

CONTRACT OF LEASE

KNOW ALL MEN BY THESE PRESENTS:


This Contract of Lease made and entered into by and between:

TREVOR REALTY, a single proprietor duly organized and existing under the laws of the Republic of the Philippines with principal address at 167 P. Burgos St., Tacloban City, herein duly represented by its president, **TRACY T. UY**, of legal age, married, Filipino, a resident of 161 P. Burgos St., Tacloban City, hereinafter referred as the "**LESSOR**",

and

PHILIPPINE HEALTH INSURANCE CORPORATION, a government corporation organized and existing by virtue of R.A. 7875, otherwise known as the National Health Insurance Act of 1995, as amended by R.A.9241, duly represented by its Regional Vice-President, **ATTY. JERRY F. IBAY**, with office address at 3rd floor PhilHealth Annex Building, P. Burgos Street, Tacloban City, hereinafter referred to as the "**LESSEE**".


WITNESSETH:


 WHEREAS the **LESSOR** is the absolute owner of a parcel of land and the two (Building 1 & Building 2) three (3) storey building located therein at 167 P. Burgos St., Tacloban City;

WHEREAS the **LESSOR** has made available Building 1 & 2 including the adjoining annex building linking Buildings 1 & 2, for lease to the **LESSEE**;

WHEREAS the **LESSEE** intends to lease the specified area within the aforementioned property;

WHEREAS, the **AGENCY** has quoted a bid deemed most advantageous to the government in which bidding documents is hereto attached as Annex "A".

 NOW THEREFORE, for and in consideration of the above stipulations the **LESSOR** hereby leases unto the **LESSEE**, the subject area specified and the latter accepts the lease subject to the following terms and conditions, to wit:

1. **SUBJECT OF LEASE.** A certain three (3) storey buildings (Buildings 1 & 2 including the adjoining Annex Building) situated at 167 P. Burgos St., Tacloban City with a total floor area of **One Thousand Ninety-Six (1,096 sq. m)** square meter more or less.
 2. **TERM OF LEASE.** This Contract of Lease shall commence on **April 1, 2012** until **December 31, 2012**.
 3. **RENEWAL.** Within thirty (30) days prior to the expiration of this contract of lease, the **LESSEE** will make formal notice to the **LESSOR** of its intention to renew the lease for another year on such terms and conditions as may then be mutually agreed upon.
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4. **LEASE RATE.** The monthly lease rate is **TWO HUNDRED THIRTY-EIGHT THOUSAND SIX HUNDRED SEVENTY-ONE PESOS AND 36/100 (P 238,671.36)** inclusive of E-vat and withholding tax which shall be paid on or before the 10th of the following month, upon presentation of a bill or notice of payment.

Failure on the part of the **LESSEE** to pay the rental for two consecutive months, during the leased period, shall be considered a sufficient ground for the **LESSOR** to terminate this contract and for the **LESSEE** to vacate the leased premises immediately without the necessity for the **LESSOR** to file a case in court.

5. **DEPOSIT.** The amount of **FOUR HUNDRED FORTY-SEVEN THOUSAND TWO HUNDRED PESOS (P447, 200.00)** held in trust as security deposit, upon expiration of the Lease Contract and after one (1) month from complete turnover of the leased premises, after deducting whatever unpaid bills of the leased premises if there are any, shall return the full/remaining balance to the **LESSEE**.

6. **FAILURE TO PAY MONTHLY RENTAL.** Should the **LESSEE** be in arrears in the payment of rent and/or other accounts for a period of at least two (2) months, and/or premises closed for business or unused for the same period without notifying the **LESSOR**, the latter may consider the premises abandoned and the lease terminated without prior notice.

7. **USE OF THE PREMISES.** The leased area shall be used by the **LESSEE** for the purpose it was intended, shall maintain the same clean and sanitary and subject it to the uniformly applicable building rules and regulations which the **LESSOR** may subsequently provide to all lessees and/or occupants with the objective of safeguarding this persons and personalities, the common safety and welfare, and more importantly, fostering a desirable relationship among and between the **LESSEE'S** occupants and the building administrations.

8. **IMPROVEMENTS.** The **LESSOR** grants the **LESSEE** the authority to introduce improvements on the property which are necessary in carrying out its business operation, provided such improvements, alterations, repairs and additions will not cause any structural damage or defect to the building. The right of removal by the **LESSEE** may include but not limited to: 1.) Wall partitions; 2.) Air-Conditioning Units, Condenser/Outdoor Units, Breakers, Wirings, Steel braces, and Piping; 3.) Cable/Network wirings; 4.) Telephone line wirings. The **LESSEE** upon termination of the lease shall re-install whatever damages to the property are made to its original structures.

9. **UTILITIES.** The subject building will be provided with electric power and water facilities. All electric bills for the power used by the **LESSEE** shall be paid by it and the **LESSOR** shall be rendered free from the non-payment or cut-off for non-payment by the **LESSEE**.

10. **LIGHTS AND LIGHTING FIXTURES.** The subject building is provided with lights, lighting fixtures and fluorescent tubes and diffusers. These **LESSOR** supplied gadgets will be replaced when busted or damaged with cost shouldered by the **LESSEE**. The **LESSOR** is not obligated to provide

additional lights and/or lighting fixtures, but the **LESSEE** may so provide at its own expense.

11. **INSPECTION OF PREMISES.** The **LESSOR** or its authorized representative, with the proper notice to the **LESSEE** and at a reasonable hour of any working day, shall be allowed entry to the leased premises to conduct inspection for repairs or improvement. Subsequent access to the leased premises shall be given to the authorized person/s who will undertake the repair or improvements. The **LESSEE** may designate the time when such repair or improvement will be undertaken in order to lessen inconvenience to the employees and clients, or to avoid disruption of office work or activities.

12. **PROHIBITION.** That the **LESSEE** hereby undertakes and bind themselves not to allow any vendor or any establishment or repair stand to occupy the sidewalk, pathway or arcade portion in and around the leased premises;

13. **RESPONSIBILITIES OF THE PARTIES.**

- a. The **LESSEE** hereby agrees to keep the leased premises in clean, good and sanitary condition at all times in accordance with the quality standards of the building.
- b. The **LESSOR** shall at all times ensure a good and durable water connection within the building premises.
- c. The **LESSEE** is strictly prohibited from storing any combustible or inflammatory materials that will increase the risk of fire/loss. Likewise, the **LESSEE** is prohibited from storing heavy equipment and machineries. Cooking and flammable substances such as gas range or LPG is not allowed inside the building premises.
- d. The interior partition renovation including its lighting fixture shall be at the expense of the **LESSEE**. All movable furniture and fixtures put in the leased premises by the **LESSEE** may be removed by the latter anytime.
- e. The **LESSEE** shall see to it that the leased premises are free from annoying sound, disturbing noises, free from obnoxious odors and other nuisances, and that it be used in a manner that will not disturb the peace and tranquility of the other building occupants.
- f. The **LESSEE** shall not sub-lease or sublet, in whole or in part the leased premises to any third party without prior consent from the **LESSOR**.
- g. The **LESSOR** shall allow the **LESSEE** and its employee's easy access to the leased premises in order not to disrupt the delivery of the services to its clients/members.
- h. The **LESSEE**, shall undertake all minor repairs involving water and electrical connections, toilet and similar facilities and major and extraordinary repairs on the leased premises at his/its own expense which must be performed with utmost expediency. In the event that the leased premises cannot be utilized during the period of repair, the

LESSOR grants a moratorium or waiver of rental payment for such period.

- i. The LESSOR warrants that the LESSEE shall have peaceful possession of the leased premises for the duration of term agreed upon except when the disturbance is caused by natural calamities or acts outside LESSOR's control.
- j. The failure of the LESSOR to insist upon strict performance of any of the covenants entered hereof, shall not be deemed as waiver of its right or remedy available as mandated by law. No waiver shall be deemed to have been made unless in writing and duly signed by the LESSOR.

14. **GROUND FOR TERMINATION.**


- a. Any breach or violation committed by one of the parties or any of the terms and conditions set forth herein, failure of the parties to arrive at any possible amicable settlement;
- b. The occurrence of natural calamities that may render the leased premises unfit for occupancy;
- c. Either party may terminate this Contract of Lease provided a prior written notice within a period sixty (60) days shall be given to the other party of said intention.

15. **SEPARIBILITY CLAUSE.** If any part or provision of this contract is declared invalid, other provisions which are not affected thereby shall continue to be in full force and effect.

IN WITNESS WHEREOF, we have hereunto set our hands this _____ day of _____, 2012 at _____, Philippines.

TREVOR REALTY


By:


TRACY T. UY
President

CTC No. CC12011 00190377
Issued on 5-2-12
Issued at Tacloban City

PHILIPPINE HEALTH
INSURANCE CORPORATION

By:


ATTY. JERRY F. IBAY
Regional Vice-President

CTC No. _____
Issued on _____
Issued at _____

SIGNED IN THE PRESENCE OF:





ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
TACLOBAN CITY) s.s

BEFORE ME, this _____ day of JUN 04 2012, 2012, personally appeared the above named persons, known to me to be the same persons who executed the foregoing Contract of Lease, and acknowledged to me that the same is their free act and deed and that of entity they represented.

This Contract of Lease consists of five (5) pages including the page wherein this acknowledgement is written and signed by the parties at the left hand margin of every page hereof together with their instrumental witnesses.

IN WITNESS WHEREOF, I have hereunto set my hands this _____ day of JUN 04 2012, 2012, on the day, year and place above indicated.

ATTY. ALFREDO B. TY, JR.
NOTARY PUBLIC
PTR NO. 024433 / JAN. 2, 2012/TAC. CITY
IBP NO. 80851 / JAN. 2, 2012/TAC. CITY
ROLL NO. 54843
COLES & TY LAW FIRM
240 P. BURGOS ST., TAC. CITY

Doc. No. 261
Page No. 53
Book No. III
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