

[PRESIDENTIAL DECREE NO. 1261, December 12, 1977]

AMENDING REPUBLIC ACT NO. 2616, PROVIDING ADDITIONAL FUNDS FOR THE ACQUISITION OF THE TATALON ESTATE AND DESIGNATING THE NATIONAL HOUSING AUTHORITY AS THE ADMINISTRATION OF THE TATALON ESTATE HOUSING PROJECT.

WHEREAS, Republic Act No. 2616 provided for the expropriation of the Tatalon Estate, and the sale at cost of the lots therein to their present bonafide occupants and authorized the amount of ten million pesos for the purpose;

WHEREAS, Letter of Instruction No. 34 directed the General Manager of the now dissolved People's Homesite and Housing Corporation to take administrative steps towards the acquisition of the Estate and the settlement of its problems;

WHEREAS, Presidential Decree No. 757 created the National Housing Authority not only to take over the functions and projects of the PHHC but also to develop and implement programs to provide housing for the greatest number of people;

WHEREAS, the improvement of slums has been adopted as a national policy under Letter of Instructions No. 557 and Tatalon Estate is now one of the identified slum areas whose upgrading is the ultimate goal of the policy;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree and order that:

SECTION 1. The 25.26 hectares portion of the Tatalon Estate at present subject of Civil Expropriation Case No. Q-17334 filed January 23, 1973 before the Court of First Instance of Rizal, Branch XVII-B on behalf of the National Housing Authority, is hereby declared expropriated. The National Housing Authority hereafter known as the "Authority" is designated Administrator for the national government of the Tatalon Estate and shall evolve and implement a comprehensive development plan for the 25.26 hectare-area which shall constitute the Tatalon Estate Development Project.

SECTION 2. The comprehensive plan for the Tatalon Estate shall consider the upgrading of existing dwelling units and/or the construction of low to medium-rise dwelling units wherever the latter is found more feasible, the relocation from privately-owned areas in the estate, of squatters found therein and resettlement of the same within that portion of the estate so expropriated, and the re-arrangement and re-alignment of existing dwelling and other structures to allow for the introduction of basic facilities and services. The Authority shall, maximize the land use of the area and shall provide for a controlled, orderly and structured growth of dwellings in an environment provided with adequate sanitary and other physical facilities, Specifically, the Metropolitan Waterworks and Sewerage System (MWSS) in coordination with the Authority shall design and implement the development of the water and sewerage systems, including a bio-gas system, for the area. All roads, open space, and other areas for public or community use adjacent to the expropriated areas as delineated in the present approved subdivision plan of the Tatalon Estate shall be deemed donated to the Quezon City Government, *provided*,

however, that the Authority shall have the power to determine and utilize such areas as may be necessary in the development and implementation of the Tatalon Estate Development Plan.

SECTION 3. Allocation of lots and/or housing units in the project area shall be made by the Authority according to the following priority:

1. Present occupants who were listed in the 1958 Araneta Census List of Occupants;
2. Present occupants as determined by the Authority in its 1976 Census Survey; and
3. Squatter families in the Tatalon Estate after the 1976 Census Survey.

In the event that the number of homelots in the expropriated area is not sufficient to accommodate all families falling under the foregoing categories, the Authority shall accommodate such excess families in any of its sites and services projects.

SECTION 4. Qualified families shall have the right to purchase land of such area which they can now afford to amortize, and in the location that the National Housing Authority may allocate to them. The price shall be the expropriated cost of the land plus other costs such as the costs of improvement of the estate and the common facilities and areas made available under the Tatalon Estate Development Plan of the Authority. The price shall be related to the lot area they shall occupy. The right to purchase these lands shall accrue to the beneficiaries after 5 years of continued, and uninterrupted occupancy and faithful and complete amortization of the total price of the land and improvements to be purchased from the date of allocation based on escalating or equal monthly payments at an interest rate of 6% per annum for not more than three hundred monthly installments.

SECTION 5. Transfer or disposition of rights shall be allowed under such rules and regulations as maybe promulgated by the Administrator and upon the favorable recommendation of the Citizen's Committee which will be formed in each barangay unit and composed of five (5) members chosen in the manner provided for under Section 3 of Presidential Decree No. 814; *Provided, however*, that the transferee, based on his average family income for the preceding two-year period, belongs to the lower fifty percent (50%) of the medium income group of Metro Manila as determined by the Administrator.

SECTION 6. All areas expropriated and not otherwise put to use for low-income housing as provided above, may be developed, improved with dwelling units and rented or sold to low and middle income groups, or may be put to commercial use, at the option of the National Housing Authority and under the terms deemed appropriate by the same, in order to generate subsidies to help defray the development cost of the Project.

SECTION 7. Notwithstanding any provision of law or decree to the contrary and for the purpose of expropriating the Tatalon Estate only, the compensation for the property herein expropriated is hereby pegged at the owner's declaration of its value as of 1973 pursuant to Presidential Decree No. 76. A minimum of 30% shall be deducted from this amount to account for the prevalence of squatters in the area and for the lack of development of some portions. The resulting balance amount shall be payable to the former owners within a period of 5 years in 5 equal installments.