



Kagawaran ng Agnang Pang Panlabas

Department of Foreign Affairs


NOTICE OF AWARD

09 August 2013

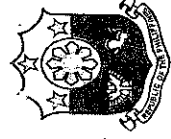
Sir:

Please be informed that, upon the recommendation of the Bids and Awards Committee (BAC) of the Department as contained in its Resolution No. 76-13, the Department of Foreign Affairs is awarding the Contract for the ***Lease of a Privately-Owned Real Property as Office Space of the Regional Consular Office – Butuan for the period 15 August 2013 to 14 August 2014***, to you, ***Mr. Chito C. Sia***, in the amount of ***Seventy Thousand Pesos only per month (Php 70,000.00/mth)***, inclusive of all taxes and other lawful charges, subject to the signing of the Contract.

Very truly yours,

  
**RAFAEL E. SEGUIS**  
Undersecretary for Administration  
and Head of the Procuring Entity

**MR. CHITO C. SIA**  
703 Balagtas St.  
Butuan City



BIDS AND AWARDS COMMITTEE

BAC Resolution No. 76-13

**RESOLUTION RECOMMENDING NEGOTIATED PROCUREMENT (LEASE OF REAL PROPERTY) AS ALTERNATIVE METHOD OF PROCUREMENT FOR THE LEASE OF PRIVATELY-OWNED REAL PROPERTY TO BE OFFICIALLY USED AS OFFICE SPACE AND/OR STAFF HOUSES OF VARIOUS REGIONAL CONSULAR OFFICES (RCOs) OF THE DEPARTMENT**

**WHEREAS**, the Office of Consular Affairs (OCA) thru the Regional Consular Offices Coordinating Center (RCOCC) requests for the procurement for the lease of privately-owned real properties to be used as office space and staff houses of the various Regional Consular Offices (RCOs) of the Department for CY 2013;

**WHEREAS**, Sec. 53.10 of the Revised Implementing Rules and Regulations 53.10 of R.A. 9184 allows Negotiated Procurement as mode of procurement for the lease of privately owned real property and venue for official use, subject to GPPB Resolution No. 08-2009 (Revised Implementing Guidelines for Lease of Privately-Owned Real Estate and Venue) issued by the Government Procurement Policy Board (GPPB) dated 03 November 2009;

**WHEREAS**, GPPB Resolution No. 08-2009 requires that the end-user unit (1) to conduct a Cost-Benefit Analysis; (2) to recommend the lease of the privately-owned real estate of venue, indicating the proposed location/s, justification and the result of the market analysis of the prevailing rates of lease contracts within the vicinity of the selected location/s; (3) to include in the Department's Annual Procurement Plan the proposed lease of real estate or venue, the approved mode of procurement, the ABC, and the general description of the lease; (4) to validate that the lessor to be awarded the contract is technically, legally and financially capable through other means; and (5) to request the posting in the Philippine Government Electronic Procurement System (PhilGEPS) for lease contracts with an Approved Budget costing more than Fifty Thousand Pesos (Php50,000.00);

**WHEREAS**, GPPB Resolution No. 08-2009 further provides that the end-user unit shall invite at least three (3) prospective Lessors to submit price quotations and accomplish the Table of Rating Factors (*Appendix A and B for Lease of Real Estate*) and (*Appendix C for Lease of Venue*) and determine the Lowest Calculated Responsive Bid (LCRB) to which the contract is to be awarded;

**NOW THEREFORE**, we, the members of the Bids and Awards Committee of the Department, RESOLVE to RECOMMEND to the Head of Procuring Entity (HOPE) the resort to Negotiated Procurement (Lease of Real Property) as alternative method of procurement for the lease of privately-owned real properties to be used as office space and staff houses of the various Regional Consular Offices (RCOs) of the Department for CY 2013, subject to the above requirements and provided that existing auditing rules and regulations shall be strictly observed by the end-user.

**ADOPTED** this 4<sup>th</sup> day of January 2013, Pasay City.

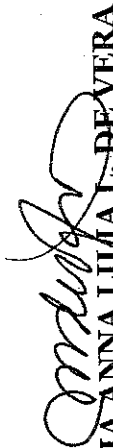
  
**ALEJANDRINO A. VICENTE**  
Alternate BAC Chairman


  
**SYLVIA M. MARASIGAN**  
BAC Vice-Chairman

  
**EDWARD C. YULO**  
BAC Member

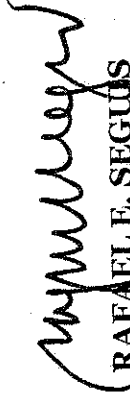
  
**GONARANO B. MUSOR**  
BAC Member

**RAPHAEL S. HERMOSO**  
BAC Member

  
**MARIA ANNA LILIA L. DE VERA**  
BAC Member

  
**JAIIME VICTOR B. LEDDA**  
BAC Provisional Member  
Representative of the End-User

Approved:  
By the Authority of the Secretary of Foreign Affairs:

  
**RAFAEL E. SEGUS**  
Undersecretary for Administration  
and Head of the Procuring Entity

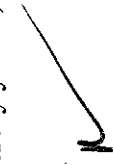
## NOTICE OF AWARD

09 August 2013

Sir:

Please be informed that, upon the recommendation of the Bids and Awards Committee (BAC) of the Department as contained in its Resolution No. 197-13, the Department of Foreign Affairs is awarding the Contract for the ***Lease of a Privately-Owned Real Property as Office Space of the Regional Consular Office – Butuan for the period 15 August 2013 to 14 August 2014***, to you, ***Mr. Chito C. Sia***, in the amount of ***Seventy Thousand Pesos only per month (Php 70,000.00/mth)***, inclusive of all taxes and other lawful charges, subject to the signing of the Contract.

Very truly yours,

  
**RAFAEL E. SEGUIS**

Undersecretary for Administration  
and Head of the Procuring Entity

**MR. CHITO C. SIA**  
703 Balagtas St.  
Butuan City

|                                    |       |
|------------------------------------|-------|
| Sr. Sp. Asst. N. Servigon          | _____ |
| BAC Chairman E.D. Austria-Garcia   | _____ |
| BAC Vice-Chairman J.V.Chan-Gonzaga | _____ |
| BAC Members: E.C. Yulo             | _____ |
| G.P. Abiog                         | _____ |
| G.B. Musor                         | _____ |
| B.T. L. Santos                     | _____ |
| End-User Representative:           | _____ |
| Asst. Sec. W.C. Santos             | _____ |
| BAC Secretariat:                   | _____ |
| Head - A.O. Vallespin              | _____ |
| A. De Asis-Del Mundo               | _____ |
| S.P. Toledo                        | _____ |
| G.C. Fernandez                     | _____ |



Kagawaran ng Agnayang Panlabas

Department of Foreign Affairs

OFFICE OF THE UNDERSECRETARY FOR ADMINISTRATION

URGENT

MEMORANDUM

TO : The Assistant Secretary, OLA  
The Assistant Secretary, OFM  
The Assistant Secretary, OPAS

*Butuan Office*

FROM : *L. Lacanlale*  
LINGLINGAY F. LACANLALE  
Undersecretary

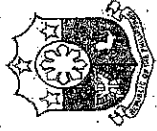
SUBJECT : Renewal of Contract of Lease of RCO Butuan's Office Building

DATE : 22 April 2014

The Office of the Undersecretary for Administration (OUA) forwards, for your respective Offices' evaluation and comments, RCO Butuan's proposal to renew the lease contract for RCO Butuan's Office Building (copy attached).

OUA would appreciate receiving your comments on or before 28 April 2014.

Enclosure: a/s



Kagawaran ng Agnayang Pambatas

Department of Foreign Affairs

OFFICE OF FISCAL MANAGEMENT

MEMORANDUM FOR THE ASSISTANT SECRETARY, OCA


Cc : The Undersecretary for Administration  
The Assistant Secretary, OPAS  
The Assistant Secretary, OLA

From :   
DOMINGO P. NOLASCO  
Assistant Secretary

Subject : Renewal of Contract of Lease of RCO Butuan's  
Office Building  
Date : 18 September 2013

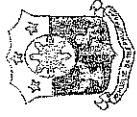
With reference to OCA Memorandum dated 02 September 2013 and RCOBUT-160-2013 dated 04 August 2013 on the renewal of Contract of Lease of the Butuan Regional Consular Office Building for one (1) year effective 15 August 2013 to 14 August 2014, OFM respectfully recommends the renewal of the above lease contract.

For the Assistant Secretary's consideration

|  |  |
|--|--|
| DEPARTMENT OF FOREIGN AFFAIRS<br>Office of Legal Affairs<br>Law Division | RECEIVED<br>Date: 24 Sept 2013<br>Time: 10 AM<br>By:  |
|--|--|

# LEASE OF RCO-BUTUAN'S OFFICE

| DATE              | REMARKS   |
|-------------------|---|
| 04 August 2013    | <ul style="list-style-type: none"> <li>RCO-Butuan, through its memorandum RCOBUT-160/2013 to OCA, requested for the renewal of contract for the lease of its current office for the period 15 August 2013 – 14 August 2014</li> </ul>   |
| 02 September 2013 | <ul style="list-style-type: none"> <li>OCA endorsed RCO's request to OUA, through OLA, OFM and OPAS</li> </ul>  |
| 18 September 2013 | <ul style="list-style-type: none"> <li>OFM recommended the renewal of contract</li> </ul>   |
| 24 September 2013 | <ul style="list-style-type: none"> <li>OLA informed OCA that the draft contract was already signed and authorized by the parties on 05 August 2014.</li> <li>OLA suggested that the period be amended from one (1) year to a monthly or quarterly basis due to the expected transfer of the RCO to Robinson's Mall in the first half of the lease period, as per MOA with Robinson's Land Corp.</li> </ul>  |
| 30 September 2013 | <ul style="list-style-type: none"> <li>OUA sent a memorandum to OCA informing them that Mr. Punginaguina, OIC of RCO-Butuan, was not given authority to sign the contract for the said lease and instructed RCO to set the contract and the process of leasing the property in order.</li> <li>OUA also instructed RCO to negotiate for a month-to-month lease agreement and that draft contract must be submitted to the Department for evaluation.</li> </ul> |
| 04 October 2013   | <ul style="list-style-type: none"> <li>OCA sent a memorandum to RCO-Butuan transmitting OLA's comments and OUA's memorandum</li> </ul>  |
| 11 December 2013  | <ul style="list-style-type: none"> <li>RCO-Butuan submitted to OCA a draft contract for extension of lease and draft contract for a month-to-month lease agreement, in compliance with OUA's instructions</li> </ul>  |
| 19 December 2013  | <ul style="list-style-type: none"> <li>OCA transmitted the draft contract to OUA, through OLA, OFM and OPAS</li> </ul>  |
| 11 March 2014     | <ul style="list-style-type: none"> <li>RCO-Butuan resubmitted to OCA a draft contract of lease for the period 15 August 2013 – 14 August 2014</li> </ul>  |
| 08 April 2014     | <ul style="list-style-type: none"> <li>RCO-Butuan submitted to OCA a comparative matrix of three (3) quotations and other requirements</li> </ul>   |
| 14 April 2014     | <ul style="list-style-type: none"> <li>OCA endorsed to OUA the RCO's memorandum with draft contract and other requirements</li> </ul>   |
| 22 April 2014     | <ul style="list-style-type: none"> <li>OUA forwarded the draft contract to OLA, OFM and OPAS for comments</li> </ul>  |
| 25 April 2014     | <ul style="list-style-type: none"> <li>OPAS and OFM replied to OUA's memo interposing no objection to the lease of contract</li> </ul>  |
| 05 May 2014       | <ul style="list-style-type: none"> <li>OUA received a memo from OLA dated 30 April 2014 forwarding the draft contract based on the model lease contract for property in the Philippines</li> </ul>  |



Kagawaran ng Hagunayang Pambatas


Department of Foreign Affairs

REGIONAL CONSULAR OFFICE  
Butuan City

RCOBUT- 100 /2013

MEMORANDUM FOR THE UNDERSECRETARY FOR ADMINISTRATION

THRU : The Assistant Secretary, OCA  
The Head RCOCC

FROM :  **GANGCO T. PUNGINAGUINA**  
Officer-In-Charge

SUBJECT : Renewal of Contract of Lease of RCO Building

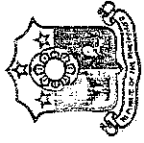
DATE : 04 August 2013

RCO Butuan respectfully requests for an authority to renew its Contract of Lease for the building it occupies. A copy of the draft Contract of Lease for the period 15 August 2013 to 14 August 2014 is attached for your perusal.

The contract has been renewed annually since 15 August 2008 without any changes in the provisions from the old Lease Contract. Also enclosed, for information and reference, is a copy of the existing Contract that will expire on 15 August 2013.

For the Department's information and appropriate action.





# Department of Foreign Affairs

Kagawaran ng Ugayang Panlabas

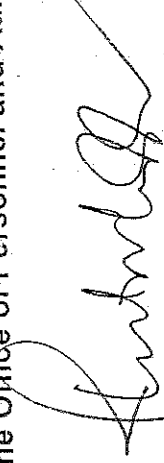
## **EXTREMELY URGENT**

Ref. No. 337-13/OCA-RCOCC/JVBL-FPDS-smjb

### OFFICE OF CONSULAR AFFAIRS

#### MEMORANDUM FOR THE UNDERSECRETARY FOR ADMINISTRATION

Through : The Office of Fiscal Management  
The Office of Legal Affairs  
The Office of Personnel and Administrative Services

FROM :   
JAIIME VICTOR B. LEDDA  
Assistant Secretary

SUBJECT : Renewal of Contract of Lease of RCO Butuan's Office  
Building

DATE : 02 September 2013

OCA respectfully endorses the attached Memorandum no. RCOBUT-160/2013 dated 04 August 201 requesting for authority to renew the contract of RCO Butuan's Office Building.

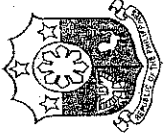
OCA seeks the Department's approval to renew the Lease Contract of RCO Butuan's Office Building, covering the period of 15 August 2013 to 14 August 2014

The contract has been renewed annually since 15 August 2008 without any changes in the provisions from the old contract. Attached, for reference, is the copy of the existing contract for the period of 15 August 2012 to 14 August 2013.

For the Undersecretary's information and favorable consideration.

☐ Approved ☐ Disapproved

RAFAEL E. SEGUIS  
Undersecretary for Administration



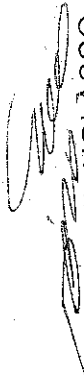
Kagawaran ng Agnang Pangkalabag

Department of Foreign Affairs

OFFICE OF FISCAL MANAGEMENT

MEMORANDUM FOR THE ASSISTANT SECRETARY, OCA


Cc : The Undersecretary for Administration  
The Assistant Secretary, OPAS  
The Assistant Secretary, OLA

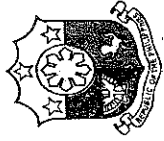
From :   
DOMINGO P. NOLASCO  
Assistant Secretary

Subject : Renewal of Contract of Lease of RCO Butuan's  
Office Building  
Date : 18 September 2013

With reference to OCA Memorandum dated 02 September 2013 and RCOBUT-160-2013 dated 04 August 2013 on the renewal of Contract of Lease of the Butuan Regional Consular Office Building for one (1) year effective 15 August 2013 to 14 August 2014, OFM respectfully recommends the renewal of the above lease contract.

For the Assistant Secretary's consideration

|   |             |
|---|-------------|
| DEPARTMENT OF FOREIGN AFFAIRS   |             |
| Office Of Legal Affairs   |             |
| Law Division  |             |
| RECEIVED  |             |
| Date: 04 Sept 2013  | Time: 10 AM |
| By:  |             |



OFFICE OF LEGAL AFFAIRS

**URGENT**

MEMORANDUM FOR THE ASSISTANT SECRETARY, OCA

CC : OUA / OPAS / OFM

FROM : IRENE SUSAN B. NATIVIDAD  
Assistant Secretary

SUBJECT : Contract of Lease for the Renewal of the RCO Butuan's Office

DATE : 24 September 2013

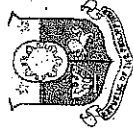
With reference to OFM Memorandum on the subject dated 18 September 2013 (copy attached as Annex A), OLA notes the following observations:

1. The Contract for the period of 15 August 2013 to 14 August 2014, which was attached to OCA Memorandum dated 02 September 2013 was already signed by the Parties and notarized on 05 August 2013.
2. The Department has an existing Memorandum of Agreement dated 20 July 2013 with Robinson's Land Corporation for the hosting of DFA Butuan City (copy attached as Annex B).

In case the opening of the DFA Office at Robinson's Mall in Butuan City is forthcoming and will happen within the first half of the lease period in the subject Contract, OLA suggests that the lease period be amended from one (1) year to a monthly or quarterly term.

OLA suggests that in the consideration of the timeline for opening new RCOs, the terms of existing RCO leases be taken into account to avoid possible financial and legal implications due to pre-termination.

Enc.: a/s



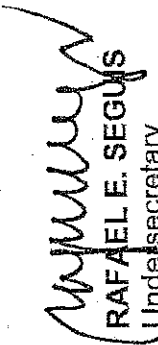
OCA-2260-M-2013

## OFFICE OF THE UNDERSECRETARY FOR ADMINISTRATION

**EXTREMELY URGENT****MEMORANDUM**

**TO :** The Assistant Secretary, OCA

**Attn :** OCA-RCOCC

**FROM :**   
RAFAEL E. SEGUS  
Undersecretary

**SUBJECT :** Renewal of Contract of Lease of RCO Butuan's Office Building

**DATE :** 30 September 2013

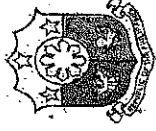
With reference to OCA's Memorandum dated 02 September 2013, OUA calls the attention of OCA that Mr. Gangco T. Punginaguina, OIC of RCO Butuan was not given authority to renew the contract of lease for RCO Butuan's Office Building. Hence, Mr. Punginaguina should not have signed the lease agreement with Mr. Chito Sia to cover the lease period from 15 August 2013 to 14 August 2013. He is hereby ordered to set the contract and the process of leasing the property for RCO Butuan in order.

OUA requests all Regional Consular Offices to be more prudent in the discharge of their official duties particularly in executing contracts on behalf of the Department. The Notice of Award from the Head of Procuring Entity (HOPE) must be secured first before signing any contract of lease for RCO offices and staff houses. In view of the Department's Program for RCO Butuan to transfer to Robinsons Mall next year, said oversight has detrimental implications since OUA believes that it is better for RCO Butuan to enter into an extension, and not a renewal of the lease agreement, on a month-to month basis.

RCO Butuan is further instructed to negotiate for a month-to-month lease agreement, with all other provisions in the contract to remain the same.

OUA expects the submission of an unsigned month-to-month draft contract from RCO Butuan for the evaluation of the Department. The RCO is further reminded that all proposals made for lease contracts of the RCO Offices and Staff Houses should abide by the pertinent provisions of RA 9184 and its IRR, in particular GPPB Resolution on 08-2009, the Implementing Guidelines on the Lease of Privately-Owned Real Estate and Venue.

For strict compliance.



Kagawaran ng Ugatayang Panlabas

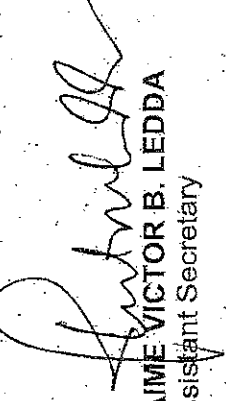
Department of Foreign Affairs

**VERY URGENT**

Ref. No. 378-13/OCA-RCOCC/JVBL- FPDS-smjb

**OFFICE OF CONSULAR AFFAIRS**

**MEMORANDUM TO THE OFFICER-IN-CHARGE, RCO BUTUAN**

**FROM :**   
**JAIME VICTOR B. LEDDA**  
Assistant Secretary

**SUBJECT :** Contract of Lease for the Renewal of the RCO Butuan's  
Office

**DATE :** 04 October 2013

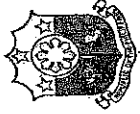
Transmitted, for appropriate action, is the attached memorandum dated 24 September 2013 from the Office of Legal Affairs (OLA) on its observations and suggestion regarding the renewal of contract of RCO Butuan's office building.

OCA notes that the Department has an existing Memorandum of Agreement with Robinson's Land Corporation for the hosting of RCO Butuan within the first half of the lease period in the subject contract.

In view of the foregoing, RCO Butuan is hereby instructed to negotiate with the owner for a month-to-month lease agreement with all other provisions in the contract to remain the same and also reminded that the OIC must seek the OUA's approval before signing the lease agreement for the renewal of contract.

Also attached, is the memorandum from the Office of the Undersecretary for Administration (OUA) dated 30 September 2013.

For the OIC's strict compliance.



Kagawaran ng Magpapang Palatias

Department of Foreign Affairs

REGIONAL CONSULAR OFFICE  
Butuan City

**EXTREMELY URGENT**

RCOBUT- 281 -2013

MEMORANDUM FOR THE UNDERSECRETARY FOR ADMINISTRATION

THROUGH : THE ASSISTANT SECRETARY, OCA  
: THE ASSISTANT SECRETARY, OFM

CC : RCOCC

FROM :   
GANGCO T. PUNGINAGUINA  
Officer-in-charge

SUBJECT : Agreement to Extend the Contract of Lease of RCO Butuan  
Office

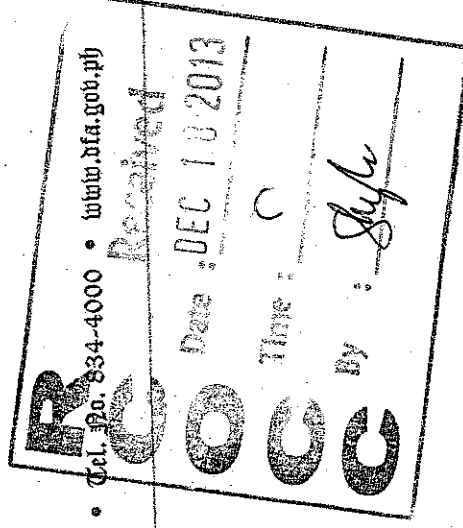
DATE : 11 December 2013

RCO Butuan would like to submit herewith a draft "Extension of Contract of Lease" of RCO Butuan Office.

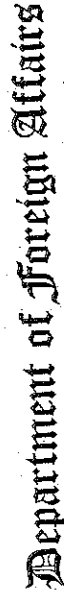
Attached are copies of the original Contract of Lease of RCO Butuan Office, with a period of lease of one (1) year beginning 15 August 2012 and ending on 14 August 2013.

Also, attached, for information, is a copy of the draft of the Lease of Contract for a month-to-month lease agreement, in compliance with Memorandum dated 4 October 2013 (Ref. No. 378-13/OCA-RCOCC/JVBL-FPDS-smjb).

I wish to mention that the last payment of the rental of the leased premises was made for the month of September 2013, which means that payment for the



2330 Roxas Blvd., Pasay City, 1300 Philippines • Tel. 396-834-4000 • www.dfa.gov.ph



**EXTREMELY URGENT**

OFFICE OF CONSULAR AFFAIRS

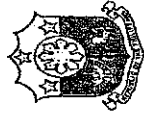
Through : The Assistant Secretary, OFM  
The Assistant Secretary, OLA  
The Assistant Secretary, OPAS *m*

DATE 19 December 2013

For the Undersecretary's information and favorable consideration.

**RAFAEL E. SEGUIS**  
Undersecretary for Administration

2220 R. Reyes Rd., Baguio City, 1300 Philippines • Tel. No. 834-4000 • [info@dfa.gov.ph](mailto:info@dfa.gov.ph)

REGIONAL CONSULAR OFFICE  
Butuan City

RCOBUT- 046 12014

## MEMORANDUM FOR THE UNDERSECRETARY FOR ADMINISTRATION

THROUGH : THE ASSISTANT SECRETARY, OCA  
          : THE ASSISTANT SECRETARY, OFM

CC : RCOCC

FROM : GANGCO T. PUNGINAGUINA  
          Officer-In-Charge

SUBJECT : Renewal of Contract of Lease of RCO Butuan Office

DATE : 11 March 2014

RCO Butuan would like to submit herewith a draft "Renewal of Contract of Lease" of RCO Butuan for the period 15 August 2013 to 14 August 2014.

Attached are copies of the original Contract of Lease of RCO Butuan Office, with a period of lease of one (1) year beginning 15 August 2012 and ending on 14 August 2013. The contract has been renewed annually since 15 August 2008 without any changes in the provisions from the old Lease of Contract.

I wish to mention that the last payment of the rental of the leased premises was made for the month of August 2013, which means that payment for the months of September 2013 to December 2013 and January 2014 to February 2014 has yet to be paid. The owner of the leased property insistently and eagerly requested to effect the payment of the unpaid rental.

The Department's early comment / approval of the draft "Renewal of Contract of lease" of the RCO Butuan Office will be greatly appreciated.

Enclosures: 1) Draft of the "Renewal of Contract of Lease" of RCO Butuan Office  
              2) Original Contract of lease of RCO Butuan Office  
              3) BAC Resolution No. 39-10





Kagawaran ng Hagapang Pantabas

Department of Foreign Affairs

REGIONAL CONSULAR OFFICE  
Butuan City

RCOBUT - 000 - 2014

MEMORANDUM FOR THE UNDERSECRETARY FOR ADMINISTRATION

THROUGH : THE ASSISTANT SECRETARY, OCA  
: THE ASSISTANT SECRETARY, OFM

CC : RCOCC

FROM : GANGCO T. PUNGINAGUINA  
Officer-In-Charge

SUBJECT : Renewal of Contract of Lease of RCO Butuan  
Office

DATE : 08 April 2014

Further to our RCOBUT-046-2014 dated 11 March 2014 on the subject above,  
forwarded herewith is the comparative matrix for RCO Butuan's Office

For information and appropriate action.



**EXTREMELY URGENT**

Ref. No. 209-14/OCA-RCOG/WCS-JMA-smjb

**OFFICE OF CONSULAR AFFAIRS**

**MEMORANDUM FOR THE UNDERSECRETARY FOR ADMINISTRATION**

**Cc :** OUSOC

**FROM :** WILFREDO C. SANTOS  
Assistant Secretary

**SUBJECT :** Renewal of Contract of Lease of RCO Butuan's Office Building

**DATE :** 14 April 2014

OCA respectfully endorses the attached Memorandum no. RCOBUT-063-2014 dated 08 April 2014 requesting for authority to renew the contract of RCO Butuan's Office Building.

OCA seeks the Department's approval to renew the Lease Contract of RCO Butuan's Office Building, covering the period of 15 August 2013 to 14 August 2014. The contract has been renewed annually since 15 August 2008 without any changes in the provisions from the old contract.

Attached, are the following for perusal:

1. Draft Lease Contract for one (1) year from 15 August 2013 to 14 August 2014;
2. Existing Lease Contract which was expired on 14 August 2014;
3. Comparative Matrix for RCO Butuan Office; and
4. Table of Rating Factors in compliance with GPPB Resolution No.08-2009.

For the Undersecretary's information and favorable consideration.

[ ] Approved [ ] Disapproved

**LINGLINGAY F. LACANLALE**  
Undersecretary for Administration



DVA-952-M-2014

**URGENT**

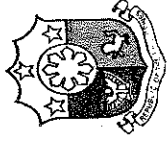
TO : The Assistant Secretary, OLA  
The Assistant Secretary, OFM  
The Assistant Secretary, OPAS

**SUBJECT : Renewal of Contract of Lease of RCO Butuan's Office Building**

DATE : 22 April 2014

**OUA would appreciate receiving your comments on or before 28 April 2014.**

Enclosure: a/s



Kagawaran ng Ugayang Panlabas

Department of Foreign Affairs

OFFICE OF FISCAL MANAGEMENT

MEMORANDUM FOR THE UNDERSECRETARY FOR ADMINISTRATION

CC : The Assistant Secretary, OCA  
The Assistant Secretary, OLA  
The Assistant Secretary, OPAS

FROM :  **DOMINGO P. NOLASCO**  
Assistant Secretary

SUBJECT : Renewal of Lease Contract of RCO Butuan's Office Building

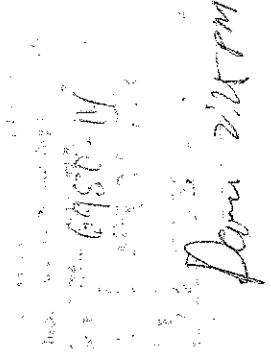
DATE : 25 April 2014

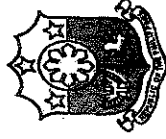
With reference to OUA-452-M-2014 dated 22 April 2014 on the above subject, OFM has no objection to the renewal of the lease contract for RCO Butuan's Office Building for the period 15 August 2013 to 14 August 2014 under the same terms and conditions as the old contract.

OFM notes that the said lease contract was held in abeyance due to the anticipated transfer of RCO Butuan to Robinson's Mall.

In the future renewal of lease contracts, RCO Butuan is reminded of the provisions of Memorandum Circular No. 29-01, dated 30 November 2001, on the submission to the Home Office of draft lease contracts at least sixty (60) days before the expiration of the existing lease contract. A copy of M.C. 29-01 is attached, for reference.

For the Undersecretary's consideration.






OFFICE OF PERSONNEL AND ADMINISTRATIVE SERVICES

MEMORANDUM FOR THE UNDERSECRETARY FOR ADMINISTRATION

CC : The Assistant Secretary, OLA  
The Assistant Secretary, OFM

FROM :  **MELITA S. STA. MARIA THOMECZEK**  
Assistant Secretary

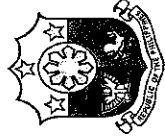
SUBJECT : Renewal of Contract of Lease of RCO Butuan Office Building

DATE : 25 April 2014

With reference to OUA's memorandum dated 22 April 2014 (copy attached) on the above subject, OPAS interposes no objection in allowing RCO Butuan to proceed with the renewal of lease of Contract of the office building the Regional Consular Office (RCO) is currently located. OPAS is of the view that based on the attached documents submitted by the RCO (Comparative matrix and Draft Lease Contract), renewal will be favorable to the Department. OPAS defers to OFM's and OLA's comments on the financial and legal implications.

For the Undersecretary's consideration.

Encl: a/s



OFFICE OF LEGAL AFFAIRS

**URGENT**

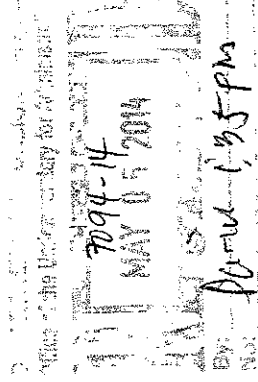
MEMORANDUM FOR THE UNDERSECRETARY, OUA

CC: OCA / RCOC  
OFM / OPAS

FROM: **EDUARDO JOSE A. DE VEGA**  
Assistant Secretary

SUBJECT: Renewal of Contract of Lease of RCO Butuan's Office Building

DATE: 30 April 2014

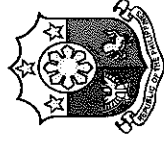


With reference to the OUA Memorandum on the subject dated 22 April 2014 attached is the revised draft lease contract (ANNEX A) for the period 15 August 2013 to 14 August 2014 based on the model lease contract for property in the Philippines (OLA Memorandum dated 23 December 2013, ANNEX B).

In the interest of time, OLA will send the soft copy of the attached revised draft (ANNEX A) to the OCA-RCOC and RCO Butuan.

For the Undersecretary's reference and consideration.

Enclosure/s: As stated.



OFFICE OF LEGAL AFFAIRS

**URGENT**

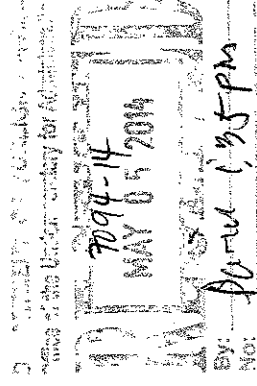
MEMORANDUM FOR THE UNDERSECRETARY, OUA

CC: OCA / RCOCC  
OFM / OPAS

FROM: **EDUARDO JOSE A. DE VEGA**  
Assistant Secretary

SUBJECT: Renewal of Contract of Lease of RCO Butuan's Office Building

DATE: 30 April 2014



With reference to the OUA Memorandum on the subject dated 22 April 2014 attached is the revised draft lease contract (ANNEX A) for the period 15 August 2013 to 14 August 2014 based on the model lease contract for property in the Philippines (OLA Memorandum dated 23 December 2013, ANNEX B).

In the interest of time, OLA will send the soft copy of the attached revised draft (ANNEX A) to the OCA-RCOCC and RCO Butuan.

For the Undersecretary's reference and consideration.

Enclosure/s: As stated.

## CONTRACT OF LEASE

### KNOW ALL MEN BY THESE PRESENTS:

This **CONTRACT OF LEASE** (hereinafter the “**Contract**”) made and entered into on \_\_\_\_\_ in \_\_\_\_\_, Philippines by and between

**Mr. CHITO C. SIA**, (hereinafter, the **Lessor**) of legal age, Filipino citizen, and with residential address at 703 Balagtas St., Butuan City, Philippines

AND

The **DEPARTMENT OF FOREIGN AFFAIRS**, (hereinafter, the **Lessee**) with principal office located at 2330 Roxas Blvd., Pasay City, herein represented by **MR. GANGCO T. PUNGINAGUINA**, Officer-in-Charge of the Department of Foreign Affairs-Regional Consular Office (RCO) in Butuan City, pursuant to the authorization issued by the DFA.

### WITNESSETH:

WHEREAS, the above named **Lessor** is the absolute owner of the property located at Montilla Boulevard, Butuan City, which is covered by Transfer Certificate of Title No. RT-42496 and Tax Declaration No. 96GR-02-001-0940-C, specifically described as:

“A portion of the 2<sup>nd</sup> and 3<sup>rd</sup> Floor, containing a floor area, per sketch, attached and marked as Annex “A”, of Two Hundred Seven and Eighty Eight (207.88) square meters for the 2<sup>nd</sup> floor and One Hundred Sixty Nine and Thirty One (169.31) square meters for the 3<sup>rd</sup> Floor, more or less”.

WHEREAS, the **Lessee** intends to lease the said property for its use as office of the RCO-Butuan City in accordance with Bids and Awards Committee (BAC) Resolution No. \_\_\_\_\_ adopted on \_\_\_\_\_ and attached herein as ANNEX \_\_\_\_\_.

**NOW, THEREFORE**, for and in consideration of the foregoing, the Parties to this **Contract** have agreed on the following terms and conditions:

1. **LEASED PREMISES:** The **Lessor**, by virtue of this Contract, transfers in favor of the **Lessee**, possession of the property located at Montilla Boulevard, Butuan City and more particularly described as a \_\_\_\_\_ with a floor area of \_\_\_\_\_ square meters (hereinafter referred to as the **Leased Premises**).
2. **LEASE PERIOD:** The period of this **Contract** shall be for one (1) year beginning on 15 August 2013 and ending on 14 August 2014, and renewable thereafter based on the written mutual agreement executed later by the Parties herein. The notice of intent to renew must be made in writing at least Ninety (90) days before the expiration of this Contract.
3. **PRE-TERMINATION:** The **Lessee** may terminate this **Contract** for any cause before its expiration by notifying the **Lessor** in writing at least thirty (30) days prior to the intended date of termination without need of judicial intervention. In case the **Lessee** pre-



terminates this Contract, he shall pay the **Lessor** an amount equivalent to one (1) month rental as liquidated damages, unless the pre-termination is due to a fortuitous event or a cause beyond the control of the **Lessee**. The **Lessor** shall return to the **Lessee** the unused portion of the advance rental and the security deposit, less the outstanding expenses and charges for the account of the **Lessee**.

4. **RENTAL:** The monthly rental of the **Leased Premises** shall be SEVENTY THOUSAND PESOS (Php 70,000.00) per month, including Expanded Value Added Tax, excluding charges for utilities, and payable within the first five days of the month without the need for demand. The monthly rental shall not be increased during the lifetime of this Contract.

5. **TAXES:** The **Lessor** shall pay all kinds and forms of taxes arising from this **Contract**, but not those arising from the activities and operations of the **Lessee**.

6. **EXPENSES FOR THE ACCOUNT OF THE LESSEE:** The charges for water, electricity, telephone and other utilities at the **Leased Premises** shall be for the account of the **Lessee**.

If the **Lessee** fails to comply with the conditions contained herein and the **Lessor** shall be compelled to do or at his option shall do any act which requires payment of money, then the sums paid or required to be paid, with all expenses, interest, and penalties shall be refunded by the **Lessee** to the **Lessor** on demand.

7. **REPAIRS:** The **Lessee** shall maintain, during the lifetime of this **Contract**, and shall return the **Leased Premises** at the end of this **Contract**, in the same condition as these were at the start of the **Lease Period**, except those damaged by reasonable use and wear and tear, fortuitous event or other cause beyond the control of the **Lessee**.

The **Lessor** shall make prior arrangements with the **Lessee** should the former decide to have repair work done at the **Leased Premises**. In case part of the **Leased Premises** is damaged due to fortuitous event or a cause beyond the control of the **Lessee**, the latter may choose to exercise his right to pre-terminate this **Contract** in accordance with Paragraph 3, or request a proportional reduction in the rental, or suspend the lease and withhold payment of the rental pending completion of the repair of the damage at the expense of the **Lessor**.

In case the **Leased Premises** are totally destroyed or become uninhabitable due to a fortuitous event, this **Contract** shall be considered as terminated.

8. **IMPROVEMENTS, ADDITIONS AND ALTERATIONS:** The **Lessee** shall not make or allow any permanent improvements, additions, or alterations to be made in or to the **Leased Premises** without the written consent of the **Lessor**. All alterations, additions, or improvements, except movable furniture put in at the expense of the **Lessee**, shall be the property of the **Lessor** without any obligation on its part to indemnify the **Lessee** for the cost and value of the same, and shall remain in and be surrendered with the **Leased Premises** upon the expiration of the **Contract** without hindrance, molestation, or injury.

9. **CARE OF PREMISES:** The **Lessee** shall abide by the terms and conditions of this **Contract** and shall comply with all national law, municipal ordinances, and other regulations regarding the care and maintenance of the **Leased Premises**, such as sanitation, water supply, gas, electrical installation, fire prevention, and similar matters, and not to store materials which are fire hazard, such as gasoline, kerosene, camphene, burning fluids, or other explosive or combustible materials, and not to create nor tolerate nor permit any nuisance on the premises, which may annoy the neighbors. Any damage

to the **Leased Premises** beyond normal wear and tear, or due to the negligence of the **Lessee** shall be for the account of the **Lessee**.

10. **LEGITIMATE USE OF PREMISES:** The **Lessee** binds itself to use the **Leased Premises** only and exclusively for residential purposes. The **Lessee** shall not tolerate nor permit any person to use the **Leased Premises** for any purpose calculated to injure the reputation thereof or that of the neighboring property, nor for any purpose in violation of Philippine law or ordinance of Butuan City, nor for any immoral or unlawful purpose, nor for any trade, business, or occupation that will in any way be disreputable, offensive, or immoral.

11. **RIGHT OF ENTRY FOR INSPECTION:** The **Lessee** agrees that the **Lessor** or his agents with written authorization may be allowed, during reasonable hours, entry into the **Leased Premises** for the purpose of inspecting the condition of the same or to verify the compliance by the **Lessee** with the terms and conditions of this **Contract**.

12. **CONTINUED ENFORCEMENT:** The terms and conditions contained in this **Contract** shall not be considered as changed, altered, modified, or in any way amended by acts or tolerance on the part of the **Lessor**, unless such changes, alterations, modifications, or amendments are agreed upon by the Parties in a supplemental contract.

13. **ASSIGNS AND SUCCESSORS:** This **Contract** shall be binding upon and inure to the benefit of the Parties hereto and their assigns and successors-in-interest.

14. **ARBITRATION CLAUSE:** In case of dispute or disagreement arising out of or by reason of or in connection with any term or condition of this **Contract**, the same shall be submitted to mediation or conciliation proceedings pursuant to Republic Act 9285.

15. **SEPARABILITY CLAUSE:** If any term or condition of this **Contract** is declared contrary to law, the other provisions not covered by such declaration shall remain valid and in force. The Parties hereby agree to amend or modify any term or condition, which has been declared as contrary to law in order to comply with the relevant laws.

16. **AMENDMENT:** The terms and conditions of this **Contract** may not be changed or modified in any way, except by a written instrument signed by the **Parties** or their authorized representatives.

17. **KEYS:** Upon termination of this **Contract**, the **Lessee** shall immediately turn over to the **Lessor** all keys and duplicates of the **Leased Premises**.

IN WITNESS WHEREOF, the Parties hereto have signed this instrument on this \_\_\_\_\_ day of \_\_\_\_\_ 2014 in the City of Butuan, Philippines.

LESSEE:

DEPARTMENT OF FOREIGN AFFAIRS  
REGIONAL CONSULAR OFFICE

By: **MR. GANGCO T. PUNGINAGUINA**  
Officer-in-Charge  
DFA-RCO Butuan

LESSOR:

**MR. CHITO C. SIA**  
Property Owner

SIGNED IN THE PRESENCE OF

\_\_\_\_\_

ACKNOWLEDGMENT

Republic of the Philippines}  
City of Butuan } S.S.

BEFORE ME, a NOTARY PUBLIC for and in the City of Butuan, Philippines, on this \_\_\_\_\_ day of \_\_\_\_\_ personally appeared **Mr. CHITO C. SIA** and **Mr. GANGCO PUNGINAGUINA** known to me to be the same persons who executed the foregoing **Contract**, consisting of \_\_\_\_\_ (\_\_\_\_) pages including the Annexes attached thereto and the page on which this Acknowledgment is written, all pages of which have been signed by the Parties and their witnesses, and who acknowledged to me that the same is their free and voluntary act and deed.

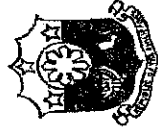
| NAME | ID No. | PLACE OF ISSUE | DATE OF ISSUE |
|------|--------|----------------|---------------|
|      |        |                |               |
|      |        |                |               |

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

NOTARY PUBLIC

Doc. No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Series of \_\_\_\_\_.

OLA Review  
ANNEX B



Kagawaran ng Agnang Pang Panlabas

Department of Foreign Affairs

OFFICE OF LEGAL AFFAIRS

**URGENT**

MEMORANDUM FOR THE UNDERSECRETARY, OUA

CC : CHM/OPAS

FROM : *fw: [Signature]*  
IRENE SUSAN B. NATIVIDAD  
Assistant Secretary

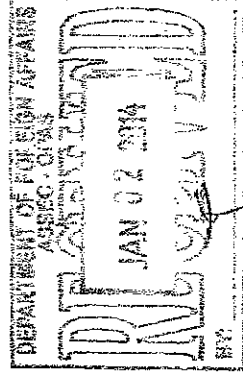
SUBJECT : Model Lease Contract for Lease of Privately-Owned Real Estate for  
the Department's Use

DATE : 23 December 2013

With reference to OUA Memorandum on the subject, OLA wishes to provide the attached Model Contract for the lease of property in the Philippines.

For the lease of properties abroad, the contract is governed by the law, forms and practices in the place where the property is located and where the agreement is executed. Thus, the Department may require the submission of the prospective lessor's standard lease contract for review and possible revisions, which will also be subject to the lessor's concurrence.

Enclosure/s: As stated.



# MODEL CONTRACT OF LEASE

(For property in the Philippines)

KNOW ALL MEN BY THESE PRESENTS:

This CONTRACT OF LEASE (hereinafter the "Contract") made and entered into on \_\_\_\_\_ in \_\_\_\_\_, Philippines by and between

\_\_\_\_\_, (hereinafter, the Lessor) of legal age, Filipino citizen, and with residential address at \_\_\_\_\_, Philippines

AND

The DEPARTMENT OF FOREIGN AFFAIRS, (hereinafter, the Lessee) with principal office located at 2330 Roxas Blvd., Pasay City, herein represented by \_\_\_\_\_, Officer-In-Charge of the Department of Foreign Affairs-

Regional Consular Office (RCO) in \_\_\_\_\_, pursuant to the authorization issued by the DFA.

WITNESSETH:

WHEREAS, the above named Lessor is the absolute owner of \_\_\_\_\_ located at \_\_\_\_\_, which is covered by TCT No. \_\_\_\_\_ under the name of \_\_\_\_\_,

WHEREAS, the Lessee intends to lease the said property for its use as staff house of the RCO- \_\_\_\_\_ in accordance with Bids and Awards Committee (BAC) Resolution No. \_\_\_\_\_ adopted on \_\_\_\_\_ and attached herein as ANNEX \_\_\_\_\_,

NOW, THEREFORE, for and in consideration of the foregoing, the Parties to this Contract have agreed on the following terms and conditions:

- 1. LEASED PREMISES:** The Lessor, by virtue of this Contract shall transfer in favor of the Lessee, possession of the property located at \_\_\_\_\_ with a floor area of \_\_\_\_\_ square meters (hereinafter referred to as the Leased Premises).
- 2. LEASE PERIOD:** The period of this Contract shall be for one (1) year beginning on \_\_\_\_\_ and ending on \_\_\_\_\_, and renewable thereafter based on the written mutual agreement executed later by the Parties herein. The notice of intent to renew must be made in writing at least Ninety (90) days before the expiration of this Contract.
- 3. PRE-TERMINATION:** The Lessee may terminate this Contract for any cause before its expiration by notifying the Lessor in writing at least thirty (30) days prior to the intended date of termination without need of judicial intervention. In case the Lessee pre-terminates this Contract, it shall pay the Lessor an amount equivalent to one (1) month rental as liquidated damages, unless the pre-termination is due to a fortuitous event or a cause

<sup>1</sup> OCA-ROCC coordinates with the BAC Secretariat for compliance with applicable requirements under R.A. 9184 and applicable rules and regulations.

beyond the control of the Lessee. The Lessor shall return to the Lessee the unused portion of the advance rental and the security deposit, less the outstanding expenses and charges for the account of the Lessee.

4. **RENTAL:** The monthly rental of the Leased Premises shall be (Php \_\_\_\_\_) per month, including Expanded Value Added Tax, excluding charges for utilities, and payable within the first five days of the month without the need for demand. The monthly rental shall not be increased during the lifetime of this Contract.

5. **ADVANCE RENTAL AND SECURITY DEPOSIT:** Upon execution of this Contract, the Lessee shall pay the Lessor the amount of (Php \_\_\_\_\_) as advance one (1) month rental and security deposit equivalent to one (1) month rental.

Upon expiration of this Contract, the Lessor shall return to the Lessee the security deposit without interest after the settlement of the outstanding expenses and charges for the account of the Lessee, and turn-over of the Leased Premises by the Lessee to the Lessor.

6. **TAXES:** The Lessor shall pay all kinds and forms of taxes arising from this Contract, but not those arising from the activities and operations of the Lessee.

7. **EXPENSES FOR THE ACCOUNT OF THE LESSEE:** The charges for water, electricity, telephone and other utilities at the Leased Premises shall be for the account of the Lessee.<sup>2</sup>

If the Lessee fails to comply with the conditions contained herein and the Lessor shall be compelled to do or at his option shall do any act which requires payment of money, then the sums paid or required to be paid, with all expenses, interest, and penalties shall be refunded by the Lessee to the Lessor on demand.

8. **REPAIRS:** The Lessee shall maintain, during the lifetime of this Contract, and shall return the Leased Premises at the end of this Contract, in the same condition as these were at the start of the Lease Period, except those damaged by reasonable use and wear and tear, fortuitous event or other cause beyond the control of the Lessee.

The Lessor shall make prior arrangements with the Lessee should the former decide to have repair work done at the Leased Premises. In case part of the Leased Premises is damaged due to fortuitous event or a cause beyond the control of the Lessee, the latter may choose to exercise his right to pre-terminate this Contract in accordance with Paragraph 3, or request a proportional reduction in the rental, or suspend the lease and withhold payment of the rental pending completion of the repair of the damage at the expense of the Lessor.

In case the Leased Premises are totally destroyed or become uninhabitable due to a fortuitous event, this Contract shall be considered as terminated and the Lessor shall

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<sup>2</sup> The following alternate provision may be used in case the utility charges are payable by the actual occupant of the leased premises:

*The charges for water, electricity, telephone and other utilities at the Leased Premises shall be for the personal account of the Lessee's representative who is the actual occupant of said premises as provided in his/her undertaking attached to this Contract.*

return the unused portion of the advance rental and the security deposit as provided in Paragraph 5 hereof.

9. **IMPROVEMENTS, ADDITIONS AND ALTERATIONS:** The **Lessee** shall not make or allow any permanent improvements, additions, or alterations to be made in or to the **Leased Premises** without the written consent of the **Lessor**. All alterations, additions, or improvements, except movable furniture put in at the expense of the **Lessee**, shall be the property of the **Lessor** without any obligation on its part to indemnify the **Lessee** for the cost and value of the same, and shall remain in and be surrendered with the **Leased Premises** upon the expiration of the **Contract** without hindrance, molestation, or injury.
10. **CARE OF PREMISES:** The **Lessee** shall abide by the terms and conditions of this **Contract** and shall comply with all national law, municipal ordinances, and other regulations regarding the care and maintenance of the **Leased Premises**, such as sanitation, water supply, gas, electrical installation, fire prevention, and similar matters, and not to store materials which are fire hazard, such as gasoline, kerosene, camphene, burning fluids, or other explosive or combustible materials, and not to create nor tolerate nor permit any nuisance on the premises, which may annoy the neighbors. Any damage to the **Leased Premises** beyond normal wear and tear, or due to the negligence of the **Lessee** shall be for the account of the **Lessee**.<sup>3</sup>
11. **LEGITIMATE USE OF PREMISES:** The **Lessee** binds itself to use the **Leased Premises** only and exclusively for residential purposes. The **Lessee** shall not tolerate nor permit any person to use the **Leased Premises** for any purpose calculated to injure the reputation thereof or that of the neighboring property, nor for any purpose in violation of Philippine law or ordinance of \_\_\_\_\_, nor for any immoral or unlawful purpose, nor for any trade, business, or occupation that will in any way be disreputable, offensive, or immoral.
12. **RIGHT OF ENTRY FOR INSPECTION:** The **Lessee** agrees that the **Lessor** or his agents with written authorization may be allowed, during reasonable hours, entry into the **Leased Premises** for the purpose of inspecting the condition of the same or to verify the compliance by the **Lessee** with the terms and conditions of this **Contract**.
13. **CONTINUED ENFORCEMENT:** The terms and conditions contained in this **Contract** shall not be considered as changed, altered, modified, or in any way amended by acts or tolerance on the part of the **Lessor**, unless such changes, alterations, modifications, or amendments are agreed upon by the Parties in a supplemental contract.
14. **ASSIGNS AND SUCCESSORS:** This **Contract** shall be binding upon and inure to the benefit of the Parties hereto and their assigns and successors-in-interest.
15. **ARBITRATION CLAUSE:** In case of dispute or disagreement arising out of or by reason of or in connection with any term or condition of this **Contract**, the same shall be submitted to mediation or conciliation proceedings pursuant to Republic Act 9285.
16. **SEPARABILITY CLAUSE:** If any term or condition of this **Contract** is declared contrary to law, the other provisions not covered by such declaration shall remain valid and in force.

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<sup>3</sup> The following alternate provision may be used in case the damage to the *Lease Premises* are payable by the actual occupant of the lease premise:

*The payment for damages to the Leased Premises caused by the negligence of the Lessee's representative, who is the actual occupant of the premises, shall be for the latter's personal account as provided in his/her undertaking attached to this Contract.*

The Parties hereby agree to amend or modify any term or condition, which has been declared as contrary to law in order to comply with the relevant laws.

17. **AMENDMENT:** The terms and conditions of this Contract may not be changed or modified in any way, except by a written instrument signed by the Parties or their authorized representatives.

18. **KEYS:** Upon termination of this Contract, the Lessee shall immediately turn over to the Lessor all keys and duplicates of the Leased Premises.

IN WITNESS WHEREOF, the Parties hereto have signed this instrument on \_\_\_\_\_ in \_\_\_\_\_.

LESSEE:

LESSOR:

DEPARTMENT OF FOREIGN AFFAIRS  
REGIONAL CONSULAR OFFICE

By:

Officer-in-Charge  
DFA-\_\_\_\_\_

SIGNED IN THE PRESENCE OF

### ACKNOWLEDGMENT

Republic of the Philippines )  
\_\_\_\_\_) s.s.

BEFORE ME, a NOTARY PUBLIC for and in \_\_\_\_\_, Philippines, on this \_\_\_\_\_ day of \_\_\_\_\_ personally appeared \_\_\_\_\_ and \_\_\_\_\_ known to me to be the same persons who executed the foregoing Contract, consisting of \_\_\_\_\_ (\_\_\_\_\_) pages including the Annexes attached thereto and the page on which this Acknowledgment is written, all pages of which have been signed by the Parties and their witnesses, and who acknowledged to me that the same is their free and voluntary act and deed.

| NAME | ID No. | PLACE OF ISSUE | DATE OF ISSUE |
|------|--------|----------------|---------------|
|      |        |                |               |
|      |        |                |               |
|      |        |                |               |

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

NOTARY PUBLIC



Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_

## COMPARATIVE MATRIX FOR RCO-BUTUAN OFFICE

| DATA                                  | PRESENT RCO Office Building   | OPTION 2 RCO Office Building  | OPTION 3 RCO Office Building  | OPTION 4 RCO Office Building   |
|---------------------------------------|---|---|---|--|
| 1. Location and other Particulars     | <p>CESIA BLDG.<br/>Montilla Blvd., Butuan city.</p> <p>two (2) storey furnished office building with perimeter fence, parking space, separate water tank and security guards.</p> <p>Owner: Chito Sia</p> | <p>THELMA ONG YIU, Montilla blvd.<br/>Butuan city</p> <p>5 storey Bldg. Fully furnished with perimeter fence, parking space, separate water tank and security guards</p> <p>Owner: Ana Felias</p> | <p>TERENCE YU BLDG<br/>T. Calo St. Butuan City</p> <p>two (2) storey furnished office suit building with perimeter fence, parking space, separate water tank and security guards</p> <p>Owner: TERENCE YU</p> | <p>AGUSAN LENDING CORPORATION,<br/>J. C. Aquino Ave. Butuan City</p> <p>2 storey Office Building which includes 4 Comfort rooms, perimeter fence with security guards and parking space.</p> <p>Owner: Bebiano Rosales</p> |
| 2. Asking Price                       | P 70,000.00   | P 130,000.00  | 95, 000.00  | 90,000.00  |
| 3. Rentable Area                      | 377.19 sq. m.   | 600 sq. m.  | 400 sq. m.  | 400 sq. m.   |
| 4. Security Concerns                  | Near City Police and Fire Station of Butuan City with perimeter fence   | Near City police nad Fire Station of Butuan City.   | Near City Police and Fire Station of Butuan city  | Near City Police and Fire Station of Butuan city   |
| 5. Accessibility                      | Very Accessible. Located in the centre of the city with Accessibility to public transport .   | Very Accessible. Located in the centre of the city with accessibility to public transportation .  | Located in center of Butuan, accessible to public transportation, .   | Located in Center of Butuan, accessible to public transportation.  |
| 6. Building Layout                    | 2 storey building   | 5 Storey building   | 2 Storey building   | 2 Storey building  |
| 7. Fire Escapes                       | Existing  | Existing  | Existing  | Existing   |
| 8. Number of Toilets                  | four (4) comfort rooms  | five (5) comfort rooms  | four (4) comfort rooms  | four (4) comfort rooms   |
| 9. Parking Space                      | Available   | Available   | Available   | Available  |
| 10. Term of Lease                     | One year renewable  | One year renewable  | One year renewable  | One year renewable   |
| <b>OBSERVATION AND OTHER COMMENTS</b> | Most secured place, perimeter fence, with security guards.  |   |   |  |

**CESIA Building**  
Montilla Blvd., Butuan City

02 May 2014

Mr. Gangco Punginaguina  
DFA OIC/Director  
Butuan City

Dear Mr. Punginaguina,

Regarding your request for quotation for a DFA RCO Office in Butuan City, we wish to offer you one available office for rent at Montilla Blvd., Butuan City at a monthly rate of Seventy Thousand pesos (Php 70,000.00).

The said office is a two (2) storey furnished office suit building with perimeter fence, parking space, separate water tank and security guards. Additionally, the building is being maintained by utility persons on a regular basis at our expense.

Truly yours,



**CHITO C. SIA**  
Owner

**THELMA ONG YIU Bldg.  
Montilla Blvd., Butuan City**

May 02, 2014

GANGCO T. PUNGINAGUINA  
Officer-In-Charge  
DFA-RCO Butuan  
Butuan City

Dear Sir,

We are pleased to submit to you our proposal on our available Office Building:

5 storey Bldg. Fully furnished with perimeter fence, parking space, separate water tank and security guards at a monthly rate of One hundred thirty thousand pesos (Php 130,000.00).

Sincerely,

*Thelma O. Ong Yiu*  
**THELMA O. ONG YIU**

**TERENCE YU Bldg.**  
T. Calo St., Butuan City

May 02, 2014

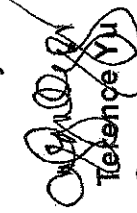
GANGCO T. PUNGINAGUINA  
Officer-In-Charge  
DFA-RCO Butuan  
Butuan City

Dear Sir,

We are pleased to submit to you our proposal on our available Office Building for a DFA RCO Office in Butuan City. The building is located at he center of the city.

The said office building is a two (2) storey furnished office suit building with perimeter fence, parking space, separate water tank and security guards. Additionally, the building is being maintained by utility persons on a regular basis at our expense at a monthly rate of Seventy two Thousand Pesos (Php 72,000.00).

Sincerely,

  
Terence Yu  
Owner

**Agusan Lending Corporation  
J. C. Aquino Avenue,  
Butuan City**

May 02, 2014

**GANGCO T. PUNGINAGUINA  
Officer-In-Charge  
DFA-RCO Butuan  
Butuan City**

Dear Sir,

This is to offer you our readily available 2 storey Office Building which Includes 4 Comfort rooms, perimeter fence with security guards and parking space. Accessible along the highway, at a monthly rate of Seventy Thousand pesos (Php 90,000.00).

Sincerely,

  
**Bebiano Rosales**

**Name and address:****CESIA BLDG.**  
Montilla Blvd., Butuan city.2 storey concrete furnished office with perimeter fence  
Parking space and security guards.

Owner: Chito Sla

|                             |   |                  |
|-----------------------------|---|------------------|
| Estimated Unit Construction | = | 16,000.00/sq. m. |
| Depreciation Rate           | = | Good <b>85%</b>  |
| Capitalization Rate         | = | 80%              |
| Factor Value                | = | 87.6             |

**COMPUTATION BASED ON OBSERVED DEPRECIATION**

|                   |   |   |
|-------------------|---|---|
| Reproduction Cost | = | Estimated Unit Construction Cost x (1 – Depreciation) Rate) |
|                   | = | P 16,000.00 X. (1-15)                                       |
|                   | = | P 13,600.00   |
| Formula Rate      | = | Reproduction Cost x Monthly Capitalization Rate             |
|                   | = | P 13,600.00 (0.20/12)                                       |
|                   | = | <b>P 226</b>  |
| Rental Rate       | = | Formula Rate x Factor Value                                 |
|                   | = | P 226 (0.876)   |
|                   | = | P 198.88  |
| Rentable Area     | = | <b>377.19 sq. m.</b>  |
| Monthly Rental    | = | Rentable Area x Rental                                      |
|                   | = | 377.19 sq. m. x 198.88                                      |
|                   | = | <b>75,015.55</b>  |
| Asking Price      | = | <b>Php 70,000.00</b>  |

**TABLE OF RATING FACTORS  
FOR DFA-RCO BUILDING**

Name:  
Address:

Cesla Building  
Montilla Blvd., Butuan City

|      | RATING FACTORS                          | WEIGHT (%) | RATING      |
|------|---|------------|-------------|
| I.   | Location and Site Location              |            |             |
|      | 1. Accessibility                        | 25         | 23          |
|      | 2. Topography and Drainage              | 20         | 19          |
|      | 3. Sidewalk and Waiting shed            | 15         | 13          |
|      | 4. Parking Space                        | 15         | 14          |
|      | 5. Economic Potential                   | 10         | 10          |
|      | 6. Land Classification, Utilization and | 10         | 9           |
|      | 7. Other added amenities                | 5          | 4           |
|      |   | <b>100</b> | <b>92</b>   |
| II.  | Neighborhood Data                       |            |             |
|      | 1. Prevailing Rental Rate               | 20         | 19          |
|      | 2. Sanitation and Health Condition      | 20         | 18          |
|      | 3. Adverse Influence                    | 15         | 14          |
|      | 4. Property Utilization                 | 15         | 15          |
|      | 5. Police and Fire Station              | 15         | 14          |
|      | 6. Cafeterias                           | 10         | 8           |
|      | 7. Banking/Postal/Telecom               | 5          | 5           |
|      |   | <b>100</b> | <b>93</b>   |
| III. | Real State                              |            |             |
|      | 1. Structural Condition                 | 30         | 27          |
|      | 2. Functionality                        |            |             |
|      | a. Module                               | 6          | 5           |
|      | b. Room arrangement                     | 6          | 6           |
|      | c. Circulation                          | 6          | 6           |
|      | d. Light and Ventilation                | 6          | 6           |
|      | e. Space requirements                   | 6          | 5           |
|      | 3. Facilities                           |            |             |
|      | a. Water supply and Toilet              | 6          | 6           |
|      | b. Lighting system                      | 6          | 6           |
|      | c. Elevators                            | 6          | 0           |
|      | d. Fire escapes                         | 6          | 2           |
|      | e. Fire fighting equipment              | 6          | 4           |
|      | 4. Other requirements                   |            |             |
|      | a. Maintenance                          | 5          | 4           |
|      | b. Attractiveness                       | 5          | 5           |
|      |   | <b>100</b> | <b>82</b>   |
| IV.  | Free Service and Facilities             |            |             |
|      | 1. Janitorial and Security              | 20         | 19          |
|      | 2. Air conditioning                     | 20         | 18          |
|      | 3. Repair and maintenance               | 20         | 19          |
|      | 4. Water and Light consumption          | 20         | 20          |
|      | 5. Secured Parking Space                | 20         | 20          |
|      |   | <b>100</b> | <b>96</b>   |
| I.   | Location and Site Condition             | 92 x .20 = | 18.4        |
| II.  | Neighborhood Data                       | 93 x .20 = | 18.6        |
| III. | Real State                              | 82 x .50 = | 41          |
| IV.  | Free Service Facilities                 | 96 x .10 = | 9.6         |
|      | FACTOR VALUE                            |            | <b>87.6</b> |



Name and address:

**THELMA ONG YIU Bldg.**  
Montilla Blvd., Butuan city.

5 storey concrete furnished office, Parking space.

Owner: Thelma Ong Yiu

Estimated Unit Construction = 20,000.00/sq. m.

Depreciation Rate = Good 87%

Capitalization Rate = 80%

Factor Value = 79.2

#### COMPUTATION BASED ON OBSERVED DEPRECIATION

Reproduction Cost = Estimated Unit Construction Cost x (1 – Depreciation) Rate)

= P 20,000.00 X. (1-13)

= P 17,400.00

Formula Rate

= Reproduction Cost x Monthly Capitalization Rate

= P 17,400.00 (0.20/12)

= P 290

Rental Rate

= Formula Rate x Factor Value

= P 290 (0.792)

= P 229.68

Rentable Area

= 600 sq. m.

Monthly Rental

= Rentable Area x Rental

= 600 sq. m. x 229.68

= 137,808.00

Asking Price

= 130,000.00

TABLE OF RATING FACTORS

Name:  
Address:

THELMA D. ONG YIU  
Montilla Blvd., Butuan City

|      | RATING FACTORS                          | WEIGHT (%)        | RATING |
|------|---|-------------------|--------|
| I.   | Location and Site Location              |                   |        |
|      | 1. Accessibility                        | 25                | 23     |
|      | 2. Topography and Drainage              | 20                | 15     |
|      | 3. Sidewalk and Waiting shed            | 15                | 12     |
|      | 4. Parking Space                        | 15                | 13     |
|      | 5. Economic Potential                   | 10                | 8      |
|      | 6. Land Classification, Utilization and | 10                | 8      |
|      | 7. Other added amenities                | 5                 | 4      |
|      |   | 100               | 83     |
| II.  | Neighborhood Data                       |                   |        |
|      | 1. Prevailing Rental Rate               | 20                | 17     |
|      | 2. Sanitation and Health Condition      | 20                | 14     |
|      | 3. Adverse Influence                    | 15                | 14     |
|      | 4. Property Utilization                 | 15                | 14     |
|      | 5. Police and Fire Station              | 15                | 13     |
|      | 6. Cafeterias                           | 10                | 7      |
|      | 7. Banking/Postal/Telecom               | 5                 | 4      |
|      |   | 100               | 83     |
| III. | Real State                              |                   |        |
|      | 1. Structural Condition                 | 30                | 26     |
|      | 2. Functionality                        |                   |        |
|      | a. Module                               | 6                 | 4      |
|      | b. Room arrangement                     | 6                 | 4      |
|      | c. Circulation                          | 6                 | 4      |
|      | d. Light and Ventilation                | 6                 | 4      |
|      | e. Space requirements                   | 6                 | 4      |
|      | 3. Facilities                           |                   |        |
|      | a. Water supply and Toilet              | 6                 | 5      |
|      | b. Lighting system                      | 6                 | 5      |
|      | c. Elevators                            | 6                 | 4      |
|      | d. Fire escapes                         | 6                 | 4      |
|      | e. Fire fighting equipment              | 6                 | 5      |
|      | 4. Other requirements                   |                   |        |
|      | a. Maintenance                          | 5                 | 4      |
|      | b. Attractiveness                       | 5                 | 3      |
|      |   | 100               | 76     |
| IV.  | Free Service and Facilities             |                   |        |
|      | 1. Janitorial and Security              | 20                | 17     |
|      | 2. Air conditioning                     | 20                | 15     |
|      | 3. Repair and maintenance               | 20                | 15     |
|      | 4. Water and Light consumption          | 20                | 17     |
|      | 5. Secured Parking Space                | 20                | 16     |
|      |   | 100               | 80     |
| I.   | Location and Site Condition             | $83 \times .20 =$ | 16.6   |
| II.  | Neighborhood Data                       | $83 \times .20 =$ | 16.6   |
| III. | Real State                              | $76 \times .50 =$ | 38     |
| IV.  | Free Service Facilities                 | $80 \times .10 =$ | 8      |
|      | FACTOR VALUE                            |                   | 79.2   |

Name and address:

**TERENCE YU Bldg.**  
T. Calo St., Butuan city.

2 storey Bldg. Fully concrete furnished office, with Parking space.

Owner: Terence Yu

Estimated Unit Construction = 20,000.00/sq. m.

Depreciation Rate = Good **87%**

Capitalization Rate = 80%

Factor Value = 82.70

#### COMPUTATION BASED ON OBSERVED DEPRECIATION

Reproduction Cost = Estimated Unit Construction Cost x (1 – Depreciation) Rate)

= P 20,000.00 X. (1-13)

= P 17,400.00

Formula Rate = Reproduction Cost x Monthly Capitalization Rate

= P 17,400.00 (0.20/12)

= P 290

Rental Rate = Formula Rate x Factor Value

= P 290 (0.835)

= P 242.15

Rentable Area = 400 sq. m.

Monthly Rental = Rentable Area x Rental

= 400 sq. m. x 242.15

= 96,860.00

Asking Price = 95,000.00

TABLE OF RATING FACTORS

Name: **TERENCE YU (Buy Bldg.)**  
Address: **T. Calo St., Butuan City**

|      | RATING FACTORS                          | WEIGHT (%) | RATING      |
|------|---|------------|-------------|
| I.   | Location and Site Location              |            |             |
|      | 1. Accessibility                        | 25         | 23          |
|      | 2. Topography and Drainage              | 20         | 19          |
|      | 3. Sidewalk and Waiting shed            | 15         | 14          |
|      | 4. Parking Space                        | 15         | 13          |
|      | 5. Economic Potential                   | 10         | 9           |
|      | 6. Land Classification, Utilization and | 10         | 9           |
|      | 7. Other added amenities                | 5          | 4           |
|      |   | <b>100</b> | <b>91</b>   |
| II.  | Neighborhood Data                       |            |             |
|      | 1. Prevailing Rental Rate               | 20         | 17          |
|      | 2. Sanitation and Health Condition      | 20         | 17          |
|      | 3. Adverse Influence                    | 15         | 14          |
|      | 4. Property Utilization                 | 15         | 14          |
|      | 5. Police and Fire Station              | 15         | 14          |
|      | 6. Cafeterias                           | 10         | 9           |
|      | 7. Banking/Postal/Telecom               | 5          | 4           |
|      |   | <b>100</b> | <b>89</b>   |
| III. | Real State                              |            |             |
|      | 1. Structural Condition                 | 30         | 27          |
|      | 2. Functionality                        |            |             |
|      | a. Module                               | 6          | 5           |
|      | b. Room arrangement                     | 6          | 5           |
|      | c. Circulation                          | 6          | 5           |
|      | d. Light and Ventilation                | 6          | 5           |
|      | e. Space requirements                   | 6          | 5           |
|      | 3. Facilities                           |            |             |
|      | a. Water supply and Toilet              | 6          | 5           |
|      | b. Lighting system                      | 6          | 5           |
|      | c. Elevators                            | 6          | 0           |
|      | d. Fire escapes                         | 6          | 4           |
|      | e. Fire fighting equipment              | 6          | 5           |
|      | 4. Other requirements                   |            |             |
|      | a. Maintenance                          | 5          | 4           |
|      | b. Attractiveness                       | 5          | 4           |
|      |   | <b>100</b> | <b>79</b>   |
| IV.  | Free Service and Facilities             |            |             |
|      | 1. Janitorial and Security              | 20         | 17          |
|      | 2. Air conditioning                     | 20         | 17          |
|      | 3. Repair and maintenance               | 20         | 14          |
|      | 4. Water and Light consumption          | 20         | 15          |
|      | 5. Secured Parking Space                | 20         | 17          |
|      |   | <b>100</b> | <b>80</b>   |
| I.   | Location and Site Condition             | 90 x .20 = | 18.2        |
| II.  | Neighborhood Data                       | 89 x .20 = | 17.8        |
| III. | Real State                              | 79 x .50 = | 39.5        |
| IV.  | Free Service Facilities                 | 80 x .10 = | 8           |
|      | FACTOR VALUE                            |            | <b>83.5</b> |

Name and address:

**AGUSAN LENDING CORPORATION**  
J.C. Aquino Ave., Butuan city.

2 storey office Bldg., with parking space.

Owner: Beblano Rosales

|                             |   |                  |
|-----------------------------|---|------------------|
| Estimated Unit Construction | = | 20,000.00/sq. m. |
| Depreciation Rate           | = | Good <b>87%</b>  |
| Capitalization Rate         | = | 80%              |
| Factor Value                | = | 79.8             |

**COMPUTATION BASED ON OBSERVED DEPRECIATION**

|                   |   |   |
|-------------------|---|---|
| Reproduction Cost | = | Estimated Unit Construction Cost x (1 - Depreciation) Rate) |
|                   | = | P 20,000.00 X (1-13)  |
|                   | = | P 17,400.00   |
| Formula Rate      | = | Reproduction Cost x Monthly Capitalization Rate             |
|                   | = | P 17,400.00 (0.20/12)                                       |
|                   | = | <b>P 290</b>  |
| Rental Rate       | = | Formula Rate x Factor Value                                 |
|                   | = | P 290 (0.798)   |
|                   | = | P 231.42  |
| Rentable Area     | = | <b>400 sq. m.</b>   |
| Monthly Rental    | = | Rentable Area x Rental                                      |
|                   | = | 400 sq. m. x 231.42   |
|                   | = | <b>92,568.00</b>  |
| Asking Price      | = | <b>90,000.00</b>  |

**TABLE OF RATING FACTORS**

Name:  
Address:

**AGUSAN LENDING CORPORTION**  
J.C. Aquino Avenue, Butuan City

|      | <b>RATING FACTORS</b>                   | <b>WEIGHT (%)</b> | <b>RATING</b> |
|------|---|-------------------|---------------|
| I.   | <b>Location and Site Location</b>       |                   |               |
|      | 1. Accessibility                        | 25                | 24            |
|      | 2. Topography and Drainage              | 20                | 16            |
|      | 3. Sidewalk and Waiting shed            | 15                | 12            |
|      | 4. Parking Space                        | 15                | 13            |
|      | 5. Economic Potential                   | 10                | 8             |
|      | 6. Land Classification, Utilization and | 10                | 8             |
|      | 7. Other added amenities                | 5                 | 4             |
|      |   | <b>100</b>        | <b>85</b>     |
| II.  | <b>Neighborhood Data</b>                |                   |               |
|      | 1. Prevailing Rental Rate               | 20                | 16            |
|      | 2. Sanitation and Health Condition      | 20                | 15            |
|      | 3. Adverse Influence                    | 15                | 13            |
|      | 4. Property Utilization                 | 15                | 14            |
|      | 5. Police and Fire Station              | 15                | 13            |
|      | 6. Cafeterias                           | 10                | 7             |
|      | 7. Banking/Postal/Telecom               | 5                 | 4             |
|      |   | <b>100</b>        | <b>82</b>     |
| III. | <b>Real State</b>                       |                   |               |
|      | 1. Structural Condition                 | 30                | 27            |
|      | 2. Functionality                        |                   |               |
|      | a. Module                               | 6                 | 4             |
|      | b. Room arrangement                     | 6                 | 5             |
|      | c. Circulation                          | 6                 | 3             |
|      | d. Light and Ventilation                | 6                 | 4             |
|      | e. Space requirements                   | 6                 | 4             |
|      | 3. Facilities                           |                   |               |
|      | a. Water supply and Toilet              | 6                 | 5             |
|      | b. Lighting system                      | 6                 | 5             |
|      | c. Elevators                            | 6                 | 4             |
|      | d. Fire escapes                         | 6                 | 4             |
|      | e. Fire fighting equipment              | 6                 | 4             |
|      | 4. Other requirements                   |                   |               |
|      | a. Maintenance                          | 5                 | 4             |
|      | b. Attractiveness                       | 5                 | 3             |
|      |   | <b>100</b>        | <b>76</b>     |
| IV.  | <b>Free Service and Facilities</b>      |                   |               |
|      | 1. Janitorial and Security              | 20                | 17            |
|      | 2. Air conditioning                     | 20                | 15            |
|      | 3. Repair and maintenance               | 20                | 14            |
|      | 4. Water and Light consumption          | 20                | 17            |
|      | 5. Secured Parking Space                | 20                | 15            |
|      |   | <b>100</b>        | <b>78</b>     |
| I.   | <b>Location and Site Condition</b>      | <b>85 x .20 =</b> | <b>17</b>     |
| II.  | <b>Neighborhood Data</b>                | <b>82 x .20 =</b> | <b>17</b>     |
| III. | <b>Real State</b>                       | <b>76 x .50 =</b> | <b>38</b>     |
| IV.  | <b>Free Service Facilities</b>          | <b>78 x .10 =</b> | <b>7.8</b>    |
|      | <b>FACTOR VALUE</b>                     |                   | <b>79.8</b>   |