Republic of the Philippines
DEPARTMENT of AGRARIAN REFORM

ADMINISTRATIVE ORDER NO. 9
Series of 1990

SUBJECT: REVISED RULES GOVERNING THE ACQUISITION OF AGRICULTURAL LANDS SUBJECT OF VOLUNTARY OFFER TO SELL AND COMPULSORY ACQUISITION PURSUANT TO RA 6657.

I. PREFATORY STATEMENT

A. These rules are hereby prescribed to ensure the smooth and expeditious acquisition of agricultural lands covered by the Comprehensive Agrarian Reform Program pursuant to RA 6657.

II. COVERAGE

A. These rules cover Voluntary Offer to Sell (VOS) and Compulsory Acquisition (CA) transactions involving lands enumerated under Section 7 of RA 6657.

1. Voluntary Offer to Sell (VOS)
   (a) All private agricultural lands voluntarily offered by landowners for sale to the government.
   (b) All other agricultural lands transferred to the DAR pursuant to Executive Order No. 407 dated June 14, 1990.

2. Compulsory Acquisition (CA)
   (a.) All idle and/or abandoned agricultural lands regardless of size;
   (b.) All agricultural lands other than those voluntarily offered.
   (c.) All private agricultural lands which became due for coverage under Compulsory Acquisition according to the priorities defined in Section 7 of RA 6657.

III. POLICY

A. All landowners whose lands are subject for coverage under RA 6657 may voluntarily offer their lands for sale to the government. However, lands upon which notices of coverage have already been sent by the government and received by the landowner shall no longer be eligible for classification as voluntarily offered lands.

B. All lands which are voluntarily offered for sale to the government, except lands within the retention limits, may no longer be withdrawn and shall immediately fall under Phase I, as provided for in Section 7 of RA 6657.

C. If the land is tenanted, the farmer-beneficiaries shall continue to pay lease rentals based on a leasehold agreement provided for under Administrative Order No. 4, series of 1989, until such time as the landowner signs the Deed of Transfer or the Land Bank of the Philippines establishes a Trust Fund in the landowner's name, as the case may be.

D. The compensation for the land shall be the value determined by the LBP or the value set under summary proceedings by the DARAB or as may finally be determined by the Special Agrarian Court.

E. Landowners, other than banks and other financial institutions, who voluntarily offer their lands for sale shall be entitled to an incentive of an additional five percent (5%) cash payment pursuant to Section 19 of RA 6657.

IV. OPERATING PROCEDURES

RESPONSIBILITY	ACTIVITY	APPLICABILITY VOS	CA
A. LANDOWNER			
1.	Accomplishes the Letter of Intent (CARP Form No. 1) and Landowner's Information Sheet (CARP Form No. 1.1) and submits them to any DAR Unit (MARO, PARO, RARO, DARCO), together with the following basic ownership documents:	X	
	(a.) For Titled Property -		
	1. Copy of title (OCT/TCT) covering the land offered for sale with all pages duly authenticated by the Register of Deeds (ROD) as the exact copy of what is on file with his office. If the title is not yet in the name of the landowner/offeror, submits instruments of acquisition such as Deed of Sale, Deed of Donation, etc., to establish his ownership of the land. In instances where the title in the custody of the ROD was lost or otherwise destroyed, and the original copy of the title has not been reconstituted, ROD shall issue a certification to that effect.	X	
	2. Copy of Tax Declaration in the name of the landowner/offeror issued before August 29, 1987 duly certified by the Assessor.	X	
	3. Copy of the Approved Survey Plan or Plan of the property prepared and approved by a licensed Geodetic Engineer.	X	

4. Copy of Sworn Statement of Landowner's Registration (LISTASAKA I or II), if any. X

5. Other requirements as may be applicable to a particular case (refer to Annex "A"). X

(b.) For Untitled Properties -

1. Xerox copy of Deed of Sale/Transfer duly certified by the ROD/ Assessor and/or other instruments of acquisition covering the subject property for a period of at least ten (10) years. X

2. Copy of Tax Declaration issued before August 29, 1987 duly certified by the Assessor. X

3. Approved Survey Plan and Technical Description in narrative form. X

4. Copy of Sworn Statement of Landowner's Registration (LISTASAKA I or II), if any. X

5. Affidavit of Landowner that the property is not subject of adverse claim of third parties. X

6. Certification of the Clerk of Court concerned whether or not the property has been the subject of land registration cases, cadastral proceedings, and status of the case, if any. X

7. Certification from the Department of Environment and Natural Resources (DENR):

a) stating that the subject property is not within any civil, military, or watershed reservation, national park, or timber or mineral land and whether the same has been classified as alienable and disposable X

b) stating the cadastral claimant, if any, of the subject property X

c) stating whether or not there has been an application for the acquisition of the subject property under Commonwealth Act No. 141, as amended, and status if any X

8. Certification of the Register of Deeds & the Provincial Assessor concerned to the effect that subject property is free from all liens and encumbrances X

9. Certification of the Land Registration Administration (LRA) that the subject property as indicated in the approved survey plan is not within any titled or decreed property X

10. Proof of Publication of Cautionary Notice. X

All VOS letters and documents submitted by the landowner must be forwarded to the Municipal Agrarian Reform Office concerned.

B. MARO

1.	Receives the duly accomplished CARP Form Nos. 1 & 1.1 including supporting documents.	X	
2.	Gathers basic ownership documents listed under 1.a or 1.b above and prepares corresponding VOCF/CACF by landowner/landholding.	X	X
3.	Notifies/invites the landowner and representatives of LBP, DENR, BARC and prospective beneficiaries of the schedule of the ocular inspection/investigation of the property at least one week in advance.	X	X
4.	**MARO/LAND BANK FIELD OFFICE/BARC**		
	(a.) Identify the land and landowner, and determine the suitability for agriculture and productivity of the land and jointly prepare Field Investigation Report (CARP Form No. 2), including the Land Use Map of the property.	X	X
	(b.) Interview applicants and assist them in the preparation of the Application For Potential CARP Beneficiary (RA 6657) (CARP Form No. 3).	X	X
	(c.) Screen prospective farmer-beneficiaries and for those found qualified, cause the signing of the respective Application to Purchase and Farmer's Undertaking (CARP Form No. 4).	X	X
	(d.) Complete the Field Investigation Report based on the result of the ocular inspection/investigation of the property and documents submitted. See to it that Field Investigation Report is duly accomplished and signed by all concerned.	X	X

5. **MARO**

(a.) Assists the DENR Survey Party in the conduct of a boundary/subdivision survey delineating areas covered by OLT, retention, subject of VOS, CA (by phases, if possible), infrastructures, etc., whichever is applicable. X X

(b.) Sends Notice of Coverage (CARP Form No. 5) to landowner concerned or his duly authorized representative inviting him for a conference. X

(c.) Sends Invitation Letter (CARP Form No. 6) for a conference/public hearing to prospective farmer-beneficiaries, landowner representatives of BARC, LBP, DENR, DA, NGOs, farmers' organizations and other interested parties to discuss the following matters: X X

Result of field investigation

Inputs to valuation

Issues raised

Comments/recommendations by all parties concerned.

(d.) Prepares Summary of Minutes of the conference/public hearing to be guided by CARP Form No. 7. X X

(e.) Forwards the completed VOCF/CACF to the Provincial Agrarian Reform Office (PARO) using CARP Form No. 8 (Transmittal Memo to PARO). X X

C. **PARO**

1. Reviews, evaluates and validates the Field Investigation Report and all pertinent forms and documents contained in the VOCF/CACF for completeness

	and consistency. Gathers all the additional required documents not available at the MARO level but may be obtained at the PARO level.	X	X
2.	If in order forwards completed VOCF/CACF to the RARO using CARP Form No. 9 (Transmittal Memo to RARO).	X	X
D.	**RARO**		
1.	Reviews the VOCF/CACF and supporting documents for completeness and consistency, and if found to be in order, approves and signs the Field Investigation Report.	X	X
2.	Prepares the Notice of Acquisition (CARP Form No.10 or 11 as the case may be) to be signed by the Regional Director or in his absence, by the duly designated official. Such notice shall be forwarded to the landowner concerned by personal delivery with proof of service or registered mail with return card.	X	X
3.	Forwards the VOCF/CACF to LBP through the Regional Manager using a DAR Memorandum to Value the land including improvements and facilities, if any. (CARP Form No. 12)	X	X
E.	**LBP REGIONAL OFFICE**		
1.	Reviews and evaluates the VOCF/CACF for completeness, consistency and document sufficiency; and thereafter determines the Land Valuation in accordance with the applicable guidelines.	X	X
2.	Gathers additional documents needed for a more appropriate land valuation.	X	X
3.	Prepares the Claim Folder Profile and Valuation Summary (CARP Form No.13) and forwards same to the proper approving officers of the Bank.	X	X

4. Notifies the DAR of the valuation, through a Memorandum of Valuation, enclosing a copy of the approved Claim Folder Profile and Valuation Summary (CARP Form No. 13). X X

F. **RARO**

1. Prepares and issues the Notice of Land Valuation to the landowner (CARP Form No. 13.1) together with the Memorandum of Valuation from LBP and a copy of the duly approved Claim Folder Profile and Valuation Summary, copy furnished the LBP Regional Office. At the same time a copy of this notice and memorandum shall be posted for at least one (1) week in the bulletin board at the provincial capitol, municipal hall and the barangay hall concerned. X X
2. If the landowner accepts the offered price, sends the Memorandum to LBP to prepare the Deed of Transfer and to pay the landowner (CARP Form No.14) enclosing the landowner's letter of acceptance. X X
3. If the landowner rejects the offered price or fails to reply within thirty (30) days from receipt of the Notice of Land Valuation, sends Memorandum to LBP to open a Trust Account in the name of the landowner, (CARP Form NO. 16) .and advises the DARAB through the Provincial Adjudicator, to conduct summary administrative proceedings pursuant to DAR Administrative Order No. 13 and Section 16 (d) of RA 6657. If the landowner disagrees with the valuation as determined by the DARAB through the Provincial Adjudicator, he may file the appropriate petition before the proper Court. X X
4. Upon receipt from LBP of the proof of the Trust Deposit, transmits to the Register of Deeds the Proof of Trust Deposit, owner's duplicate copy of

the title, (if available), and other applicable supporting documents with the request for the transfer of title of the acquired property to the Republic of the Philippines. (CARP Form No. 17) X X

G. **DARAB** through the Provincial Adjudicator

1. Upon receipt of advice from RARO, conducts summary administrative proceedings. X X
2. Renders decision and informs parties concerned of the same. X X

H. **RARO**

1. Fifteen (15) days after receipt of the decision of DARAB fixing the valuation, request the LBP to prepare the Deed of Transfer (CARP Form No. 15) for the signature of the landowner if he so accepts, otherwise, request the LBP to adjust the trust deposit to conform with the DARAB decision and accordingly informs the landowner. In the event the landowner signs the Deed of Transfer, LBP should transmit a copy to the Register of Deeds as additional support to the transfer of title in favor of the Republic of the Philippines. X X

I. **REGISTER OF DEEDS (ROD)**

1. Registers the Deed of Transfer (DOT) and issues a new title in the name of the RP, free from liens and encumbrances. X X
2. After registration, forwards the owner's duplicate copy of title issued in the name of RP, to LBP Field Office. X X

J. **LBP**

1. Prepares payment release order for the payment to the landowner of the value of the land compensation. X X

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2. In case the land is encumbered, pays the mortgagee-bank/creditor or establishes a trust account in the name of the mortgagee-bank if it refuses to accept LBP bonds as payment. X X

3. After the landowner's compensation is paid, forwards to RARO a xerox copy of the new title in the name of the RP, together with certified copy of the Deed of Transfer. X X

K. **RARO**

1. Forwards to PARO the certified copy of the Deed of Transfer and the TCT, together with the Memorandum of the Regional Director instructing him to take over physical possession of the land and proceed with the distribution of the same in favor of the qualified beneficiaries. X X

V. TRANSITORY PROVISIONS

All Voluntary Offers to Sell and Compulsory Acquisition transactions for which no valuation or payment has been made by the LBP as of the effectivity of this Order shall be subject to land valuation by the LBP pursuant to Executive Order No. 405 dated June 14, 1990.

VI. AMENDMENT CLAUSE

This Order amends DAR Administrative Order Nos. 12, 14 and 17, Series of 1989. All other issuances inconsistent herewith are hereby modified or repealed accordingly.

VII. EFFECTIVITY

This Order shall take effect ten (10) days after its publication in two (2) newspapers of general circulation pursuant to Section 49 of RA 6657.

Quezon City, Metro Manila
August 30, 1990

BENJAMIN T. LEONG
Secretary

ANNEX "A"

LIST OF DOCUMENTS REQUIRED UNDER RA 6657
UNDER DIFFERENT SITUATIONS

I. COMMON TO ALL LANDOWNERS

1. DOCUMENTS TO PROVE OWNERSHIP OF PROPERTY

TITLES --- for titled properties; or

TAX DECLARATIONS and

DEEDS OF ACQUISITIONS --- for untitled properties;

NOTE: FOR DETAILS, SEE BELOW

2. TAX DECLARATION/S

2.A. FOR THE LAND- must be based on the unit value implemented before August 29, 1987; issued before 8-29-87;

2.B. FOR PERMANENT IMPROVEMENTS (if any)- pertinent data like dates and costs of constructions, etc. must be indicated.

COMMON TO BOTH TAX DECLARATIONS:

- must be in the name of the registered owner;
- must be duly certified by the Assessor concerned;

3. **Plan of the property** - if the whole property is offered/covered, plan must be duly certified by a licensed geodetic engineer; or

SUBDIVISION SURVEY PLAN -, if the property is partly offered by only a co-owner or if property is partly covered, plan must be duly approved by the DENR.

4. CURRENT RESIDENCE CERTIFICATE of the LANDOWNER-OFFEROR OR CLAIMANT.

5. LISTASAKA I OR II

6. LETTER-OFFER --- if under VOS

7. REGISTER OF DEEDS CERTIFICATION stating that the property is free from all liens and encumbrances;

NOTE: EXISTING ENTRIES APPEARING ON THE TITLE MUST BE DULY CANCELLED BEFORE PROPERTY WILL BE ACQUIRED AND PAID BY THE GOVERNMENT.

8. REAL ESTATE TAXES ON THE PROPERTY ---

STATEMENT OF TAX DELINQUENCY --- if taxes are not fully paid, years unpaid and total amounts of delinquency must be indicated; or

REAL ESTATE TAX CLEARANCE --- if taxes are fully paid up to the current/present year, years paid must be indicated.
Note: Cut-off date of tax payment is the date of issuance of new title in the name of the Republic of the Philippines.

II. WHERE THE PROPERTY IS TITLED

1. TITLE---- (1) for preliminary identification of the property, copy of the title must be:

- duly certified by the Register of Deeds;
- clear and legible, complete in pages;
- in the name of the landowner/offeror or claimant; or if not yet in the name of the offeror, copy of deed of transfer, donation, or others, must be submitted, subject to the provisions of paragraph 4, Section 6 of RA 6657.

(2) for payment purposes, the Owner's Duplicate copy of the title must be:

- free from all liens and encumbrances;
- must be registered in the name of the offeror or claimant; and
- must be surrendered to the LBP.

III. WHERE THE PROPERTY IS UNTITLED

1. TAX DECLARATION covering the subject property showing the lot number and area of the property; must be certified by the Assessor concerned;

2. APPROVED SURVEY PLAN AND TECHNICAL DESCRIPTION (in narrative form) of the property duly approved by the DENR;

3. AFFIDAVIT OF LANDOWNER that the subject property is exclusively owned by him and not subject of adverse claim of third parties;

4. CERTIFICATION OF THE CLERK OF COURT concerned whether or not the subject property has been the subject of land registration cases, cadastral proceedings, and status of the case, if any;

5. CERTIFICATION FROM THE DEPT. OF ENVIRONMENT AND NATURAL RESOURCES (DENR):

   a) stating that the subject property is not within any civil, military, or watershed reservation, national park, or timber or mineral land and whether the same is alienable and disposable;

   b) stating the cadastral claimant, if any, of the subject property;

   c) stating whether or not there has been application for the acquisition of the subject property under Commonwealth Act No. 141, as amended, and status, if any;

6. CERTIFICATIONS OF THE REGISTER OF DEEDS & THE PROVINCIAL ASSESSOR concerned to the effect that subject property is free from all liens and encumbrances;

7. CERTIFICATION OF THE LAND REGISTRATION AUTHORITY (LRA) that the subject property as indicated in the approved survey plan is not within any titled or decreed property;

8. INSTRUMENT OF ACQUISITION covering the subject property, such as Deed of Sale, donation, transfer, etc.;

9. PROOF OF PUBLICATION OF CAUTIONARY NOTICE (Form to be prepared by LBP).

IV. WHERE THERE ARE PERMANENT IMPROVEMENTS IN PROPERTY

1. APPRAISAL REPORT --- to be submitted by LBP;

2. TAX DECLARATIONS for such improvements--- to be submitted by the landowner;

3. CERTIFICATIONS from proper government agency or other offices concerned--- if there are any adverse report about any road or infrastructures built in the property.

V. WHERE THE PROPERTY IS INCOME-PRODUCING

1. AUDITED FINANCIAL STATEMENTS OF LANDOWNERS ---if available;

2. STATISTICS FROM GOVERNMENT/OTHER ACCREDITED PRIVATE AGENCIES

3. INTERVIEWS/CERTIFICATIONS FROM FARMER-BENEFICIARIES ON PRODUCTION --- must be duly verified/validated from the neighborhood or from disinterested parties.

NOTE: Only No. 1 document is submitted by the landowner
Documents 2 & 3 are secured by the DAR and/or LBP

VI. WHERE THE LANDOWNER IS A MINOR OR OTHERWISE INCAPACITATED

According to the FAMILY CODE (EO-209 as amended by EO 227) the father and the mother shall jointly exercise legal guardianship of their unemancipated common child without the necessity of a court appointment.
Where the market value of the property or the annual income of the child exceeds P50,000.00 the parent concerned shall be required to furnish a bond on such amount as the court may determine.

VII. WHERE THE LANDOWNER IS A CORPORATION OR PARTNERSHIP

1. Authenticated copies of the ARTICLES OF INCORPORATION & BY-LAWS OF THE CORPORATION or PARTNERSHIP with Certificate of Registration from the Securities and Exchange Commission (SEC);

2. BOARD RESOLUTION - in case of a corporation, duly authenticated or an appropriate Secretary's certificate duly notarized, appointing a particular person to dispose the subject property and to sign land transfer documents;

3. CURRENT RESIDENCE CERTIFICATES of the authorized representative and the Corporation.

VIII. WHERE THE PROPERTY IS MORTGAGED

1. UPDATED STATEMENT OF ACCOUNT from creditors--- if loan or mortgage obligation is not yet fully paid or released;

2. UPDATED/MORTGAGE LOAN VALUE or APPRAISAL VALUE OF THE PROPERTY AS OF DATE OF OFFER.

3. RELEASE OF MORTGAGE from creditors --- if loan or mortgage is already paid but not yet cancelled in title; or when loan shall be deducted from proceeds of claim; must be registered

IX. WHERE THE PROPERTY IS FORECLOSED

1. If the property was foreclosed and the redemption period has not yet lapsed and the title has not yet been consolidated in the name of the mortgagee-bank, the LATTER'S CONFORMITY to have the landowner re-acquire the property; and

2. COPY OF THE DEED OF RECONVEYANCE issued by the mortgagee-bank duly registered and annotated in the title.

X. WHERE THE LANDOWNER IS DECEASED

1. EXTRA-JUDICIAL SETTLEMENT OF ESTATE

1.A) DEED OF EXTRA-JUDICIAL SETTLEMENT OF ESTATE-- must be:

- executed by all the heirs concerned;
- published in a newspaper of general circulation for at least three (3) consecutive weeks;
- registered with the Register of Deeds concerned and annotated in the title (if titled).

1.B) BIR TAX CLEARANCE as to payment of estate taxes.

1.C) CERTIFICATE OF PUBLICATION of the Deed of Extra-Judicial Settlement of Estate by the Publisher.

NOTE: 1.B AND 1.C documents are requirements of the Register of Deeds (not of the DAR or LBP) before the Deed of Extra-Judicial Settlement is registered.

2. JUDICIAL SETTLEMENT OF ESTATE

2.A) SPECIAL PROCEEDINGS STILL PENDING

2.A.1. LETTERS OF ADMINISTRATION/LETTERS TESTAMENTARY issued by a competent court;

2.A.2. OATH OF OFFICE of the Administrator or Executor;

2.A.3. COURT AUTHORITY for the Administrator or Executor to dispose subject property under RA 6657 and registration thereof.

2.B) SPECIAL PROCEEDINGS ALREADY TERMINATED

2.B.1. PROJECT OF PARTITION of the estate of the deceased duly approved by a competent court and registered.

3. CONFORMITY OF ALL THE HEIRS to the partition/settlement of the estate of the deceased.

4. DEATH CERTIFICATE OF THE DECEASED certified by the Local Civil Registrar.

XI. WHERE THE PROPERTY IS CO-OWNED BY SEVERAL CO-OWNERS

1. Under VOS, if a co-owner voluntarily offers his share only--- or under CA, the portion under coverage---

   A) SUBDIVISION SURVEY PLAN showing portion of his share offered, if under VOS; if under CA, portion showing area covered (after determining share per co-owner);

   B) TECHNICAL DESCRIPTION/S OF THE LOT/S SURVEYED --- must be in narrative form; duly approved by the DENR;

   C) PARTITION AGREEMENT regarding property's subdivision among all registered co-owners; must be duly registered and annotated in the title.

2. Under VOS, if the whole property is voluntarily offered---

   A) CONFORMITY BY ALL THE REGISTERED OWNERS to offer or to sell the property under RA 6657 (VOS); or in lieu of this document, all the registered owners must sign the letter-offer and the Deed of Transfer in favor of the government.

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