

CONTRACT OF LEASE

This Contract of Lease, made and entered into this ___ day of _____ at City of _____, Philippines by and between:

LESSOR : _____
Address : _____
Nationality : _____
Civil Status : _____

- And -

LESSEE : _____
Address : _____
Nationality : _____
Civil Status : _____

LEASED PREMISES : _____

WITNESSETH:

WHEREAS, the LESSEE desires to lease the LEASED PREMISES from the LESSOR and the LESSOR is willing to lease the same unto the LESSEE subject to the terms and conditions hereinafter specified:

NOW THEREFORE, for and in consideration of the foregoing premises, the LESSOR leases unto the LESSEE and the LESSEE Hereby accepts from the LESSOR the LEASED PREMISES, subject to the terms and conditions hereinafter specified:

- 1. **PURPOSE** – It is hereby agreed that the LEASED PREMISES shall be used exclusively by the LESSEE for residential purposes only and shall not be converted to any other purpose. It is hereby expressly agreed that if at any time the LEASED PREMISES are used for purposes other than that stated herein, the LESSOR shall have the right to automatically terminate this Contract without prejudice to its other rights under the law.

The LESSEE agrees to abide by the existing rules and regulations promulgated by _____ as the same may be revised, modified, amended or supplemented from time to time and with all rules, ordinances and laws in force or promulgated by duly constituted local or national authorities regarding the use and occupancy of the LEASED PREMISES.

- 2. **AMOUNT OF RENT** – the LESSEE shall pay the monthly rental of _____, **(Exclusive/Inclusive) of Association Dues**. The LESSEE shall pay **one (1) month advance and two (2) months deposit** amounting to _____ **(Php _____)** and submit **Eleven (11) post-dated checks** for the succeeding advance monthly rental payable by the Lessee to the Lessor every ___ day of each calendar month. Payee for all the post-dated checks (PDCs) shall be under the name of _____. It is understood that said deposit or any balance thereof shall be returned to the LESSEE without interest upon termination of the contract after deducting unpaid obligations within (60) days after the end of the contract.

All real estate taxes and insurance premium pertaining to the leased property shall be for the account of and paid by the LESSOR. However, in case of increase in taxes and assessments imposed by the national or local government subsequent to the signing of this contract, the monthly rental shall automatically increase by one-fourth percent of the ratio between the present tax and the increase in taxes / assessments which may be effected by the national or municipal government.

- 3. **TERMS OF LEASE** - This lease shall be for a period of **(12) Twelve months** commencing from _____, to _____, renewable under terms and conditions as may be agreed upon between parties. This Contract of Lease may be renewed or terminated in writing by the LESSEE and / or LESSOR provided that written notice of renewal or termination by the interested party must be received by the other party in one month prior to the expiration of this lease. In case of pre-termination, all the remaining rentals paid in advance and deposit shall be deemed forfeited in favor of the LESSOR.

- 4. **PRETERMINATION AND NOTICES** – In case of pre-termination of this Contract, the Security Deposit and Advance Rent shall automatically be forfeited in favor of the LESSOR without prejudice to filing of claims of additional damages; the LESSEE shall notify, in writing, the LESSOR Sixty (60) days in advance on whether to renew or terminate this Contract. Failure to do shall result in the renewal of this Contract, therefore, all terms and conditions of this Contract shall be in full effect, except where LESSOR waives the automatic renewal provided herein.

- 5. **DEFAULT IN PAYMENT** – In case of default by the LESSEE in the payment of rent, such as when any of the checks submitted to LESSOR is dishonored, the LESSOR may, at its option, declare this Contract, its extension or renewal, cancelled or terminated and require the LESSEE to vacate the LEASED PREMISES. In such event, all deposits and advances received by the LESSOR will be forfeited in its favor, and the LESSOR shall have the right to offer the LEASED PREMISES to third parties. Any and all improvements introduced in the LEASED PREMISES shall become property of the LESSOR.

The LESSEE further authorizes the LESSOR to cut water supply and/or electric facility in case of default in the payment of rent.

Without prejudice to the right of the LESSOR above, all payments overdue shall be subject to penalty charge at the rate of Ten percent (10%) per month, counted from the first day of the month of delinquency until full payment thereof. The penalty charge shall apply to any

and all arrearages to be paid by the LESSEE, including, but not limited to rentals, utilities charges, as well as other charges which the LESSOR may impose.

6. **OTHER DEFAULT** - In the event of default or breach, non-performance or non-observance, of any of the terms and conditions of this Contract, or even without such breach or default, if the LESSEE shall be dissolved, bankrupt, insolvent or under receivership or make an assignment for the benefit of creditors or file any proceeding seeking any readjustment, arrangement, postponement, condonation, or reduction of LESSEE's debts, liabilities, or obligations, or if the LESSEE abandons the LEASED PREMISES and the improvements thereon, the LESSOR may, as its option, declare this Contract, its extension or renewal, cancelled or terminated by serving the LESSEE a Notice of Termination which become effective Ten (10) days from service of such notice. Within Ten (10) days from receipt of the notice, the LESSEE shall immediately surrender the LEASED PREMISES to the LESSOR and require the LESSEE to vacate the LEASED PREMISES. In such event, all deposits and advances received by the LESSOR will be forfeited in its favor, and the LESSOR shall have the right to offer the LEASED PREMISES to third parties. Any and all improvements introduced in the LEASED PREMISES shall become property of the LESSOR
7. **ADDITIONAL REMEDIES** - In case the LESSEE pre-terminates this Contract, or should the LESSEE continue occupying the LEASED PREMISES after the expiration of the Lease Term, or should the LESSEE abandon, sublease or assign wholly or in part the LEASED PREMISES in violation of this Contract, or in the event of default or breach, non-performance or non-observance of any of the terms and conditions of this Contract by the LESSEE, the LESSEE hereby irrevocably gives authority to the LESSOR or to any of its authorized representatives to padlock / enter and/or break open the LEASED PREMISES and take immediate possession of the LEASED PREMISES including the improvements and other properties found therein to answer any unpaid rent (whether rent in arrears or rent corresponding to the unexpired portion of the lease, as the case may be), penalty, damages or any outstanding obligation, without the necessity of resorting to any court action, the LESSEE hereby unconditionally waiving any cause of action, civil or criminal, against the LESSOR, but in which case the LESSEE shall be duly advised in writing at least Twenty Four (24) hours before the takeover; provided, however, that the Notice of Takeover delivered at LESSEE's address in the LEASED PREMISES, duly received by any of the LESSEE's representatives of duly tendered of acceptance and/or receipt is refused, or delivered at the LESSEE's last known address, shall be sufficient compliance of notice requirement. In any case, the improvements and other properties found inside the LEASED PREMISES shall stand as security for the payment of LESSEE's outstanding obligations, if any, under this Contract. The LESSOR shall conduct an inventory of properties found inside the LEASED PREMISES in the presence of the LESSEE or its representative, if any, and, at its sole option, sell or store the same in a warehouse with the LESSEE being liable for reasonable storage fees. Nothing herein shall preclude the LESSOR from proceeding with the inventory in the absence of the LESSEE or its representative when the LESSEE has been previously notified of the date of the inventory and LESSEE is not present, or no such representative is sent on the said date. The LESSEE hereby irrevocably constitutes the LESSOR or its duly appointed attorney-in-fact with authority to enter and break open the LEASED PREMISES and to sell the properties found therein whether by private sale or by public auction, LESSEE hereby ratifying any and all acts which the attorney-in-fact may do pursuant to said authority. Any excess, after sale of the properties and application of the proceeds to all outstanding liabilities of LESSEE to LESSOR shall be given to the LESSEE. Nothing in this provision shall constitute a waiver of the LESSOR's right to proceed against the LESSEE for damages, unpaid rentals and/or other outstanding monetary obligation.
8. **SUBLEASE / SALE / TRANSFER / MORTGAGE** - The LESSEE shall not directly or indirectly assign, sublease, sell, transfer, convey, mortgage, or in any manner dispose of or encumber, its rights under this Contract in whole or in part, nor shall the LESSEE allow or permit the LEASED PREMISES to be occupied in whole or in part by any person or corporation, and no right of interest thereto or therein shall be conferred on or vested in anyone by the LESSEE, without the LESSOR's prior written approval.
9. **ABANDONMENT OF LEASED PREMISES** - If, during the term of this lease, the LESSEE shall abandon or vacate the LEASED PREMISES or, if it remains unoccupied for a continuous period of fifteen (15) days at any time without the LESSOR's prior written consent, the LESSOR may lease the LEASED PREMISES to other persons or entities; and in any event, the LESSEE shall continue to be liable for the monthly rent for the period of and during LESSEE's abandonment, and/or the unexpired portion of the term of the lease. The LESSOR shall also forfeit in its favor, the Security Deposit made by way of damages. Likewise, the LESSOR shall have the right to enter the LEASED PREMISES and remove LESSEE's properties as may be deposited therein and have them deposited elsewhere at the expense of the LESSEE. However, the LESSOR shall have the right to retain said properties as security for the payment of LESSEE's obligations under this Contract, which properties the LESSOR may, as LESSEE's duly constituted attorney-in-fact, dispose of at a private sale and the proceeds applied to satisfy LESSEE's unpaid obligations without prejudice to any action as may be appropriate for the recovery of any deficiency or other damages provided in this Contract.
10. **JUDICIAL RELIEF** - Should the LESSOR be compelled to employ legal counsel to enforce any part of this Contract, the LESSEE shall, in addition to the damages mentioned in the preceding article, indemnify the LESSOR the sum of Twenty five (25%) of all amounts due by way of liquidated damages which in no case shall be less than TWENTY FIVE THOUSAND PESOS (Php 25,000.00), and an amount equivalent to One hundred percent (100%) of all amounts due as attorney's fees which shall in no case be less than FIFTY THOUSAND PESOS (Php 50,000.00), in addition to costs of suit and other expenses and damages which the law may allow the LESSOR to recover from the LESSEE. Both the LESSEE and LESSOR agree that judicial suits shall be brought before the proper courts of _____ only. The penal provisions of this Contract shall be considered cumulative and resort to one shall no bar resort to others.
11. **EXPIRATION OF LEASE** - At the expiration of the Lease Term or cancellation thereof, as herein provided, the LESSEE shall promptly vacate and deliver the LEASED PREMISES and Furnishing (if applicable) to the LESSOR with all corresponding keys, in as good and tenantable condition as it was received, ordinary wear and tear excepted, devoid of all occupants, movable furniture, articles and effects of any kind except such permanent improvement that cannot be removed without damaging or defacing the LEASED PREMISES. Non-compliance with the terms of this clause by the LESSEE will give the LESSOR the right, at the latter's option, to refuse the delivery of the LEASED PREMISES and/or to compel the LESSEE to pay rent thereon at the highest monthly rate herein plus Twenty five percent (25%) thereof as penalty until the LESSEE shall have fully complied with the terms hereof.

12. **RENEWAL OF CONTRACT OR EXTENSION OF LEASE** – LESSEE shall notify LESSOR in writing of the desire to renew the lease at least Sixty (60) Days prior to the expiration of the lease, provided, however, that mere notification by LESSEE shall not be deemed as an automatic renewal of the lease.

Failure of LESSEE to give the written notice of their intention to renew the lease within Sixty (60) Days or a failure to agree on terms and conditions for the renewal or extension of the lease at least Sixty (60) Days before the end of the Lease entitles LESSOR to show the Leased Premises to prospective lessees in the manner provided above and, if proper, to hand a **“For Rent”** sign on the Leased Premises and the Property.

13. **IMPROVEMENTS** - The LESSEE shall not make any alterations, additions or improvements in, or about the premises without the written consent of the LESSOR provided, however, that all such alterations, additions, or improvements made by either party in, on or upon the lease premises, except the movable furniture and without defacing or damaging the unit shall automatically inure to the benefit of the LEASED PREMISES and become the property of the LESSOR and shall remain upon and be surrendered with the premises as part thereof at the end of the lease without any obligation on the part of the LESSOR to pay or refund its value or cost to the LESSEE.

14. **CARE OF THE LEASED PREMISES AND REPAIRS** - The LESSEE has inspected the premises leased and found the same to be in tenant able and good condition. The LESSEE shall, at his expense, maintain the leased premises clean and in sanitary condition, free from noxious odors and disturbing noises and upon the expiration of the lease, shall surrender and return them in as good condition as the premises were actually found at the beginning of the lease. The LESSEE shall not drive nails, screws, books, or other abutments on the walls, frames, or other portions of the building nor in any manner deface or damage any part of the premises of the building. Any injury or damage caused or done by the LESSEE shall be repaired by him or by the LESSOR at his expense recoverable on demand.

The Lessor shall be responsible for all major repairs on the premises and on the electrical installation caused by ordinary wear and tear, except repairs due to the fault or negligence of the LESSEE, his staff, guests or visitors. The LESSEE shall be responsible for all minor repairs. Repair costing PESOS: Two Thousand (2,000) and below shall be considered minor and shall be for the account of the LESSEE.

It is understood that the Leased Premise is newly painted, upon turn over to the LESSEE. Therefore, upon move out of the LESSEE, it will be repainted by the LESSOR, and the costing shall be deducted to the security deposit of the LESSEE.

15. **RULES, REGULATIONS, ETC.** - The LESSEE agrees to abide by the existing rules and regulations promulgated from time to time by the LESSOR, the Condominium Association and with all duly constituted authorities of the municipal, provincial or national government arising from or regarding the use, occupancy and sanitation of the leased premises and to pay pertinent inspection fees as may be required.

16. **ASSOCIATION DUES** - The _____ agrees to pay the monthly association dues for the unit and common areas charged by the Condominium Corporation subject to the Master Deed, By Laws, House Rules and Regulations of the DEVELOPER (Cityland Development Corporation) and the Condominium Corporation. Payment of the billings during any given month will be directly paid at the Administration Office as they become due, without need of any notice or demand. Special assessments, if any, shall be paid by LESSOR.

17. **WATER, ELECTRICITY, ETC.** - All expenses for electric current, telephone, water charges, and other public services or utilities enjoyed in the lease’s premises shall be for the account of the LESSEE. Any telephone unit provided by the lessor would have no NDD/IDD facility provision. Failure of the LESSEE to pay any of the foregoing shall be a ground for terminations of this contract. All taxes and assessments including the value added tax and others that may hereafter be assessed by the government on this transaction shall be for the account of the LESSEE.

18. **EXTRA ELECTRICAL FIXTURES** - The Installation of additional electric, telephone, teletype connection in the lease premises shall for the account and expense of the LESSEE who is hereby authorized to make or cause to be made, only after obtaining the written consent and approval from the LESSOR. Such installation should be made in such a way that no injury or damage shall be caused to the leased premises. In case additional electrical appliances, such as air-conditioning units, fans, etc. shall be used by LESSEE which will necessitate the installation/construction of extra outlets, the LESSEE shall employ the services of a licensed electrician or otherwise hire the licensed electrician of the LESSOR, if only so that additional load of current shall be within the capacity of the main switch, thereby minimizing fire hazards and further comply with the requirements of the fire department and/or government electrician.

19. **THIRD PARTY LIABILITY** - The LESSEE during the occupancy of the leased premises shall hold the LESSOR free and harmless from any damage, liability or responsibility to any person or property arising out of or is a consequence of the use of the leased premises by the LESSEE, his agents, employees, guests; when such damages or liability is caused by fortuitous events or acts of GOD, such as typhoon, earthquake, explosion, and flood, etc., which are beyond the control of the LESSOR, the latter shall not be liable.

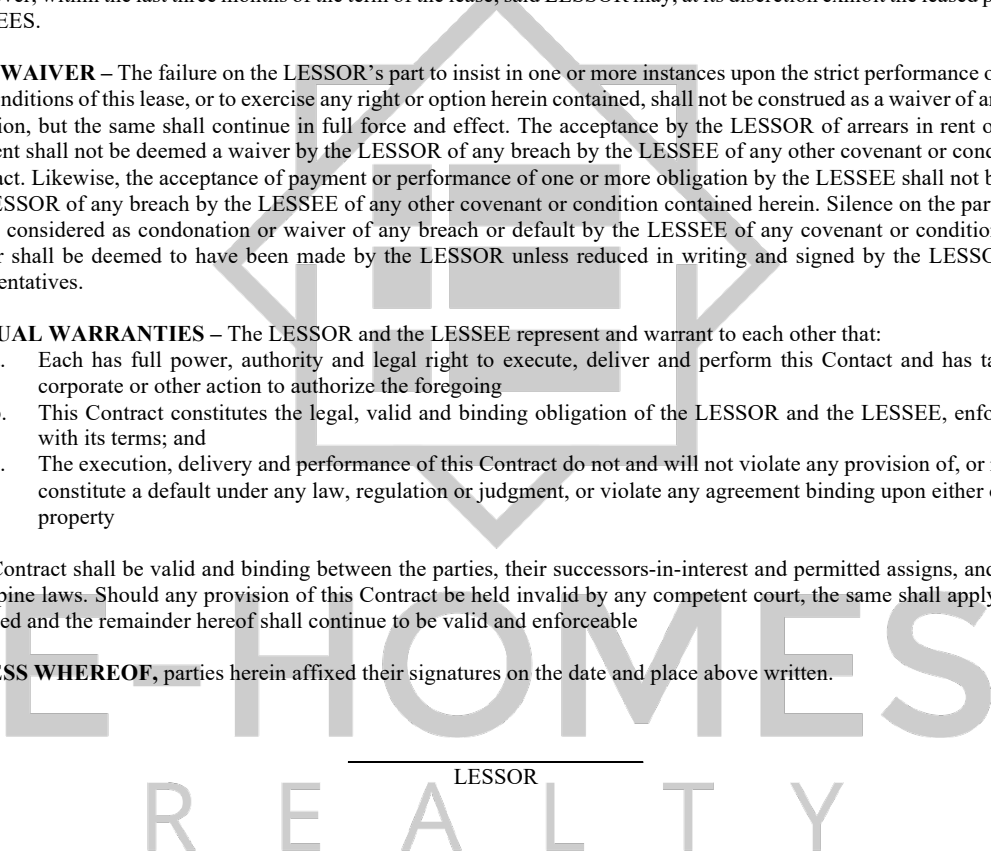
20. **FIRE HAZARD AND OBNOXIOUS SUBSTANCES** - The LESSEE shall not keep or store in the lease premise any hazardous and obnoxious substance or inflammable material or substance that might constitute a fire hazard or other chemicals and materials or prohibitive drugs in violation of the laws of the Philippines. It is understood that should the LESSEE do so, not only shall the LESSEE be responsible for all damages which the said violation may cause to the LESSOR and/or the building and its residents, but the LESSOR shall, in addition thereto, have the right to cancel this Contract and immediately charge to the LESSEE any costs payable by the LESSOR due to the violation committed by LESSEE.

21. **FORCE MAJEURE** – If whole or any part of the LEASED PREMISES shall be destroyed or damaged by fire, flood, lightning, typhoon, earthquake, storm, riot or any other unforeseen disabling cause or acts of God so as to render the LEASED PREMISES Substantially unfit for use and occupation by the LESSEE for the remainder of the Lease Term, without fault on the part of the LESSEE, member of its household, its employees, agents or visitors, then this Contract may be terminated without liability on either party by notice in writing by one party to the other, and the rent payable by the LESSEE shall be apportioned to the time already consumed prior to the destruction or damage of the LEASED PREMISES

No compensation or claim shall be allowed against the LESSOR by reason of the inconvenience, annoyance or injury arising out of necessity of repairing any portion of the unit.

- 22. **INDEMNITIES** - The LESSEE shall indemnify and hold the LESSOR free and harmless from any claims or demand by third persons for injury, loss or damage, including claims for property damage resulting from any accident on the LEASED PREMISES or occasioned by any nuisance made or suffered on the LEASED PREMISES, or by any nuisance made or suffered on the LEASED PREMISES, or by any fire thereon or growing out of or caused by any failure on the part of the LESSEE to maintain the LEASED PREMISES in a safe, sanitary and secure condition or by reason of the LESSEE's violation, non-observance or non-performance of the rules, regulations, ordinances, laws and other conditions of this Contract concerning or affecting the LEASED PREMISES or the improvements thereon.
- 23. **LESSOR'S RIGHT TO TRANSFER** - The Lessor reserves the right to mortgage, sell, or otherwise dispose of or transfer the LEASED PREMISES. The LESSEE agrees to allow the LESSOR or its authorized representative, to enter the LEASED PREMISES, together with the prospective buyers, upon prior notice and arrangement made by the LESSOR with the LESSEE and at reasonable hours.
- 24. **INSPECTION OF PREMISE** - The LESSOR or its authorized agent shall, by previous arrangement with the LESSEE, have the right to enter the leased premises for any purpose which it may deem necessary for the operation or maintenance of the same or its installations. Moreover, within the last three months of the term of the lease, said LESSOR may, at its discretion exhibit the leased premises to prospective LESSEES.
- 25. **NON-WAIVER** - The failure on the LESSOR's part to insist in one or more instances upon the strict performance of any of the covenants and conditions of this lease, or to exercise any right or option herein contained, shall not be construed as a waiver of any covenant, condition or option, but the same shall continue in full force and effect. The acceptance by the LESSOR of arrears in rent or extension of time of payment shall not be deemed a waiver by the LESSOR of any breach by the LESSEE of any other covenant or condition contained in this Contract. Likewise, the acceptance of payment or performance of one or more obligation by the LESSEE shall not be deemed a waiver by the LESSOR of any breach by the LESSEE of any other covenant or condition contained herein. Silence on the part of the LESSOR shall not be considered as condonation or waiver of any breach or default by the LESSEE of any covenant or condition herein provided. No waiver shall be deemed to have been made by the LESSOR unless reduced in writing and signed by the LESSOR's duly authorized representatives.
- 26. **MUTUAL WARRANTIES** - The LESSOR and the LESSEE represent and warrant to each other that:
 - a. Each has full power, authority and legal right to execute, deliver and perform this Contract and has taken all the necessary corporate or other action to authorize the foregoing
 - b. This Contract constitutes the legal, valid and binding obligation of the LESSOR and the LESSEE, enforceable in accordance with its terms; and
 - c. The execution, delivery and performance of this Contract do not and will not violate any provision of, or result in a breach of or constitute a default under any law, regulation or judgment, or violate any agreement binding upon either of them or any of their property
- 27. This Contract shall be valid and binding between the parties, their successors-in-interest and permitted assigns, and shall be governed by Philippine laws. Should any provision of this Contract be held invalid by any competent court, the same shall apply only to the provision involved and the remainder hereof shall continue to be valid and enforceable

IN WITNESS WHEREOF, parties herein affixed their signatures on the date and place above written.



LESSOR

LESSEE

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES) S.S.
City of _____)

BEFORE ME, a Notary Public for and in _____, on this _____ day of _____ personally appeared:

Known to me to be the same persons who executed the foregoing Contract of Lease, consisting of four (4) pages including the page whereon this acknowledgement is written, duly signed by the parties and sealed with my notarial seal on each and every page thereof.

WITNESS MY HAND AND SEAL on the date and at the place first above written.

Doc No. _____:
 Page No. _____:
 Book No. _____:
 Series of _____:

NOTARY PUBLIC