OFFICE OF THE SANGGUNIANG PANLUNGSOD

PRESENT:

HON. CATHARINE S. EVARISTO City Vice Mayor/Presiding Officer

DISTRICT I:

HON. AVELINO B. SOLIS Councilor
HON. EDWIN G. GAWARAN Councilor
HON. MIGUEL N. BAUTISTA Councilor
HON. ROWENA BAUTISTA-MENDIOLA Councilor
HON. REYNALDO M. FABIAN Councilor
HON. VENUS D. DE CASTRO Councilor

DISTRICT II:

HON. REYNALDO M. PALABRICA Councilor
HON. HERNANDO C. GUTIERREZ Councilor
HON. GAUDENCIO P. NOLASCO Councilor
HON. BAYANI M. DE LEON Councilor
HON. LEANDRO A. DE LEON Councilor
HON. ROBERTO R. JAVIER Councilor
HON. VICTORIO L. GUERRERO Councilor ABC-Pres.

CITY RESOLUTION NO. 2013-078
Series of 2013

A RESOLUTION AUTHORIZING THE CITY MAYOR, HON. STRIKE B. REVILLA, TO ENTER INTO A MEMORANDUM OF AGREEMENT (MOA) WITH PHINMA PROPERTY HOLDINGS CORPORATION FOR THE DEVELOPMENT OF STRIKEVILLE 5 IN THE CITY OF BACOOR.

WHEREAS, the City of Bacoor, in its desire to address the lack of affordable housing for informal settlers, upgrade living conditions of blighted areas, and convert them into decent and productive communities, intends to participate in a Housing Project as the Proponent and Partner by qualifying Beneficiaries as well in the Loan Origination of the qualified Beneficiaries with the goal of relocating informal settlers within Bacoor City;

1 City Resolution No. 2013-078 (Phinma Property Holdings Corporation – Strikeville 5 Project)
Republic of the Philippines  
CITY OF BACOOR  
Province of Cavite

OFFICE OF THE SANGGUINGANG PANLUNGSOD

WHEREAS, the City of Bacoor is the registered owner of parcels of land located at Brgy. Zapote, Bacoor City and covered by Transfer Certificates of Title (TCT) Nos. T-845140, T-1194165, T-845141, T-845142, T-1194166, T-845143, T-845145, T-1194169, T-1194168, T-845146, T-845147, T-845149 and T-845150 of the Registry of Deeds of Cavite with a total area of more or less, FOURTEEN THOUSAND SIX HUNDRED EIGHTY FIVE (14,685) square meters (the "Land Area");

WHEREAS, Phinma Property Holdings Corporation (PPHC) is a housing developer and builder which had successfully completed affordable housing development jointly with other Local Government Units using a specialized building technology;

WHEREAS, the City of Bacoor has elected to contract with PPHC to develop land and construct the housing units at specifications and price acceptable to Bacoor City;

WHEREAS, the PPHC appears to have participated in a bidding called for the purpose of awarding the city government’s housing project to be known as Strikeville 5;

WHEREAS, the Office of the City Mayor assured the Sangguniang Panlungsod that PPHC won the said bidding and was awarded the said contract;

NOW, THEREFORE, upon motion of Councilor Edwin G. Gawaran unanimously seconded by all the Councilors present, in regular session assembled, be it resolved as is hereby resolved to authorize the City Mayor, Hon. Strike B. Revilla, to enter into a Memorandum of Agreement (MOA) with Phinma Property Holdings Corporation for the development of Strikeville 5 in the City of Bacoor.

RESOLVED FURTHER, that this resolution was approved on the council’s assumption that all legal requirements related to the holding of the said project has been compiled with.

RESOLVED LASTLY, to furnish all offices concerned with copies of this resolution.

ADOPTED this 25th day of November 2013 at City of Bacoor, Cavite in regular session assembled.

2 City Resolution No. 2013-078 (Phinma Property Holdings Corporation – Strikeville 5 Project)
Republic of the Philippines
CITY OF BACOOR
Province of Cavite

OFFICE OF THE SANGGUNIANG PANLUNGSOD

I hereby certify to the truth and correctness of the foregoing Resolution.

Certified by:

HON. CATHERINE S. EVARISTO
City Vice Mayor, Presiding Officer

Attested by:

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

Approved by:

HON. STRIKE B. REVILLA
City Mayor

City Resolution No. 2013-078 (Phinma Property Holdings Corporation – Strikeville 5 Project)
MEMORANDUM of AGREEMENT
(For the Development of STRIKEVILLE 5)

This Memorandum of Agreement for the Development of STRIKEVILLE 5, dated as of ______, entered into by and between:

PHINMA PROPERTY HOLDINGS CORPORATION, a corporation duly organized and existing by virtue of the laws of the Republic of the Philippines, with address at ________, represented herein by its President & CEO, WILLIE J. UY, ____ (the "PPHC").

And—

THE CITY GOVERNMENT OF BACOOR, duly organized government instrumentality represented herein by HON. STRIKE B. REVILLA, in his capacity as the Mayor of Bacoor City, Cavite, with address at (ADDRESS) and pursuant to his authority conferred and embodied in Resolution No. ________, dated ________ of the City Council of Bacoor City (the "LGU"), a copy of which Resolution is attached hereto as Annex A and made integral part hereof;

(The PPHC and LGU are hereinafter collectively referred to as the “Parties,” and individually, as the “Party.”)

WITNESSETH:

WHEREAS, the LGU, in its desire to address the lack of affordable housing for informal settlers, upgrade living conditions of blighted areas, and convert it into a decent and productive community, intends to participate in a Housing Project as the Proponent and Partner by qualifying Beneficiaries as well in the Loan Origination of the qualified Beneficiaries with the end in view of the relocation of informal settlers within Bacoor City.

WHEREAS, LGU is the registered owner of parcels of land located at Bgy. Zapoite, Bacoor City and covered by Transfer Certificates of Title (TCT) No. _______ of the Registry of Deeds of Cavite with a total area of, more or less, FOURTEEN THOUSAND SIX HUNDRED EIGHTY FIVE (14,685) square meters (the "Land Area"), which parcels of land are more particularly described in Annex "C" hereof;

WHEREAS, PPHC is a housing developer and builder which had successfully completed affordable housing development projects JOINTLY with other LGUs, using a specialized building technology.

WHEREAS, the LGU has elected to contract PPHC to develop land and construct the housing units at specifications and price acceptable to the LGU.

WHEREAS, the Parties recognize the high demand and backlog of decent and affordable housing, as well as the need for in-city relocation of informal settlers thus, intends to partner with the LGU in its housing program, through the Housing Project.

WHEREAS, to enhance the identity of the Project, the project shall be named STRIKEVILLE 5.

WHEREAS, it is the intention of the Parties that the qualified and verified informal settlers (the "Beneficiaries") within LGU shall be the beneficiaries of the socialized housing project as now conceived to whom the said project shall be sold.
WHEREAS, the PPHC has submitted to the Parties, designs, plans, cost estimates and specifications of the project, which the LGU has found sufficient and acceptable; and

WHEREAS, the Parties have mutually agreed to undertake the socialized housing project subject to the terms and conditions hereinafter set forth;

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. Description of the Land Development Area and the Project

a. The Land Area consists of a total of (AREA) square meters upon which (no. of units) () units, with Medium Rise Building (MRB) Condominium housing units shall be constructed (the “Socialized Housing Units”) which shall be made available to qualified Beneficiaries of the Bacoor City Local Government Housing Program.

b. The “Project” shall consist of the development of a mass socialized housing project to be called the (STRIKEVILLE 5) under BP 220 design standards. The project shall be comprised of land development and construction (no. of units) housing units with a floor area of ___ square meter which shall be offered as socialized housing units.

c. The project shall be developed in accordance with BP 220 as well as the following plans, specifications and designs:

   i. Building Plans (Perspective, Plan and Elevation);
   ii. Building Specifications;
   iii. Site Development Plans; and
   iv. Project Timetable

The foregoing documents, copies of which are respectively attached hereto as Schedules I, II, III and IV, together with Schedules V and VI referred to below, shall hereinafter be referred to as the “Contract Documents” and are hereby made integral parts of this Agreement. In case of conflict between the Contract Documents and this Agreement, the latter shall prevail.

d. A typical socialized housing unit shall have a floor area of ___ square meters in ground and loft sections combined with bare finish and will conform substantially to the description, specifications and plans as set forth in Schedule VI, hereto attached and also made integral parts thereof.

e. For purposes of this Contract, the terms “low cost”, “low cost housing”, low cost housing units", “low cost units”, “economic housing”, “economic units”, “socialized housing” and other similar or substantially similar terms are not used in their legal acceptations, but are employed solely for facility of reference to units which are described in this section 1.

2. Obligations of PPHC

a. PPHC shall undertake land development of the Project in accordance with this Agreement and the Contract Documents but does not include the development of open spaces as well as the entertainment facilities such as but not limited to garden areas, playground, basketball court, community clubhouse and other recreational facilities within the project, which are the responsibilities of the LGU. It is understood and agreed by the Parties that PPHC may subcontract any
b. PPHC shall be responsible for the construction of the \____\ housing units on the Land Area specifically identified and earmarked for socialized housing of the project and to be offered to the Beneficiaries as identified by the LGU based on the pre-agreed pass-on cost per unit to the beneficiaries, attached hereto as Annex\____\.

c. Completed socialized housing units shall be turned over to the LGU and to ensure continuity of development and construction, PPHC shall be paid within 15 calendar days primarily from the individual housing loan proceeds of the beneficiaries from HDMF. Should the LGU fail to provide a qualified beneficiary/ies to completed socialized housing units, LGU shall pay PPHC the cost of all completed housing units based on the pre-agreed cost within 15 days reckoned from the date of billing.

d. PPHC shall provide free consultation to the LGU in the establishment of the process of completion of the HDMF requirements in the processing the loans of the Beneficiaries of the project.

3. **Obligations of the LGU-Bacoor**

a. The LGU shall be the Proponent and Loan Originator. The LGU shall identify, pre-qualify, evaluate and award the units to the qualified Beneficiaries.

b. It shall be responsible for applying for an end-user financing with HDMF for all the \___\ socialized housing units. The LGU shall be primarily responsible for the opening of a special financing facility with HDMF exclusively for the Beneficiaries for the purchase of the said units in the Project. Being the proponent and originator of Loans, the LGU shall be responsible for the buyback guarantee with HDMF all throughout the individual housing loan term of the Beneficiaries. The LGU shall likewise be responsible for the receipt, preparation, processing, collation, and submission and follow-up of the housing loan applications of the Beneficiaries with HDMF or any financial institution.

c. The LGU shall provide acquire and develop to include concrete pavement, street lights and the like, for its account, the road right of way access for the housing project.

d. The LGU shall be responsible for the “unitization” of the project Area into individual condominium certificates of title (CCTs) and transfer certificates of titles (TCTs) for all the housing lots as well as titles corresponding to the open spaces, park and road lots. Expenses pertaining to the said unitization including expenses for subdivision survey, technical description of each lot, application for partition with the LRA, issuance of individual titles in the name of the LGU and other expenses which may be incurred in the eventual unitization of the titles shall be the expense of the LGU. The LGU however, may at its discretion charge and collect these expenses from the beneficiaries.

e. The LGU guarantees that upon completion and turn-over of the housing unit by the PPHC to the LGU, it shall secure from HDMF the release of the cost of the unit within seven (7) days after turn-over. Should HDMF for any reason fails to release the loan proceeds/cost of the unit within the said period, the LGU shall pay PPHC’s share in the loan proceeds within 15 calendar days reckoned from date of billing.

f. The LGU shall seek the approval of this Memorandum of Agreement for the development of the socialized housing project from the Bacoor City Council.
g. The LGU shall likewise extend any and all available and appropriate local tax incentives and exemptions to PPHC such as but not limited city tax, business tax, contractor's tax, vat exemption as well as tax credits to PPHC and exemption from fees, permits and licenses for all requirements in the development of the housing project.

h. The LGU shall, subject to the submission of the requisite documents, and free of charge, cause the issuance of whatever permits, clearances, registrations, consents and approvals required to be secured or obtained under this Agreement and relative to the Project (the "permits" from government offices under its control, such as the Barangay Clearance, Locational Clearance, Building Permit, Occupancy Permit, Sanitary Permit, Fire Clearance, among others.

i. The LGU shall likewise apply and secure, for its own account, all necessary permits from other government agencies, bodies and instrumentalities, such as from the DENR, Laguna, Lake Development Authority (LLDA), LUWAA, HLURB and such other government agencies, bodies or instrumentalities where a permit, license may be required, for the development of the socialized housing project such as but not limited to the Development Permit (DP), License to Sell (LTS), and Certificate of Registration (CR) from HLURB, and Environmental Compliance Certificate (ECC) from DENR.

j. Fees and Charges for local and city taxes, permits and license fees of this PROJECT shall be waived by the LGU upon the approval and ratification of this MOA by the City Council.

k. The LGUs shall be responsible for the application and the provision of basic utilities such as water from Maynilad and electricity from Meralco and other services with the appropriate service providers of utilities in the Project. Any and all fees pertaining to such applications shall be for the account of the LGU-Bacoor. However, the LGU may at its option charge the beneficiaries the cost of the said expenses and fees.

l. The LGU shall be responsible for the development and maintenance of the open spaces as well as the entertainment facilities such as but not limited to garden areas, playground, basketball court, community clubhouse and other recreational facilities within the project as the LGU may deem necessary for the welfare of the community.

m. The LGU shall be responsible of clearing the area from any all structures and shall deliver possession of the property to PPHC free and clear from any structures and/or occupants for the construction of the project. Any expense that shall be incurred shall be at the cost of the LGU. Within 7 days from the signing of the MOA, the LGU should turnover to PPHC an area for development and construction of condominium units.

n. The LGU shall be responsible of project / estate management and shall be responsible for the preparation, promulgation, enforcement and imposition of the necessary Deed of Restriction or House Rules and Regulations for maintenance and management of the Project.

o. The LGU shall secure the site and guarantee the safety of the personnel, workers equipment and materials of PPHC.
p. The LGU shall authorize PPHC to erect billboards and signs at the designated areas allowed by the LGU free of charge i.e. along the elliptical road in front of the City Hall, road aisle, sidewalk and other public areas. PPHC shall submit proposed locations to the LGU where the billboards/signs will be erected and the LGU will issue the necessary permits and clearances for the erection of the billboards.

4. **Distribution of Loan Proceeds of Housing Units**

   a. The beneficiaries shall avail of loan facility of Four Hundred Thousand Pesos (Php 400,000.00) per unit from HDMF subject to the latter’s policies and pre-qualification. Loan proceeds of every Four Hundred Thousand Pesos (Php 400,000.00) shall be distributed to PPHC and LGU as return on their capital based on an agreed proportionate sharing scheme formula as follows:

   \[
   \begin{align*}
   & \text{PPHC (For Development \\ & \quad \text{Construction of House) - P}} \\
   & \text{LGU (Return of Guarantee Fund) - And LGU (Origination Fee)} \\
   & \quad \text{Total P400,000.00}
   \end{align*}
   \]

   b. The above shares shall be released simultaneously to each Party in separate checks by HDMF upon approval of loan application by beneficiaries availing of housing loans from HDMF.

   i. In case of failure of the Buyer-Beneficiaries in the payment of the loan, LGU shall buy-back from HDMF the said unit and shall hold free and harmless the Landowner as well as PPHC from any liability arising from such loan.

5. **Tax Incentives to Socialized Housing Development**

   a. In view of the socialized nature of development of the Project, and in order to promote the participation of private entities in socialized housing and housing programs of the LGU, the LGU shall extend any and all available and appropriate tax incentives or endorsements for tax exemption to the National Government to PPHC. The project shall be a compliance of PPHC to RA 7279 and that the Socialized Housing credits of the 881 units shall be in favour of PPHC.

6. **Project Commencement and Completion**

   a. The land development and housing unit construction shall commence as soon as the following condition precedents have been complied with:

   i. Signing of this Memorandum of Agreement.
   ii. Ratification of the City Council of the Memorandum of Agreement.
   iii. Issuance of Building Permit
   iv. All necessary permits, licenses etc. for the Project construction have been secured
   v. The road right of way has been acquired by the LGU
   vi. Approval by the HDMF of the Special Loan Facility for the Beneficiaries with a buyback guarantee during the entire term of the loan.

   b. The Project shall be completed within a period of Twenty Four (24) months provided that the all beneficiaries of the condominium units shall be identified and pre-qualified within the first 2 years otherwise extension to complete the
7. Force Majeure

In case of the happening of any event which cannot be foreseen, or which, though foreseen, is inevitable, such as, but not limited to, typhoon, strike, lockout, flood, earthquake, insurrection, blockade, fire, strike, etc., the commencement and completion of the Project and each phase thereof shall be extended for the duration thereof. Within five (5) days from the occurrence or happening of such event, the PPHC will notify the other Parties in writing of such event and that the LGU will file the corresponding extension with HLURB. Should there be a stoppage of work and that a decision is made not to continue the project, LGU shall pay PPHC any development made to the project either partial or completed.

8. The LGU as Property/Estate Manager

The LGU shall be the Property/Estate Manager of the Project upon completion, as such it shall prepare a Declaration of Restrictions on use of the common areas of the Project as well as issue the necessary and appropriate rules and regulations for enforcement within the community. It shall likewise initiate the organization of a homeowners’ association within the community.

9. Each Party represents and warrants to the other Party that:

a. The Parties will incur the obligations to be performed in this Agreement and other documents required hereunder, to execute and deliver this Agreement and other documents required hereunder, and to perform and observe the terms and conditions thereof;

b. All appropriate and necessary legal action has been taken by the Party to authorize the execution, delivery and performance of this Agreement and other documents required hereunder;

c. This Agreement and other documents required hereunder constitute, or when executed and delivered pursuant hereto will constitute the Party’s legal, valid, direct and binding obligations, enforceable in accordance with their respective terms and the same is not contrary to any provision in the Party’s charter, articles of incorporation, by-laws or other constitutive documents, and

d. There is no litigation, tax claim, proceeding or dispute pending or, to the Party’s knowledge threatened, against it or affecting it, or the Land insofar as the Landowner is concerned, the adverse determination of which might impair its ability to perform the Party’s obligations hereunder or under any other instrument required hereunder.

e. This Agreement is a legal and binding obligation between the Parties and is enforceable in accordance with its terms, and any other document required to be delivered by either Party, when duly executed and delivered, will be a legal and binding obligation;

f. The Parties to this Agreement further undertake to each other to procure the doing of all acts and the due execution of all other documents to give full effect to the provisions of this Agreement. Towards this end, the Parties shall always perform their respective obligations hereunder in good faith, and shall promptly and completely make available any information, documents, papers, and undertaking certifications and other requirements that may be incumbent or imposed upon them.
10. Further Documents

The Parties agree to execute and deliver such other instruments, documents and papers, and to make acknowledgments as shall reasonably be necessary, in order to put into full effect the agreement of the parties contained in this Agreement.

11. Assignment

This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. A Party may not assign or transfer any of its rights or obligations hereunder without the prior written consent of the other Parties.

12. Withdrawal

a. Withdrawal on amicable grounds

i. Should both Parties agree to amicably terminate this Agreement at some point during the implementation of the Project, due to non-feasibility of the Project or due to force majeure or for any other mutually-acceptable reason, a Termination Agreement shall be prepared and signed by both Parties subject to the following conditions:

1. In all instances, possession and ownership of the Land Area shall immediately revert to the landowner.

2. For developed areas, the parties agree to sell the completed units and divide loan proceeds or sales proceeds in accordance with or in proportion to the sharing scheme.

3. For areas wherein land development and construction has been introduced but not yet completed, the Parties agree to be bound by the appraisal values of Home Development Mutual Fund (HDMF). Upon determination of such value by HDMF, PPHC shall receive compensation for the value of work performed or development introduced and constructed from the LGU.

b. In case of termination of this agreement after the completion of land development including the COMMON AREAS (such as, road access, guardhouse and the like) and for any reason, the LGU agree to reimburse and pay PPHC for the costs of the development of the COMMON AREAS and land development. The reimbursement to PPHC under this section shall be computed based on the total cost of development of the COMMON AREAS and land development. The cost of the said development is hereto attached as Annex "__". The parties agree that in case of termination under this section, the Parties agree on the cost as stated in the said Annex "__" as basis for the payment.

PPHC may likewise be allowed to withdraw from this agreement in case of the occurrence of mandated wage increases and extraordinary material inflation exceeding Ten Percent (10%) of the total cost of each unit which would prevent PPHC from completing and continuing the Project without incurring loss. In case of withdrawal on this ground, the Parties shall prepare a Termination Agreement subject to the same provisions as Section 18 (a) (i)(1,2,3). However, PPHC shall complete partially completed units before the termination and such completed units shall be included in the termination agreement.

13. Amendment

No modification, change or amendment of this Agreement shall bind the parties unless reduced in writing and signed by the parties hereto.

This Agreement is subject to the ratification of the City Council of Bacoôr City.
14. Others:

The Provisions of the Memorandum of Agreement between LGU and PPHC dated __________ acknowledged before __________, and entered into his Notarial Book as ______________ are adopted and made integral part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and executed by their respective duly authorized signatories as of the day and year first written above.

PHINMA PROPERTY HOLDINGS CORPORATION

By:

WILLIE J. UY
President and Chief Executive Officer

THE BACOOR CITY GOVERNMENT

By:

HON. STRIKE B. REVILLA
City Mayor

SIGNED IN THE PRESENCE OF:

HON. KAREN SARINO-EVARISTO
Vice-Mayor

MR. GEORGE RICHARD F. SITON
VP-Operations

MR. HECTOR R. LOYOLA
Chief of Staff

MR. RAPHAEL B. FELIX
Vice-President for Planning
ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES 

M.M. 

BEFORE ME, a Notary Public, for and in this day of 2013, personally appeared the following:

NAME \n
CTC No. \n
Date and Place of Issue

Hen. Strike B. Revilla 

Mr. Willie J. Uy 

known to me to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their free and voluntary act and deed as well as the free and voluntary act and deed of the entities they respectively represent.

This instrument refers to a Memorandum of Agreement for the Developer Project and consists of pages including this page.

WITNESS MY HAND AND SEAL this day of at the place above-written.

NOTARY PUBLIC

Doc. No. 

Page No. 

Book No. 

Series of 2013.