



HOUSE OF REPRESENTATIVES

H. No. 3356

BY REPRESENTATIVES ZUBIRI, CODILLA, FIGUEROA, JAWORSKI, AMIN,
ZIALCITA AND PINGOY, PER COMMITTEE REPORT NO. 133

AN ACT TO EXTEND THE EFFECTIVITY OF THE RENTAL REFORM ACT OF 2002, PRESCRIBING THE REQUIREMENTS FOR AUTHORIZED INCREASE AND THE DISPOSITION OF RENTAL AND DEPOSIT, AMENDING FOR THE PURPOSE SECTIONS 3 AND 5 OF REPUBLIC ACT NO. 9161, ENTITLED "AN ACT ESTABLISHING REFORMS IN THE REGULATION OF RENTALS OF CERTAIN RESIDENTIAL UNITS, PROVIDING THE MECHANISMS THEREFOR, AND FOR OTHER PURPOSES"

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 SECTION 1. *Extension of the Effectivity of the Rental Reform Act of*
2 2002. – The effectivity of Republic Act No. 9161, entitled "An Act
3 Establishing Reforms in the Regulation of Rentals of Certain Residential
4 Units, Providing the Mechanisms Therefor, and for other Purposes" is
5 hereby extended for a period of three (3) years from January 1, 2005 to
6 December 31, 2007: *Provided*, That this extension shall cover the monthly
7 rentals of all residential units in the National Capital Region and other

1 highly urbanized cities not exceeding Seven thousand five hundred pesos
2 (P7,500.00) and the monthly rentals of all residential units in all other
3 areas not exceeding Four thousand pesos (P4,000.00): *Provided, further,*
4 That the allowable increase for the three-year period shall not be more than
5 ten percent (10%) per annum, without prejudice to existing contracts:
6 *Provided, finally,* That the increases authorized herein shall be computed
7 on a cumulative basis.

8 SEC. 2. *Rental and Requirement of Bank Deposit.* – Rental shall be
9 paid in advance within the first five (5) days of every current month or the
10 beginning of the lease agreement unless the contract of lease provides for a
11 later date of payment. The lessor cannot demand more than one (1) month
12 advance rental. Neither can he demand more than two (2) months deposit
13 which shall be kept in a bank during the entire duration of the lease
14 agreement. Any and all interest that shall accrue therein shall be returned
15 to the lessee at the expiration of the lease contract.

16 SEC. 3. *Repealing Clause.* – Sections 3 and 5 of Republic Act No.
17 9161 are hereby repealed and modified accordingly.

18 SEC. 4. *Effectivity Clause.* – This Act shall take effect on January
19 1, 2005 following its publication in the *Official Gazette* or in at least two
20 (2) national newspapers of general circulation.

Approved,

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