



Office of the Sangguniang Panlungsod

DISTRICT I

HON. CATHERINE SARINO-EVARISTO
City Councilor

HON. MICHAEL E. SOLIS
City Councilor

HON. ADRIELITO G. GAWARAN
City Councilor

HON. VICTORIO L. GUERRERO, JR.
City Councilor

HON. ALEJANDRO F. GUTIERREZ
City Councilor

HON. LEVY M. TELA
City Councilor

DISTRICT II

HON. ROBERTO L. ADVINCULA
City Councilor

HON. REYNALDO D. PALABRICA
City Councilor

HON. REYNALDO M. LABIAN
City Councilor

HON. ROGELIO M. NOLASCO
City Councilor

HON. ALDE JOSELITO F. PAGULAYAN
City Councilor

HON. SIMPLICIO G. DOMINGUEZ
City Councilor

HON. RAMON N. BAUTISTA
Liga ng mga Barangay President

HON. MAC RAVEN ESPIRITU
SK Federation President

Attested by:
ATTY. KHALID A. ATEGA, JR.
Sangguniang Panlungsod Secretary

Certified by:
HON. ROWENA BAUTISTA-MENDIOLA
City Vice Mayor

Noted by:
HON. STRIKE B. REVILLA
City Mayor

CITY RESOLUTION NO. 2023-210
Series of 2023

A RESOLUTION AUTHORIZING THE CITY MAYOR, HON. STRIKE B. REVILLA TO SIGN THE RENEWAL OF THE CONTRACT OF LEASE WITH THE PHILIPPINE LONG DISTANCE TELEPHONE (PLDT) INC. IN CONSONANCE WITH THE PROJECTS AND PROGRAMS OF THE CITY GOVERNMENT TO GENERATE MORE INCOME.

Sponsored by:

Hon. Rogelio M. Nolasco

Co-Sponsored by:

Hon. Roberto L. Advincula, Hon. Ramon N. Bautista, Hon. Simplicio G. Dominguez, Hon. Mac Raven Espiritu, Hon. Reynaldo Fabian, Hon. Adrielito G. Gawaran, Hon. Victorio L. Guerrero, Jr., Hon. Catherine Sarino-Evaristo, Hon. Alejandro F. Gutierrez, Hon. Alde Joselito F. Pagulayan, Hon. Reynaldo D. Palabrica, Hon. Michael E. Solis and Hon. Levy M. Tela

WHEREAS, on 16 February 2021, the City Government of Bacoor and Philippine Long Distance Telephone (PLDT) Inc. entered into a Contract of Lease, which expired on 15 February 2023.

WHEREAS, on 23 February 2023, the Office of the Sangguniang Panlungsod received a letter from the Office of the City Mayor requesting authority to enter and sign the Renewal of Contract of Lease. A draft contract of renewal is deemed incorporated herein and made an integral part of this Resolution.

WHEREAS, under the draft Contract of Renewal, PLDT Inc. will pay Thirty-Six Thousand Six Hundred Two Pesos and 50/100 (PHP 36,602.50) every month.

WHEREAS, the lease contract covers a portion of the Lower Ground Floor of the Bacoor City Hall Building in the Bacoor Government Center.

WHEREAS, the renewal is in consonance with the aim of the City Government to increase its revenue since by renewing the lease contract with PLDT Inc., the City Government will continue to generate income from the use of the leased premises.

WHEREAS, the renewal is beneficial to the residents of Bacoor because its presence in the Bacoor Government Center can provide the residents of Bacoor with access to advanced telecommunications services and technology. This can help to improve the quality and reliability of telecommunications services in the City as well as improve the delivery of services to the residents of Bacoor.

WHEREAS, under the Local Government Code of 1991, the City Mayor shall represent the city in all its business transactions and sign on its behalf all contracts upon the authority of the Sangguniang



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HON. RAMON N. BAUTISTA
Liga ng mga Barangay President

HON. MAORAVEN ESPIRITU
SK Federation President

Attested by:

ATTY. KHALID A. ATEGA, JR.
Sangguniang Panlungsod Secretary

Certified by:

HON. ROWENA BAUTISTA-MENDIOLA
City Vice Mayor

Noted by:

HON. STRIKE B. REVILLA
City Mayor

Panlungsod. Moreover, no contract may be entered into by the local chief executive without the Sangguniang Panlungsod's prior authorization.

NOW THEREFORE, upon motion of Hon. Rogelio M. Nolasco, unanimously seconded by the rest of the Body, **BE IT RESOLVED AS IT IS HEREBY RESOLVED** by the 5th Sangguniang Panlungsod of the City of Bacoor, Cavite to authorize the signing of the Draft Memorandum of Agreement between the City Government and PLDT regarding the renewal of the Contract of Lease.

RESOLVED LASTLY, to furnish PLDT Inc., the University of the Philippines Office of the National Administrative Register (UP-ONAR), and other government agencies concerned with copies of this Resolution.

APPROVED on the 6th day of March 2023 at the City of Bacoor, Cavite by the Sangguniang Panlungsod of the City of Bacoor.

I hereby certify that the foregoing Resolution is true and correct and that it was passed in accordance with the law.

Certified by:

HON. ROWENA BAUTISTA-MENDIOLA
City Vice Mayor/Presiding Officer

Attested by:

ATTY. KHALID A. ATEGA JR.
Sangguniang Panlungsod Secretary

Noted by:

HON. STRIKE B. REVILLA
City Mayor

**CONTRACT OF LEASE
(RENEWAL)**

This Contract of Lease (the "Contract") is made and entered into this ___ day of ___, 20___, by and between:

The **CITY GOVERNMENT OF BACOOR**, a local government unit existing under the laws of the Republic of the Philippines, with principal office address at Bacoor Government Center, Molino Boulevard, Brgy. Bayanan, City of Bacoor, Cavite, herein represented by its Local Chief Executive, **HON. STRIKE B. REVILLA**, pursuant to his authority conferred and embodied in City Resolution No. _____, Series of 202__ approved ___ day of _____ 202__, of the City Council of Bacoor, hereinafter referred to as the "**LESSOR**"

and

PLDT INC., a corporation duly organized and existing under the laws of the Republic of the Philippines with principal office address at the Ramon Cojuangco Building, Makati Avenue, Makati City, herein represented by its Senior Vice President for Customer Sales Group, **ALEJANDRO O. CAEG**, hereinafter referred to as the "**LESSEE**"

The term "Party" shall mean either LESSOR or LESSEE, as applicable, while the term "Parties" shall mean LESSOR and LESSEE, collectively.

WITNESSETH:

WHEREAS, the LESSOR is the owner of a property known as the Bacoor City Hall Building, Bacoor Government Center, located at Molino Boulevard, Brgy. Bayanan, City of Bacoor, Cavite, hereinafter referred to as the "**Property**";

WHEREAS, the LESSEE, in the furtherance of its business, desires to lease a portion of the Property with an area of fifty (50) square meters identified as a portion of Unit LG01 of the Lower Ground Floor of the Bacoor City Hall Building, Bacoor Government Center, located at Molino Boulevard, Brgy. Bayanan, City of Bacoor, Cavite, as its office space, hereinafter referred to as the "**Leased Premises**";

WHEREAS, the LESSOR agrees to lease out the Leased Premises to the LESSEE provided that aside from the payment of the rental fee, the LESSEE shall, for the purpose of providing optimum network coverage for the employees, agents and patrons of Bacoor Government Center, install, free of charge, Smart telecommunications facilities, including but not limited to the equipment and outdoor Distributed Antenna System (DAS);

WHEREAS, a prior Contract of Lease was entered into by the Parties dated 16 February 2021, a copy of which is attached as Annex "A";

WHEREAS, the said original Contract of Lease expired last 15 February 2023;

WHEREAS, the LESSOR and LESSEE agree to execute this Contract of Lease solely for office and/or commercial purposes;

HON. STRIKE B. REVILLA
City Mayor

MR. ALEJANDRO O. CAEG
SVP, Customer Sales Group

ATTY. JESSON G. LABAO
OIC – City Administrator

MS. REBECCA JEANINE R. DE GUZMAN
Group Head, Customer Development
Strategies and Support

HON. STRIKE B. REVILLA
City Mayor

MR. ALEJANDRO O. CAEG
SVP, Customer Sales Group

ATTY. JESSON G. LABAO
OIC – City Administrator

MS. REBECCA JEANINE R. DE GUZMAN
Group Head, Customer Development
Strategies and Support

WHEREAS, the LESSOR agrees to extend and continue to lease out the Leased Premises to the LESSEE in accordance with City Ordinance No. CO 33-2018 or the "Bacoor Lease Ordinance", Series of 2018;

NOW THEREFORE, for and in consideration of the foregoing premises, and the mutual covenants and stipulations provided for herein, the LESSOR and LESSEE hereby agree as follows:

1. **TERM.** - The lease shall be for a period of **ONE (1) YEAR** commencing from **16 February 2023** and shall expire at midnight of **15 February 2024** ("Term"), unless earlier terminated pursuant to Sections 16 and 17 of this Contract. This Contract, may be renewed at the instance of either the LESSOR or the LESSEE, by sending the other Party a notice to such effect within six (6) months prior to the expiration thereof, under such terms and conditions as may be mutually acceptable to the LESSOR and LESSEE.

2. **RENTAL RATE.** - For and in consideration of the use and occupancy of the Leased Premises, the LESSEE shall pay the LESSOR a monthly rental of **THIRTY-SIX THOUSAND SIX HUNDRED TWO PESOS AND FIFTY CENTAVOS (PHP 36,602.50)**, exclusive of value-added tax, payable within the first fifteen (15) days of every applicable monthly period.

Succeeding rental payments received more than five (5) working days after its due date shall be considered late payment and shall bear a penalty interest of five percent (5%) per month, to be computed on a daily basis, and compounded monthly, from the date of default until fully paid, without prejudice to the right of the LESSOR to terminate this Contract.

Any other amount required to be paid by the LESSEE to the LESSOR under this Contract shall, if unpaid on its due date, similarly earn interest at the same rate and conditions.

3. **TAXES.**

A. **Withholding Tax and Documentary Stamp Tax**

The withholding tax shall be withheld by LESSEE at the rate prescribed by law and shall be for the account of the LESSOR. LESSEE shall, however, provide LESSOR the corresponding Certificate/s of Creditable Tax Withheld, at intervals mandated by the government.

The Documentary Stamp Tax (DST) arising from the Contract (including for any renewals hereof) shall be for the account of LESSOR.

B. **Value-Added Tax.**

The rental payments shall be inclusive of all taxes, fees, assessments and other charges, except value-added tax (VAT). The VAT, if applicable, shall be for the account of the LESSEE provided LESSOR is a VAT-registered entity and presents a copy of its VAT Registration Certificate upon the start of the Lease Period, and issues duly registered VAT Official Receipts (ORs) upon receipt of the Rent. Failure by LESSOR to issue the applicable VAT-registered Official Receipt will be sufficient ground for LESSEE to withhold future payments. In case of failure on the part of LESSOR to provide said VAT Registration Certificate, LESSEE may refuse to pay the VAT from the start of the Lease Period until such time that LESSOR provides a copy of its VAT Registration Certificate. For the avoidance of doubt, the LESSEE shall

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City Mayor

MR. ALEJANDRO O. CAEG
SVP, Customer Sales Group

ATTY. JESSON G. LABAO
OIC – City Administrator

MS. REBECCA JEANINE R. DE GUZMAN
Group Head, Customer Development
Strategies and Support

in no case be liable to pay retroactively any VAT in case of late submission by the LESSOR of the relevant VAT Registration Certificate.

4. **ADVANCE RENTAL AND SECURITY DEPOSIT.** – Upon execution of this Contract, the LESSEE shall pay the LESSOR:

A. The sum of **ONE HUNDRED NINE THOUSAND EIGHT HUNDRED SEVEN PESOS AND FIFTY CENTAVOS (PHP 109,807.50)**, exclusive of value-added tax, representing three (3) months advance rental, applicable for the last three (3) months of the Contract. Any difference as to the previous advance rental paid based on the Original Contract of Lease, should it still be unutilized, shall be settled by the LESSEE to the LESSOR.

B. Security Deposit in the sum of **ONE HUNDRED NINE THOUSAND EIGHT HUNDRED SEVEN PESOS AND FIFTY CENTAVOS (PHP 109,807.50)**, exclusive of value-added tax, equivalent to three (3) months rental. It is hereby expressly agreed herein that the Security Deposit cannot be utilized for the payment of monthly rental. The Security Deposit shall be refundable to the LESSEE within thirty (30) days from the termination of the Term, or of this Contract of Lease, as provided for under the provisions of Section 1 hereof, provided that no deduction therefrom or forfeiture thereof is proper as provided for in this Contract. Any difference as to the previous Security Deposit paid based on the Original Contract of Lease, should it be unutilized, shall be settled by the LESSEE to the LESSOR.

5. **RENTAL ESCALATION.** – It is agreed that the monthly rental under this Contract shall not be subject to any increase during the Term as provided in Section 1 hereof.

6. **USE OF LEASED PREMISES.** – The Leased Premises shall be used by the LESSEE exclusively for office/commercial purposes. The LESSEE further agrees that the Leased Premises shall not be utilized for any other purposes without first obtaining a written consent from the LESSOR on the LESSEE's intention to use the Leased Premises for the purposes other than that of operating a business office.

Should the LESSEE, at any time during the term of this Contract, use the Leased Premises, for any other purpose without the prior written consent of the LESSOR, the LESSOR shall have the option to either terminate this Contract or compel the LESSEE to discontinue the non-commercial activities, at the sole and exclusive option of the LESSOR.

7. **IMPROVEMENTS AND EFFECTS.** – The LESSEE may be allowed at its expense, to construct, install, set-up and/or introduce improvements in the Leased Premises, as may be required or reasonably necessary for carrying out its business operations subject to the approval of the LESSOR. No such improvements shall be introduced by the LESSEE on the Leased Premises without first showing the plans thereof to the LESSOR for its approval. Said improvements and effects shall remain the LESSEE's property during the term of this Contract. At the sole and exclusive option of the LESSOR, all permanent constructions, additions, alterations and improvements made or introduced by the LESSEE in the Leased Premises shall become the property of the LESSOR upon the expiration of the lease period or termination of this Contract, or any renewal or extension thereof, without

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SVP, Customer Sales Group

ATTY. JESSON G. LABAO
OIC – City Administrator

MS. REBECCA JEANINE R. DE GUZMAN
Group Head, Customer Development
Strategies and Support

11. **SUB-LEASE, TRANSFER OF RIGHTS.** – The LESSEE cannot sub-lease or transfer its rights to all or any part of the Leased Premises, unless with the written consent of the LESSOR. The LESSOR shall be considered to have given its consent to such requests by the LESSEE if no written opposition was made by the LESSOR within a period of thirty (30) calendar days from receipt of a written request from the LESSEE.
12. **EVENTS OF DEFAULT.** – The LESSEE shall be considered in default within the meaning of this Contract in any of the following instances:
 - A. The LESSEE fails to fully pay on time any monthly rental, or water, electricity or telecommunication or other utility bills, or any other financial obligations of the LESSEE stipulated herein, and the LESSEE fails to remedy the situation within fifteen (15) days upon demand for payment of the amount due hereof; or
 - B. The LESSEE violates any other terms and conditions of this Contract and such violation remains unresolved within thirty (30) days after receipt of notice of such violation from the LESSOR; or
 - C. The LESSEE fails or refuses to vacate the Leased Premises upon the expiration of the lease or upon its pre-termination or termination, as the case may be; and
 - D. The LESSEE abandons the Leased Premises for a period of thirty (30) days without written notice to the LESSOR.
13. **CONSEQUENCES OF DEFAULT.** – Upon the occurrence of any of the events of default set forth in Section 11 hereof, the LESSEE shall have a period of NINETY (90) days from receipt of written notice of such default from the LESSOR to remedy the default. If the LESSEE fails to do so, the LESSOR shall have the following rights, in addition to other rights and remedies allowed by law, without incurring any civil or criminal liability as a consequence of the exercise of such rights:
 - A. To terminate this Contract without the need of prior notice, demand or judicial declaration;
 - B. To immediately take possession of the Leased Premises and take inventory and possession of whatever equipment, furniture, articles, merchandise, appliances, etc., that may be found in the Leased Premises without the necessity of instituting any court or judicial action. In this connection, the LESSEE hereby grants unto the LESSOR full power and authority to undertake any and all necessary actions, including but not limited to entering the Leased Premises or padlocking the Leased Premises, to enable the LESSOR to effectively take possession of the Leased Premises and to sell at public auction the contents of the Leased Premises to answer for whatever receivables the LESSOR has against the LESSEE;
 - C. To demand and receive from the LESSEE the payment for any and all unpaid rentals, dues, fees and bills and other financial obligations stipulated herein, or arising out of this Contract, or any renewal or extension thereof.

HON. STRIKE B. REVILLA
City Mayor

MR. ALEJANDRO O. CAEG
SVP, Customer Sales Group

ATTY. JESSON G. LABAO
OIC – City Administrator

MS. REBECCA JEANINE R. DE GUZMAN
Group Head, Customer Development
Strategies and Support

- D. To automatically forfeit in its favor, the advance rental and security deposit referred to in Section 4 hereof, and/or
- E. To suspend or disconnect the electric or water supply, telephone service, and other privileges or services to the Leased Premises by whatever means without incurring any civil and/or criminal liability or responsibility.
14. **REPRESENTATIONS AND WARRANTIES.** – The LESSOR hereby represents and warrants that:
- A. It is the true, registered and absolute owner of the Leased Premises and has the right and power to enter into this Agreement.
- B. It has complied with all laws, decrees, orders, ordinances, and/or regulations pertaining thereto.
- C. The LESSEE shall have peaceful and continued possession and enjoyment of the Leased Premises during the entire term of the lease.
- D. The LESSOR holds the LESSEE free and harmless from any and all claims whatsoever that may affect the LESSEE's rights over the Leased Premises.
15. **REAL PROPERTY TAXES, FEES AND ASSESSMENTS.** – All real property taxes, including documentary stamp tax, related charges and assessments that may be imposed on the Leased Premises, inclusive of increases thereon, shall be for the sole account of and be borne by the LESSOR.
16. **MUTUAL RIGHT TO TERMINATE THE CONTRACT.** – The LESSOR and the LESSEE hereby agree that all covenants, representations and warranties herein contained are essential conditions and considerations hereof and that if default or breach or any such covenants, representations or warranties be committed by either Party, then the other Party shall have the right to terminate this Contract by giving written notice thereof, at least ninety (90) days prior to the effective date of termination.
- Upon such termination and cancellation, the Parties shall be entitled to their reciprocal rights and remedies. The LESSEE shall peacefully surrender the Leased Premises and the Party at fault shall indemnify the other for such damages, losses and expenses that the latter may have sustained or incurred by reason thereof. In the event that the LESSEE fails to occupy its Leased Premises due to the fault or negligence of the LESSOR, the LESSEE shall be entitled to the refund or whatever amount it has paid to the LESSOR under this Contract plus interest on such amounts at the prevailing bank savings interest rate from date of default until full payment is made thereon.
17. **LESSEE'S RIGHT TO PRE-TERMINATE THE LEASE.** – The LESSEE shall have the right to pre-terminate this Contract, upon giving the LESSOR ninety (90) days written notice of the intention to terminate, based on the grounds as the imperative needs of LESSEE's business and/or financial considerations require. Upon such pre-termination, the Security Deposit stipulated in Section 4 hereof shall be forfeited in favor of the LESSOR without prejudice to the collection of whatever other receivables the LESSOR may have against the LESSEE.

18. **VENUE.** - The venue of all suits and actions arising out of or in connection with this agreement shall be in the proper courts of the City of Bacoor, or the City of Makati, at the option of the plaintiff, the Parties hereto waiving any other venue.
19. **MISCELLANEOUS PROVISION.** Any amendment, modification or revision of this Contract shall be in writing and signed by both Parties, and such amendment, modification or revision shall be effective only in the specific instances and for the special purpose for which it is made.

IN WITNESS WHEREOF, the Parties have hereunto signed these presents on the date and at the place first above written.

For the LESSOR:

For the LESSEE:

**CITY GOVERNMENT
OF BACOOR**

PLDT INC.

By:

By:

HON. STRIKE B. REVILLA
City Mayor

MR. ALEJANDRO O. CAEG
SVP, Customer Sales Group

Signed in the presence of:

ATTY. JESSON G. LABAO
OIC- City Administrator

MS. REBECCA JEANINE R. DE GUZMAN
*Group Head,
Customer Development Strategies and
Support*

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF _____) S.S.

BEFORE ME, a Notary Public, this ___ day of _____, 20___ personally appeared the following:

NAME	Competent proof of Identity / Number	Date and Place Issued
ALEJANDRO O. CAEG		
STRIKE B. REVILLA		

This instrument, consisting of ___ () pages, including the page on which this acknowledgement is written, has been signed on the left margin of each and every page thereof by the concerned parties and their witnesses, and sealed with my notarial seal.

IN WITNESS WHEREOF, I have hereunto set my hand the day, year and place above written.

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of _____.

HON. STRIKE B. REVILLA
City Mayor

MR. ALEJANDRO O. CAEG
SVP, Customer Sales Group

ATTY. JESSON G. LABAO
OIC – City Administrator

MS. REBECCA JEANINE R. DE GUZMAN
Group Head, Customer Development
Strategies and Support

**CONTRACT OF LEASE
(RENEWAL)**

This Contract of Lease (the "Contract") is made and entered into this ___ day of ___, 20___, by and between:


HON. STRIKE B. REVILLA
City Mayor

The **CITY GOVERNMENT OF BACCOOR**, a local government unit existing under the laws of the Republic of the Philippines, with principal office address at Bacoor Government Center, Molino Boulevard, Brgy. Bayanan, City of Bacoor, Cavite, herein represented by its Local Chief Executive, **HON. STRIKE B. REVILLA**, pursuant to his authority conferred and embodied in City Resolution No. 2022-013, Series of 2022 approved 18th day of July 2022, of the City Council of Bacoor, hereinafter referred to as the "**LESSOR**"


MR. ALEJANDRO O. CAEG
SVP, Customer Sales Group

and

PLDT INC., a corporation duly organized and existing under the laws of the Republic of the Philippines with principal office address at the Ramon Cojuangco Building, Makati Avenue, Makati City, herein represented by its Senior Vice President for Customer Sales Group, **ALEJANDRO O. CAEG**, hereinafter referred to as the "**LESSEE**"

The term "Party" shall mean either LESSOR or LESSEE, as applicable, while the term "Parties" shall mean LESSOR and LESSEE, collectively.

WITNESSETH:


ATTY. JESSON G. LABAO
Ofc - City Administrator

WHEREAS, the LESSOR is the owner of a property known as the Bacoor City Hall Building, Bacoor Government Center, located at Molino Boulevard, Brgy. Bayanan, City of Bacoor, Cavite, hereinafter referred to as the "**Property**";

WHEREAS, the LESSEE, in the furtherance of its business, desires to lease a portion of the Property with an area of fifty (50) square meters identified as a portion of Unit LG01 of the Lower Ground Floor of the Bacoor City Hall Building, Bacoor Government Center, located at Molino Boulevard, Brgy. Bayanan, City of Bacoor, Cavite, as its office space, hereinafter referred to as the "**Leased Premises**";


MS. REBECCA JEANINE R. DE GUZMAN
Group Head, Customer Development
Strategies and Support

WHEREAS, the LESSOR agrees to lease out the Leased Premises to the LESSEE provided that aside from the payment of the rental fee, the LESSEE shall, for the purpose of providing optimum network coverage for the employees, agents and patrons of Bacoor Government Center, install, free of charge, Smart telecommunications facilities, including but not limited to the equipment and outdoor Distributed Antenna System (DAS);

WHEREAS, an original Contract of Lease was entered into by the Parties dated 16 February 2016, a copy of which is attached as Annex "A";

WHEREAS, the said original Contract of Lease expired last 15 February 2021, but the global pandemic brought about by COVID-19 delayed the execution of an agreement between the LESSOR and LESSEE;



HON. STRIKE B. REVILLA
City Mayor

WHEREAS, the LESSOR and LESEE agree to execute this Contract of Lease solely for office and/or commercial purposes;

WHEREAS, the LESSOR agrees to extend and continue to lease out the Leased Premises to the LESSEE in accordance with City Ordinance No. CO 33-2018 or the "Bacoor Lease Ordinance", Series of 2018;

NOW THEREFORE, for and in consideration of the foregoing premises, and the mutual covenants and stipulations provided for herein, the LESSOR and LESSEE hereby agree as follows:

MR. ALEJANDRO O. CREG
SVP, Customer-Sales Group

1. **TERM.** - The lease shall be for a period of **TWO (2) YEARS** commencing from **16 February 2021** and shall expire at midnight of **15 February 2023** ("Term"), unless earlier terminated pursuant to Sections 16 and 17 of this Contract. This Contract, may be renewed at the instance of either the LESSOR or the LESSEE, by sending the other Party a notice to such effect within six (6) months prior to the expiration thereof, under such terms and conditions as may be mutually acceptable to the LESSOR and LESSEE.

2. **RENTAL RATE.** - For and in consideration of the use and occupancy of the Leased Premises, the LESSEE shall pay the LESSOR a monthly rental of **THIRTY-SIX THOUSAND SIX HUNDRED TWO PESOS AND FIFTY CENTAVOS (PHP 36,602.50)**, exclusive of value-added tax, payable within the first fifteen (15) days of every applicable monthly period.

Succeeding rental payments received more than five (5) working days after its due date shall be considered late payment and shall bear a penalty interest of five percent (5%) per month, to be computed on a daily basis, and compounded monthly, from the date of default until fully paid, without prejudice to the right of the LESSOR to terminate this Contract.

Any other amount required to be paid by the LESSEE to the LESSOR under this Contract shall, if unpaid on its due date, similarly earn interest at the same rate and conditions.

ATTY. JESSON G. LABAD
City Administrator

3. **TAXES.**
A. **Withholding Tax and Documentary Stamp Tax**
The withholding tax shall be withheld by LESSEE at the rate prescribed by law and shall be for the account of the LESSOR. LESSEE shall, however, provide LESSOR the corresponding Certificate/s of Creditable Tax Withheld, at intervals mandated by the government.

The Documentary Stamp Tax (DST) arising from the Contract (including for any renewals hereof) shall be for the account of LESSOR.

MS. REBECCA JEANINE R. DE GUZMAN
Group Head, Customer-Development
Strategies and Support

B. **Value-Added Tax.**
The rental payments shall be inclusive of all taxes, fees, assessments and other charges, except value-added tax (VAT). The VAT, if applicable, shall be for the account of the LESSEE provided LESSOR is a VAT-registered entity and presents a copy of its VAT Registration Certificate upon the start of the Lease Period, and issues duly registered VAT Official Receipts (ORs) upon receipt of the Rent. Failure by LESSOR to issue the applicable VAT-registered Official Receipt will be sufficient ground for LESSEE to withhold future payments. In case of failure on the part of LESSOR to provide said VAT Registration Certificate, LESSEE may refuse to pay the VAT from the start of the


HON. STRIKE B. REVILLA
City Mayor

MR. ALEJANDRO O. CAEG
SVP Customer Sales Group


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Ofc - City Administrator


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Group Head, Customer Development
Strategies and Support

Lease Period until such time that LESSOR provides a copy of its VAT Registration Certificate. For the avoidance of doubt, the LESSEE shall in no case be liable to pay retroactively any VAT in case of late submission by the LESSOR of the relevant VAT Registration Certificate.

4. **ADVANCE RENTAL AND SECURITY DEPOSIT.** – Upon execution of this Contract, the LESSEE shall pay the LESSOR:
 - A. The sum of **ONE HUNDRED NINE THOUSAND EIGHT HUNDRED SEVEN PESOS AND FIFTY CENTAVOS (PHP 109,807.50)**, exclusive of value-added tax, representing three (3) months advance rental, applicable for the last three (3) months of the Contract. Any difference as to the previous advance rental paid based on the Original Contract of Lease, should it still be unutilized, shall be settled by the LESSEE to the LESSOR.
 - B. Security Deposit in the sum of **ONE HUNDRED NINE THOUSAND EIGHT HUNDRED SEVEN PESOS AND FIFTY CENTAVOS (PHP 109,807.50)**, exclusive of value-added tax, equivalent to three (3) months rental. It is hereby expressly agreed herein that the Security Deposit cannot be utilized for the payment of monthly rental. The Security Deposit shall be refundable to the LESSEE within thirty (30) days from the termination of the Term, or of this Contract of Lease, as provided for under the provisions of Section 1 hereof, provided that no deduction therefrom or forfeiture thereof is proper as provided for in this Contract. Any difference as to the previous Security Deposit paid based on the Original Contract of Lease, should it be unutilized, shall be settled by the LESSEE to the LESSOR.
5. **RENTAL ESCALATION.** – It is agreed that the monthly rental under this Contract shall not be subject to any increase during the Term as provided in Section 1 hereof.
6. **USE OF LEASED PREMISES.** – The Leased Premises shall be used by the LESSEE exclusively for office/commercial purposes. The LESSEE further agrees that the Leased Premises shall not be utilized for any other purposes without first obtaining a written consent from the LESSOR on the LESSEE's intention to use the Leased Premises for the purposes other than that of operating a business office.

Should the LESSEE, at any time during the term of this Contract, use the Leased Premises, for any other purpose without the prior written consent of the LESSOR, the LESSOR shall have the option to either terminate this Contract or compel the LESSEE to discontinue the non-commercial activities, at the sole and exclusive option of the LESSOR.
7. **IMPROVEMENTS AND EFFECTS.** – The LESSEE may be allowed at its expense, to construct, install, set-up and/or introduce improvements in the Leased Premises, as may be required or reasonably necessary for carrying out its business operations subject to the approval of the LESSOR. No such improvements shall be introduced by the LESSEE on the Leased Premises without first showing the plans thereof to the LESSOR for its approval. Said improvements and effects shall remain the LESSEE's property during the term of this Contract. At the sole and exclusive option of the LESSOR, all permanent constructions, additions, alterations and improvements made or introduced by the LESSEE in the Leased Premises shall become the


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City Mayor


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SVP, Customer Sales Group


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PIC - City Administrator


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Group Head, Customer Development
Strategies and Support

property of the LESSOR upon the expiration of the lease period or termination of this Contract, or any renewal or extension thereof, without obligation on the part of the LESSOR to pay or reimburse the LESSEE for the value thereof or to require the LESSEE to remove the same and restore the Leased Premises in its original state or condition prior to the introduction of the subject permanent constructions, additions, alterations, or improvements or those improvements which were introduced by the LESSEE that cannot be removed without damaging or defacing the original structure of the Leased Premises. The ownership of constructions, improvements, furnishings, equipment and fixtures constructed or installed by the LESSEE, which may be removed without causing damage to the Leased Premises shall remain with the LESSEE. All non-permanent improvements must be removed by the LESSEE upon the expiration of this Contract unless there would be a just and valid cause for the LESSOR to prevent the same. The LESSEE shall repair or restore at its own expense any damage to the Leased Premises arising from, relating to or in connection with the removal of the movable improvements, subject to the acceptance which shall not be unreasonably withheld by the LESSOR of the repair or restoration made by the LESSEE. The Security Deposit shall only be released and refunded to the LESSEE after the Leased Premises have been accepted by the LESSOR. In the event that necessary repairs or restoration to the unit which the LESSEE is bound to perform as provided herein has not been undertaken, the LESSOR may undertake the same using the Security Deposit. The remainder, should there be any, shall be returned to the LESSEE. If the Security Deposit be not enough for the necessary repairs or restorations, the deficiency shall be chargeable and recoverable from the LESSEE which the latter undertakes to pay within fifteen (15) days from notice thereof.

8. **MAINTENANCE AND REPAIRS.** – The maintenance, cleanliness and upkeep of the Leased Premises, including ordinary repairs shall be undertaken by the LESSEE for its own account and expense. Major repairs due to normal wear and tear of the original unit, not including improvements made by the LESSEE, shall be for the exclusive account of the LESSOR. The LESSEE may, however, undertake the major repairs for reimbursement of the LESSOR, subject to inspection by and approval of the LESSOR. The LESSEE shall also be responsible to acquire an insurance policy that will cover for any damages caused by fortuitous events, and for repairs that are caused by it. For purposes of determining what major or minor repair, any repair amounting to Ten Thousand Pesos (PHP 10,000.00) and above shall be considered as a major repair. Any repair below said amount shall be considered a minor repair and for the account of the LESSEE.
9. **ELECTRIC, TELEPHONE, WATER AND OTHER UTILITY.** – The LESSEE shall have the right to arrange directly with utility providers and operators for service connection in the Leased Premises of electric, telephone, water and other utilities, for which it shall be entitled to a separate meter therefore and shall be obliged to defray the fees and charges for the installation and consumption thereof directly to the service provider.
10. **INSURANCE.** – The LESSEE shall have the right for its account to obtain insurance coverage over the improvements, furniture equipment and other property of the LESSEE on the entire Leased Premises.


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11. **SUB-LEASE, TRANSFER OF RIGHTS.** – The LESSEE cannot sub-lease or transfer its rights to all or any part of the Leased Premises, unless with the written consent of the LESSOR. The LESSOR shall be considered to have given its consent to such requests by the LESSEE if no written opposition was made by the LESSOR within a period of thirty (30) calendar days from receipt of a written request from the LESSEE.

12. **EVENTS OF DEFAULT.** – The LESSEE shall be considered in default within the meaning of this Contract in any of the following instances:

A. The LESSEE fails to fully pay on time any monthly rental, or water, electricity or telecommunication or other utility bills, or any other financial obligations of the LESSEE stipulated herein, and the LESSEE fails to remedy the situation within fifteen (15) days upon demand for payment of the amount due hereof; or

B. The LESSEE violates any other terms and conditions of this Contract and such violation remains unresolved within thirty (30) days after receipt of notice of such violation from the LESSOR; or

C. The LESSEE fails or refuses to vacate the Leased Premises upon the expiration of the lease or upon its pre-termination or termination, as the case may be; and


D. The LESSEE abandons the Leased Premises for a period of thirty (30) days without written notice to the LESSOR.


13. **CONSEQUENCES OF DEFAULT.** – Upon the occurrence of any of the events of default set forth in Section 11 hereof, the LESSEE shall have a period of NINETY (90) days from receipt of written notice of such default from the LESSOR to remedy the default. If the LESSEE fails to do so, the LESSOR shall have the following rights, in addition to other rights and remedies allowed by law, without incurring any civil or criminal liability as a consequence of the exercise of such rights:


A. To terminate this Contract without the need of prior notice, demand or judicial declaration;

B. To immediately take possession of the Leased Premises and take inventory and possession of whatever equipment, furniture, articles, merchandise, appliances, etc., that may be found in the Leased Premises without the necessity of instituting any court or judicial action. In this connection, the LESSEE hereby grants unto the LESSOR full power and authority to undertake any and all necessary actions, including but not limited to entering the Leased Premises or padlocking the Leased Premises, to enable the LESSOR to effectively take possession of the Leased Premises and to sell at public auction the contents of the Leased Premises to answer for whatever receivables the LESSOR has against the LESSEE;

C. To demand and receive from the LESSEE the payment for any and all unpaid rentals, dues, fees and bills and other financial obligations stipulated herein, or arising out of this Contract, or any renewal or extension thereof.


MR. ALEJANDRO O. CAEG
SVP, Customer-Sales Group


ATTY. JESSON G. LABAD
Dir. – City Administrator


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Strategies and Support


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- D. To automatically forfeit in its favor, the advance rental and security deposit referred to in Section 4 hereof, and/or
- E. To suspend or disconnect the electric or water supply, telephone service, and other privileges or services to the Leased Premises by whatever means without incurring any civil and/or criminal liability or responsibility.

14. **REPRESENTATIONS AND WARRANTIES.** - The LESSOR hereby represents and warrants that:

- A. It is the true, registered and absolute owner of the Leased Premises and has the right and power to enter into this Agreement.
- B. It has complied with all laws, decrees, orders, ordinances, and/or regulations pertaining thereto.
- C. The LESSEE shall have peaceful and continued possession and enjoyment of the Leased Premises during the entire term of the lease.
- D. The LESSOR holds the LESSEE free and harmless from any and all claims whatsoever that may affect the LESSEE's rights over the Leased Premises.

15. **REAL PROPERTY TAXES, FEES AND ASSESSMENTS.** - All real property taxes, including documentary stamp tax, related charges and assessments that may be imposed on the Leased Premises, inclusive of increases thereon, shall be for the sole account of and be borne by the LESSOR.

16. **MUTUAL RIGHT TO TERMINATE THE CONTRACT.** - The LESSOR and the LESSEE hereby agree that all covenants, representations and warranties herein contained are essential conditions and considerations hereof and that if default or breach or any such covenants, representations or warranties be committed by either Party, then the other Party shall have the right to terminate this Contract by giving written notice thereof, at least ninety (90) days prior to the effective date of termination.

Upon such termination and cancellation, the Parties shall be entitled to their reciprocal rights and remedies. The LESSEE shall peacefully surrender the Leased Premises and the Party at fault shall indemnify the other for such damages, losses and expenses that the latter may have sustained or incurred by reason thereof. In the event that the LESSEE fails to occupy its Leased Premises due to the fault or negligence of the LESSOR, the LESSEE shall be entitled to the refund or whatever amount it has paid to the LESSOR under this Contract plus interest on such amounts at the prevailing bank savings interest rate from date of default until full payment is made thereon.

17. **LESSEE'S RIGHT TO PRE-TERMINATE THE LEASE.** - The LESSEE shall have the right to pre-terminate this Contract, upon giving the LESSOR ninety (90) days written notice of the intention to terminate, based on the grounds as the imperative needs of LESSEE's business and/or financial considerations require. Upon such pre-termination, the Security Deposit stipulated in Section 4 hereof shall be forfeited in favor of the LESSOR without prejudice to the collection of whatever other receivables the LESSOR may have against the LESSEE.


18. **VENUE.** - The venue of all suits and actions arising out of or in connection with this agreement shall be in the proper courts of the City of Bacoor, or the City of Makati, at the option of the plaintiff, the Parties hereto waiving any other venue.
19. **MISCELLANEOUS PROVISION.** Any amendment, modification or revision of this Contract shall be in writing and signed by both Parties, and such amendment, modification or revision shall be effective only in the specific instances and for the special purpose for which it is made.

IN WITNESS WHEREOF, the Parties have hereunto signed these presents on the date and at the place first above written.

For the LESSOR:

CITY GOVERNMENT
OF BACOR

By:


HON. STRIKE B. REVILLA
City Mayor of Bacoor


For the LESSEE:

PLDT INC.

By:


MR. ALEJANDRO O. CAEG
SVP, Customer Sales Group

Signed in the presence of:


ATTY. JESSON G. LABAO
O/C- City Administrator


MS. REBECCA JEANINE R. DE GUZMAN
Group Head,
Customer Development Strategies and
Support

