

Republic of the Philippines Professional Regulation Commission Manila



Professional Regulatory Board of Real Estate Service Resolution No. <u>11</u> Series of 2021

GUIDELINES ON THE IMPLEMENTATION OF SECTIONS 31 and 32 (A) ARTICLE IV, REPUBLIC ACT (RA) NO. 9646 ON SUPERVISION AND ACCREDITATION OF REAL ESTATE SALESPERSONS

WHEREAS, Section 2 of the Real Estate Service Act of the Philippines (hereinafter referred to as RA No. 9646) provides the declared policy of the State in recognizing the vital role of Real Estate Service Practitioners in the social, political, economic development and progress of the country by promoting the real estate market, stimulating economic activity and enhancing government income from real property-based transactions. Hence, it shall develop and nurture, through proper and effective regulation and supervision, a corps of technically competent, responsible and respected professional real estate practitioners whose standards of practice and service are globally competitive and who will promote the growth of the real estate industry;

WHEREAS, Section 5(a) and (j), Article II of RA No. 9646 provides that the Professional Regulatory Board of Real Estate Service (hereinafter referred to as the Board) shall have the powers and functions to provide comprehensive policy guidelines for the promotion and development of the real estate industry and to promulgate, administer and enforce rules and regulations necessary in carrying out the provisions thereof;

WHEREAS, Section 31, Article IV of RA No. 9646 provides that Real Estate Salespersons shall be accredited by the Board and that they shall be under the direct supervision and accountability of a Real Estate Broker;

WHEREAS, Section 32(a), Article IV of RA No. 9646 provides that there shall be at least one (1) licensed Real Estate Broker for every twenty (20) accredited Salespersons In case of resignation or termination from employment of a real estate service practitioner, the same shall be reported by the employer to the Board within a period not exceeding fifteen (15) days from the date of effectivity of the resignation or termination;

WHEREAS, there is a need for guidelines on the accreditation and supervision of Real Estate Salespersons as required by law and for the protection of the public;

NOW THEREFORE, the Board hereby **RESOLVED**, as it now **RESOLVES**, to formulate the Guidelines on the implementation of Sections 31 (Supervision of Real Estate Salespersons) and 32 (Corporate practice of the Real Estate Service);

Section 1. Definition of Terms

1.1. **Real Estate Broker (REB)**–a duly registered and licensed natural person who for a professional fee, commission or other valuable consideration, acts as an agent of a party (Principal) in real estate transactions to do listing, advertising, mediating, promoting, soliciting, offering, negotiating and effecting the meeting of the minds of the parties in the transaction on sale, purchase, lease, exchange, mortgage, joint venture or other similar transactions on real estate or any interest therein such documentation of titles, processing of titles and the like;

- 1.2. **Real Estate Salesperson (RES)** a duly accredited natural person by the Professional Regulatory Board of Real Estate Service Board who performs service for and in behalf of a licensed Real Estate Broker with expectation of a share in the commission, professional fee, compensation or other valuable consideration;
- 1.3. Accreditation refers to a formal or official approval granted to a Salesperson after meeting the essential requirements as provided by this Guideline;
- 1.4. **Real Estate Brokerage Seminar (REBS)** refers to training program accredited by the Board to be undertaken by a person prior to his/her accreditation as a Salesperson for twelve (12) hours covering the following topics and hours:
 - 1.4.1. Real Estate Service Act of the Philippines (Republic Act No. 9646) for three (3) hours
 - 1.4.2. Code of Ethics and Responsibilities for two (2) hours
 - 1.4.3. Real Property Taxation (Republic Act No. 7160 on Tax Provisions) for two and a half (2.5) hours
 - 1.4.4. Capital Gains Tax, Documentary Stamps Tax, Estate Tax, Value Added Tax, Donor's Tax and Withholding Taxes (Republic Act No. 8424, as amended by Republic Act No. 10963) for two and a half (2.5) hours
 - 1.4.5. Documentation and Titling for two (2) hours

Section 2. <u>Qualifications for Salespersons' Accreditation</u>. –The Board shall evaluate and accredit persons who would like to become RES based on the following qualifications:

- 2.1. Must be a Filipino citizen;
- 2.2. Should have completed at least two (2) years in college or its equivalent in compliance with CHED Memorandum Order or Circular;
- 2.3. Should have attended the Real Estate Brokerage Seminar (REBS) for twelve (12) hours on the topics prescribed by the Board;
- 2.4. Should be under the direct supervision of a REB who will assume responsibility and accountability of the RES as provided by Section 31 of RA No. 9646;
- 2.5. Should be of good moral character and has not been convicted by a competent court of any crime involving moral turpitude;
- 2.6. Should follow the existing laws, guidelines and issuances issued by the Professional Regulation Commission (PRC), Board and other regulatory agencies such as Department of Human Settlement and Urban Development (DHSUD), Bureau of Internal Revenue (BIR), Local Government Units (LGUs), among others.

Section 3. <u>Documentary Requirements</u> –The following are the list of requirements for the accreditation of Salespersons:

- 3.1. Duly accomplished Application Form for the RES (ANNEX "A");
- 3.2. Original and photocopy of Philippine Statistic Authority (PSA) Birth Certificate;
- 3.3. Original and photocopy of PSA Marriage Contract for married female applicant;
- 3.4. Transcript of Record (TOR) or Certification from school/college/university stating that the applicant had completed at least two (2) years in college or its equivalent based on CHED Memorandum Order/Circular;
- 3.5. Undertaking and Declaration issued by the licensed REB stating that he/she will assume direct supervision, accountability and responsibility for the RES-Applicant in compliance with Sections 31 and 32 and an undertaking signed by the RES-Applicant and the supervising licensed REB that in the event of dispute or conflict among

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> themselves, they should comply with the exhaustion of administrative remedies of the Accredited Integrated Professional Organization (AIPO) or their professional organization (ANNEX "B");

- 3.6. Original copy of Certificate of Completion of twelve (12) hours accredited REBS stating the topics and hours completed per topic;
- 3.7. Original copy of the updated National Bureau of Investigation (NBI) Clearance;
- 3.8. Two (2) pcs. 1 ½ x 1 ½ picture (colored in white background with complete nametag) for File card and Application form;
- 3.9. Photocopy of the valid PRC I.D. of the supervising licensed REB with three (3) signatures; (Note: REB PRC ID should be valid for at least six (6) months upon the RES application)
- 3.10. Payment of prescribed fees and two (2) sets of Documentary Stamp.

For change of supervising REB purposes, the following shall be submitted, to wit:

- 3.1. Duly accomplished Application Form for the RES (ANNEX "A")
- 3.2. Undertaking and Declaration issued by the licensed REB stating that he/she will assume direct supervision, accountability and responsibility for the RES-Applicant in compliance with Sections 31 and 32 and an undertaking signed by the RES-Applicant and the supervising licensed REB that in the event of dispute or conflict among themselves, they should comply with the exhaustion of administrative remedies of the AIPO or their professional organization (ANNEX "B");
- 3.3. Copy of the approved Request Form (RF) (ANNEX "D") releasing the RES-Applicant from the responsibility of the previous supervising REB;
- 3.4. Copy of the approved Resolution dislodging the RES from the previous supervising licensed REB. (Note: Dislodged RES cannot perform the real estate brokerage service until issuance of a new Resolution on his/her reaccreditation with another supervising licensed REB);
- 3.5. Two (2) pcs 1 ½ x 1 ½ picture (white background with complete nametag) for the Application Form;
- 3.6. Photocopy of the PRC I.D. of the supervising licensed REB with three (3) signatures (Note: REB PRC ID should be valid for at least six (6) months upon the RES renewal application);

For renewal purposes, the following shall be submitted, to wit:

- 3.1. Duly accomplished Renewal Application Form for the RES (ANNEX "C");
- 3.2. Original copy of the Certificate of Completion of the required Continuing Professional Development (CPD) units stating the topics and credit units taken per topic with the CPD Accreditation Number;
- 3.3. Undertaking and Declaration issued by the licensed REB stating that he/she will assume direct supervision, accountability and responsibility for the RES-Applicant in compliance with Sections 31 and 32 and an undertaking signed by the RES-Applicant and the supervising licensed REB that in the event of dispute or conflict among themselves, they should comply with the exhaustion of administrative remedies of the AIPO or their professional organization (ANNEX "B");
- 3.4. One (1) pc 1 ½ x 1 ½ picture (white background with complete nametag) for the Application Form;
- 3.5. Photocopy of the PRC I.D. of the supervising licensed REB with three (3) signatures (Note: REB PRC ID should be valid for at least six (6) months upon the RES renewal application);

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Section 4. <u>Procedures for the Accreditation</u> – The application for Accreditation of the RES shall be processed by the supervising licensed REB or by the latter's Attorney-in-fact. The following procedures shall be observed:

- 4.1. Submit the duly accomplished RES Application Form attaching all the required documentary requirements to the Licensure and Registration Division of the PRC Regional Office. (Note: Improperly filled-up Application Form and incomplete attachments shall not be accepted);
- 4.2. Pay the application fee;
- 4.3. Claim Official Receipt and claim stub, and wait until the application for Accreditation is approved by the Board and the PRC. The RES-Applicant's name will be included in a Resolution for Accreditation of Real Estate Salespersons approved by the Board and PRC;
- 4.4 Once RES-Applicant's name is included in the Resolution for Accreditation, he/she may proceed to the Cash Division of the Central or Regional Office to pay the Registration Fee and then to the Licensure and Registration Division of the PRC Regional Office to sign the Accreditation Card;
- 4.5 RES Accreditation shall be valid only for two (2) years and can be renewed thirty (30) days prior to its expiration;
- 4.6 RES Accreditation Card should contain the following information:
 - 4.6.1 **Full name** of the Accredited Real Estate Salesperson
 - 4.6.2 Title as a Practitioner: Real Estate Salesperson (RES)
 - 4.6.3 Permanent Accreditation Number and the RES number under the supervising licensed REB (Example: RES Accreditation No.1001-018-01 up to 20) valid until his/her birthdate;
 - 4.6.4 Full name of the supervising licensed REB and his/her licensed number and the validity thereof
- 4.7 Take an Oath during a scheduled Mass Oath taking as required under Section 25 of RA No. 9646. (Note: It is only after the Mass Oath taking that the RES-Applicant can be considered Accredited and can already practice the real estate brokerage profession and may register at DSHUD);
- 4.8 Claim the Accreditation Card at Licensure and Registration Division of the PRC Regional Office where the applicant applied for registration.

Section 5. <u>Procedures for the Renewal of Accreditation</u> – The application for renewal of Accreditation of the RES shall be processed by the supervising licensed REB or by the latter's Attorney-in-fact. The following procedures shall be observed:

- 5.1. Submit the duly accomplished RES Renewal Application Form attaching all the required documentary requirements to the Licensure and Registration Division of the PRC Regional Office. (Note: Improperly filled-up Application Form and incomplete attachments should not be accepted);
- 5.2. Pay the renewal fees immediately, **if there is no change of the supervising licensed REB**. Otherwise, compliance of the clearances as stated in the documentary requirements above should be attached
- 5.3. Get the Official Receipt and claim stub; and
- 5.4. Claim the renewed Accreditation Card at the PRC Regional Office where the applicant submitted the application for the renewal of the accreditation;

Section 6. Change of Status Due to Marriage

6.1 Married female RES who wishes to use her married name may file for a petition for change of name due to marriage. A representative with valid ID may file on

behalf of the petitioner, provided that the RES has signed the petition form for change of name due to marriage.

- 6.2 Form and Requirements of Change Status are downloadable athttps://prc.gov.ph/uploaded/documents/PETITION FOR CHANGE
- 6.3 Submit the duly accomplished form to the PRC Regional Office. Petition Form should be accompanied with a Certified True Copy of the Certificate of Marriage in PSA security paper.

Section 7. <u>Validity and the Prescribed Fees</u>– Those applying for RES Accreditation shall pay the following fees and shall be valid as follows:

- 7.1. Php 450.00 Application for Accreditation as RES;
- 7.2. Php 450.00 upon initial registration for Accreditation as RES
- 7.3. Php 300.00 renewal of RES ID valid for two (2) years

Section 8. <u>Grounds/Reasons for Dislodging</u> – The following are the grounds or reasons for dislodging:

- 8.1. Death;
- 8.2. Resignation of the Accredited RES;
- 8.3. Termination of the Accredited RES services by the supervising licensed REB for valid ground(s)/cause(s), and provided no financial liability exists between them;
- 8.4. Abuse or non-performance of the delegated real estate brokerage services as stated in the Declaration and Undertaking granted by the supervising licensed REB;
- 8.5. Allowing unauthorized, unlicensed or unaccredited individual(s) or person(s) to use his/her accreditation or delegating the duties and functions granted by the supervising licensed REB;
- 8.6. Practicing the real estate brokerage profession prior to the Oath taking and/or PRC registration;
- 8.7. Transfer of Accredited RES to another supervising licensed REB prior to the approval of request and issuance of a resolution the RES;
- 8.8. Unethical conduct in the practice of the real estate brokerage profession;
- 8.9. Violation of RA No. 9646 provisions, its IRR, the Code of Ethics and its codification;
- 8.10. Other causes which will disunite or sever the relationship of the Accredited RES and the supervising licensed REB;

Section 9. <u>Procedures for Dislodging or Removing a RES under the Supervising</u> <u>licensed REB</u>– The dislodging procedures shall be as follows:

- 9.1. Within fifteen (15) days from the resignation or termination of the services of Accredited RES, the supervising licensed REB shall submit an RF to the Board requesting for the dislodging or removal of the Accredited RES under his/her supervision, accountability and responsibility;
- 9.2. The Board shall take the necessary action for approval/disapproval through a Resolution issued for such purpose. Until a Resolution has been issued approving the dislodging or removal of the Accredited RES, the RES shall not be accredited under a new supervising licensed REB and can no longer provide the real estate brokerage service(s) as defined above and by the law;
- 9.3. Once a Resolution for the dislodging or removal has been approved, the Information and Communication Technology Services (ICTS) Office of PRC shall remove the name of the dislodged RES from the Roster of the Accredited RES of the supervising licensed REB and shall make the RES Number

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assigned to the dislodged RES open or available to be filled-up by the new RES applicant of the supervising licensed REB; The dislodged or removed RES may now apply for a new accreditation under a new supervising REB attaching the Clearance and the Dislodging Resolution to his/her new accreditation application;

- 9.4. The new supervising REB shall follow the procedures as stated in Section 4 of this guideline; and
- 9.5. A copy of the RF for dislodging is attached as Annex D.

Section 10. <u>Miscellaneous Provision</u> – The following shall be observed:

- 10.1. The Regional Office concerned shall be responsible in encoding the details of the applicant in the Salesperson System developed by the ICTS Office;
- 10.2. The procedures in Memorandum No. 01 (s 2020) shall be observed in the Transmittal and Action of "For The Board" (FTB) Application Documents from the Regional Offices;
- 10.3. Upon approval of the Resolution, the concerned Regional Office where the RES applied for Accreditation shall notify the Accredited RES to enroll their names in the Roster of Accredited RES after they shall have paid the prescribed registration fee;
- 10.4. The accreditation number assigned to the Accredited RES shall have a suffix which is the license number of the supervising licensed REB and the number of the accredited RES under the supervising licensed REB (such as: 1001-018-01 up to 20);
- 10.5. Processing of RES Accreditation or Renewal Application shall be made by the supervising licensed REB or his/her authorized representative with Special Power of Attorney (SPA);
- 10.6. Within a reasonable period (as prescribed under Republic Act No. 9485 or the Anti- Red Tape Act), the Accredited RES shall be issued with an Accredited Card (AC) after payment of the registration fee. The AC shall be replaced by a PVC (polyvinyl chloride) card subject to existing rules on procurement.
- 10.7. The Accredited RES shall always wear the AC and the PRBRES Pin (Green Color) every time he/she will perform or provide a real estate brokerage services. The Accredited RES shall not allow any person to use it;
- 10.8. The issued AC shall be renewable every two (2) years and can be renewed thirty (30) days before expiration upon compliance with the renewal requirements;
- 10.9. The PRC and the Board shall have the right to cancel, withdraw, confiscate, or refuse to renew the Accreditation of the RES-Applicant upon violation of any provision of RA No. 9646, its IRR, the Code of Ethics and its codification and any law/rules or non-compliance with the conditions or obligations sets herein.

Section 11. <u>Fraud Relating to Accreditation of Salesperson</u>– Fraudulent acts relating to the RES' Accreditation shall be a ground for denial of the application or suspension/revocation of Accreditation of the RES and the license of the supervising licensed REB, and shall be punishable under the pertinent provisions of RA No. 9646, its IRR, Code of Ethics and other applicable laws.

In addition, any government official or employee who is a party to any fraudulent act relating to the RES' Accreditation shall be subjected to administrative penalties that may be imposed under the anti-graft law, the Administrative Code and the Code of Conduct of Public Officials and Employees.

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Section 12. <u>Separability Clause</u> – If any part or provision of this Guideline will be declared invalid or unconstitutional or repealed, the other provisions not affected thereby shall remain in full force and effect.

Section 13. <u>Repealing Clause</u> – Board Resolution No. 13, (s 2011) and all resolutions, orders, circulars, issuances and parts thereof which are inconsistent with this Resolution are hereby repealed or modified accordingly.

Section 14. <u>Effectivity</u> -This Resolution shall take effect after its publication to the Official Gazette or newspaper of general circulation.

Let copy hereof be furnished the UP Law Center, Regional, other government agencies, Real Estate Professional Organizations, Developers and licensed Real Estate Brokers for information and guidelines.

Done this <u>1st</u> day of <u>March</u> 2021 at Manila City, Philippines.

FAJARDO Member

JOSE ARNOLD M. TAN Member

OFELIA C. BINAG Chairman

PILAR M. TORRES-BANAAG Memběr

VACANT Member

Attested by:

ATTY. OMAIMAH GANDAMRA OIC, PRB Secretariat Division

APPROVED BY:

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TEOFILO S. PILANDO, JR. Chairman

ANDA D. REYES

Commissioner

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