



**Department Order No. 2026-DIO**  
**Series of 2020**

**PROVIDING FOR ADDITIONAL TIME OF COMPLETION FOR  
PROJECTS AFFECTED BY STOPPAGE OF DEVELOPMENT  
AND ADOPTION OF EMERGENCY MEASURES DURING  
THE COMMUNITY QUARANTINE PERIODS**

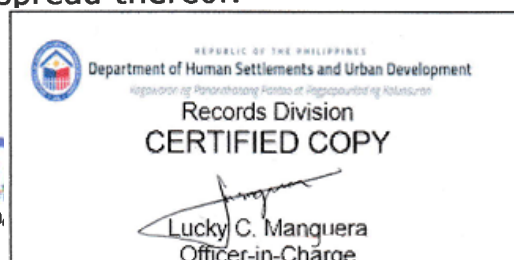
**WHEREAS**, the declaration of state of national emergency under Republic Act No. 11469, otherwise known as the "Bayanihan To Heal As One Act" and the imposition of emergency measures in light of the COVID 19 Pandemic by the Inter-Agency Task Force for the Management of Emerging Infectious Diseases, including therewith the suspension of operation and construction work in subdivision and condominium projects, have caused delay in the development and completion of these projects and in the eventual delivery and turnover of units to buyers;

**WHEREAS**, notwithstanding the resumption of construction and development, ensuring the safety of workers in project sites through initial quarantine and testing, observance of physical distancing and reduction in workforce, and the general disruption and slowdown in the economy will continue to take its toll on the full operation and development of these projects, resulting to the inability of developers to complete the development within the prescribed time of completion;

**WHEREAS**, the time of completion of projects is governed by Section 20 of Presidential Decree No. 957, as implemented by Board Resolution No. 926, Series of 2015 (B.R. 926, s. of 2015), or the "2015 Revised Implementing Rules and Regulations on Time of Completion" which, under Section 6.3 thereof, specifically provides for the grant of additional time to develop and complete a project in case of issuance of a lawful order by a court, government agency or local government unit resulting to the temporary enjoinder or stoppage of the construction or development of the project;

**PURSUANT** thereto, the following Implementing Rules and Regulations (hereinafter referred to as "Rules") is hereby issued.

**SECTION 1. OBJECTIVE.** This Rules aims to provide uniform procedure for the grant of additional time of completion for projects whose development has been delayed or affected by reason of the COVID 19 Pandemic, including the imposition of community quarantines and emergency measures to contain and prevent the spread thereof.



**SECTION 2. SCOPE OF APPLICATION.** This Rules shall apply to all projects registered and licensed with the DHSUD or with the Housing and Land Use Regulatory Board (HLURB) before the effectivity and implementation of Republic Act No. 11201, otherwise known as the "Department of Human Settlements and Urban Development Act".

When used in this Rules the word "project/s" shall include:

- 2.1 All subdivisions, including residential, commercial, farmlot, and industrial subdivisions;
- 2.2 All condominiums, including residential and commercial condominiums; and
- 2.3 Any other similar projects, including cemeteries, memorial parks and columbaria.

*Provided however*, all projects with time of completion ending before March, 2020 granted or as provided in the license to sell are not covered by this Rules and are governed by the general rules on Time of Completion under B.R. 926, s. of 2015 and Memorandum Circular No. 03, Series of 2016 (M.C. No. 03, s. 2016) or the "2015 Guidelines on Time of Completion".

Similarly, the completion and delivery of housing components and condominium units falling due before March, 2020 are not covered by this Rules and are not entitled to the grant of additional period for construction and development under this Rules.

**SECTION 3. GRANT OF MAXIMUM OF ONE-YEAR ADDITIONAL PERIOD FOR COMPLETION.** All projects are hereby granted a maximum of one (1) - year additional time or period of completion, reckoned from the end of the time of completion of the project as indicated in the license to sell. This grant shall likewise apply for the construction and delivery of housing and condominium units separately stipulated and agreed upon between the buyers and owners or developers in the contract to sell or any other similar documents.

Notwithstanding the foregoing and apart from what is granted in this Rules, any owner or developer may apply for additional time of completion with the Regional Office concerned in accordance with B.R. No. 926, s. of 2015 as may be warranted on a per project basis.

**SECTION 4. PERIODS TO APPLY.** Subject to the procedure and requirements provided in Sections 6, 7 8 and 9 hereof, the grant of additional time of completion may be availed of in accordance with the following:



- 4.1 Except those expressly excluded under Section 2 hereof, owners or developers of projects with time of completion ending before the effectivity of this Rules or within one (1) month after the effectivity of this Rules may apply for an additional time within two (2) months after the effectivity of this Rules;
- 4.2 Owners or developers of projects with less than one year of remaining time of completion upon effectivity of this Rules may apply for additional time within one (1) month before the lapse thereof; and
- 4.3 Projects with more than one year of remaining time of completion upon effectivity of this Rules may apply for the additional time in accordance with Section 5 hereof.

Subject to the second paragraph of Section 7 hereof, owners and developers of projects with affected completion and delivery of housing or condominium units need not apply for the grant of additional time of completion under this Rules.

**SECTION 5. PROJECTS WITH MORE THAN ONE YEAR OF REMAINING TIME OF COMPLETION.** Owners or developers of projects with more than one year of remaining time of completion upon effectivity of this Rules may apply for the additional time within one (1) month before the lapse thereof, provided that within one (1) month before the expiration of the term of the performance bond, upon application for the renewal of the bond and submission of revised work program based on the original time of completion, the owners or developers thereof may already signify through a letter their intent to avail of the grant of additional time of completion in case they will eventually be unable to complete the same within the original time of completion as granted.

In accordance with Section 7 hereof, the owner or developer submitting such letter of intent may already notify, if any, buyers of housing units whose completion and delivery shall be affected.

**SECTION 6. APPLICATION LETTER.** Any owner or developer availing of the grant of additional time of completion shall, in lieu of the sworn application required under Section 14.1 of M.C. No. 03, s. 2016, submit an application letter, stating therein the additional period needed for the completion of the project.

**SECTION 7. NOTICE TO BUYERS AND SUBMISSION OF PROOF THEREOF.** Such owner or developer availing of the grant of additional time shall notify



all affected buyers of the availment thereof and shall, upon application, submit the proof of notice thereof individually sent to or received by the buyers. The notice shall state that the additional period of time is being applied for pursuant to this Rules in relation to Section 6.3 of B.R. No, 926, Series of 2015.

Buyers of housing or condominium units whose completion and delivery will be delayed shall likewise be informed in the same letter or notice. Provided however, owners or developers who have already incurred delay upon the effectivity of this Rules, or who will incur delay in the completion and delivery thereof on or before the scheduled periods under Sections 4.2 and 4.3 hereof may immediately individually notify the affected buyers, furnishing the Regional Office where the project is licensed a copy of the notice and proof of delivery or sending thereof.

**SECTION 8. SUBMISSION OF REVISED WORK PROGRAM.** Any owner or developer availing of the grant of additional time of completion shall submit a revised work program based on the requested extended period of completion.

**SECTION 9. PERFORMANCE BOND.** The owner or developer applying for additional time of completion shall file an adequate performance bond in accordance with existing applicable rules and regulations for projects covered by P.D. No. 957 or Batas Pambansa Blg. 220, including the submission of a notarized fact sheet duly signed by a licensed architect or engineer, and indicating therein the remaining cost of completion of the project.

**SECTION 10. LETER OF APPROVAL.** Upon compliance with the requirements herein set forth, the Regional Office concerned shall send a letter of approval to the owner or developer, stating therein that such additional period of time is granted pursuant to this Rules and in relation to Section 6.3 of B.R. 926, s. of 2015. There shall be no need to amend or annotate the additional time of completion on the license to sell.

**SECTION 11. OCULAR INSPECTION AND MONITORING.** The Regional Office where the project is registered and licensed may conduct an ocular inspection and monitoring in accordance with existing rules and regulations to verify degree of completion of the project as well as the declared remaining cost of completion. Additional performance bond shall subsequently be required if what was posted by the owner or developer to avail of the additional time of completion under this Rules is found deficient.



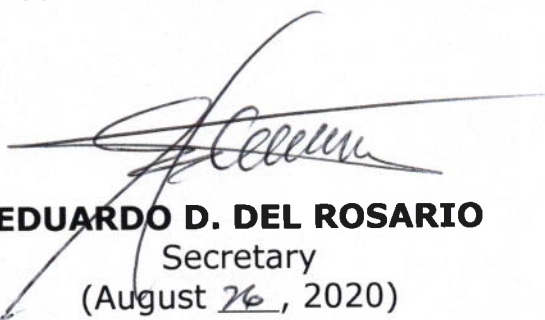
**SECTION 12. FEES.** The fees provided for extension or additional time to develop applicable to the different classifications of subdivision and condominium projects in the approved Schedule of Fees, including Processing Fee, Additional Fee, and Inspection Fee are hereby adopted and made applicable to grant of additional time to complete the project as provided under this Rules.

**SECTION 13. APPLICABILITY OF EXISTING RULES AND REGULATIONS ON TIME OF COMPLETION.** The pertinent provisions of B.R. 926, s. of 2015 and M.C. No. 03, s. 2016 on the suspension of the license to sell and issuance of cease and desist order, imposition of administrative fines, sanctions, and penalties are made applicable hereto, insofar as not inconsistent with the provisions of this Rules.

**SECTION 14. BUYERS' PROTECTION UNDER SECTION 23 OF PRESIDENTIAL DECREE NO. 957.** Nothing in this Rules shall preclude a buyer from exercising the rights under Section 23 of P.D. No. 957 upon proper showing of material delay in the project's completion or delivery of the purchased housing or condominium unit which is reasonably attributable to the fault or negligence on the part of the owner or developer.

**SECTION 15. EFFECTIVITY.** This Department Order shall take effect immediately.

Let a copy of this Order be served to the Office of the National Administrative Registry.

  
**EDUARDO D. DEL ROSARIO**  
Secretary  
(August 26, 2020)