

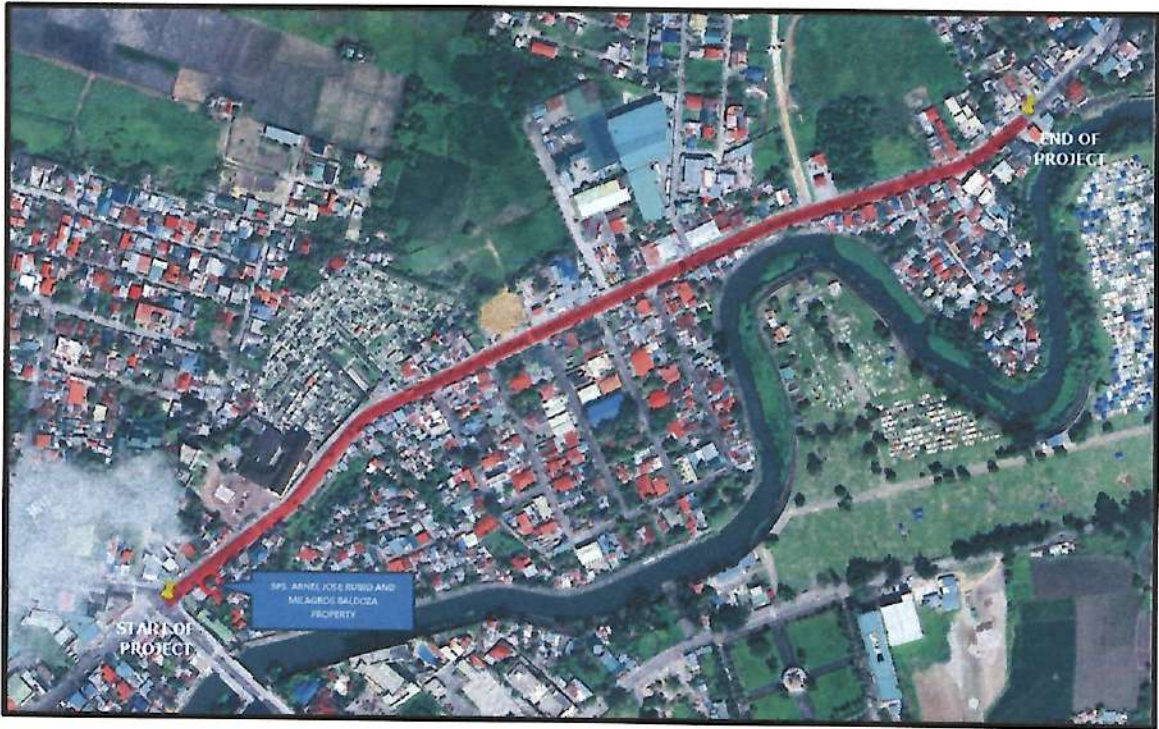


**TERMS OF REFERENCE
FOR PROPERTY APPRAISAL SERVICES BY IPA
(OUTSTANDING CLAIMS)**

These Terms of Reference (TOR) shall serve as the basic guidelines for the provision to the DPWH Implementing Office (IO) of the services of an Independent Property Appraiser (IPA) in determining the appropriate price of properties to be offered by the IO to the owners whose properties were taken as right-of-way (ROW) for a completed infrastructure project and which will be acquired through negotiated sale, specifically as outstanding claim, pursuant to the provisions of Section 6 of the Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 10752 (Right-of-Way Act):

1. Background:

- A. **16FE0021** – Off-carriageway Improvement including Drainage, Naga-Carolina-Panicuason Road, K0438+650-K0439+469
- a. The project with Contract ID No. 16FE0021 – Off-carriageway Improvement including Drainage, Naga-Carolina-Panicuason Road, K0438+650-K0439+469 was implemented on March 2016 and completed August 2017. Utilizing the existing fifteen-meter right-of-way, an additional lane, drainage, and sidewalk was constructed on both sides of the national road. The project's goal was to reduce the traffic congestion and travel time along the Barangays of Peñafrancia and San Felipe, Naga City.
 - b. Since only the existing 15-meter ROW (7.5 meters from the center line on both sides) was used for the project, the implementing office initially presumed that no private properties will be encroached by the project. Thus, at the time of implementation, there was no need for acquiring additional ROW. However, years after project completion, property owners, Sps. Arnel Jose Rubio and Milagros Baldoza discovered and claimed that a portion of their lot was partially traversed by the project. Upon validation through actual survey, it was confirmed that their property was indeed affected by the project.
 - c. Since the project has been completed, their claim is now considered as **outstanding claim**. Pursuant to Section 6.11 of the IRR of RA No. 10752, the provisions of Section 6.1 (Compensation Price) shall also apply to outstanding claims for right-of-way payments, except that the amount to be offered shall be the price **at the time of taking** of the property, including legal interest until fully paid, subject to the transitory provision in Section 19 of the said IRR. Said property is to be appraised using the price at the time of taking, which was on the year **2017**.
 - d. The following map shows the affected property that will be subject to appraisal:

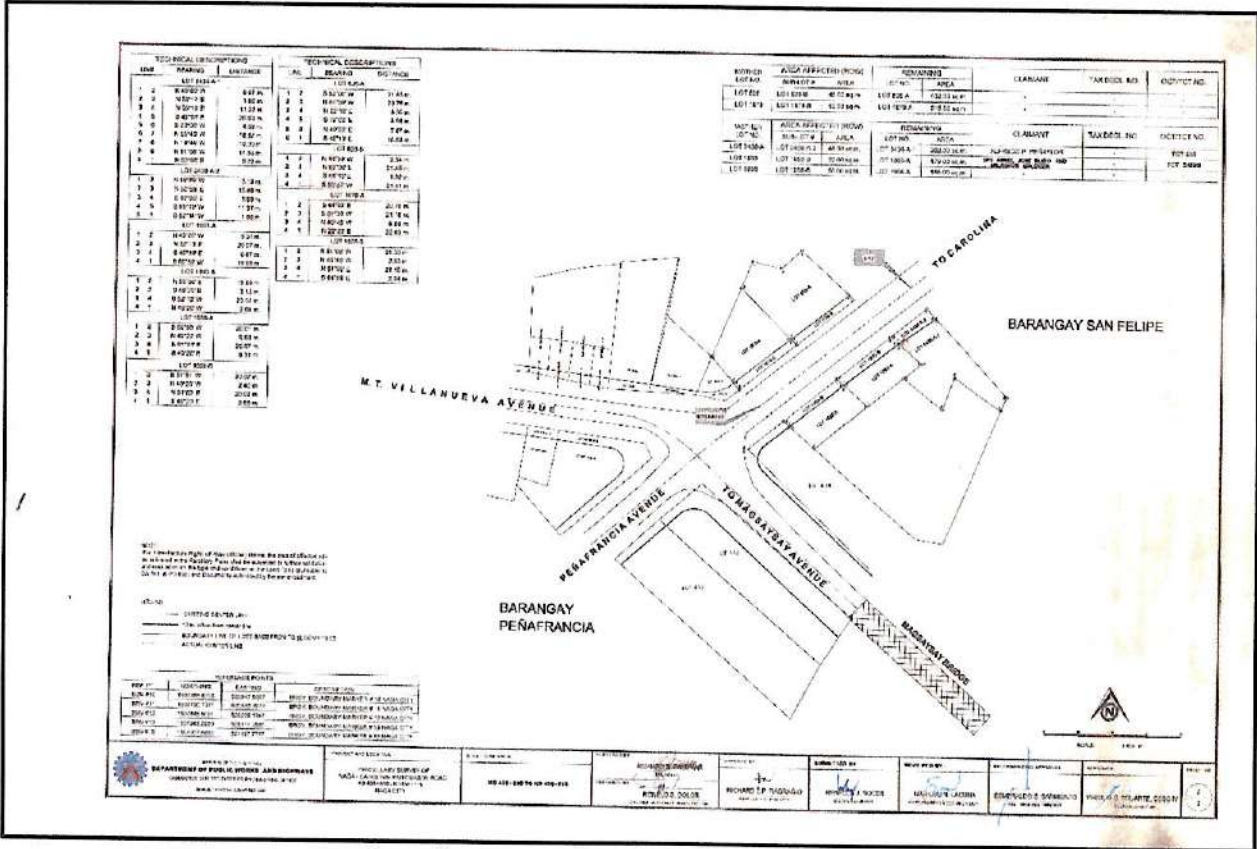


e. The property to be appraised are shown in the herein photograph:



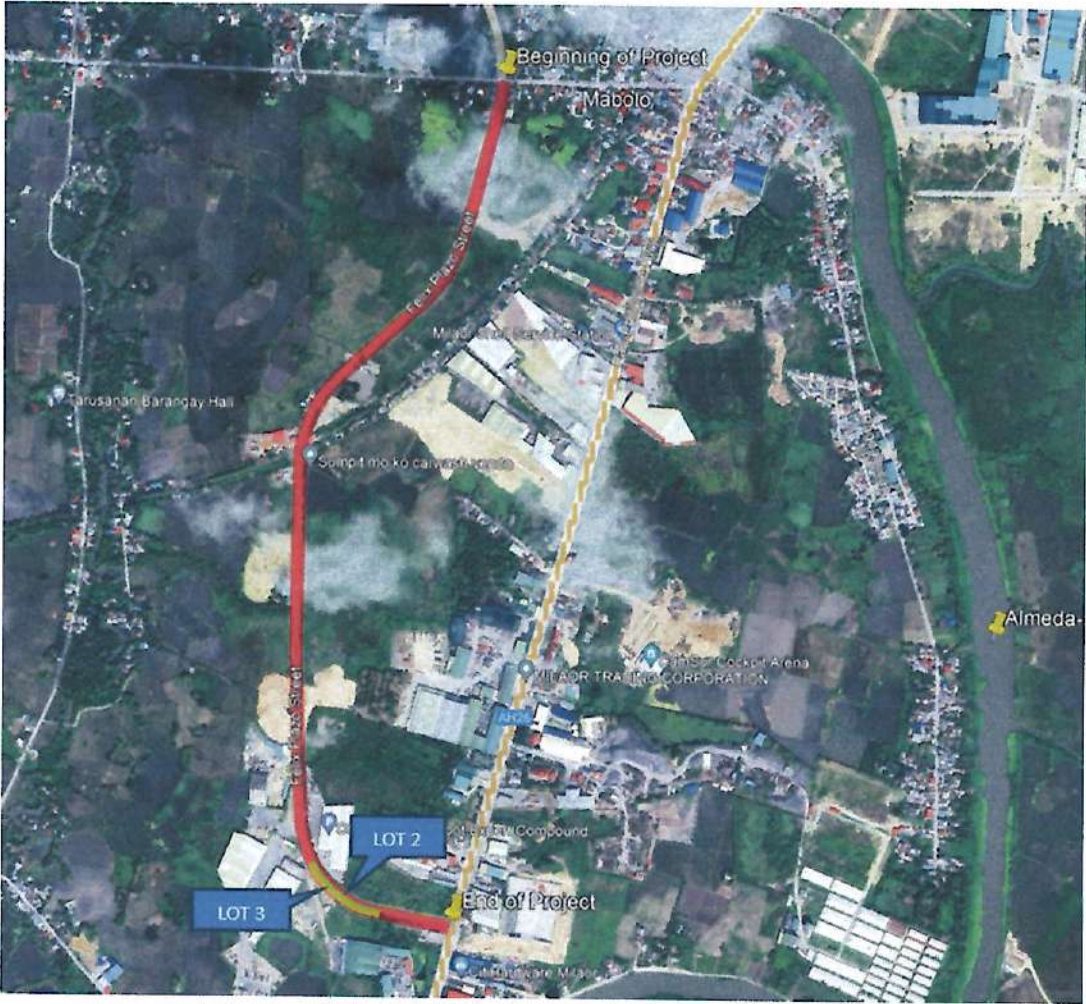
Sps. Arnel Jose Rubio and Milagros Baldoza Property

f. The area affected of Sps. Rubio's property is 57 square meters as shown in the following parcellary plan:



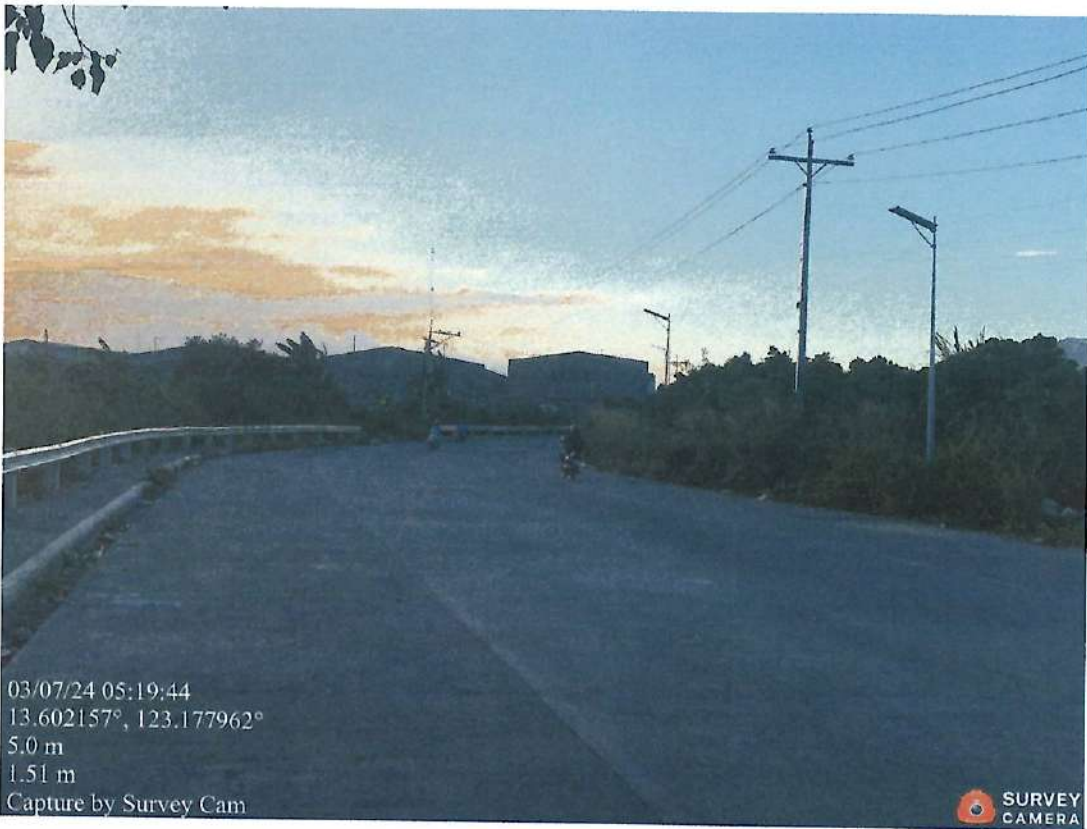
Parcellary map showing Rubio property

- B. **12FE0006** – Concreting/Improvement of Naga City – Milaor By Pass Road, Milaor, Camarines Sur – Naga City
- a. The project with Contract ID No. 12FE0006 – Concreting/Improvement of Naga City – Milaor By Pass Road, Milaor, Camarines Sur – Naga City was implemented on February 2012 and completed on August 2014.
 - b. On March 17, 2023, the Implementing Office received a letter from Atty. Henry B. Payte, representing Arlene P. Sychay-Tan, Leni P. Sychay, Joan Sychay Cheng, and Kristoffer P. Sychay as Attorney-in-Fact, regarding their claim for just compensation for two properties (Lot No. 1912-B and Lot No. 2) traversed by the project. Upon validation through actual survey, it was determined that the two properties were affected. However, legal opinion from the Right-of-Way Acquisition and Legal Division (ROWALD), Regional Office V, affirms that only Lot No. 2 is compensable.
 - c. Since the project has been completed, their claim is now considered as **outstanding claim**. Pursuant to Section 6.11 of the IRR of RA No. 10752, the provisions of Section 6.1 (Compensation Price) shall also apply to outstanding claims for right-of-way payments, except that the amount to be offered shall be the price **at the time of taking** of the property, including legal interest until fully paid, subject to the transitory provision in Section 19 of the said IRR. Said properties are to be appraised using the price at the time of taking, which was on the year **2014**.
 - d. The following map shows the affected property that will be subject to appraisal:

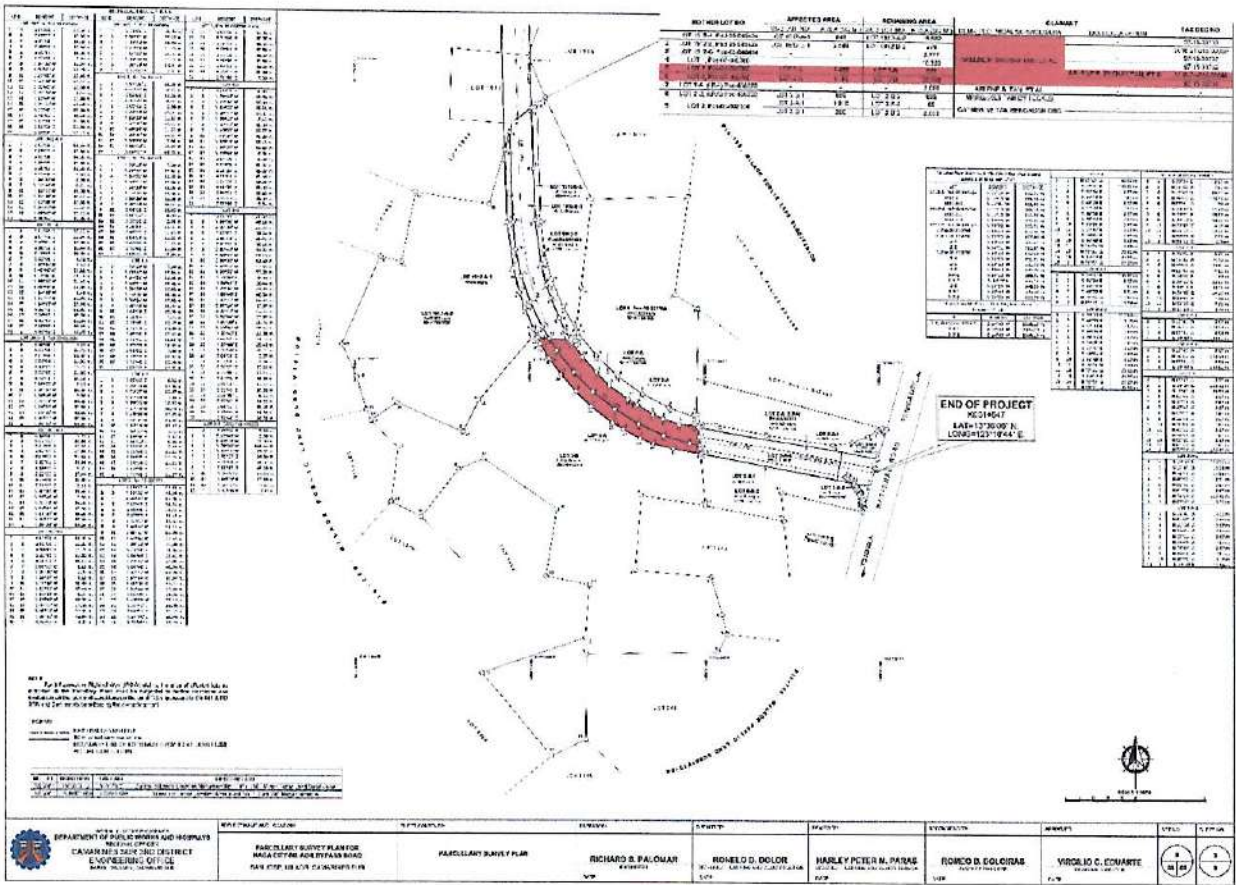


e. The properties to be appraised are shown in the herein photographs:





f. The area affected of Lot 2, owned by Arlene P. Sychay-Tan, et al., is 1439 square meters, as shown in the parcellary plan below.



- C. **19FE0049** – Construction/Maintenance of Flood Mitigation Structures and Drainage Systems – Construction /Rehabilitation/Improvement of Canaman Flood Control, San Agustin-Haring-San Vicente-Del Rosario Creek, Canaman, Camarines Sur
- a. The project with Contract ID No. 19FE0049 – Construction/Maintenance of Flood Mitigation Structures and Drainage Systems – Construction /Rehabilitation/Improvement of Canaman Flood Control, San Agustin-Haring-San

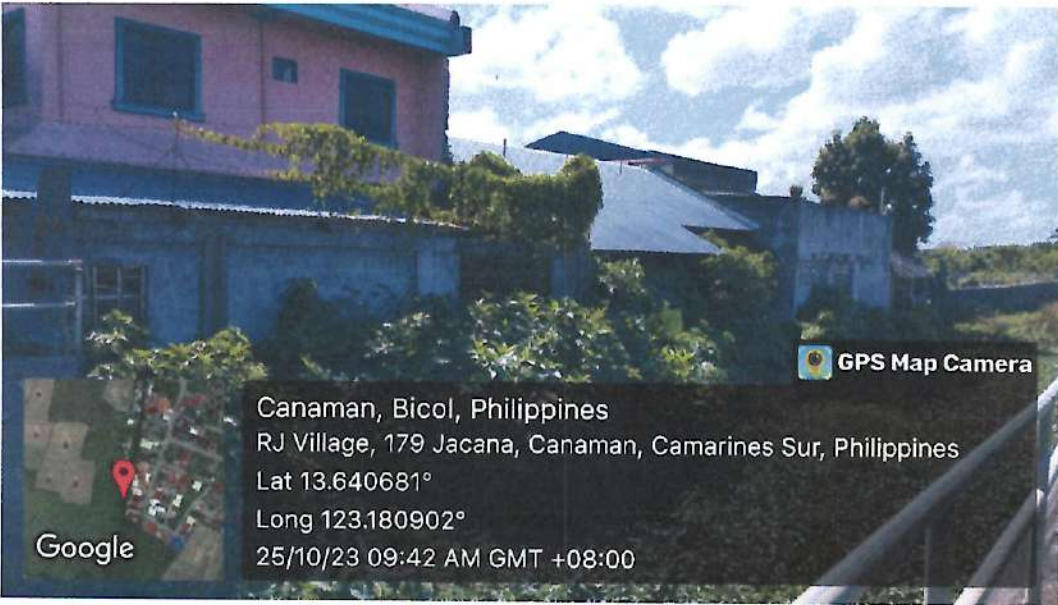
Vicente-Del Rosario Creek, Canaman, Canaman, Camarines Sur was implemented on July 2019 and completed on February 2020.

- b. The flood control project was implemented along an existing creek upon request of the residents affected by flooding and bank scouring in the area. However, almost two (2) years after completion, Engr. Ruben Sia claims that four (4) of his properties covered by Transfer Certificate of Title Nos. 13735, 13736, 13737 and 13738, were encroached by the said project. Upon thorough deliberation and validation through actual survey, it was confirmed that his properties were indeed affected by the project, and that he would be compensated but only for the portions of lots that are adjacent to the creek and occupied the flood control structure, as per legal opinion.
- c. Since the project has been completed, his claim is now considered as **outstanding claim**. Pursuant to Section 6.11 of the IRR of RA No. 10752, the provisions of Section 6.1 (Compensation Price) shall also apply to outstanding claims for right-of-way payments, except that the amount to be offered shall be the price **at the time of taking** of the property, including legal interest until fully paid, subject to the transitory provision in Section 19 of the said IRR. Said properties are to be appraised using the price at the time of taking, which was on the year **2020**.
- d. The following map shows the affected property that will be subject to appraisal:

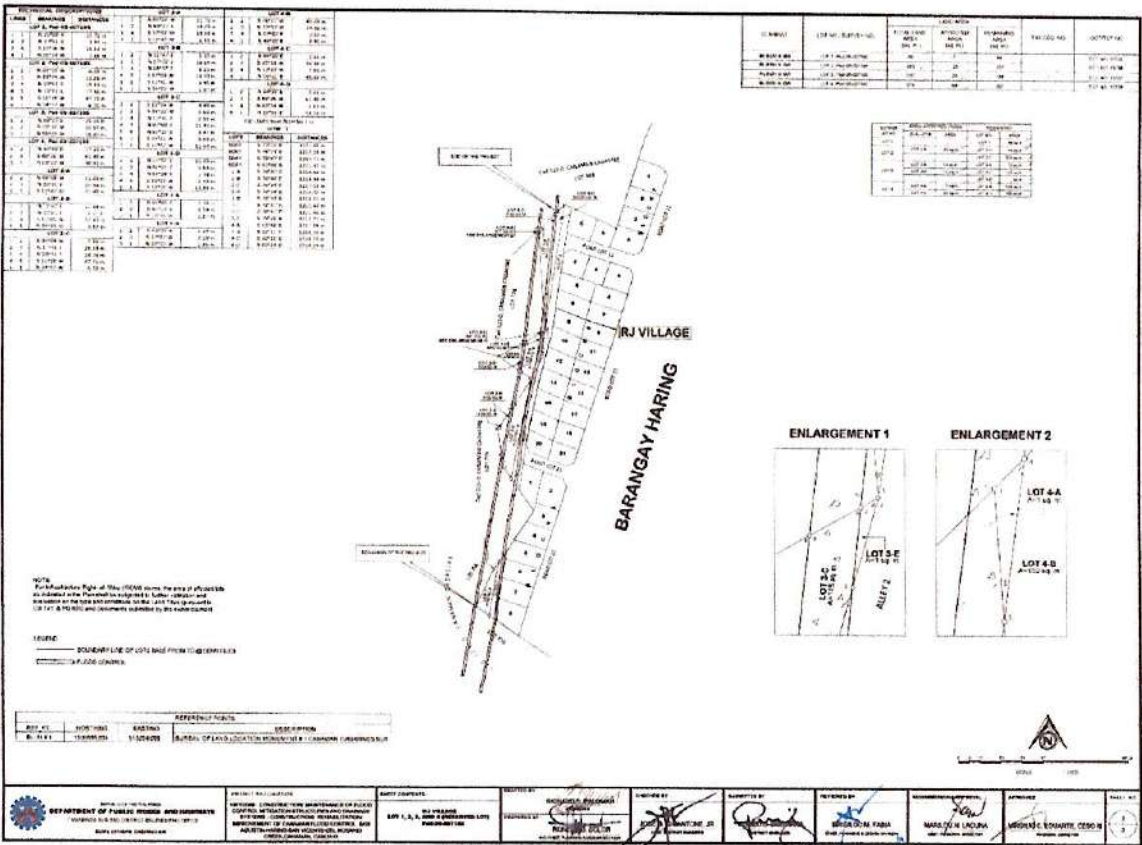


- e. The properties to be appraised are shown in the herein photographs:





f. The area affected of Lots 1, 2, 3 and 4 owned by Ruben Sia are 99 square meters, 213 square meters, 115 square meters and 152 square meters, accordingly, with a total of 579 square meters as shown in the parcellary survey plan below.



2. Objectives of the Services:

- a. To determine the fair market value of the land **at the time of taking** of the properties described above as affected by the ROW requirement of the project.
- b. To recommend the appropriate price offer for negotiated sale of the affected properties based on the foregoing.
- c. To provide technical assistance, if necessary, to the IO on the negotiated sale proceedings, and in administrative and judicial processes for other modes of ROW acquisition as needed, including the attendance therein of concerned IPA technical personnel.

3. **Desired Outputs** -The IPA is expected to deliver to the IO an Appraisal Report that contains the following:
- a. Basis of valuation, which shall be consistent with the standards and specifications provided in Section 4 of this TOR.
 - b. Technical details and physical characteristics of the Properties affected by the ROW.
 - c. Estimated market value of the land under consideration, at the time of taking.
 - d. Recommended price offer for negotiated sale for the properties affected.
 - e. Other reports/advisories needed in the negotiation proceedings.

The Appraisal Report must be signed by a Real Estate Appraiser duly licensed by the Professional Regulation Commission (PRC) and registered with the Professional Regulatory Board of Real Estate Service (PRBRES) pursuant to RA 9646 (Real Estate Service Act of the Philippines, 2009).

4. **Standards and Specifications** – In providing the services and delivering the desired outputs, the IPA shall use the Philippine Valuation Standards (PVS) and observe the following standards and specifications listed under Section 7 of RA 10752:
- a. The classification and use for which the property is suited. This shall be based on, among other things, an approved land use plan and/or zoning ordinance, if any, of the city or municipality concerned.
 - b. The development cost for improving the land. This shall be based on, among other things, the records and estimates of the City or Municipal Assessor concerned, IPA for similar or comparable lands.
 - c. The value declared by the owners. This shall be based on the value shown in the owners' latest Tax Declaration Certificates or Sworn Statements.
 - d. The selling price of similar lands in the vicinity, both at present and at the time of taking. This shall be based on, among other things, the records on Deeds of Sale for similar lands in the office of the Register of Deeds concerned.
 - e. The size, shape or location, tax declaration and zonal valuation of the land. These shall be based on, among other things, the records on Deeds of Sale in the Register of Deeds, tax declaration by the City or Municipal assessor, zonal valuation of the BIR for comparable properties.
 - f. The price of the land as manifested in the ocular findings, oral as well as documentary evidence presented.
 - g. Such facts and events so as to enable the affected property owners to have sufficient funds to acquire similarly situated lands of approximate areas as those required from them by the government, and thereby rehabilitate themselves as early as possible.

5. **Duration of Services and Timetable for Delivery of Outputs and Payment of Fees** – The IPA shall perform the services and deliver the said outputs to the IO within **forty (40) calendar days** from its receipt of the IO's Notice to Proceed for the Contract Agreement for these services, and according to the following schedule:

Phases	Timeline	Deliverables	Schedule of Payment of Fee
Pre-Project Start-up	1 st -2 nd Week	Planning Framework	

		<ul style="list-style-type: none"> - Gathering of documents: Project Layout/ Survey Plans, Parcellary Plans, Title and Tax Declaration per lot, etc - Conferences/meetings - Confirmation of Proposal - Consolidation and review of documents 	
Pre-Site Visit	2 nd - 3 rd Week	Site Familiarization <ul style="list-style-type: none"> - Meetings with Barangay Officials - Pre-Site Inspection - Securing Other References (Tax Map/ Tax Declaration) from the Assessors 	
	End of 3 rd Week	Submission of Inception Report to IO – including initial observations and program of activities	15% of Total Fee
On-Site Investigation and Analysis	4 th Week	Property Identification and Site Analysis <ul style="list-style-type: none"> - Identification of each property on ground versus plans submitted, including its location, accessibility, terrain, developments and improvements thereon. - Investigation, queries and validation of current prices of lots and sold properties in the project vicinity. 	
On Site Validation of Ownership	4 th Week	Documentation of Properties Affected <ul style="list-style-type: none"> - Securing or verification of documents (Titles) with Registry of Deeds and other agencies concerned 	
Off Site Evaluation and Drafting of Appraisal Report	5 th Week	Write-ups and Preparation of Draft Final Appraisal Report <ul style="list-style-type: none"> - Consolidation and analysis of gathered data and information. - Establishing benchmarks of valuation and calculations of market values and replacement costs per property - Composition and printing of Draft Report - Reproduction of gathered documents for attachments. - Compilation of write-ups and attachments for submission. 	
	Mid of 5 th Week	Submission of Draft Final Appraisal Report to IO – including estimated market values of lots, both current and at the time of taking	50% of Total Fee
Finalization of Appraisal Report	Mid of 5 th – 6 th Week	Preparation of Revised Final Appraisal Report <ul style="list-style-type: none"> - Preparation of Revised Draft Report considering comments of IO. - Refinements of detailed data and supporting documents Reproduction of Final Reports – 6 copies	
	End of 6 th Week	Submission of Revised Final Appraisal Report to IO - including estimated market values of lots, both current and at the time of taking	35% of Total Fee

6. **Qualification of IPA-** The IPA must meet the following criteria to qualify for the consulting services:
- The IPA must be in the list of the Bangko Sentral ng Pilipinas (BSP) or a professional association of appraisers recognized by the BSP, provided, that an IPA not yet included in the list shall not be barred from joining the procurement for such services; and provided further that, prior to award of the contract, such IPA shall be required to submit a proof that they are already included in the list.
 - The IPA must comply with the experience and other eligibility requirements provided in RA 9184 and its IRR, including the registration and license required for a Real Estate Appraiser.

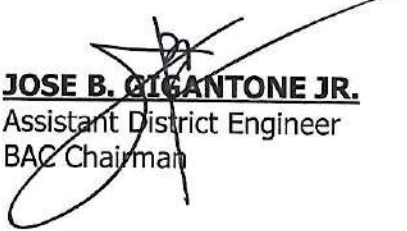
Submitted by:



RONELO D. DOLOR

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Implementing Unit

Approved by:



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