

DRAFT OF LEASE AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This **Lease Agreement** (the “**Agreement**”) is made and entered into by and between:

_____, with office address at _____,
hereinafter referred to as the “**LESSOR**”;

and

BASES CONVERSION AND DEVELOPMENT AUTHORITY (BCDA), hereinafter referred to as the “**LESSEE**”; is a government instrumentality vested with corporate powers duly organized and existing under Republic Act No. 7227 otherwise known as the Bases Conversion and Development Act of 1992, as amended by Republic Act No. 7917, with office address at 2nd Floor, Bonifacio Technology Center, 31st St. corner 2nd Avenue, Bonifacio Global City, Taguig City, Metro Manila, represented herein referred by its Vice President, **JOSHUA M. BINGCANG**, who is duly authorized for this purpose, as evidenced by Secretary’s Certificate dated _____ hereto attached as Annex “B”.

WITNESSETH: That -

WHEREAS, the **LESSOR** is the registered owner possessor of the **LEASED PREMISES**, as evidenced by the following documents attached hereto:

- a) Contract to Sell dated _____ (Annex “C”)
- b) Certification from Property Management Office of _____ (Annex “D”)

WHEREAS, the **LESSEE** is desirous and agreeable to lease from the **LESSOR** the **Leased Premises**;

NOW, THEREFORE, for and in consideration of the foregoing premises and of the mutual covenants and stipulations all hereunder set forth, the **LESSOR** hereby transfers by way of lease to the **LESSEE**, and the **LESSEE** accepts by way of lease from the **LESSOR**, the **Leased Premises** under the following terms and conditions:

TERMS AND CONDITIONS

1. **LEASED PREMISES:** The **Leased Premises** details are as follows:

- 1.1 Project : _____
- 1.2 Address : _____
- 1.3 Leased Area : _____square meters

2. **TERM:**

2.1 The term of the lease shall be **ONE (1) YEAR**, commencing on **December 2019** and expiring on **November, 2020** subject to automatic extension, provided that a written notice of extension or renewal is given to the **LESSOR** at least forty five (45) days prior

to the expiration of the Agreement. The LESSOR and the LESSEE shall endeavor to execute a Lease Agreement for the renewal of the terms at least one (1) month prior to the expiration of this Agreement.

2.2 Upon the expiration of the lease period or termination due to default, the LESSOR shall exercise the rights, without need of any judicial declaration, provided for either by law or in Section 14 of this Agreement.

3. **LEASE PAYMENT:** The LESSEE shall pay the LESSOR with fifteen (15) days from receipt of the billing statements for the use and occupancy of the LEASED PREMISES the following:

3.1 The lease rate of **PESOS:** _____ per month (PhP _____/mo.), inclusive of CUSA, parking fee, 12% VAT, and all other applicable taxes, fees and charges;

The above monthly rental shall be subject to retention of mandatory taxes pursuant to the provisions of the National Internal Revenue Code, as amended and the regulations issued under authority thereof to be remitted by the LESSEE directly to the Bureau of Internal Revenue (BIR). The LESSEE shall furnish the LESSOR a Certificate of Final Tax Withheld at Source (BIR Form 2306) and a Certificate of Creditable Tax Withheld at Source (BIR Form 2307);

Upon payment of the monthly rental, the LESSOR shall issue the LESSEE the corresponding receipt evidencing such payment;

3.2 Within _____ days from issuance and receipt of Notice to Proceed, the LESSEE shall pay to the LESSOR the following amounts:

3.2.1 An advance rental equivalent to THREE (3) months rental or **PESOS:** _____ (**Php** _____), which shall be applied to the last three months of the Lease Agreement;

3.2.2 A security deposit equivalent to THREE (3) months rental or **PESOS:** _____ (**Php** _____), to be refunded upon the expiration of the contract of lease without interest and/or to be applied to the deficiency in utilities and damages to the **LEASED PREMISES** due to the fault or negligence of the **LESSEE**, its employees or guests, excepting regular wear and tear, etc. as the case may be. The three (3) month security deposit shall be held in trust by the **LESSOR**, provided that the LESSOR undertakes to return to BCDA the amount so deposited, without need to prior notice or demand within thirty (30) calendar days, after the LEASED PREMISES are totally vacated;

3.2.3 **PESOS** _____ (**Php** _____) as rental for the month of December 2019.

4. **USE:** The LESSEE hereby expressly agrees and warrants that the LEASED PREMISES shall be used exclusively for SCRIP and other purposes as may be deemed necessary by the LESSEE;

5. **SUBLEASE/ASSIGNMENT:** The LESSEE shall not directly or indirectly sublease the LEASED PREMISES or assign, transfer or in any way encumber its right of lease over

the LEASED PREMISES or any portion thereof, without the prior written conformity of the LESSOR;

6. **SALE/TRANSFER/MORTGAGE:** In the event of sale, transfer, mortgage, or any encumbrance of the Leased Premises or any existing sale, transfer, mortgage or any encumbrance of the same, the LESSOR shall warrant that the purchaser, mortgage, or encumbrance shall respect all terms and conditions of this Lease Agreement.
7. **DELIVERY OF LEASED PREMISES/REPAIRS:** The LESSOR hereby warrants the LEASED PREMISES are in good and tenantable condition and agrees to keep the same in such condition. The LESSOR shall undertake major repairs and maintenance of the premises, civil, electrical, sanitary, and mechanical equipment/ systems/ components caused by natural or man-made calamities and shall, after acceptance of the premises by the LESSEE, be borne by the LESSOR and the latter is hereby granted the right to enter the premises: (i) to make the needed repairs and alterations, and (ii) for any other purposes which may be deemed necessary by the LESSOR for the operation and maintenance of the building or its installations. Such entry may be made at such time previously arranged as convenient to both parties;
 - a. The LESSOR shall immediately undertake the major repairs within five (5) days from the receipt of notice from the LESSEE;
 - b. All minor repairs caused by the ordinary wear and tear of the LEASED PREMISES shall be for the account of the LESSEE;
 - c. Any movable structures installed by the LESSEE may be removed if the office space is vacated;
8. **POSSESSION:** The LESSOR warrants the LESSEE's peaceful possession and enjoyment of the LEASED PREMISES for the entire duration of this Agreement and hereby agrees to compensate the LESSEE for the damages it may sustain arising from any breach of this warranty;
9. **PUBLIC UTILITIES/MAINTENANCE:** All fees for utilities such as electricity, water, telephone, and other public services shall be for the exclusive account of the LESSEE. Major repairs in the utility service system, such as but not limited to breakdown in the building's own transformer, leakage in the building water connection and clogging of sewerage system, of the entire building, shall be undertaken by the LESSOR;
10. **ALTERATIONS/ADDITIONS/IMPROVEMENTS:** It is expressly agreed that all permanent improvements, alterations or additions introduced by the LESSEE shall become the property of the LESSOR and shall remain upon and be surrendered with the premises as a part thereof at the termination of this contract without any obligation on the part of the LESSOR to reimburse the cost thereof. Moreover, it is agreed that all movable improvements including air conditioning units, IT cables, and the like introduced by the LESSEE in the LEASED PREMISES may be removed by the LESSEE upon termination of the contract of lease for any cause herein provided or upon vacating the LEASED PREMISES prior to or upon expiration of this Agreement;
11. **COMPLIANCE WITH LAWS AND REGULATIONS:** The LESSOR and the LESSEE hereby undertake to comply with all laws, ordinances, regulations or orders of the National or Local Government authorities arising from or regarding the use, occupancy and sanitation of the LEASED PREMISES;

12. **RETURN OF PREMISES AFTER USE:** The LESSEE, at the expiration of the term of the lease or cancellation of the lease as herein provided, shall promptly deliver the said premises to the LESSOR in good and tenantable condition, as the same now are, reasonable wear and tear excepted, devoid of all occupants, furniture, articles and effects of any kind;

13. **DOCUMENTS FORMING PART OF THE AGREEMENT:**

13.1 The Technical Specifications – Appendix A (as contained in the published Request for Quotation, under RFQ No.)

13.2 Price Quotation Form – Annex A (as contained in the published Request for Quotation, under RFQ No.)

13.3 Omnibus Sworn Statement – Annex B)

14. **DEFAULT AND CONSEQUENCES OF DEFAULT:**

14.1 Upon the LESSEE's failure to pay rent and/or the violation of any of the terms and conditions of the Agreement by the LESSEE, the LESSOR may immediately declare, without need of a written notice, the LESSEE in default. Upon the LESSEE being in default, the LESSOR shall, exercise, in addition to any other remedies as may be prescribed by law, the following rights:

14.1.1 To terminate this Agreement without the need to any prior notice, demand or judicial declaration;

14.1.2 To demand and receive from the LESSEE payment for any and all unpaid rentals and other financial obligations stipulated in, or arising out of this Agreement;

14.1.3 To demand and receive from the LESSEE payment for the rentals and fees corresponding to the unexpired portion of the lease period.

15. The LESSOR shall not be accountable or liable for any loss, injury or damages that may be suffered by the LESSEE, employees or guests, by reason of theft, robbery, arson or other crimes or caused by fire, earthquake, strike, demonstration, riot, rebellion, typhoon, war or other unforeseen cause or event.

IN WITNESS WHEREOF, the parties have hereunto signed this ___ day of _____, 20___ in Taguig City.

LESSOR

JOSHUA M. BINGCANG
Vice President
LESSEE

SIGNED IN THE PRESENCE OF:

HEDDA LOURDES Y. RULONA
Department Manager III, BCDA