

**[ HLRB BOARD RESOLUTION NO. 511 1992, June 08, 1992 ]**

**APPROVING THE IMPLEMENTING RULES AND REGULATIONS TO GOVERN SECTION 18 OF REPUBLIC ACT NO. 7279 OTHERWISE KNOWN AS THE URBAN DEVELOPMENT AND HOUSING ACT OF 1992**

WHEREAS, Sections 6 and 18 of R.A. 7279 mandates the Housing and Land Use Regulatory Board to promulgate a National Urban Development and Housing Framework which shall include a system for balanced housing development as defined therein;

WHEREAS, this Board has conducted consultations and public hearings on the proposed set of rules and regulations implementing the said legal provisions;

WHEREFORE, be it resolved as it is hereby resolved that the Implementing Rules and Regulations to Govern Section 18, Balanced Housing Development, of RA 7279, hereto attached as Annex "A" and made an integral part hereof, be ADOPTED as it is hereby ADOPTED.

Adopted: 8 June 1992

(Sgd.) TEODORO K. KATIGBAK  
*Chairman, HUDCC  
Ex-Officio, Chairman*

(Sgd.) ERNESTO C. MENDIOLA  
*Commissioner and  
Chief Executive Officer*

(Sgd.) BIENVENIDO E. MERELOS  
*Asst. Secretary for Legal Service  
DPWH, Ex-Officio, Commissioner*

(Sgd.) HARRY S. PASIMIO  
*Asst. Director-General, NEDA  
Ex-Officio Commissioner*

(Sgd.) VICTORIA A. PAREDES  
*State Prosecutor III, DOJ  
Permanent Representative*

(Sgd.) AMADO B. DELORIA  
*Commissioner*

(Sgd.) ROMULO Q. FABUL  
*Commissioner*

(Sgd.) LUIS T. TUNGPALAN  
*Commissioner*

"ANNEX A"

Implementing Rules and Regulations to  
Govern Section 18 of Republic Act No.  
7279 Otherwise Known as The Urban  
Development and Housing Act of 1992

Pursuant to Article III Section 6 and Article V, Section 18, Balanced Housing

Development of RA 7279, the following Rules and Regulations are hereby promulgated by the Board.

*SECTION 1. Definition of Terms* — For the purpose of these Rules and Regulations, the terms or words used herein shall, unless the context indicates otherwise, mean or be understood as follows:

- a. Board shall refer to the Housing and Land Use Regulatory Board
- b. Condominium Project as defined under PD 957
- c. Condominium as defined under RA 4726
- d. Developer as defined under PD 957
- e. Project Area shall mean:
  - e.1 for subdivision projects without housing component, the gross developed land area
  - e.2 for subdivision projects with housing component:
    - e.2.1 gross developed land area and
    - e.2.2 aggregate floor area of all housing units
  - e.3. for condominium projects, the gross floor area of residential units.
- f. Project Cost refers to cost of the project based on the following:
  - f.1 current market value of the raw land plus estimated land development cost plus estimated housing project cost, or
  - f.2 HIGC preliminary appraisal for projects requiring HIGC guarantee or HIGC appraisal
- g. Socialized Housing — In addition to the definition in the Housing Act (RA 7279), it shall refer to projects intended for the underprivileged and homeless wherein the housing package selling price is within the lowest interest rate under the Unified Home Lending Program (UHLP) or any equivalent housing program of the Government, the private sector or non-government organizations.
- h. Subdivision Project as defined in PD 957
- i. Main Subdivision Project shall refer to the proposed residential subdivision or residential condominium project which shall be the basis for computing the 20% requirement for socialized housing.
- j. New Settlement shall mean any new, large-scale development, consisting of one or several subdivision projects planned to provide housing, work places and related facilities within a more or less self-contained environment.

*SECTION 2. Scope of Application* — These Rules and Regulations shall apply to residential subdivision and residential condominium projects and/or proposed expansion of existing residential subdivisions and residential condominiums filed after the date of effectivity of these implementing rules and regulations.

Proposed main residential subdivision/condominium projects with a density of one hundred (100) units per hectare are deemed to have optimized the use and productivity of land and urban resources and shall be considered as having fully complied with the 20% requirement for socialized housing.

Proposed main subdivision projects falling under the category of socialized housing as herein defined shall be considered as having fully complied with the requirements of Sec. 18 and are thus exempted from the 20% requirement for socialized housing.

Residential Subdivision and Residential Condominium Projects with four (4) units or less shall be exempted from the twenty percent (20%) requirement for socialized housing.

*SECTION 3. Mode of Compliance* —

a. For main subdivision projects which are limited to the sale of lots only:

- 1) Land equivalent to twenty (20%) percent of the total area of the main subdivision project shall be developed for socialized housing; or
- 2) A socialized housing project equivalent to twenty percent (20%) of the main subdivision total project cost.

b. For main subdivision projects which consist of the sale of house and lot packages:

1. Land equivalent to twenty percent (20%) of the total area of the main subdivision project shall be developed and housing units equivalent to twenty percent (20%) of the aggregate floor area of all housing units of the main subdivision project shall be constructed; or
2. A socialized housing project equivalent to twenty percent (20%) of the main subdivision total project cost.

The Board shall formulate a conversion ratio to translate housing area to land area or vice versa using as basis the cost of producing one square meter of floor area against the cost of developing one square meter of raw land.

c. For residential condominium units a socialized housing project equivalent to 20% of the total condominium project cost.

d. The socialized housing project equivalent to twenty percent (20%) of total subdivision project cost may also be complied with in any of the following manner feasible in the municipality or city:

1. New Settlement. Development of an entire new settlement or a portion thereof as certified by the appropriate national agency or by the local government unit