

**[DAR ADMINISTRATIVE ORDER NO. 1 S. 1992,
January 07, 1992]**

**REVISED RULES AND PROCEDURES GOVERNING THE
DISPOSITION OF HOMELOTS AND OTHER LOTS IN BARANGAY
SITES AND RESIDENTIAL, COMMERCIAL AND INDUSTRIAL LOTS
IN TOWNSITES WITHIN DAR SETTLEMENT PROJECTS AND
SIMILAR OTHER AREAS UNDER DAR JURISDICTION**

I

Prefatory Statement

Under Section 51 of Republic Act No. 3844, as amended, the DAR is mandated to administer and dispose of agricultural lands of the public domain under the custody and administration of the defunct National Resettlement and Rehabilitation Administration (NARRA) and such other public agricultural lands as may thereafter be reserved by the President of the Philippines for resettlement and sale, in consonance with Republic Acts No. 1160, 730, 6657, Executive Order No. 292 and Administrative Order No. 100, dated 05 January 1968, subject to the provisions of Commonwealth Act No. 141, as amended. Certain public lands have also been transferred to the DAR by various agencies of the government pursuant to Executive Order No. 407, Series of 1991, as amended by Executive Order No. 448, Series of 1991.

Furthermore, Section 49, Republic Act 6657 provides that the DAR shall have the power to issue rules and regulations, whether substantive or procedural, to carry out the objects and purposes of said Act.

II

Coverage

This Administrative Order shall govern the manner and mode of disposition and titling of homelots and other lots in barangay sites and residential, commercial, and industrial lots in townsites within the DAR settlement projects and similar other areas under DAR's jurisdiction.

Barangay sites refer to specific areas in the rural portions of the municipality which are intended, earmarked or actually used by the inhabitants principally for residential purposes, and surveyed/subdivided for such uses. There may also be some lots for institutional, public, and other non-agricultural uses.

A **townsite** refers to the site of the municipality's poblacion or the "centro" which may consist of one or more urban barangays. It is also intended, earmarked or actually used by the inhabitants for residential, commercial, industrial, institutional, public and other non-agricultural uses, and surveyed/subdivided for such purposes.

III

Definition of Terms

A. **Homelot** refers to a parcel of land which is intended for farm residence in barangay site.

B. **Residential Lot** refers to a parcel of land which is intended for residence in townsite.

C. **Townsite Lot** refers to a parcel of land in the townsite of a settlement which is intended either for residential, commercial or industrial purposes.

D. **Commercial Lot** refers to a parcel of land in the townsite intended to be used as the center of business transaction, that is sale of merchandise and other personal services.

E. **Industrial Lot** refers to a parcel of land in the townsite intended as a site for processing of farm products and for other industrial purposes.

IV

Qualifications Of An Applicant

A. Qualifications: To be qualified, an applicant must meet the following requirements:

1. Filipino citizen;
2. At least 15 years of age or head of the family at the time of filing of application; and
3. Applicant or his/her spouse is not the owner, awardee or allocate of a homelot or a residential, commercial or industrial lot.

V

Award Limits

A qualified applicant is entitled to acquire only one homelot or one residential/commercial/industrial lot with an area of not more than one thousand (1,000) square meters. However, an awardee or allocate of a homelot or residential lot may still be allowed to acquire on commercial or industrial lot in accordance with the provisions of Section VI hereof.

VI

Modes of Disposition

A. Homelots in barangay sites and residential, commercial and industrial lots in townsites shall be disposed of by direct sale to actual occupants if qualified. In case the occupant/applicant is not qualified, the lot may be sold to the qualified member of his family. Otherwise, the lot shall be considered as vacant and shall be disposed of in accordance with the next following provisions.

B. Vacant homelots in barangay sites shall be disposed of through public raffle to qualified applicants.

C. Vacant residential, commercial and industrial lots and townsites shall be disposed of through public bidding to the highest qualified bidder in accordance with the Bidding Procedures attached as "Annex A*" hereof. No bid which is less than the latest appraised value of the lot shall be accepted.

D. Lots allotted or intended for public use whether within barangay sites or townsites shall be turned over/deeded by the DAR to the particular government entity or agency concerned.

E. An allocate or awardee occupying the lot allocated or awarded to him before the effectivity of this Order shall be issued a CLOA upon full payment of the cost of the land.

F. An allocate or awardee occupying a different lot allocated or awarded to him before the effectivity of this Order shall be awarded the correct lot effective as of the date of his original award following the procedures enumerated in "Annex B*" hereof, and issued the CLOA upon full payment of the lot.

G. Awards or allocations of absentee beneficiaries shall be cancelled following the procedures enumerated in "Annex B" and the lot shall be awarded and titled to the actual occupant thereof if qualified. If the lot is vacant, same shall be disposed of by public raffle in the case of homelot in barangay sites pursuant to Sub-section B hereof, or through public bidding if within townsites pursuant to Sub-section C hereof.

VII

Cost of the Lot

A. Vacant townsite lots shall be sold after public bidding to the highest bidder provided that the highest bid shall not be less than the latest appraised value of the land as determined by the DAR.

B. The cost of vacant homelots within barangay sites shall be based on the latest appraised value as determined by the DAR and sold through public raffle pursuant to Section VI-B hereof.

C. Homelots allocated or awarded prior to the effectivity of this Order shall be sold to the awardee or allocatee at the cost of not less than three pesos (P3.00) per square meter.

D. Residential lots allocated or awarded prior to the effectivity of this Order shall be sold to the awardee or allocatee at the cost of ten pesos (P10.00) per square meter.

E. Industrial and commercial lots allocated or awarded prior to the effectivity of this Order shall be sold at the cost of fifteen pesos (P15.00) per square meter.

VIII

Terms and Manner of Payment