stiffer penalties for unlicensed practice will assure full protection for the buying public and truly professionalize this segment of our economy.

Runaway prices of land and construction materials which had gone unchecked for several years due to lack of basic knowledge of land values, appraisal principles and unprofessional practices will eventually be stabilized with the strict monitoring and control of the regulatory board.

This bill also seeks to do away with the duplication of jurisdictional responsibility in the direction and management of activities of real estate brokers and allied professionals. It is further envisioned that PRBRES will ensure the collection of several millions of taxes due to government which otherwise will remain uncollected due to the undervaluation of transactions and other improper and unlawful means generally resorted to.

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


SERGIO OSMEÑA III
Senator

THIRTEENTH CONGRESS OF THE REPUBLIC)
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AN ACT
REGULATING THE PRACTICE OF REAL ESTATE SERVICE IN THE
PHILIPPINES, CREATING FOR THE PURPOSE A PROFESSIONAL
REGULATORY BOARD FOR REAL ESTATE SERVICE, APPROPRIATING
FUNDS THEREFOR AND FOR OTHER PURPOSES

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

1 ARTICLE I

2 TITLE, DECLARATION OF POLICY AND DEFINITION OF TERMS

3 SECTION 1. *Title* . – This Act shall be known as the “Real Estate Service
4 Act of the Philippines.”

5 SEC. 2. *Declaration of Policy*. – The State recognizes the vital role of
6 real estate service practitioners in the social, political, economic development
7 and progress of the country. Real estate services shall therefore be
8 professionalized, upgraded and regulated to become more globally qualitative
9 and competitive.

10 SEC. 3. *Definition of Terms*. – As used in this Act, the following terms
11 shall mean:

12 (a) “Real estate” refers to the land, building or other improvements
13 permanently attached to the land, including the rights and interest therein. It shall
14 include rural and urban land, and the development thereof which may be
15 residential, commercial, industrial, agricultural, aquacultural, land reclamation,

1 building or housing projects either for individual or condominium ownership,
2 memorial parks, town houses, club houses, and others of similar nature.

3 (b) "Real estate development project" means the development of land
4 for residential, commercial, industrial, agricultural, institutional or recreational
5 purposes, or any combination or such, including but not limited to tourist resorts,
6 reclamation projects, building or housing projects whether for individual or
7 condominium ownership, memorial parks, and other of similar nature.

8 (c) "Real estate service practitioners" shall refer to and consist of the
9 following:

10 (1) Real estate broker – a duly licensed natural person who, for a fee,
11 commission or other valuable consideration, acts as an agent of a
12 party in a real estate transaction of offer, advertise, solicit, list,
13 promote, mediate, negotiate, or effect the meeting of the minds on the
14 sale, purchase, exchange, mortgage, lease, or joint venture or other
15 similar transactions on real estate or any interest therein.

16 (2) Real estate appraiser – a duly licensed natural person who, in
17 expectation of a fee, compensation or other valuable consideration,
18 offers or renders services in estimating and arriving at an opinion of or
19 act as an expert on real estate values, such services of which shall be
20 finally rendered by the preparation of the report in acceptable written
21 form.

22 (3) Real estate consultant – a duly licensed natural person who, for a fee,
23 compensation or other valuable consideration, offers or renders
24 professional advise and judgement on: (a) the acquisition,
25 enhancement, preservation, utilization or disposition of lands or
26 improvements thereon; and (b) the conception, planning,
27 management, and development of realty projects.

1 (4) Real estate salesperson – a natural person who performs for and in
2 behalf of a real estate broker who is registered/licensed by the
3 Professional Regulatory Board of Real Estate Service.

4 ARTICLE II

5 PROFESSIONAL REGULATORY BOARD OF REAL ESTATE SERVICE

6 SEC. 4. ***Creation and Composition of the Board.*** – There is hereby
7 created a Professional Regulatory Board of Real Estate Service, hereinafter
8 referred to as the Board, under the supervision and administrative control of the
9 Professional Regulation Commission, hereinafter referred to as the Commission,
10 composed of a chairperson and two (2) members who shall be appointed by the
11 President of the Philippines from a list of three (3) recommendees for each
12 position, chosen and ranked by the Commission from a list of five (5) nominees
13 for each position submitted by the accredited and integrated professional
14 organization of real estate service practitioners.

15 The first Board shall be organized within thirty (30) days from the
16 effectivity of this Act.

17 SEC. 5. ***Powers and Functions of the Board.*** – The Board is hereby
18 vested the following powers and functions:

- 19 (a) Provide comprehensive policy guidelines for the promotion and
20 development of the real estate industry;
- 21 (b) Promulgate, administer and enforce rules and regulations necessary
22 for carrying out the provisions of this Act;
- 23 (c) Supervise and regulate the registration, licensure and practice of real
24 estate service in the Philippines;
- 25 (d) Administer oaths and affirmations;
- 26 (e) Adopt on official seal of the Board;
- 27 (f) Issue, reinstate, suspend or revoke after due notice and hearing
28 certificate of registration/professional license or professional
29 identification card for the practice of the real estate service;

- 1 (g) Monitor the conditions affecting the practice of real estate service and
2 adopt such measures as may be proper for the enhancement of the
3 profession and/or the maintenance of high professional, ethical and
4 technical standards;
- 5 (h) Draw up recommendations to government agencies or departments
6 concerned for the purpose of rationalizing and coordinating real estate
7 transactions;
- 8 (i) Prescribe and/or adopt a code of ethics for the practice of the real
9 estate service;
- 10 (j) Hear or investigate any violation of this Act, its implementing rules and
11 regulations, and the code of ethics for real estate service practitioners
12 as shall come to the knowledge of the Board and for this purpose,
13 issue *subpoena and subpoena duces tecum* to secure the
14 appearance of witnesses and the production of documents in
15 connection therewith;
- 16 (k) In coordination with the accredited and integrated professional
17 organization of real estate practitioners, monitor all forms of
18 advertisements, announcements, signboards, billboards, pamphlets,
19 brochures and others of similar nature concerning real estate and
20 provide every possible safeguard to protect legitimate and licensed
21 real estate service practitioners and in pursuance thereof, exercise its
22 judicial and police powers to finally and completely eradicate
23 pernicious practices of unauthorized and unlicensed individuals or
24 "colorums" engaged in real estate service;
- 25 (l) Prescribe guidelines and criteria for the Continuing Professional
26 Education (CPE) program for real estate service practitioners after
27 consultation with the accredited and integrated professional
28 organization of real estate service practitioners, and prescribe policies

1 necessary for upgrading, enhancement, development and growth of
2 real estate education in the Philippines;

3 (m) Screen, issue and monitor permits to organizations of real estate
4 professionals in the industry to conduct seminars and to accredit such
5 seminars, as well as the instructors or lecturers therein for the
6 purpose of upgrading the quality and knowledge of the profession;

7 (n) Conduct examinations as a prerequisite to the practice of the
8 profession and issue, adopt and prepare syllabi of the subjects for
9 examination by determining and preparing the questions which shall
10 strictly be within the scope of the syllabus of the subject for
11 examination;

12 (o) Monitor the activities of the accredited and integrated professional
13 organization and other associations of real estate service
14 practitioners; and

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

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

23 **SEC. 6. *Qualifications of the Chairperson and Members of the Board.***

24 – The chairperson and members of the Board shall, at the time of their
25 appointment, possess the following qualifications:

26 (a) Must be a citizen and resident of the Philippines;

27 (b) Must be a holder of at least a bachelor's degree;

1 (c) Must be an active licensed practitioner of the real estate service, either
2 as real estate broker, appraiser or consultant for at least ten (10) years
3 prior to his/her appointment ;

4 (d) Must be a bona fide member of the accredited and integrated
5 professional organization of real estate service practitioners but not an
6 officer at the time of his/her appointment;

7 (e) Must neither be a member of the faculty of an institute, school or
8 college of real estate service nor have any pecuniary interest, direct or
9 indirect, in any institution or association where review classes or
10 lectures in preparation for the licensure examination are being offered
11 or conducted; and

12 (f) Must be of good moral character and must not have been convicted by
13 final judgement by a competent court of a criminal offense involving
14 moral turpitude.

15 **SEC. 7. *Term of Office.*** – The chairperson and members of the Board
16 shall hold office for a term of three (3) years from the date of their appointment
17 and until their successor/s shall have been appointed and duly qualified.
18 *Provided,* That members of the first appointed Board shall hold office for the
19 following terms: one (1) member as chairperson for three (3) years, one (1)
20 member for two (2) years and one (1) member for one (1) year.

21 The chairperson and members of the Board may be reappointed for
22 another term but in no case shall he/she serve continuously for more than six (6)
23 years. Any vacancy in the Board shall be filled for the unexpired portion of the
24 term only. The chairperson and members of the first Board shall automatically be
25 registered and issued with a certificate of registration/professional license and
26 professional identification card.

27 Each member of the Board shall take the proper oath of office prior to the
28 assumption of duty.

1 SEC. 8. **Compensation and Allowances of the Chairperson and**
2 **Members of the Board.** – The chairperson and members of the Board shall
3 receive compensation and allowances comparable to the compensation and
4 allowances received by the chairperson and members of existing professional
5 regulatory boards under the Commission as provided for in the General
6 Appropriations Act.

7 SEC. 9. **Removal of the Chairperson and Members of the Board.** –
8 The chairperson or any member of the Board may be suspended or removed by
9 the President of the Philippines upon recommendation of the Commission for
10 neglect of duty, abuse of power, oppression, incompetence, unprofessional,
11 unethical, immoral or dishonorable conduct, commission or toleration of
12 irregularities in the conduct of examination or tampering of the grades therein, or
13 for any final judgement or conviction of any criminal offenses involving moral
14 turpitude by the court after having been given the opportunity to defend
15 himself/herself in a proper administrative investigation.

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

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

1 ARTICLE III

2 LICENSURE EXAMINATION AND REGISTRATION

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

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

12 ~~(a)~~ For real estate brokers – Fundamentals of property ownership; legal
13 requirements for real estate practice, real estate brokerage practice;
14 practical appraisal for real estate broker; site location and map
15 reading; subdivision development; condominium concept; real estate
16 financing; taxation; economics; basic principle or ecology; urban and
17 rural land use; planning, development and zoning legal aspect of
18 sale, mortgage, lease, documentation and registration; agrarian and
19 urban reform laws; code of ethics; and any other related subjects as
20 may be determined by the Board.

21 (b) For real estate appraisers – General real estate information; theories
22 and principles in appraisal; human and physical geography;
23 methodology of appraisal approaches and research; practical
24 appraisal mathematics; appraisal report writing; laws affecting real
25 estate appraisal; income and investment problems; appraisals of
26 machineries and equipments; case studies; agrarian and urban land
27 reform laws; code of ethics; and any other related subjects as may be
28 determined by the Board.

1 (c) For real estate consultants – Pre-investment/feasibility studies; design;
2 process innovation; construction/installation and other technical
3 services on special studies; agrarian and urban land reform laws;
4 code of ethics; and any other related subjects as may be determined
5 by the Board.

6 To conform with technological and modern changes, the Board may re-
7 cluster, rearrange, modify, add or exclude any of the foregoing subjects as the
8 need arises.

9 SEC. 14. ***Qualifications of Applicants for Examinations.*** – In order to
10 be admitted to the licensure examination for real estate service, a candidate shall
11 at the time of filing his application, establish to the satisfaction of the Board that:

12 (a) He is a citizen of the Philippines;

13 (b) He is at least eighteen (18) years of age;

14 (c) He is a holder of a bachelor's degree from a school, university or
15 institution duly recognized by the Commission on Higher Education;

16 (d) He has attended and completed an appropriate real estate seminar
17 given by accredited entities; and

18 (e) He is a good moral character and must not have been convicted of any
19 crime involving moral turpitude.

20 *Provided*, That an applicant for the licensure examination for real estate
21 appraisers must show proof that he has at least five (5) years experience as a
22 licensed real estate broker, or as an assessor, or as bank or institutional
23 appraiser, or an employed person performing real property valuation: *Provided*,
24 *further*, That an applicant for the licensure examination for real estate consultants
25 must show proof that he has at least ten (10) years experience as a licensed real
26 estate broker or at least five (5) years experience as a licensed real estate
27 appraiser.

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

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

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

11 SEC. 17. **Issuance of the Certificate of Registration/Professional**
12 **License and Professional Identification Card.** – A certificate of
13 registration/professional license shall be issued to examinees who pass the
14 licensure examination for real estate service subject to payment of fees
15 prescribed by the Commission. The certificate of registration/professional license
16 shall bear the signature of the chairperson of the Commission and the
17 chairperson and members of the Board, stamped with the official seal of the
18 Commission, indicating the person named therein entitled to practice the
19 profession with all the benefits and privileges appurtenant thereto. The certificate
20 of registration/professional license shall remain in full force and effect until
21 revoked or suspended in accordance with this Act.

22 A professional identification card bearing the registration number, date of
23 issuance, expiry date, duly signed by the chairperson of the Commission, shall
24 likewise be issued to every registrant upon payment of the required fees. The
25 professional identification card shall be renewed every three (3) years and upon
26 satisfying the requirements of the Board, such as but not limited to attendance in
27 the Continuing Professional Education (CPE) program.

28 SEC. 18. **Refusal to Register.** – The Board shall not register and issue a
29 certificate of registration/professional license to any successful examinee who

1 has been convicted by a court of competent jurisdiction of any criminal offense
2 involving moral turpitude or has been found guilty or immoral or dishonorable
3 conduct after investigation by the Board, or has been declared to be of unsound
4 mind. The reason for the refusal shall be forth in writing.

5 SEC. 19. **Revocation or Suspension of the Certificate of**
6 **Registration/Professional Identification Card.** – The Board may, after giving
7 proper notice and hearing to the party concerned, revoke the certificate of
8 registration/professional license and professional identification card of a real
9 estate service practitioner or suspend him/her from the practice of the profession
10 for any unprofessional or unethical conduct, malpractice, or violation of any of the
11 provisions of this Act, its implementing rules and regulations, and the code of
12 ethics for real estate service practitioners.

13 SEC. 20. **Registration Without Examination.** – Upon application and
14 payment of the required fees, those who, on the date of the effectivity of this Act,
15 are already licensed as real estate broker, real estate appraiser, or real estate
16 consultant by the Bureau of Domestic Trade by virtue of Ministry Order No. 39,
17 as amended, shall be registered and issued by the Board and the Commission a
18 certificate of registration/professional license and professional identification card
19 without taking the prescribed examinations: *Provided*, That they shall file their
20 application within two (2) years from the effectivity of this Act: *Provided, further*,
21 That the renewal of the professional identification card is subject to the provisions
22 of Section 17 hereof.

23 SEC. 21. **Reinstatement, Reissuance or Replacement of Certificate of**
24 **Registration/Professional License and Professional Identification Card.** –
25 The Board may, upon application and for reasons deemed proper and sufficient,
26 reinstate any revoked certificate of registration/professional license and reissue a
27 suspended professional identification card, and in so doing it may, in its
28 discretion, exempt the applicant from taking another examination.

1 A new certificate of registration/professional license or professional
2 identification card may be issued to replace lost, destroyed or mutilated ones
3 subject to such rules as may be promulgated by the Board.

4 **SEC. 22. Roster of Real Estate Service Practitioners.** – The Board shall
5 prepare, update and maintain a roster of real estate service practitioners which
6 shall contain the names of all registered real estate service practitioners, their
7 residence and office addresses, date of registration or issuance of certificates,
8 and other data which the Board may deem pertinent.

9 The roster shall be open to the public, copies of which shall be sent to
10 each real estate service practitioner listed therein.

11 **SEC. 23. Issuance of Special or Temporary Permit.** – Upon application
12 and payment of the required fees, and subject to the approval of the
13 Commission, the Board may issue special or temporary permit to real estate
14 service practitioners from foreign countries whose services are urgently needed
15 in the absence or inadequacy of local real estate service practitioners for the
16 purpose of promoting or enhancing the practice of the profession in the
17 Philippines.

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

25 ARTICLE IV

26 PRACTICE OF REAL ESTATE SERVICE

27 **SEC. 25. Oath.** – All successful examinees qualified for registration and
28 all qualified applicants for registration without examination as well as licensed
29 salespersons shall be required to take an oath of profession before any member

1 of the Board or any government official authorized by the Commission to
2 administer oaths prior to entering into the practice of real estate service in the
3 Philippines.

4 SEC. 26. **Acts Constituting the Practice of Real Estate Service.** – Any
5 single act or transaction embraced within the provisions of Section 3 hereof shall
6 constitute an act of engaging in the practice of real estate service.

7 SEC. 27. **Exemption from the Acts Constituting the Practice of Real**
8 **Estate Service.** – The provisions of this Act and its rules and regulations shall
9 not apply to the following:

- 10 (a) Any person, natural or juridical, who shall directly permit by himself the
11 acts mentioned in Section 3 hereof with reference to his own property;
- 12 (b) Any receiver, trustee or assignee in bankruptcy or insolvency,
13 proceedings;
- 14 (c) Any person acting pursuant to the order of any court of justice;
- 15 (d) Public officers while performing their official duties; and
- 16 (e) Any person who is duly constituted attorney in fact for purposes of
17 sale, mortgage, lease or exchange or other similar contracts of real
18 estate.

19 SEC. 28. **Prohibition Against the Unauthorized Practice of Real**
20 **Estate Service.** – No person shall practice or offer to practice real estate service
21 in the Philippines or offer himself/herself as real estate service practitioner; or
22 use the title, word, letter, figure, or any sign tending to convey the impression that
23 one is a real estate service practitioner, or advertise or indicate in any manner
24 whatsoever that one is qualified to practice the profession unless he/she has
25 satisfactorily passed the licensure examination given by the Board, except as
26 otherwise provided in this Act, and is a holder of a valid certificate of
27 registration/professional, license and professional identification card of a valid
28 special/temporary permit duly issued to him/her by the Board and the
29 Commission.

1 special/temporary permit duly issued to him/her by the Board and the
2 Commission.

3 **SEC. 29. *Custody and Supervision of Real Estate Salespersons.*** – A
4 real estate salesperson shall be under the custody and direct supervision of a
5 real estate broker. As such he/she cannot by himself/herself be a signatory to a
6 written agreement involving a real estate transaction unless the real estate
7 broker who has custody and direct supervision over him/her is also a signatory
8 thereto. No real estate salesperson can negotiate, mediate or transact any real
9 estate transaction for and in behalf of a real estate broker without first securing
10 an authorized permit as real estate salesperson for the real estate broker and/or
11 company he is working for as prescribed by the Board. A real estate broker shall
12 be guilty of violating this Act for employing or utilizing the services of a real estate
13 salesperson who has not secured the required professional license prior to such
14 employment.

15 **SEC. 30. *Corporate Practice of the Real Estate Service.*** –

16 (a) No partnership or corporation shall engage in real estate service
17 practice unless it is duly licensed by the Board and registered with the
18 Securities and Exchange Commission (SEC), and the persons
19 authorized to act for the partnership or corporation are all duly
20 licensed as brokers, appraisers or consultants, as the case may be.

21 The partnership or corporation shall regularly submit a list of its real
22 estate service practitioners to the Commission and to the SEC as part
23 of its annual reportorial requirements.

24 (b) Divisions or departments of corporations and partnerships engaged in
25 marketing or selling any real estate development project in the regular
26 course of business must be headed by a full-time licensed real estate
27 broker.

28 In case of resignation or termination from employment of a real estate
29 service practitioner, the same shall be reported by the employer to the Board

1 within a period not to exceed fifteen (15) days from the date of effectivity of the
2 resignation or termination.

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

8 SEC. 31. **Display of License in the Place of Business.** – Every licensed
9 real estate service practitioner shall establish and maintain a principal place of
10 business and such other branch offices as may be necessary and shall
11 conspicuously display therein the original and/or certified true copies of his/her
12 certificate of registration/professional license as well as the licenses of all real
13 estate service practitioners employed in such office.

14 SEC. 32. **Accreditation and Integration of Real Estate Service**
15 **Practitioners.** – All real estate service practitioners shall be integrated into one
16 national organization, which shall be recognized by the Board as the one and
17 only accredited and integrated professional organization of real estate service
18 practitioners. A real estate service practitioner duly registered with the Board
19 shall automatically become a member of the accredited and integrated
20 professional organization of real estate service practitioners and shall receive the
21 benefits and privileges appurtenant thereto. Membership in the accredited and
22 integrated professional organization of real estate service practitioners shall not
23 be a bar to membership in other associations of real estate service practitioners.

24 SEC. 33. **Code of Ethics for Real Estate Service Practitioners.** – The
25 Board shall adopt and promulgate the Code of Ethics for Real Estate Service
26 Practitioners which shall be prescribed and issued by the accredited and
27 integrated professional organization of real estate service practitioners.

28 SEC. 34. **Continuing Professional Education (CPE) Program.** – The
29 CPE guidelines shall be prescribed and promulgated by the Board upon

1 consultation with the accredited and integrated professional organization of real
2 estate service practitioners, affiliated association of real estate practitioners, and
3 other concerned sectors, and in accordance with such policies as may have been
4 prescribed in coordination with the Commission on Higher Education (CHED).
5 The Board shall create a CPE Council that shall be composed of a chairperson
6 coming from the Board, a member from the accredited and integrated
7 professional organization of real estate service practitioners and a member from
8 the academe.

9 ARTICLE V

10 PENAL AND FINAL PROVISIONS

11 SEC. 35. **Penal Provisions.** – Any violation of this Act, including
12 violations of implementing rules and regulations, shall be meted the penalty of a
13 fine of not less than One Hundred Thousand Pesos (P100,000.00) , or
14 imprisonment of not less than two (2) years, or both such fine and imprisonment
15 upon the discretion of the court. In case the violation is committed by unlicensed
16 realty service practitioners, the penalty shall be double the aforesaid fine and
17 imprisonment.

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

23 In case the offender is a government official or employee, he/she shall, in
24 addition to the above penalties, be deemed automatically dismissed from office
25 and permanently disqualified from holding any elective or appointive position.

26 SEC. 36. **Appropriations.** – The chairperson of the Professional
27 Regulation Commission shall immediately include in the Commission's programs
28 the implementation of this Act, the funding of which shall be included in the
29 annual General Appropriations Act and thereafter.

1 SEC. 37. **Transitory Provision.** – Within ninety (90) days after the
2 effectivity of this Act, the Department of Trade and Industry (DTI) shall transfer all
3 pertinent records, documents, and other materials to the Professional Regulatory
4 Board of Real Estate Service.

5 SEC. 38. **Implementing Rules and Regulations.** – Within ninety (90)
6 days after the effectivity of this Act the Commission, together with the Board, the
7 accredited and integrated professional association of real estate service
8 practitioners, and the Commission on Higher Education shall prepare the
9 necessary rules and regulations, including the code of ethics for real estate
10 service practitioners, needed to implement the provisions of this Act.

11 SEC. 39. **Separability Clause.** – If any clause, sentence, paragraph or
12 part of this Act be declared unconstitutional or invalid, such judgment shall not
13 affect, invalidate or impair any other part of this Act.

14 SEC. 40. **Repealing Clause.** – All laws, decrees, executive orders,
15 memorandum orders, and other administrative issuances and parts thereof which
16 are inconsistent with the provisions of this Act are hereby modified, superseded
17 or repealed accordingly.

18 SEC. 41. **Effectivity** . - This Act shall take effect fifteen (15) days
19 following its publication in the Official Gazette or in a major daily newspaper of
20 general circulation in the Philippines.

Approved,