

**TERMS OF REFERENCE  
FOR THE LEASE OF 5,000 SQUARE METERS OF LAND LOCATED AT LIWASANG DARANGEN  
THRU PUBLIC BIDDING**

1. The size of the area for lease is 5,000 square meters (grassy area) located at Liwasang Darangen, CCP Complex;
2. The said area can be utilized for commercial or office use;
3. The minimum bid for the monthly rental shall be Php450.00 per square meter inclusive of VAT but exclusive of parking fees, water, electricity, telephone, garbage disposal fee, security and janitorial services, and other utilities;
4. The period of lease shall be two (2) years, renewable for another one (1) year at the option of the LESSOR, with 5% rental escalation on the renewal period;
5. The structures that the winning bidder shall construct in the leased area shall have good physical appearance and if possible, harmonize with the existing CCP structures/buildings;
6. The bidder(s) shall submit a financial proposal and a concept of planned development for the area;
7. The winning bidder shall submit to the LESSOR, for approval, the construction plans which include the structural, mechanical, electrical, civil and sanitary plans;
8. Also, prior to the construction, the winning bidder and its technical group shall meet with the CCP Engineering Team for consultation and discussion on the implementation of the plan and of CCP construction policies on sanitation, safety, security, permits, etc.,
9. The winning bidder shall pay the LESSOR its monthly rental on or before the 5<sup>th</sup> day of every month. Delinquent payments shall bear a 1.5% interest rate per month from due date until fully paid;
10. Upon execution of the lease contract, the winning bidder or LESSEE shall:
  - a) Put-up a non-interest bearing deposit equivalent to one (1) month advance rental which shall answer in full or in part for any unpaid rental which accrued as of the termination of the lease and the two (2) months rental deposit which shall answer for any damages caused to the Leased Premises by the LESSEE or the latter's employees, guests and other third persons for reason other than ordinary wear and tear upon expiration of the contract. Thus, this deposit shall not be applied to unpaid monthly rentals during the effectivity of the contract. Failure of the LESSEE to pay rental, water and/or electric bills for one (1) month shall be sufficient ground for the LESSOR to disconnect water and electric supply to the Leased Premises and to terminate the contract;

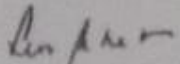
In case a portion or the whole amount of said deposit is used to answer for the claims by the LESSOR for charges or damages caused to the Leased Premises by the LESSEE or his employees during the effectivity of the contract, the amount must be replenished by the LESSEE and restore the original amount of the deposit

Immediately within one (1) week from receipt of the written demand of the LESSOR;

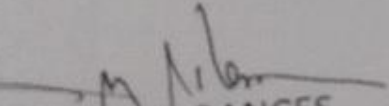
- b) Issue to the LESSOR twelve (12) post-dated checks to cover the twelve (12) months rental fee;
  - c) Put up a Performance Bond equivalent to 5% of the rental for one (1) year, either in the form of Cash, Cashier's Check, Manager's Check to guarantee complete and faithful performance of all its obligations under the contract, including the restoration of the leased area to its original condition, to guarantee the proper care and preservation of the Leased Premises and the properties of the LESSOR therein and to reimburse the LESSOR for any loss, damage or injury that it may suffer as a consequence of any fault or negligence of the LESSEE or its employees, ordinary wear and tear excepted. The said bond shall be callable on demand from the effectivity date of the lease contract and shall also cover the period of one (1) year from the effectivity date of the lease contract;
11. Before actual operation, the LESSEE shall submit to the LESSOR all the documents and permits necessary for its operations, such as fire safety certification, electrical, business permits and licenses;
  12. The LESSEE shall pay all expenses incidental to the operations of the leased area, such as payment of VAT and other business taxes and all national and/or municipal taxes such as Real Property Tax, licenses, permits, and insurance necessary for its operation;
  13. The LESSEE shall maintain, at his own expense, the sanitation, beautification and maintenance of the leased areas, including all the facilities therein;
  14. The LESSEE shall at all times comply with all laws and ordinances pertaining but not limited to health, sanitation, safety, general welfare, beautification and employment during the lease period;
  15. The LESSEE shall provide, for its own account, adequate and modern security and fire fighting devices to protect its buildings, appurtenances, contents and occupants;
  16. The LESSEE shall undertake, at its expense, all repairs or otherwise, as may be required to maintain the leased area and its facilities all in good condition and taste;
  17. The LESSEE shall be directly responsible over its employees, and for all actions performed by them;
  18. The LESSEE shall pay for and defray at its exclusive expense, the consumption of water, electric light, telephone, security, garbage disposal and janitorial services within the subject property;
  19. The LESSEE shall have the exclusive right to hire its employees or workers for its operations.
  20. The LESSEE shall, at any time that this agreement is rescinded for any cause, voluntarily surrender the property to the LESSOR, without need of judicial demand, including the movable furniture and fixtures put in by the lessee and removable without defacing, or impairing the property of the LESSOR.

21. The LESSOR shall have the right to terminate the contract/agreement on this lease upon issuance of a 30-day notice due to unsatisfactory operation/use of leased area or for other reasons which the LESSOR may deem reasonable;

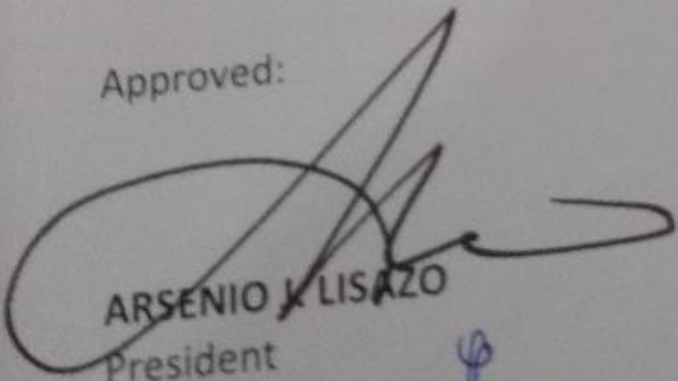
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