

[HLRB RESOLUTION NO. R-546, s. 1994, May 18, 1994]

ADOPTING THE RULES AND REGULATIONS ON BULK BUYING

WHEREAS, the Board has encountered instances of bulk buying where a single person or entity has purchased more than one saleable lot or unit within an HLRB-approved subdivision for the purpose of re-selling the same with or without the alteration of the approved plans;

WHEREAS, there is a need to protect the buying public from this practice as mandated under PD 957 and other related laws;

WHEREAS, a uniform basis is required for the Board's decision and action related to bulk buying,

WHEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED to adopt the following:

SECTION 1. Definition - Bulk Buying refers to the purchase by a person, natural, or juridical, of more than one saleable lot or unit within an HLRB-approved subdivision for the purpose of re-selling the same with or without introducing alteration on the approved plan.

SECTION 2. Bulk Buying as an Exempt Transaction - A bulk buyer of lots who disposes of the same lots through sale without any alteration as defined under PD 957 shall be considered subsequent sale under exempt transactions (Sec. 7 of PD 957) and therefore shall no longer be required to secure a license to sell from HLRB.

SECTION 3. Bulk Buying and Subsequent Sale of the Same Lots with Introduction/Construction of Housing Units or Structures

a. Bulk Buying of Lots and Subsequent Introduction of Housing Units or Structures on the Land - A bulk buyer of lots who constructs housing or other structures on the same lots without further subdividing the individually titled lots and without introducing any changes on the roads, water system, power facilities, drainage and other facilities reflected in the approved subdivision plan provided it conforms with the allowed density as per approved subdivision plan, shall be required to secure a locational clearance from HLRB or its depute. The liability for the completion/maintenance of roads and other facilities remains with the original owner/developer.

A bulk buyer constructing housing units/structures on the same lots resulting in increased density as provided for in the subdivision plan shall show proof of: 1) consent of the owner/developer of the subdivision and the majority of the lot buyers or the Home Owners Association (HOA); and 2) sufficiency of existing facilities as required under existing standards, rules and regulations.