



BANGKO SENTRAL NG PILIPINAS

**OFFICE OF THE DEPUTY GOVERNOR
SUPERVISION AND EXAMINATION SECTOR**

MEMORANDUM NO. M-2012- 037

To : All Banks and Non-Bank Financial Institutions Concerned

Subject : Land Registration Authority (LRA) Voluntary Title Standardization Program (eTitle Program)

For information and guidance, please be advised that the LRA is implementing its eTitle Program under its Land Titling Computerization Project. The eTitle Program provides title owners better security by upgrading their manually-issued titles to Electronic Certificates of Title (eTitle). An eTitle is a title to a parcel of land or a condominium unit issued through LRA's Computerized System.

The LRA embarked on the issuance of eTitles in order to have higher security and reliability on titles issued by the LRA. The issuance of eTitles seeks to offer the following benefits to banks, non-bank financial institutions and the general public:

1. It provides another layer of due-diligence for title holders as titles that have passed through the eTitle Program have undergone strict scrutiny in the Registries of Deeds (RDs) as to its authenticity;
2. It ensures original copies of titles kept in the RDs are protected from loss or destruction due to age, wear and tear, fraud, fire and natural disasters, and misfiling of records by storing this in its electronic original form, which are regularly backed-up, so that owners shall no longer go through the expensive and tedious process of title reconstitution; and
3. It ensures faster processing of transactions such as issuance of electronic certified true copy of title and annotation of certain transactions involving parcels of land or condominium units which may include mortgage constituted thereon, since RD personnel do not need to retrieve the physical original copies of the certificate of title subject of the transaction.

In order to reinforce an institution's risk management system, particularly in ensuring the security and integrity of the titles of its properties, banks and non-bank financial institutions under BSP supervision are advised to avail of the eTitle Program for all its titled properties, e.g. capital assets and foreclosed assets. Furthermore, in order to safeguard the claims of banks and other BSP-supervised institutions over securities and collaterals constituted over real properties, the aforementioned institutions should promote the conversion of manual titles to eTitles for properties received as collateral or security to loans. The conversion to eTitle will reduce the risk of tampering and destruction and deter substitution or insertion of questionable data which may prejudice such claims. For manual titles currently lodged with the banks and other BSP-supervised institutions as security/collateral, banks are likewise encouraged to act on behalf of the

registered owners to secure an eTitle for their titled properties held as security/collateral.

The requirements for the conversion of manually issued titles to eTitles as well as the fees corresponding to transactions with the LRA are set forth in LRA Circular No. 27-2011, a copy of which is attached hereto for reference.



NESTOR A. ESPENILLA JR.
Deputy Governor

27 July 2012



REPUBLIKA NG PILIPINAS
KAGAWARAN NG KATARUNGAN
PANGASIWAAN SA PATALAAN NG LUPAIN
(LAND REGISTRATION AUTHORITY)
East Avenue cor. NIA Road
Quezon City

LRA CIRCULAR NO. 27 - 2011

SUBJECT: IMPLEMENTATION OF THE LRA VOLUNTARY TITLE STANDARDIZATION PROGRAM FOR THE CONVERSION OF MANUALLY-ISSUED TITLES INTO ELECTRONIC CERTIFICATES OF TITLE UPON REQUEST OF THE REGISTERED OWNER OR OTHER CLIENT REPRESENTING THE REGISTERED OWNER, OR HIS/HER INTEREST THEREOF.

WHEREAS, the Land Registration Authority ("LRA") is implementing the Land Titling Computerization Project ("LTCP" or the "Project"), which among others, seeks to maintain on-line information on titles that is current, complete and accurate; maintain the security and integrity of records by safeguarding these from tampering or destruction and deter substitution or insertion of questionable data; ensure the integrity of the land titling registration system by moving from a largely paper-based to a largely paperless system; protect land titles from loss due to fire, theft, natural disasters and the normal ravages of time; and implement more reliable and predictable land registration procedures;

WHEREAS, a Computerized System has been designed, developed, and implemented to ensure that LRA and its Registries of Deeds ("RD" or "RDs") are able to fulfill the objectives of the Project;

WHEREAS, to further ensure that the objectives of the Project are met, a Voluntary Title Standardization Program (the "Program") was approved by this Authority, whereby manually-issued Certificates of Title shall be deactivated, and in lieu thereof, using the Computerized System, Electronic Certificates of Title ("eTitle") shall be issued by RDs;

WHEREAS, the Program offers the following benefits to the public, to wit: (i) It shall further ensure faster processing of transactions, as RD personnel do not need to retrieve the physical original copies of the certificates of title subject of transaction; (ii) It shall protect original copies of titles from loss by storing this in its electronic original form, which are regularly backed-up as owners shall no longer go through the expensive and tedious process of reconstitution; and, (iii) It shall ensure clearer Certified True Copies as compared to Certified True Copies issued on scanned images of the manually-issued certificates of title;

WHEREFORE, premises considered, LRA shall allow the conversion of manually-issued certificates of title into certificates that are issued by the Computerized System, upon request of the registered owner or other client representing the registered owner, or his/her interest thereof, as follows:

Section 1. The Program shall be formally called "LRA Voluntary Title Standardization Program".

Section 2. The following documents shall be required for Voluntary Standardization:

- a. A verified Petition for Voluntary Standardization of Certificate of Title, duly signed by the registered owner/co-owners or their duly authorized representative/s. The Petition may cover several Certificates of Title in the name of the registered owner/co-owners within the same jurisdiction and shall specify the Certificate/s of Title subject of the Petition. A pro-forma Verified Petition shall be provided in the official LRA website (i.e., www.lra.gov.ph);
- b. Copy of a valid Government-issued Identification Card (i.e., Driver's License, GSIS, SSS, HDMF, Philhealth, Passport, Postal ID) of the presenter;
- c. In case the registered owner is represented by an agent, be it a natural person or a juridical one, a duly notarized Special Power of Attorney ("SPA") specifically authorizing the representative to file the herein petition for and on behalf of the registered owner(s). If the SPA was executed outside of the Philippines, the document shall be attested to by the appropriate Consular Official. A pro-forma SPA shall be provided in the official LRA website;
- d. In case the registered owner is a juridical entity, a duly notarized Secretary's Certificate or Board Resolution appointing and authorizing a representative to file subject Petition with the Registry of Deeds; and
- e. The Owner's Duplicate of the Certificate of Title, and all issued Co-owner's Duplicate of the Certificate of Title, as the case may be.

Section 3. The following rules shall apply:

- a. The Program shall be in line with previously approved and published Implementing Guidelines issued in relation to the LTCP;
- b. The Program shall be voluntary in nature;
- c. The Program shall only be available for Certificates of Title that have undergone the data conversion process, and are already in the database;
- d. The eTitle resulting from this Program shall, in all respect, contain exact information as that of the manually-issued Title, and in no case shall there be an amendment of any kind on any of the entries thereon;
- e. The Owner's Duplicate of the Certificate of Title, and all issued Co-owner's Duplicate of the Certificate of Title, as the case may be, shall be surrendered to the Registry; and
- f. Once the Certificate/s of Title has undergone this Program, it shall be deemed as deactivated, and all succeeding transactions shall be registered on the basis of the resulting eTitle.

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Section 4. The Voluntary Standardization procedure shall be as follows:

- a. The client shall submit to the Registry concerned the verified Petition together with the Owner's Duplicate Certificate of Title and all Co-owner's Duplicate Certificate of Title, as the case may be, and such other required documents enumerated in Section 2 hereof. All basic information from documents received supporting the transaction shall be entered into the Electronic Primary Entry Book for Registered Land ("EPEB-RL"). The date, hour and minute of reception of all such documents, in the order in which they were received, shall then be noted on the main document(s). The transaction shall be automatically assigned an entry number as its control or reference number.
- b. The corresponding fees shall be automatically computed by the system and the corresponding receipt generated upon payment thereof. In default of payment, the entry made in the EPEB-RL shall be rendered of no force and effect. The applicable fees, as circularized and published, shall be as follows:

LRA Fees	
1. Entry Fee	P30.00 per entry
2. Registration Fee	P30.00 for the Verified Petition; P120.00 for the SPA; P120.00 for the Secretary's Certificate or Board Resolution
3. Issuance of Certificate of Title Fee	P60.00 per title issued; P30.00 per additional parcel of lot
4. Issuance of Additional Copy of Certificate of Title Fee	P60.00 for the first page; P30.00 for each subsequent page
5. Annotation Fee	P30.00 per annotation
6. Judicial Form Fee	P30.00 per title issued
IT Service Fees (subject to value-added tax)	
1. Service Fee for Registration of Deeds	P344.98 per deed/instrument processed for registration, including, but not limited to supporting documents that are indispensable to the registration of the main document
2. Service Fee for Issuance of Certificates of Title	P215.58 per title issued

- c. All pertinent data on the manually-issued Title shall be encoded and the corresponding annotations shall be made using the format and templates provided in the Computerized System, except for annotations already existing in the manually-issued Title, which shall be copied *en toto* on the resulting eTitle.
- d. The encoded electronic data, as well as, the pertinent documents shall then be examined by the Registration Examiner. If the documents received are complete, the findings of the Registration Examiner shall be transmitted to the approving authority.

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- e. If the Petition is approved, a new Owner's Duplicate Certificate of Title and/or Co-owner's Duplicate Certificate of Title (i.e., the eTitle) shall be printed with a unique system-generated title number. The electronic original copy and the printed Owner's Duplicate Certificate of Title and/or Co-owner's Duplicate Certificate of Title shall bear an annotation that it was issued through the process of Voluntary Standardization, as follows:

- i. For the manually-issued Title:

Entry No.:

Entry Date and Time:

Certificate of Title No.: <Subject Title Number> has been deactivated by virtue of LRA Circular No.: <Number of Circular> with subject: Voluntary Title Standardization Program, published on: <Circular Publication Date>, and shall no longer be used in transaction processing. Henceforth, transactions shall be processed on the basis of PHILARIS-generated <Original/Transfer/Condominium> Certificate of Title No.: <New Title Number>.

- ii. For the eTitle:

Entry No.:

Entry Date and Time:

Certificate of Title No.: <New Title Number> is issued based on <Original/Transfer/Condominium> Certificate Title No.: <Subject Title Number>, printed on Serial No.: <Serial No.> (if applicable), by virtue of LRA Circular No.: <Number of Circular> with subject: Voluntary Title Standardization Program, published on: <Circular Publication Date>.

Further, the eTitle shall include the name of the Registrar who issued the manually-issued Title, and the name of the Registrar approving the request for standardization.

Thereafter, both the original and duplicate copies of the manually-issued Title shall be stamped on each and every page thereof the following: "CANCELLED pursuant to the Voluntary Title Standardization Program (LRA Circular No. ____)". All documents shall be stamped with the prescribed memorandum and signed by the approving authority in the RD.

- f. The owner's duplicate copy of the manually-issued Title and all documents submitted by the client shall be scanned, and the resulting images shall be stored in the database. After scanning, the documents shall be filed and kept in the vault for safekeeping.
- g. The owner's duplicate copy of the resulting eTitle and the copy of all the documents shall then be delivered to the registered owner or his duly authorized representative, who shall sign the acknowledgment slip generated by the Computerized System.

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- n) If the transaction is denied, a notice of denial shall be issued to the client who may, without withdrawing the documents, elevate the transaction *en consulta* within five (5) days from notice of such denial in accordance with the pertinent provision of PD 1529. Otherwise, the denial shall be considered final.

Section 5. This Program shall be implemented as follows:

- a) Pilot Implementation – The Program shall initially be implemented in the following Registries of Deeds:
- i. Cebu City;
 - ii. Danao City
 - iii. Province of Cebu;
 - iv. Lapu Lapu City; and
 - v. Toledo City.
- b) Full Implementation – The Program shall be implemented on all other Registries of Deeds using the Computerized System for transaction processing 3 months after the Pilot Implementation, or as may be determined by the Authority.
- c) In all cases, the implementation of this Program shall be subject to the issuance of the appropriate Administrative Orders, which shall specify in which Registries of Deeds the Program shall be implemented, and its commencement date.

This Circular shall take effect after fifteen (15) days from of its publication in a newspaper of general circulation, and the filing of the three (3) copies hereof with the University of the Philippines Law Center.

Approved:


EULALIO C. DIAZ III
Administrator */sk*

CERTIFIED TRUE COPY
 12/16/11
NORILYN T. TOMAS
Acting Chief
Central Records Section

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