

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

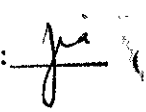


Senate
Office of the Secretary

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SENATE

S. No. 1525

RECEIVED BY: 

Introduced by Senator FRANCIS G. ESCUDERO

EXPLANATORY NOTE

Real property right is unique because there are multiple "rights" associated with each piece of property. In our jurisdiction, the following rights, among others, are accorded by law to an owner of a land: right to sell, right to lease, right to use, right to possess and right to acquire mineral.

Our system of property registration as embodied in Presidential Decree (PD) No. 1529, as amended, covers this bundle of rights under real property right. However, the system of registration, especially on lease on registered property is limited only to registration by annotation, which is the inscription of a memorandum on the original certificate title of property and the owner's duplicate.

This bill proposes to expand this system of registration, especially on lease on registered lands by authorizing the issuance of certificates of lease. It is by virtue of this certificate that a lessee, like a certificate of title to an owner, may be able to prove the existence of the lease. True, Section 52, PD No. 1529 provides that a registration of lease in the Register of Deeds is a constructive notice to all persons from the time of such filing or registering. However, with this proposal it is not only notice but with an indefeasible proof of lease as well that are provided for to safeguard the right of a lessee.

Passage of this bill is thus submitted for deliberation.

FRANCIS G. ESCUDERO

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AN ACT
ESTABLISHING A SYSTEM OF REGISTRATION FOR LEASE
ON REGISTERED LANDS

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

1 **SECTION 1.** *Short Title.* This Act shall be known as the "*Property Lease*
2 *Registration Act.*"

3 **SEC. 2.** *Registration.* Upon presentation for registration of a lease
4 contract or agreement together with the owner's duplicate certificate, the
5 Register of Deeds shall enter upon the original of the certificate of title and also
6 upon the owner's duplicate certificate a memorandum thereof, the date and time
7 of filing and the file number assigned to the contract or agreement, the number
8 of the issued certificate of lease, and shall sign the said memorandum. He or she
9 shall also note on the contract or agreement the date and time of filing and a
10 reference to the volume and page of the registration book in which it is
11 registered.

12 The Register of Deeds shall issue a certificate of lease in the name of the
13 lessee with complete reference to the certificate of title of the registered land so
14 leased and the details on the terms and conditions of the lease.

15 **SEC. 3.** *Discharge or Cancellation.* A lease on registered land may be
16 discharge or canceled by means of an instrument executed by the lessee in a form
17 sufficient in law, which shall be filed with the Register of Deeds who shall cause
18 the cancellation of the certificate of lease and make the appropriate
19 memorandum upon the certificate of title.

1 **SEC. 4.** *Amendatory Clause.* All laws, presidential decrees, executive
2 orders, proclamations and/or administrative regulations, specifically Sections 54,
3 60, 61 and 62 of Presidential Decree No. 1529, as amended, which are inconsistent
4 with the provisions of this Act are hereby amended, modified, superseded or
5 repealed accordingly.

6 **SEC. 5.** *Implementing Rules and Regulations.* The Land Registration
7 Authority in coordination with other agencies of government concerned shall
8 within ninety (90) days from the effectivity of this Act promulgate the required
9 rules and regulations for the effective implementation of this Act.

10 **SEC. 6.** *Separability Clause.* If any provision or part hereof is held
11 invalid or unconstitutional, the remainder of the law or the provision not
12 otherwise affected shall remain valid and subsisting

13 **SEC. 7.** *Effectivity Clause.* This Act shall take effect fifteen (15) days
14 from its publication in the Official Gazette or at least two newspapers of national
15 circulation.

16 *Approved,*