



Cultural Center of the Philippines
SENTRONG PANGKULTURA NG PILIPINAS

NOTICE TO PROCEED

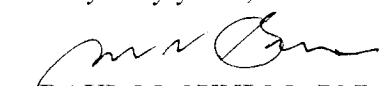
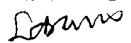
June 26, 2015

MR. JULIO MANUEL P. MACUJA
Authorized Representative
STAR PARKS CORPORATION
MBC Building, Star City
V. Sotto St., CCP Complex
Roxas Boulevard, Pasay City
Tel. Nos. 333-3561


Dear Mr. Macuja:


The attached Contract of Lease having been approved, notice is hereby given to **STAR PARKS CORPORATION** for the "Lease of Liwasang Tuwaang and Open Space Adjoining the Area Where the Star City is Located" in the amount of **Forty Six Million Six Hundred Ninety Two Thousand Five Hundred Seventy Pesos and 36/100 only (Php46,692,570.36) per year, VAT-inclusive** for Two (2) years, for the period July 1, 2015 to June 30, 2017.

Very truly yours,


RAUL M. SUNICO, PhD
President 

Conforme:


Name of Bidder _____
Date : 7/7/15

received. 7/7/15


NOTICE OF AWARD

May 5, 2015

MR. JULIO MANUEL P. MACUJA

Authorized Representative

STAR PARKS CORPORATION

MBC Building, Star City

V. Sotto St., CCP Complex

Roxas Boulevard, Pasay City

Tel. Nos. 333-3561


Dear Mr. Macuja:

The CCP Bids and Awards Committee hereby awards in your favor the contract for the project "Lease of Liwasang Tuwaang and Open Space Adjoining the Area Where the Star City is Located", in the amount of **Forty Six Million Six Hundred Ninety Two Thousand Five Hundred Seventy Pesos and 36/100 only (Php46,692,570.36) per year, VAT-inclusive.**

Within ten (10) calendar days after your receipt of this Notice of Award you are hereby required to enter into a contract and submit the required performance security in the form and the amount stipulated in the Instruction to Bidders.

Failure to provide the performance security shall constitute sufficient ground for cancellation of the award and forfeiture of the bid security.

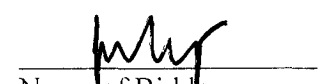
Very truly yours,



RAUL M. SUNICO, PhD

President

Conforme:



Name of Bidder

Date : 5/21/15

CONTRACT OF LEASE

KNOW ALL MEN BY THESE PRESENTS:

This CONTRACT made and entered into by and between the following parties:

CULTURAL CENTER OF THE PHILIPPINES, a government-owned and controlled corporation duly organized and existing under and by virtue of Presidential Decree No. 15, as amended, with principal office at CCP Complex, Roxas Boulevard, Pasay City, represented herein by its President, **RAUL M. SUNICO, Ph.D.**, hereinafter referred to as the "**LESSOR**";

- and -

STAR PARKS CORPORATION, a corporation organized and existing under and by virtue of Philippine laws and with address at Star City, Philcote, CCP Complex, Roxas Boulevard, Pasay City, represented herein by its Executive Vice President, **MR. JULIO MANUEL P. MACUJA**, and duly authorized for this purpose by the Board of Directors as evidenced by a Secretary's Certificate, a copy of which is attached hereto as Annex "A", hereinafter referred to as the "**LESSEE**";

WITNESSETH:

WHEREAS, the LESSOR is the owner of parcels of land located at the CCP Complex, Roxas Boulevard, Pasay City;

WHEREAS, the LESSOR aims to generate income through the lease of its properties;

WHEREAS, in order to get the best possible offer, the LESSOR through its Bids & Awards Committee (BAC) published on February 12, 2015 in the Government Electronic Procurement System (G-EPS), in the Philippine Daily Inquirer, a newspaper of general circulation and in the CCP Website the Invitation to Bid (ITB) the Lease of Liwasang Tuwang and Open Space Adjoining the Area where the Star City is Located;

WHEREAS, on February 18, 2015, the CCPBAC and the Technical Working Group (TWG) members conducted a pre-bid conference with one bidder in attendance;

WHEREAS, the CCPBAC and TWG members conducted a bid opening on March 5, 2015 with one (1) participating bidder, Star Parks Corporation. The sealed envelopes were opened based on the procedures prescribed in the ITB;

WHEREAS, after post evaluation of the submitted bid documents of the LESSEE by the TWG and the CCPBAC, the LESSEE was declared as the Single Calculated Responsive Bidder;

WHEREAS, considering the proposal of the LESSEE is deemed acceptable and advantageous to the LESSOR, the CCPBAC recommended the award of the lease of the aforesaid spaces to the LESSEE under a CCPBAC resolution, a copy of which is attached hereto as Annex "B".

NOW, THEREFORE, for and in consideration of the foregoing premises, the PARTIES hereby agree as follows;

1. LEASED PREMISES.

1.1. The LESSOR hereby leases to the LESSEE the following open spaces adjoining the area where the Star City is located with a total area of **23,958 square meters** (grassy and cemented area) as indicated in the As-Built Plan hereto attached as Annex "C" (hereinafter referred to as "Leased Premises") for a period of two (2) years from **July 01, 2015 to June 30, 2017** inclusive of ingress and egress, renewable for another one (1) year at the option of the LESSOR with 5% escalation on the renewal period;

- Lot No. 24, a cemented area between Star City and Liwasang Tuwaang with an area of 10,352 square meters;
- Portion of Lot 35, a cemented rotunda area of Leona Florentino located between Star City and Boom na Boom with an area of 2,283 square meters;
- Lot No. 25, an uncemented area called Liwasang Tuwaang located between Lot 24 and Magdalena Jalandoni Street with an area of 11, 323 square meters.

1.2. The LESSEE shall utilize the Leased Premises for mixed purposes and complementary with the CCP Complex Development Plan;

2. RENTAL, ETC.

2.1. Not later than every fifth (5th) day of the month, the LESSEE shall pay the LESSOR monthly rental, as follows:

- RENTAL, in the amount of **THREE MILLION EIGHT HUNDRED NINETY ONE THOUSAND FORTY SEVEN PESOS & 53/100 (Php3,891,047.53)** inclusive of 12% VAT but exclusive of parking fees, water, electricity, telephone, garbage disposal fee, security and janitorial services and other utilities. If the government increases the rate of the VAT, the VAT herein shall correspondingly be increased, at the expense of the LESSEE.

2.2. Likewise, the LESSEE shall, upon signing of this contract, issue twelve (12) postdated checks to cover the twelve (12) months rental for the 1st year and another twelve (12) postdated checks one (1) month before the end of the 1st twelve (12) months rental period to cover the monthly rental for the 2nd year, in the amount of **THREE MILLION EIGHT HUNDRED NINETY ONE THOUSAND FORTY SEVEN PESOS & 53/100 (Php3,891,047.53)** for each check.

2.3. Delinquent payments of rental shall bear interests at the rate of 1.5% per month, from due date until fully paid. In addition, failure of the LESSEE to deliver any checks or fund any one of the issued checks upon maturity date shall be sufficient ground for the LESSOR to terminate this Contract upon 15-day advance notice, and, upon the expiration of the said 15-day period, to immediately repossess the Leased Premises without the necessity of instituting any court or judicial action. In this connection, the LESSEE hereby names, constitutes, and appoints the LESSOR, its authorized agents, employees, and/or representatives as its attorney-in-fact, with full power and authority, to do and perform any of the following acts and things, to wit;

- [i] To open, break open, enter, occupy, secure, padlock, enclose, fence the Leased Premises, and to use all necessary force to obtain actual possession and control of the Leased Premises.
- [ii] To take inventory and possession of whatever equipment, furniture, articles, merchandise, appliances, etc. that may be found in the Leased Premises and to

[Handwritten signatures]

[Handwritten mark]

[Handwritten mark]

place them in the LESSOR's warehouse for safekeeping charging the LESSEE the corresponding storage fees therefor. In case the LESSEE fails to claim said equipment, furniture, articles, merchandise, appliances, etc. from the warehouse and liquidate any of its liabilities with the LESSOR within thirty (30) days from the date of transfer to the LESSOR's warehouse, the LESSOR is expressly authorized and empowered by the LESSEE to dispose of said properties in a public sale thru a Notary Public and to apply the proceeds thereof to whatever liability and/or indebtedness the LESSEE may have to the LESSOR plus reasonable expenses for the sale, including attorney's fees and storage fees. The balance, if any, shall be turned-over to the LESSEE.

- [iii] To suspend and/or disconnect the electricity and/or water supply to the Leased Premises by whatever means without incurring any civil and/or criminal liability or whatever therefor.
- [iv] To automatically forfeit in its favor, the deposits referred to in Section 3 below.

3. DEPOSIT.

- 3.1. Upon signing of the contract, the LESSEE shall put up a non-interest bearing deposit to the LESSOR equivalent to three (3) months rental in the amount of **ELEVEN MILLION SIX HUNDRED SEVENTY THREE THOUSAND ONE HUNDRED FORTY TWO PESOS & 59/100 (Php11,673,142.59)**. The deposit shall answer in full or in part for whatever claims and other charges, as well as damages caused to the Leased Premises by the LESSEE or the latter's employees, guests or customers and other third persons for any reason other than by ordinary wear and tear. It is understood that the deposit will not be applied to currently falling due monthly rentals. This is without prejudice to the right of the LESSOR to claim from the LESSEE other amounts representing other damages as may be warranted by the circumstances, which shall be paid by the LESSEE to the LESSOR within five (5) days from the receipt by the LESSEE of the LESSOR's demand therefor;

In case a portion or the whole amount of said deposit is used to answer for whatever claims by the LESSOR for charges or damages mentioned above, during the effectivity of this Contract, the amount used must be replenished by the LESSEE and the LESSEE must restore the original amount of the deposit immediately within one (1) week from receipt of the written demand of the LESSOR;

Should said deposit be insufficient to cover the damages, the LESSEE undertakes to pay the deficiency within five (5) days from notification thereof by the LESSOR;

Any excess in the deposit shall be returned by the LESSOR to the LESSEE without any interest upon expiration or termination of this contract within two (2) months upon written demand, subject to government rules and procedure.

4. PERFORMANCE BOND.

- 4.1. Upon signing of this Contract, the LESSEE shall also put-up a Performance Bond equivalent to 5% of the total rental for one (1) year in the amount of **TWO MILLION THREE HUNDRED THIRTY FOUR THOUSAND SIX HUNDRED TWENTY EIGHT PESOS & 52/100(Php2,334,628.52)**, either in the form of Cash, Cashier's Check, Manager's Check, or 10% if in the form of bank guaranty or 30% if in the form of a Surety Bond callable on demand and issued by the Government Service Insurance System (GSIS) or any reputable bonding company acceptable to the LESSOR, to guarantee complete and faithful performance of all its obligations under the contract, including the restoration of the Leased Premises to its original condition, to guarantee the proper

Handwritten initials: H, W, +

care and preservation of the Leased Premises and the properties of the LESSOR therein [ordinary wear and tear excepted] and to reimburse the LESSOR for any damages, loss of life or injury that the LESSOR or the latter's employees and guests and third parties may suffer as a consequence of any fault or negligence of the LESSEE or its employees. Should there be no claim by the LESSOR against the LESSEE, the said performance bond shall be returned by the LESSOR without interest, upon expiration or termination of this contract within two (2) months upon written demand, subject to government rules and procedure;

5. IMPROVEMENTS.

1.1. Subject to prior written consent of the LESSOR, the LESSEE may introduce improvements [which shall have good physical appearance and shall harmonize with existing CCP structures/buildings], renovations, or otherwise make alterations or repairs on the Leased Premises at the latter's expense; provided, however, that all existing and future improvements, renovations, alterations or repairs, electrical circuits and waterlines, made by the LESSEE and its locators in, or upon the Leased Premises, herein before and during the lease period, shall become the property of the LESSOR and shall be surrendered with the Leased Premises as part thereof at the expiration/termination of this Contract without compensation to the LESSEE and/or its locators, except movable furniture and other fixtures that may be removed without deforming or injuring the Leased Premises. The LESSEE shall not bring out of the Leased Premises any movable furniture and/or fixtures without the written consent of the LESSOR, provided that such consent shall not be unreasonably withheld.

6. CCP RULES.

- 6.1. The LESSEE shall comply with the rules issued by the LESSOR, from time to time, with respect to the security, health, sanitation, cleanliness and safety, among other things.
- 6.2. The LESSEE shall abide by all the LESSOR'S policies, rules and regulations. Non-observance of the same shall be ground for termination of this contract.
- 6.3. The LESSEE shall be exclusively responsible and liable for all national and/or municipal taxes, licenses, permits necessary for its operations.
- 6.4. The LESSEE shall maintain, at his own expense, the cleanliness, sanitation, beautification and maintenance of the Leased Premises and its surroundings, including all the facilities therein at all times. For this purpose, it shall have its garbage/solid wastes segregated into wet and dry in garbage bags in accordance with the solid wastes management law. In case the LESSEE opts to pay garbage disposal fee to the LESSOR it shall place its garbage bags in appropriate pick-up point for collection and disposal by the LESSOR's maintenance men.
- 6.5. The LESSEE shall not keep or store in the Leased Premises any flammable machinery or equipment which may cause obnoxious smell, tremors or noise or expose the Leased Premises to fire or combustible substances or materials nor install therein any apparatus therein that will increase the insurance rate thereof;

7. PRE-TERMINATION.

7.1. The LESSOR may pre-terminate the contract for cause. The LESSOR shall give 30-day prior written notice of pre-termination of this contract of lease.

7.2. In case of pre-termination of the contract by the LESSOR or upon expiration of its term, the LESSEE and its employees shall vacate the premises and surrender the same to the LESSOR quietly and peacefully without need of judicial action within twenty-four (24) hours from the date of said pre-termination or expiration; Otherwise, the LESSOR can resort to any or all of the remedies provided in paragraphs [i], [ii], [iii] and [iv] of Section 2.3. above.

7.3. The LESSEE may also pre-terminate this Contract by giving a 30-day written notice of termination to the LESSOR.

8. **FREEDOM FROM LIABILITY.**

8.1. The LESSEE agrees and obligates itself to hold the LESSOR free and harmless from any and all actions, suits, and damages and other claims of whatever kind or nature which may be brought or instituted by any party for any cause including but not limited to non-observance or non-performance by the LESSEE of any law or any government imposed rule or regulation, ordinance or law or any rules issued by the CCP pursuant to Section 6.1. above.

9. **ATTORNEY'S FEES.**

9.1. In case of court litigation arising from breach by the LESSEE of the terms and conditions of this contract, the LESSEE shall be liable to pay the LESSOR's attorney's fees in the amount equivalent to twenty-five percent (25%) of the amount being claimed by the LESSOR, which attorney's fees shall not be less than P50,000.00, aside from the damages, costs of litigation and other expenses which the law may entitle the LESSOR to recover from the LESSEE, which shall all be paid by the LESSEE whether litigation is prosecuted to judgment or not.


10. **VENUE OF SUIT.**

10.1. The parties agree that in the event of a legal dispute arising out of the Contract, the venue shall be laid exclusively before a court of proper jurisdiction in the City of Manila, to the exclusion of any other courts.

IN WITNESS WHEREOF, the parties hereunto have set their hands this JUN 25 2015 day of _____ 2015, in Manila, Philippines.

**CULTURAL CENTER
OF THE PHILIPPINES**

By:


RAUL M. SUNICO, Ph.D.
President *to*

STAR PARKS CORPORATION

By:


JULIO MANUEL P. MACUJA
Executive Vice President

SIGNED IN THE PRESENCE OF:


RODOLFO G. DEL ROSARIO *to*
Vice President for Administration *M*


ELLEN C. FULLIDO
VP-HR & Technical Services

ACKNOWLEDGMENT

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

JUN 2 5 2015 BEFORE ME, a Notary Public, for and in the City of MANILA on this
_____ day of _____ 2015, personally appeared the following persons:

RAUL M. SUNICO, Ph.D.

Passport No. EB4314339
Expiration on Dec. 21, 2016

known to me and me known to be the same person who executed the foregoing instrument and he hereby acknowledged to me that the same is his free and voluntary act and deed, as well as that of the entity herein represented.

WITNESS MY HAND AND SEAL on the date, year and place first above mentioned.

Doc. No. 302
Page No. 62
Book No. VIII
Series of 2015.

H. Adasa
ATTY. HENRY B. ADASA
NOTARY PUBLIC, CITY OF MANILA
FORM NO. 2014-162 UNTIL DEC. 31, 2015
S.E. ROLL NO. 29679
FRY BLDG. TAFT P. EIL ST. MALATE M.L.A.
RP NO. 939450 Z.N.
PR NO. 3824852 01-05-15-MLA,
MCE COMPLIANCE NO. III-0023245

A

ACKNOWLEDGMENT

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

~~JUN 23 2015~~ BEFORE ME, a Notary Public, for and in the City of MANILA on this _____ day of _____ 2015, personally appeared the following persons:

JULIO MANUEL P. MACUJA

Passport No. EB4814506
Expiration on Feb. 27, 2017

known to me and me known to be the same person who executed the foregoing instrument and he hereby acknowledged to me that the same is his free and voluntary act and deed, as well as that of the entity herein represented.

WITNESS MY HAND AND SEAL on the date, year and place first above mentioned.

Doc. No. 302
Page No. 67
Book No. 111
Series of 2015.

[Signature]
ATTY. HENRY D. ADASA
NOTARY PUBLIC, CITY OF MANILA
COMM. NO. 2014-162 UNTIL DEC. 31, 2016
S.E. ROLL NO. 29679
FRC BLDG. TAFT P. 51L ST. MALATE, MLA,
IBP NO. 939450 Z.N.
PTR NO. 3824852 01-05-15-MLA,
MCLE COMPLIANCE NO. III-0023245

[Handwritten mark]

[Handwritten mark]

BIDS AND AWARDS COMMITTEE
RESOLUTION NO. 2015-010

**"LEASE OF VARIOUS CCP PROPERTIES"
(LIWASANG TUWAANG AND OPEN SPACE ADJOINING THE AREA WHERE THE STAR
CITY IS LOCATED)**

The Cultural Center of the Philippines Bids and Awards Committee (CCPBAC) published on February 12, 2015 in the Government Electronic Procurement System (PhilGEPS) as mandated by Executive Order No. 40 and R.A. 9184, in the newspaper of general circulation and in the CCP Website, the Invitation to Bid for the projects "**LEASE OF VARIOUS CCP PROPERTIES**" (**Liwasang Tuwaang and Open Space Adjoining the Area Where the Star City is Located**) with an ABC of PhP45,079,372.80, VAT- inclusive;

WHEREAS, on February 18, 2015, the CCPBAC and the Technical Working Group (TWG) members conducted a pre-bid conference with one (1) bidder in attendance;

WHEREAS, the CCPBAC and the TWG members scheduled a Bid Opening on March 5, 2015 with one (1) participating bidder, Star Parks Corporation. The sealed envelopes were opened based on the procedures prescribed in the ITB;

WHEREAS, below are the details of the bid submitted by the bidder;

Name of Bidders	Amount of Bid	Amount of Bid Security/Form
Star Parks Corporation	PhP 46,692,570.36	PhP 833,795.90/Bank Guarantee

WHEREAS, after post evaluation of the submitted bid documents by the TWG and the CCPBAC, STAR PARKS CORPORATION was declared as a Single Calculated Responsive Bidder;

WHEREFORE, considering the proposal of **STAR PARKS CORPORATION** is deemed acceptable and advantageous to the CCP, it is THEREFORE, resolved by the CCPBAC to recommend the award of the project "**LEASE OF VARIOUS CCP PROPERTIES (Lease of Liwasang Tuwaang and Open Space Adjoining the Area Where the Star City is Located)**" with a contract price of **Four Six Million Six Hundred Ninety Two Thousand Five Hundred Seventy Pesos and 36/100 (P46,692,570.36), VAT-inclusive**, to the said proponent.


Approved and signed this 22nd day of April 2015.


MARITES R. BOTACION
Member


JOCEL A. PACADA
Member


ROMEO M. YAN
Member



ROLANDO E. BORROMEEO
Member


RAUL P. HABABAG
Member


LILIAN C. BARCO
Co-Chairperson


ARIEL S.R. YONZON
Chairperson

Approved by:


RAUL M. SUNICO, Ph.D.
President