

AN ACT TO PENALIZE SPECULATION OR RENTS OF BUILDINGS DESTINED FOR DWELLING PURPOSES.

Commonwealth Act No. 689, October 15, 1945

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Be it enacted by the Senate and House of Representatives in Congress assembled:

SECTION 1. A lease for the occupation as dwelling of a building or part thereof which is not room or rooms of an hotel, which does not specify any term, shall be considered of six months' duration counted from the date of occupation by virtue of said lease at the option of the lessee.

SEC. 2. In a suit for ejection or for the collection of rents due and payable by virtue of a contract of lease of buildings destined solely for dwelling, not being a room or rooms of an hotel, the fact that the rents are unjust and unreasonable shall constitute a valid defense.

SEC. 3. The said rents shall be presumed unjust and unreasonable if they exceed twenty per centum of annual assessment value of the building and the lot on which it is erected, if both belong to the lessor, or of the actual assessment value of the building in addition to all rent paid on the lot if said lot belongs to another person. If the lessee occupies only part of the building, the actual assessment value corresponding to the part occupied by him, shall be determined proportionally.

SEC. 4. When a final and executory order or judgment in a suit for the recovery of rentals or for ejection from a building or part thereof used as dwelling establishes the fact that the lessee has retained the possession of the buildings leased to him after the expiration of the contract, the Court that issued such order or judgment may, at its discretion, on the petition of the lessee and subject to the conditions prescribed in this Act, suspend the execution of said order or judgment for a period which it considers convenient but not exceeding three months.

SEC. 5. When there is a petition for the suspension of execution of an order or judgment, the Court shall hear both parties, and if during the trial it shall be found that the building or buildings mentioned in the petition are destined solely for dwelling; that the petitioner cannot secure another dwelling house for himself and his family; that he had used due diligence to find another building; that he had filed his petition in good faith, and is willing to obey and comply with the requirements and orders of the Court, said Court shall grant the suspension as provided in this Act, on the condition that the requirements laid down for said suspension shall be complied with.

SEC. 6. The order of suspension shall be granted and will continue in force only on condition that the person against him judgment has been rendered deposits the total amount of rents due during the period of suspension or such portions of said amount as the Court may order from time to time, at the same rate of rental that he was charged for the month immediately preceding the expiration of the lease. This deposit shall include, in addition, the costs and all rents due and not paid before the suspension and a reasonable amount to answer for damages. The Court shall determine the amount of such deposit, during the hearing of the petition for suspension, and its decision as to the amount of deposit shall be final and executory and shall be carried out in such manner and within such time as the Court may direct.

SEC. 7. The Clerk of Court, or the Judge if there be no Clerk of Court, shall pay to the lessor or his authorized

agent all the amount deposited or part thereof in accordance with the conditions of the order of suspension and of other orders of the Court.

SEC. 8. Any proprietor or lessor, or his agent, found guilty of having, with the object of ejecting a lessee, exposed the latter, by deed, negligence or omission, directly or indirectly, to unsafe or insanitary conditions, or imposed upon him any burden, or caused him any loss or unnecessary vexation, in the use or occupation of the building, shall be punished with a fine of not exceeding two hundred pesos or with imprisonment of not more than six months, or with both penalties, in the discretion of the Court.

SEC. 9. Any person who directly or indirectly collects any rent or payment more than that authorized by this Act, or who extrajudicially deprives the lessee against this will, of the occupation of a building or part thereof used as dwelling during the period of the lease, shall be punished with a fine of not exceeding two hundred pesos, or with imprisonment of not more than six months, or with both penalties.

SEC. 10. Any person found guilty of having, with the intention of evading the provisions of this Act, entered into a contract or arrangement for the payment of a bonus or of any other consideration in connection with any contract of lease or any other contract whatsoever for the use and occupation of any building described in section one of this Act, or taken part in any fictitious sale or in any artifice or arrangement the object of which is to increase the rent of said building, shall be punished with a fine of not exceeding two hundred pesos, or with imprisonment of not more than six months, or with both penalties in the discretion of the Court.

SEC. 11. The lessee shall not sub-lease the building or part thereof used as dwelling, without the written consent of the proprietor. A violation of this provision is a cause for the ejection of the lessee as well as of the sub-lessee, and shall be punished with a fine of not exceeding two hundred pesos or with imprisonment of not more than six months, or with both penalties.

SEC. 12. If any violation of this Act is committed by a corporation or any association, its managers, officers or agents who have authorized, ordered, or consented to any of the acts constituting said infringement shall be held criminally responsible.

SEC. 13. All laws or executive orders or parts thereof which are inconsistent with the provisions of this Act are hereby repealed.,

SEC. 14. This Act shall be in force for a period of two years after its approval.

Approved, October 15, 1945.

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