

[EXECUTIVE ORDER NO. 132, December 27, 1937]

**PROCEDURE TO BE FOLLOWED IN THE ACQUISITION OF
PRIVATE PROPERTY FOR PUBLIC USE AND CREATING
APPRAISAL COMMITTEES**

Whenever it is necessary for the Government of the Philippines or any provincial, city, or municipal government, to exercise the power of eminent domain to acquire private property for public use, the following procedure shall be followed:

(a) The Director of Public Works, city or district engineer or other official concerned, shall make the necessary negotiations with the owner of the property needed for public use with a view to having it donated, or sold to the Government at not to exceed the assessed valuation prior to the investigation and survey of the object.

(b) If the negotiations fail, the official concerned shall forthwith, and by formal notification submit the matter to an appraisal committee which is hereby created and which shall be composed of the provincial treasurer, as chairman and the district engineer and the district auditor, as members, of the province where the land is located. If the property is situated in a chartered city, the appraisal committee shall be composed of the city treasurer, as Chairman, and the city engineer and the city auditor, as members.

The committee shall endeavor to secure complete data to ascertain the real or market value of the property to be acquired. The committee is authorized to hold public hearings and make such other investigation as may be deemed necessary. Upon the completion of the investigation and not longer than sixty days after the receipt of notification by the chairman, the committee shall submit a report to the provincial board, city or municipal council or National Government official concerned with recommendation as to whether the property should be purchased at the prices determined upon by the committee and approved by the owners, or condemnation proceedings instituted.

In determining the real or marked value of the property to be acquired for public use, the committee shall make efforts to ascertain the purchase price of the property to be acquired or of other property similarly conditioned in the same vicinity. It should also determine the consequential benefits that may be derived from the construction of the proposed improvement and the damages that may be caused by such improvement. In arriving at a fair valuation as contemplated by law, if the estimated damages exceed the estimated benefits, such excess should be added to the market value. On the other hand, if the estimated benefits exceed the probable damages, the difference shall be disregarded and the market price considered the fair valuation.

(c) If the recommendation of the appraisal committee is not acceptable to the