



REPUBLIKA NG PILIPINAS  
MINISTRI NG REFORMANG PANSAKAHAN  
(MINISTRY OF AGRARIAN REFORM)  
TANGGAPAN NG MINISTER  
DILIMAN, LUNGSOD NG QUEZON

In Reply, Please Address:

THE MINISTER  
Ministry of Agrarian Reform  
P. O. Box No. 2681  
Manila

MINISTRY MEMORANDUM CIRCULAR NO. 10-82  
Series of 1982

TO : All MAR Regional Directors  
District Officers  
Team Leaders and Fieldmen  
All Concerned

SUBJECT : POLICY GUIDELINES ON OPERATION HOMELOT  
TRANSFER PURSUANT TO LOI 705

Under Letter of Instruction No. 705, the President directed the transfer of the homelots actually occupied by tenant-farmers who are, or may be, beneficiaries of the Operation Land Transfer Program under Presidential Decree No. 27.

For effective implementation of the directive, the following guidelines are hereby issued for the information and guidance of all concerned:

I. Homelot

This shall apply to homelots actually occupied by tenant-farmers who are, or may be, beneficiaries of the Land Transfer Program under PD No. 27. For this purpose, a homelot shall mean that contiguous area where the farmer-beneficiary has established his permanent dwelling, including the area utilized for raising vegetables, poultry, pigs and other animals or for engaging in home industries.

II. Beneficiaries

1.0 Farmer-beneficiaries whose farmlots are covered by OLT under PD No. 27.

"Hindi na matatalikuran pa ang pagbabagong-ayos ng pananakahan. Higit kong pangarap na makita ang ating mga magsasaka na pag-aari ang lupang kanilang binubungkal." Pangulong MARCOS

- 1.1 Farmer-beneficiaries whose farmlots are covered by OLT under LOI 474.
- 1.2 Farmer-beneficiaries whose farmlots are covered by OLT pursuant to MAR Memorandum Circular No. 2, Series of 1978.
- 1.3 Farmer-beneficiaries whose farmlot are under leasehold but voluntarily offered by landowners for OLT coverage.

### III. Landowners Covered

- 1.0 Landowners whose landholdings are covered by OLT under PD No. 27.
  - 1.1 Landowners whose landholdings are covered by OLT under LOI 474.
  - 1.2 Landowners whose landholdings are covered by OLT pursuant to MAR Memorandum Circular No. 2, Series of 1978.
  - 1.3 Landowners whose landholdings are under leasehold but voluntarily offered for OLT coverage.
- 2.0 Landowners whose landholdings are occupied by farmer-beneficiaries as homelots which are situated within the vicinity of their respective farmlots.

### IV. Location and Size of Homelot

The homelot actually occupied by the farmer-beneficiary, whether located inside or outside the farmlot, shall be transferred to him, provided that the area to be transferred shall not exceed one-thousand (1,000) square meters. If the area actually occupied exceeds the maximum area fixed herein, the acquisition of such excess area shall be the subject of a separate private transaction between the landowner and the farmer-beneficiary.

### V. Valuation/Compensation for the Homelot

- 1.0 In the following cases, the price of the homelot

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shall be computed on the basis of the price of the farmlot transferred to the farmer-beneficiary under PD No. 27.

- 1.1 Homelot is located inside the farmlot.
  - 1.2 Homelot is located outside the farmlot but within the landholding owned by the same landowner.
  - 1.3 Homelot is located in another parcel of a landholding owned by the same landowner, or where same landowner has an interest in fee simple, but within reasonable distance or in the "vicinity" of the farmlot. For this purpose, reasonable distance shall mean a distance of not more than five (5) kilometers from the farmlot of the farmer-beneficiary to his homelot.
- 2.0 In the following cases, the price of the homelot shall be agreed upon between the farmer-beneficiary and the landowner which price shall be consistent with the provisions of LOI No. 705.
- 2.1 Homelot is outside the five (5) kilometer radius but owned by the same landowner.
  - 2.2 Homelot is located within the five (5) kilometer radius from the farmlot but owned by another person.
  - 2.3 Homelot is located outside the five (5) kilometer radius owned by another person but voluntarily offered.
- 3.0 Any permanent improvement introduced by the landowner on the homelot being utilized directly, solely by the farmer-beneficiary may at the option of the latter be transferred to him, the valuation of which shall be the subject of agreement between them and added to the value of the homelot.



- 4.0 Transfer of ownership of the homelot after October 21, 1972 to any person other than the farmer-beneficiary, shall not in any manner affect the valuation thereof pursuant to LOI No. 705 and this circular.

VI. Expropriation of Homelots

In case of disagreement, the Ministry of Agrarian Reform upon written request of the farmer-beneficiary, may acquire through expropriation said homelot for resale at cost to the latter in accordance with the provisions of Republic Act No. 3844 as amended, PD No. 76, PD No. 251, as amended, and other applicable pertinent laws.

VII. Mode of Payment/Manner and Period of Repayment by Farmer-Beneficiary

1.0 Direct Payment

- 1.1 On the basis of the price established for the homelots, the landowner and farmer-beneficiary may agree on a direct payment scheme either in kind or in cash, provided that the landowner submits legal evidence of ownership of such landholding which should be free from liens or encumbrances. All effort should be exerted to encourage landowners and farmer-beneficiaries to enter into direct payment scheme.

2.0 Payment through LBP

- 2.1 At the option of the landowners, LBP shall finance the total value of the homelots transferred to the farmer-beneficiaries subject to existing laws, decrees, rules and regulations and related issuances.
- 2.2 The total cost of the homelot including interest at the rate of six (6) percentum per annum shall be paid by the farmer-beneficiary in fifteen (15) years of fif-

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teen (15) equal annual amortization, provided, however, that the farmer-beneficiary shall have the option to accelerate such amortization payments.

VIII. Survey of Homelot

Final land survey shall be undertaken in accordance with MAR existing policies and procedures.

IX. Titling/Documentation

An Emancipation Patent shall be issued to the farmer-beneficiary covering the homelot upon full payment of the value thereof.

X. Previous Agreements/Contracts Regarding Transfer of Homelots

Deeds of Transfer involving homelot covered by a Torrens Certificate of Title duly executed by the landowner and farmer-beneficiary and registered with the Registry of Deeds prior to the issuance of LOI 705 shall be respected.

Deeds of Transfer/Agreements/Contracts, executed and duly registered with the Registry of Deeds after the issuance of LOI 705, shall be subject to the limitation of the transferrability as provided for under PD 27. Said Deed of Transfers/Agreements/Contracts, shall be submitted to the team office concerned.

In all other cases, a copy of such Contract/Agreement/Deed of Transfer shall be submitted to the Team Office concerned and on the basis of which Emancipation of Patents shall be issued to the farmer-beneficiary.

XI. Payment of Realty Taxes for Homelot

The farmer-beneficiary shall be liable for the payment of the realty tax assessable on the homelot beginning calendar year 1973, provided that where the homelot is owned by another landowner referred



to under No. III, 2.0 hereof, the liability shall begin the Calendar Year 1979.

Farmer-beneficiary whose farmlots are covered by OLT pursuant to MAR Memo. Circular No. 2, Series of 1978 shall be liable for the payment of the realty tax assessable on the homelot beginning calendar year following the date of the Order of Placement.

Farmer-beneficiary whose farmlots are under leasehold but voluntarily offered by landowner for OLT coverage shall be liable for the payment of the realty tax assessable on the homelot beginning calendar year following the date of the offer.

XII. Relocation of Homelot

Subject to mutual agreement of the landowner and the farmer-beneficiaries, the homelot sites may be relocated in another area.

XIII. Limitation to Title of Ownership of Homelots

Title to homelots acquired pursuant to LOI No. 705 and this circular shall not be transferrable except by hereditary succession or to the government.

XIV. Maintenance of Status Quo


Pending the acquisition of the homelot, the farmer-beneficiary shall not be removed, ejected or ousted therefrom and his peaceful possession thereof shall be preserved and maintained at all times.

XV. Effectivity

This Memorandum Circular shall amend Ministry Memorandum Circular No. 23, Series of 1978, and all other related issuances inconsistent herewith, and shall take effect immediately.

Please be guided accordingly.

Diliman, Quezon City, October 21, 1982.

  
CONRADO F. ESTRELLA  
Minister