



Republika ng Pilipinas
MINISTRI NG REFORMANG MANG PANSAKAHAN
 (Ministry of Agrarian Reform)
 Tanggapan ng Minister
 Diliman, Lungsod ng Quezon
 Pilipinas, D-505

In reply, please address:
THE MINISTER
 Ministry of Agrarian Reform
 P.O. Box No. 2993
 Manila

MEMORANDUM CIRCULAR NO. 7¹⁸⁶
 Series of 1986

PP 6-13-86

SUBJECT: GUIDELINES ON THE CONDONATION OF ACCRUED INTERESTS ON OVERDUE AMORTIZATION PAYMENTS AND/OR RENTALS BY AGRARIAN REFORM BENEFICIARIES IN LANDED ESTATES

With the view to alleviate the farmers from economic difficulties, the following guidelines are hereby issued to govern the condonation of accrued interests on overdue amortization payments and/or rentals in landed estates acquired under C.A. 539 R.A. 1400, as amended and R.A. 3844, as amended, pursuant to Executive Order No. 1083 dated January 28, 1986:

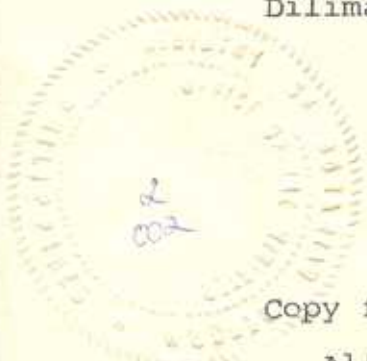
- a. Accrued interest on overdue amortization payments refers to the interest on the unpaid lot principal, which is equivalent to six per centum (6%) per annum of the unpaid cost of the lot. A farmer who is required to pay interest on unpaid lot principal is a promisee in agreement to sell.
- b. Rental refers to the amount due and demandable from farmers for the use and occupation of the lot from the date of acquisition or occupation until the execution of agreement to sell/deed of sale.
- c. Condoned Interest and Rentals

All accrued interests on overdue amortization and/or rentals incurred by agrarian reform beneficiaries in landed estates as of December 31, 1985 are condoned.

- d. All payments under protest and deposits made by farmers should be applied to lot principal.

This Order shall take effect immediately.

Diliman, Quezon City June 12, 1986



[Handwritten Signature]
HEHERSON T. ALVAREZ
 Minister

Copy furnished:

All offices, personnel concerned.