

## [ Act No. 1736, October 02, 1907 ]

### **AN ACT APPROPRIATING THE SUM OF ONE HUNDRED THOUSAND PESOS FOR THE PURPOSE OF ESTABLISHING A REIMBURSABLE FUND FOR THE PROMOTION OF AGRICULTURAL PURSUITS UPON CERTAIN HACIENDAS AND PARCELS OF LAND, COMMONLY KNOWN AS "FRIAR LANDS," AND FOR THE EXTENSION OF THE CULTIVATED AREA THEREOF.**

*By authority of the United States, be it enacted by the Philippine Commission, that:*

SECTION 1. There is hereby appropriated, out of any funds in the Insular Treasury not otherwise appropriated, the sum of one hundred thousand pesos for the purpose of establishing a reimbursable fund, under the direction and control of the Director of Lands except as hereinafter provided, which shall be known as the "friar lands loan fund," and which shall be made available in accordance with the provisions hereinafter specified, for the making of mortgage loans upon growing crops and salable commodities manufactured therefrom, work animals, warehouses, mill houses and machinery, and other property, both real and personal, belonging to actual and *bona fide* cultivators of the so-called friar estates, for the encouragement of agricultural pursuits and the extension of the cultivated areas of the said estates.

SEC. 2. The Secretary of the Interior "shall designate to the Director of Lands the maximum amount of the friar-lands loan fund which may be loaned in accordance with the provisions of this Act within any given period of time, the rate of interest which such loans shall bear, the term within which the mortgages shall be redeemed, the estate or estates to which the provisions of this Act shall be extended, the kind or kinds of crops or salable commodities manufactured therefrom, and the class or classes of buildings, animals, or other property, both real and personal, which may become subject to mortgage as herein provided, the manner in which advances of loans shall be made, and the maximum amount which shall be advanced for each hectare under cultivation: *Provided, however,* That in no case shall the maximum amount so advanced exceed one hundred pesos for each hectare cultivated by the mortgagor.

SEC. 3. The Director of Lands shall, under the direction and approval of the Secretary of the Interior, promulgate such regulations and issue such forms and instructions as may become necessary to secure the Government against loss and to carry out the purposes of this Act. He shall likewise cause to be kept a full and complete record of all transactions regarding loans and payments thereof, and shall keep such books and render such accounts, approved by the Insular Auditor, as may be necessary for the proper accounting for said fund, and loans made therefrom, together with interest on such loans.

SEC. 4. By and with the approval of the Secretary of the Interior, the Director of Lands is hereby empowered, for and on behalf of the Government of the Philippine Islands, to make such loans as are authorized by this Act. and to execute as mortgagee, acting for and on behalf of the Government of the Philippine Islands, the necessary mortgages to carry out the purposes of this Act, and all mortgages executed under this Act shall be executed to the Director of Lands, mortgagee,