

**[SEC MEMORANDUM CIRCULAR NO. 2, S. 2011,
March 27, 2011]**

**AMENDMENTS TO THE IMPLEMENTING RULES AND
REGULATIONS (IRR) OF REPUBLIC ACT NO. 9856 OR REAL
ESTATE INVESTMENT TRUST (REIT) ACT OF 2009**

The Commission, in its Resolution No. 185, Series of 2011, resolved to amend the following provisions of the Implementing Rules and Regulations of Republic Act No. 9856 or Real Estate Investment Trust Act of 2009 to read as follows:

Section 5.1 (a), Rule 4:

Minimum Public Ownership. A REIT shall be a public company and to be considered as such, a REIT shall: (a) maintain its status as a listed company; and (b) upon and after listing, have at least one thousand (1,000) Public shareholders each owning at least fifty (50) shares, and who, in the aggregate, own at least forty percent (40%) of the outstanding capital stock of the REIT at the initial year; provided, that the minimum ownership shall be increased to sixty seven percent (67%) within three (3) years from listing.

Section 5.1 (B), Rule 4:

Capitalization. A REIT shall have a minimum paid-up capital of Three Hundred Million Pesos (Php 300,000,000.00) at the time of incorporation which can either be in cash and or/or property. No part of the paid-up capital shall be used to pay prior debts or encumbrances of its real property assets.

Section 1, Rule 7:

Property Manager. The REIT shall appoint a Property Manager who shall be independent from the REIT, its promoter/s or sponsor/s; provided that the Commission may, upon application and for justifiable reasons, exempt the REIT from compliance with such requirement.

This Memorandum Circular shall take effect fifteen (15) days following its publication in two (2) newspaper of national circulation.

Adopted: 27 March 2011