

# STRADELLA CONDOTEL

Contract No	:	Unit No. :
Contract Price	:	Floor No. :
Downpayment	:	Floor Area :
Discount, if any	:	Parking slot (if any) :
Terms	:	Monthly Installment

## CONTRACT TO SELL

KNOW ALL MEN BY THESE PRESENTS:

This Contract to Sell (hereafter the "Contract") made and executed on this \_\_\_\_ day of \_\_\_\_\_, by and between:

**STA. LUCIA LAND, INC.**, a domestic corporation, with principal office at the Penthouse, Building III, Sta. Lucia Grand Mall, Marcos Highway cor. Felix Ave., Cainta, Rizal, represented herein by its duly authorized representative whose name and signature appears in the signature pages, by virtue of the power conferred upon him, hereinafter referred to as the "**SELLER**",

- and -

hereinafter referred to as the "**BUYER**".

WITNESSETH: That –

WHEREAS, the SELLER is developing a condominium project (hereinafter, the "Project") in accordance with Republic Act No. 4726, as amended (otherwise known as The Condominium Act) and Presidential Decree No. 957, as amended (otherwise known as The Subdivision and Condominium Buyer's Protective Decree);

WHEREAS, it is the intention of the SELLER to create a residential community under a general scheme of development and has executed the Master Deed with Declaration of Restrictions for the Project (hereinafter, the "Master Deed"), a copy of which is hereto attached and made an integral part hereof as Annex A;

WHEREAS, it is the intention of the SELLER to create a residential community under a general scheme of development and has executed the Master Deed of Restrictions for the Project (hereinafter, the "Master Deed"), a copy of which is hereto attached and made an integral part hereof as **Annex "A"**;

WHEREAS, pursuant to the Master Deed of Restrictions certain mutually beneficial restrictions and limitations were imposed on the Project which shall collectively constitute limitations on the ownership, use, possession, disposition, encumbrance and enjoyment of the Project, and each residential unit and the common areas therein, and which shall bind all persons and their respective successors-in-interest owning or holding any interest in any residential unit, or in the Project.

WHEREAS, the Seller is authorized to organize, at its option, a building Corporation (hereinafter the "Corporation") for the purpose of undertaking and financing the maintenance cost of the Project and to implement the restrictions provided in the Master Deed and Declaration of Restrictions, this Contract, the Articles of Incorporation and By-Laws of the Corporation, and the House Rules (hereinafter the "House Rules" which the Corporation shall from time to time promulgate and enforce;

WHEREAS, Buyer represents that it has read and fully understood the Master Deed and Declaration of Restrictions and has examined and fully accepted the plans and specifications of the Project, including the restriction and liens attaching thereto and to the unit subject matter hereof, and is desirous of purchasing the unit described above (hereafter the "Unit");

NOW, THEREFORE, for and in consideration of the foregoing premises and the payment of the purchase price herein below specified, BUYER hereby offers to purchase from the SELLER, and the latter hereby accepts such offer to purchase, the condominium unit/s and/or parking slot/s hereinafter designated, subject to the terms and conditions hereinafter set forth;

\*An increase in the actual floor area of the Unit shall cause a corresponding and proportionate adjustment in the Total Contract Price.

NOTE: Non-delivery of a copy of this Contract to Sell to the BUYER shall not delay the commencement of the payment of the monthly installments.

## I. THE UNIT

1. SELLER has agreed to sell a condominium unit, part of a condominium project

The UNIT being duly identified by the BUYER based on the Floor Plan attached as **Annex "B."**

2. The sale of the Unit to the BUYER shall include an undivided interest in the common areas of the Project, including the movables and furnishings of the UNIT as enumerated on **Annex "C"** and membership in the Condominium Corporation

## II. PURCHASE PRICE AND MANNER OF PAYMENT

1. **PURCHASE PRICE AND TERMS OF PAYMENT** - The BUYER hereby agreed to purchase and the SELLER has agreed to sell unto and in favor of the former, the condominium unit/s and/or parking slot/s hereinafter designated at a Purchase Price as stated in **Annex "D"**, due and payable in the manner stated in the Schedule of Payments (refer to **Annex "D"**) without the necessity of demand or a service of a collector.

2. **MODE & PLACE OF PAYMENT** – All payments shall made at the SELLER's office address located at Penthouse, Bldg. 3 Sta. Lucia East Grand mall, Marcos Highway cor. Felix Ave., Cainta, Rizal or any of its Branch Offices. Payments can also be made through bank deposit via accredited banks with reference number. No collector will be employed and only official receipts signed by the SELLER or its authorized representative(s) shall be recognized as binding and valid proofs of payment. All installment payments shall be covered by postdated checks to be delivered at the aforementioned place/s of payment.

3. **PAYMENT THROUGH LOAN TAKE-OUT** – Should BUYER choose to pay the entire Purchase Price or any unpaid balance thereof through a loan take-out, BUYER shall apply for and secure a loan with a financing institution acceptable to the SELLER. BUYER shall submit, or cause to be submitted to SELLER a Letter of Guaranty or its equivalent issued by said financing institution evidencing approval of his loan. BUYER hereby irrevocably and unconditionally assigns to SELLER the entire proceeds of the loan. Such irrevocable and unconditional assignment shall constitute as the SELLER'S absolute authority to receive, and the financial institution's authority to release and remit to SELLER, the entire proceeds of the said loan.

a) BUYER shall immediately comply with all the requirements of the financing institution to ensure prompt release of the loan proceeds in favor of the SELLER.

b) Upon receipt by SELLER of the Letter of Guaranty (or its equivalent) subject to the availability of the subject condominium certificate of title/s issued by the appropriate Register of Deeds covering the condominium unit/s and/or parking slot/s, SELLER shall within a reasonable time, transmit or cause to be transmitted to the said financing institution the Condominium Certificate of Title (CCT) covering the Subject Property already under the Buyer's name.

c) In case the amount of the loan approved is insufficient to fully cover the remaining unpaid balance of the purchase price, the balance thereof shall be paid in cash by the BUYER immediately upon demand of the SELLER.

d) Should the proceeds of the loan obtained by the BUYER not be remitted to SELLER within the period stated in the Letter of Guaranty (or its equivalent), SELLER may at its option, cancel this Contract without need of any legal or judicial action in accordance with provisions of this Contract governing cancellation/termination. Without prejudice to the remedies of cancellation/termination, SELLER may at its option, charge BUYER a penalty of three percent (3%) on any unpaid amount for every month of delay in (i) in the submission of the Letter of Guaranty (or its equivalent) or (ii) the release of the BUYER's loan proceeds. For purposes of this penalty, a fraction of a month shall be considered as one (1) month.

4. Unless specified otherwise, a penalty of three percent (3%) per month on any amortization due for each month or any fraction thereof shall be collected and compounded until the arrears are fully paid or settled.
5. The SELLER in its sole and absolute discretion may allow the BUYER to pay the outstanding unpaid balance totally or partially, only upon such terms and conditions as may be imposed by the SELLER.
6. The BUYER has examined the plans and specifications for the PROJECT to his/her/its satisfaction and has expressly manifested his/her/its conformity with the same and has acknowledged SELLER's due diligence in the selection and supervision of competent engineers, architects, independent contractors, sub-contractors and designers. The BUYER, his/her/its heirs, successors and assigns holds the SELLER free and harmless from any claim or action of whatever nature and kind which may arise out of, may be due to, or may be caused by any construction deficiencies. SELLER, however, shall give its full and complete assistance to the BUYER in case the latter shall proceed against the said engineers, architects, independent contractors, sub-contractors and designers for their defective workmanship/design, if any.
7. Non-delivery of the Contract to Sell to the BUYER, nor the delay in the construction shall not in any way excuse the BUYER from paying the monthly amortization or any obligation herein stated;
8. All payments made by the BUYER shall be applied in the following order:
  - 1) To the advances and other assessments on the Unit as provided herein;
  - 2) To the surcharge/s and/or other penalties due and outstanding;
  - 3) To the interest/s due and outstanding; and
  - 4) To the outstanding balance of the principal amount of the Purchase Price as indicated in **Annex "D"**.

### III. TAXES, FEES AND OTHER COSTS/EXPENSES

1. The BUYER agrees to pay in addition to the purchase price, interest and/or penalty above mentioned, the following:
  - (a) Taxes and assessments. Upon actual physical possession and occupancy and beneficial use of the unit subject hereof having been transferred to the BUYER by the SELLER and the BUYER acknowledging hereby having taken actual physical possession and occupancy thereof, or upon full payment of the purchase price, whichever comes first, the BUYER binds himself/herself to pay, commencing the calendar year of possession and occupancy, and ownership, whichever comes first, the real estate and special tax and assessment levied or which may hereafter be levied on the property subject hereof, within the period provided by law and without the necessity of demand, including the corresponding charges and penalties in case of delinquency. In the event the SELLER opted to advance the payment for the real estate tax, the SELLER shall be reimbursed by the BUYER together with interest at the rate of eighteen percent (18%) per annum from the date of payment thereof, plus a service fee of Five Hundred Thousand (Php500.00) per payment. Provided, however, that any amount unpaid as specified above, shall constitute a first lien in the property.
  - (b) The cost of documentary stamps, notarial and execution fee of this contract and those of corresponding Deed of Absolute Sale, registration fee, transfer taxes and all other expenses in connection with the transfer of title to the property from the SELLER to the BUYER shall be borne by the BUYER.
  - (c) value-added tax, if any, accruing by reason of the receipt by the SELLER of the Purchase Price (or any portion thereof) as well as all the other amounts to be due and payable to the SELLER under this Contract to Sell and the Deed of Absolute Sale (if executed pursuant hereto);
  - (d) real property taxes and assessments which shall be imposed on the Unit as specified in Section III 1 (a), provided, that the BUYER shall have complied with the conditions set forth in Section III 1(a) and Section VII (1);
  - (e) dues and assessments duly levied and imposed by the Condominium Corporation commencing on the date of receipt by the of the notice from the SELLER of the readiness of the Unit for occupancy as specified in Section 6.
  - (f) charges for all utility connections and services supplied to the Unit, including water, telephone and electricity, commencing upon delivery of the Unit to the BUYER;
  - (g) other fees, charges, expenses and penalties herein provided.

#### IV. EXECUTION OF DEED OF ABSOLUTE SALE AND TRANSFER OF TITLE

1. Upon complete payment by the BUYER of all the obligations herein stipulated, the SELLER agrees to execute a final deed of sale in favor of the BUYER of the said unit, free from voluntary liens and encumbrances except the liens inherent to all units as stated in the MASTER DEED AND DECLARATION OF RESTRICTIONS. Processing of the transfer of title under the name of the BUYER shall be undertaken by the SELLER upon payment of the prescribed fees for this purpose. This Contract and the Deed of Absolute Sale shall also be subject to the following limitations/restrictions:

- (a) The MASTER DEED and DECLARATION OF RESTRICTIONS, including its addendum, if any;
- (b) Articles of Incorporation and By-Laws of the Condominium Corporation, and the Rules and Regulations that may be adopted and promulgated by the Condominium Corporation from time to time;
- (c) The Condominium Act and its implementing rules and other applicable laws.
- (d) The zoning of, and other restrictions upon, the use of the Project as imposed by the Government or any of its instrumentalities or duly constituted authorities having jurisdiction over the Project.
- (e) This Contract to Sell;
- (f) Those as may be provided by law or in the Land Registration Act, those imposed by the authorities, and those contained in Section 5 of this Contract and existing rules and regulations of the Condominium Corporation.

#### V. DOCUMENTATION & MISCELLANEOUS FEES/EXPENSES

1. The BUYER agrees to pay the following additional fees

- a) Php500.00 for any true copy of this contract;
- b) Php2,500.00 for notice of cancellation;
- c) Php1,500.00 for amendment of the contract;
- d) Php10,000.00 for any transfer of rights per unit or one percent (1%) of selling price whichever is higher;
- e) Real Estate Taxes due from the time of actual or constructive delivery of the unit to Buyer;
- f) Project Assessments such as but not limited to: (1) condominium dues (2) real estate taxes on the land and common areas (3) Insurance for the common areas of the building (4) maintenance expenses (5) utility charges (6) expenses for administration.

Project assessments which are not remitted or paid on stated due date shall bear a penalty of 3% per month or fraction thereof, or such revised rate as may be prescribed by the Declaration.

Project Assessment that is due and not paid, shall constitute a lien on the unit and such lien may be annotated on the CCT covering the unit.

The SELLER reserves its right to adjust the additional fees abovementioned without necessity of amending this Contract to Sell.

BUYER without need of prior notification consents to any changes or modifications in the plans and specifications of the Project which may be determined by the SELLER or which may be required by the LGU, or national authority prior to the delivery of the Unit to Buyer.

#### VI. COMPLETION DATE

1. The SELLER shall endeavor to cause the completion of the construction of the Project, and shall endeavor to deliver the Unit to the BUYER by the expected date of delivery specified in **Annex C**; provided, that as of such expected date of delivery, the BUYER is in compliance with all terms and conditions of this Contract to Sell and the Deed of Absolute Sale (if executed pursuant hereto).. However, in the event that the Unit is not finished on the projected time table due to causes, beyond the control of the SELLER or for causes such as but not limited to acts of GOD, fortuitous event, war, civil strife, strikes or other labor disturbances, government and economic controls making it impossible to obtain the necessary materials and equipment, SELLER may, at its option, declare itself relieved from any obligation arising out of this Contract to Sell and will be so relieved of any obligation upon the reimbursement to the BUYER, without interest, of whatever payments SELLER may have received from the BUYER. BUYER shall have no other right or entitlement in the Project under the Contract to Sell except the reimbursement herein to be made.

## **VII. TURN-OVER OF UNIT**

1. If a BUYER is not otherwise in default under this Contract and/or has fully paid the down payment or purchase price as the case may be, possession of the Unit shall be delivered by SELLER to BUYER within a reasonable period of time from the date of completion of the Unit either by (a) serving written Notice of Completion to the BUYER or (b) by delivering to the BUYER the CCT covering the Unit. The delivery of the Notice of completion or the CCT shall constitute constructive delivery of the Unit and immediately thereafter the risk of loss to the Unit and all obligations and assessments provided in this Contract, the Master Deed and Declaration of Restrictions, the Articles of Inc. and By-laws, and the House Rules, shall pertain to the BUYER.
2. Upon completion of the Unit, SELLER shall notify BUYER in writing. Within ten (10) days from unit turn-over, the BUYER shall register his/her/its complaint on any unit defects with the SELLER for proper remedy, repair or render assistance, otherwise, failure to do so shall be deemed an unqualified and unconditional acceptance of the unit and shall constitute a bar for future complaint or action.
3. All obligations, assessments, and taxes provided for in the MASTER DEED and DECLARATION OF RESTRICTIONS and in the Articles of Incorporation and By-Laws of the Condominium Corporation shall be the liability of the BUYER from the date of delivery, notwithstanding the fact that transfer of title might not have been effected by the BUYER.
4. From and after delivery of possession of subject unit and/or title to the BUYER under this Contract, the BUYER or the Condominium Corporation hereby assumes the obligations to maintain, improve, repair and preserve the facilities already installed such as water and electric systems and retaining walls in the premises and also those already installed facilities for the use in common by the BUYER and other owners. For any damage to the water and/or drainage system caused by the BUYER, his/her/its assigns or representatives, the same shall be repaired at the expense of the BUYER.
5. In case BUYER occupies the unit and fails to pay the remaining balance of his account, BUYER's payment shall be applied as compensation for the use and occupation of the said unit at a price to be fixed by the SELLER, payable per month, without prejudice to the right of the SELLER to eject the BUYER and his agents and assigns from the unit subject of this agreement.
6. The BUYER understands and agrees that this Contract to Sell only gives the BUYER the right to purchase the Unit subject to the fulfillment of the conditions herein stated. No other right, title or ownership is vested upon the BUYER by the execution of this Contract to Sell. The SELLER shall retain title and ownership of the Unit until the BUYER has fully paid all amounts due to the SELLER.
7. The BUYER shall sign the Deed of Absolute Sale within three (3) months from full payment. In the event that the BUYER fails to sign the said Deed of Absolute Sale, the BUYER shall be charged daily storage fee of Fifty Pesos (Php50.00) per day.
8. Title to the Unit shall be transferred to the BUYER upon full payment of the Purchase Price and all taxes, charges, fees and other amounts which are payable hereunder or which may have accrued thereto. Upon such full payment, the SELLER shall execute a Deed of Absolute Sale in favor of the BUYER conveying all the SELLER's rights, title and interest in and to the Unit to the BUYER and thereafter advise the BUYER as to the timing and manner of pick-up by the BUYER of the certificate of title covering the unit upon the issuance thereof by the appropriate Register of Deeds.
9. The SELLER undertakes to register at the BUYER's expense the Deed of Absolute Sale covering the Unit (if executed pursuant hereto) with the proper Register of Deeds pursuant to Section 17 of Presidential Decree no. 957, as amended, upon full payment of the purchase price and all other cost, fees and taxes as stated in Section 4.
10. Upon registration of the title under the name of the BUYER, the SELLER shall notify the BUYER of the availability if the Title and Tax Declaration in the name of the BUYER. Should the BUYER fail to do so, a daily storage fee in the amount of Pesos: Twenty (Php50.00) per day shall be imposed. Furthermore, such delay by the BUYER shall render the SELLERS free and harmless from any accountability arising from additional or increase in taxes or any other governmental fees including any and all damages or interest resulting thereon.

## VIII. EVENTS OF DEFAULT

1. The following events shall constitute an event of default under this Contract to Sell:

(a) failure of the SELLER to obtain and receive the proceeds of any postdated check due to insufficiency of funds for three (3) consecutive times, closure of account, refusal of the drawee bank to honor the check on the date of presentment for payment, or for any reason whatsoever, other than due to the willful act or gross negligence or fault of the SELLER;

(b) failure of the BUYER to comply with the terms and conditions of purchase and payment as stated in this Agreement and in Annex D;

(c) cancellation by the BUYER of this Contract to Sell or Deed of Absolute Sale (if executed pursuant hereto), following the BUYER's withdrawal of the purchase of the Unit, for any reason whatsoever, other than due to the willful act or gross negligence or fault of the SELLER;

(d) material breach of any provision hereof, including the failure of the BUYER to comply with any covenant or obligation required to be performed or undertaken hereunder or to comply with any covenant or restriction under the Master Deed; or

(e) the concealment of any material fact, or providing any information which is determined to be false or misleading in any document or instrument signed, executed or submitted to the SELLER in connection with the sale of the Unit.

2. Upon the occurrence of any of the aforementioned events of default, the SELLER shall be entitled to exercise or avail itself, at the SELLER's option and discretion, of any, some or all of the following rights or remedies, whether cumulatively or alternatively, in conjunction with or separately, from any other right or remedy granted hereunder or under the law:

2.1 The SELLER shall have the right to collect penalty charges at the rate of three percent (3%) of the unpaid amount for every month (or fraction thereof) of delay in remitting to the SELLER the amount due. Penalty charges shall be computed daily and compounded monthly. The payment of penalty charges as provided hereunder shall not be a substitute for and shall be in addition to the payment of the amounts otherwise due under this Contract to Sell.

2.2 The SELLER shall be entitled to cancel this Contract to Sell upon the occurrence of any of the events of default abovementioned without need of a court declaration to that effect by giving the BUYER, a written notice of cancellation. Should the event of default be due to Section VIII 1(a) or (b) cancellation shall be made in accordance with the provisions of Republic Act No. 6552 (Maceda Law).

3. Should the BUYER be entitled to a refund under Maceda Law, the latter agrees to have the following amounts deducted from the amount to be refunded: (a) liquidated damages in an amount equal to twenty percent (20%) of the amount to be refunded, (b) real estate broker's commission, (c) taxes and expenses paid by the SELLER to the government or third parties in connection herewith, (d) security deposit, if applicable, (e) insurance premiums paid by SELLER, if any, and (f) an amount determined by the SELLER to be necessary to restore the Unit to the same physical condition it was found at the time of acceptance of the Unit by the BUYER.

4. Should the BUYER not be entitled to refund under Maceda Law, any and/or all payments made by the BUYER under this Contract shall be deemed forfeited in favor of the SELLER and shall be applied as rentals for the use and occupancy of the UNIT and/or as and by way of liquidated damages and indemnification for opportunity loss and/or other losses, the BUYER hereby acknowledging and confirming that the SELLER was deprived of the opportunity to offer the UNIT for sale to other interested parties or dispose thereof in such manner as it deems necessary or appropriate during the existence of this Contract.

5. Any amount to be refunded to the BUYER shall be collected by the BUYER at the office of the SELLER designated in the notice of cancellation provided that should the BUYER fail to collect the cash surrender value within said period, this Contract shall be considered cancelled upon deposit in full of the cash surrender value due to the BUYER in any bank in the Philippines. Upon the cancellation of the Contract to Sell and the Deed of Absolute Sale (if executed pursuant hereto), the SELLER shall be free to dispose of the Unit covered hereby as if this Contract to Sell and the Deed of Absolute Sale (if executed pursuant hereto), had not been executed.

6. Upon cancellation of this Contract, and if the BUYER has been allowed to occupy the unit even before full payment, the BUYER shall vacate the Unit and remove at its expense within thirty (30) days from the effective date of cancellation, all movable furniture and fixtures placed or introduced by BUYER in the Unit, otherwise, the same shall form part of and be

considered attached to the Unit and shall become the property of SELLER without any obligation on the part of SELLER to indemnify BUYER for the cost or value thereof. All fixtures and furniture which are permanent in nature or attached to the Unit shall automatically form part thereof and belong to the SELLER.

7. Likewise in case of cancellation of this Contract, SELLER shall have the right to immediately take possession of the unit together with the improvements therein, and should BUYER still be in possession thereof, BUYER shall be considered as a mere intruder without any right or title thereto and the SELLER may dispose and sell the UNIT, together with all the improvements thereof, to any other interested buyer. The SELLER or its duly authorized representative is hereby granted the full authority to enter into the premises and to use reasonable physical force in order to retake physical possession of the UNIT without incurring any criminal and/or civil liability whatsoever.

8. BUYER hereby unconditionally and absolutely waives all rights and claims (whether resulting from liability, losses, damages or expenses) which it may have against SELLER due to the rescission of this Contract and/or the subsequent resale of the unit to a third person.

9. It is understood and agreed that no failure or delay by the SELLER in exercising any right, power or privilege under this Contract to Sell and the Deed of Absolute Sale (if executed pursuant hereto) shall be construed as a waiver thereof nor shall any single or partial exercise thereof preclude any further exercise of any other right, power, privilege. Acceptance by the SELLER of any payment made in a manner or at any time other than as herein provided shall not be construed as a variation, novation or waiver of the terms hereof.

#### **IX. THE CONDOMINIUM CORPORATION**

1. BUYER recognizes the SELLER's authority and power to organize the Corporation for the purpose of (a) organizing the unit owners of the Project (b) undertaking the maintenance of the Project and (c) ensuring full, prompt and faithful payment and settlement by unit owners of Project Assessments and their faithful compliance with the conditions, restrictions and limitation on the use, possession, disposition, encumbrance and enjoyment of the units.

2. BUYER automatically becomes a member of the Corporation upon its organization and is required to pay the prescribed fee of the Corporation.

3. BUYER shall promptly and fully pay the Project Assessments and shall comply with such reasonable rules and regulations duly promulgated by SELLER or the Corporation for the common governance and administration of the Project.

4. Project Assessments shall from time to time be fixed by SELLER or the Corporation, as the case may be in such reasonable amounts as will permit the proper maintenance of the Project. Prior to the delivery of the Unit, BUYER shall pay the prescribed joining fee in the amount which shall be determined by the SELLER and which shall be transferred to the Corporation to constitute and form part of a contingent fund.

5. In addition to other remedies granted to SELLER and/or the Corporation under this Contract, the applicable laws, the House Rules and the Master Deed and Declaration of Restrictions, the SELLER or the Corporation shall have the right to cut-off or shut off the electrical, water service and/or other utility connections of the Unit if BUYER is delinquent in the payment of any Project Assessment or any other financial obligation;

6. Failure of the BUYER to make prompt and full payment of the Project Assessment for sixty (60) days or more shall constitute a default of BUYER's obligations under this Contract and shall subject BUYER to the consequences and effects thereof under par. 6 and Article V;

#### **X. CONDITIONS, LIMITATIONS AND RESTRICTIONS ON OWNERSHIP**

1. BUYER's interest pertains exclusively to the Unit. SELLER or the Corporation, as the case may be, hereby grants BUYER a non-exclusive right to utilize the common areas of the project.

2. The title, rights and interest of BUYER over the Unit, shall be subject to the restrictions provided in the Master Deed and Declaration of Restrictions, and such other restrictions as may be properly imposed by law, or any government authority having jurisdiction and such other burdens and easements duly recorded.

#### **XI. TAXES AND INSURANCE**

1. Real estate taxes for the year during which THE UNIT is delivered physically or constructively, shall be prorated between SELLER and BUYER such that the latter will be liable only for its pro rata share of the taxes from date of constructive delivery up to the end of the year and thereafter.

6. SELLER or the Corporation shall insure the Project and all facilities thereat at full insurable value with reputable and responsible insurers doing business in the Philippines, against such risks as properties of similar nature and for similar use are customarily insured against. BUYER agrees and understands that the premiums paid by SELLER or Corporation on such insurance policy or policies shall be assessed against BUYER as Project Assessment.

## **XII. ASSIGNMENT**

1. The SELLER has the unrestricted right to sell, transfer, absolutely or conditionally, its rights and interests under this Contract to Sell, provided that such buyer, assignee or transferee expressly binds itself to honor the terms and conditions of this Contract to Sell, with respect to the rights of BUYER.

2. The BUYER also agrees not to sell, cede, hypothecate, encumber, transfer or in any other manner dispose of his rights and obligations under the Contract without the express written consent of the SELLER. Should the SELLER gives its consent, the BUYER hereby agrees to pay to the SELLER a TRANSFER FEE upon execution and approval of the Deed of Assignment/Transfer.

## **XIII. ALTERATIONS, ADDITIONS OR OMISSIONS**

1. The SELLER reserves the right at any time before completion of construction to make such alterations, additions or omissions from the plans and specifications as appearing on the MASTER DEED, as it may deem necessary convenient and beneficial to Project and such alterations, additions or omission shall not be considered a breach of this Contract to Sell if it does not materially or substantially affect the use of the UNIT.

2. Prior to the completion of the Unit, Buyer may request for modifications on the Unit. SELLER shall exert its best efforts to cause the contractors to effect such modifications provided BUYER has complied with the requirements of the project and the Declaration of Restrictions, and the cost of such modifications shall be for the sole account of the BUYER. Any improvement introduced by BUYER which breaches any provisions of the Master Deed and Declaration of Restrictions or the House Rules shall be demolished by BUYER on demand by SELLER or by SELLER itself, who shall be entitled to full reimbursement from BUYER for the cost of demolition.

## **XIV. CONDOMINIUM POOLING INVESTMENT AGREEMENT**

### **This Article applies exclusively to all Condotel Units**

**Conforme:** \_\_\_\_\_

1. The BUYER hereby agrees that the unit subject of this contract shall be part of the Condominium Units pooled together to be operated as a Condotel, which shall be managed by the SELLER or the hotel management corporation to be designated by the SELLER for a period of fifteen (15) years from the date of completion, under the following terms and conditions:

2. Profit Sharing

The SELLER shall remit to the BUYER his/her/its return of investment equivalent to BUYER's percentage interest on the seventy percent (70%) of the net profits earned by the pooled units made available as hotel rooms for paying guests.

This amount shall be payable to BUYER (Lessor) quarterly thus:

Return of Investment = (Percentage interest) x (70% of Net Profit)

The percentage interest of the Lessor shall be equal to the percentage which the floor area of the Unit bears to the total gross area of the pooled units.

Floor Area of Buyer's Unit/Parking Slot  
----- = Percentage (%)  
Total Floor Area of the Pooled Units/Parking Slots Interest of Lessor

For this purpose, "net profits" shall mean profits earned by the pooled units made available as hotel rooms for paying guests less (a) all ordinary and regular expenses in operating the hotel; and (b) all project assessments which include without limitation (i) association dues, (ii) real estate taxes and assessments on the Land and Unit, (ii) management fees, (iv) maintenance expenses such as expenses for maintenance of generators, pumps, tanks, transformers, and other



similar facilities, within the Project (v) utility charges (vi) expenses for administrative, security, messengerial, janitorial and collection services, (vii) professional fees such as legal and accounting fees, (viii) insurance premium, and such other costs and expenses provided for in the Master Deed and Declaration of Restrictions, the Articles of Incorporation and By-Laws of the Condominium Corporation, and the House Rules.

### 3. OBLIGATIONS OF THE SELLER / HOTEL MANAGEMENT CORPORATION

#### a) Remittance of Return of Investment:

The SELLER or the designated hotel management corporation shall remit return of investment of the BUYER, in accordance with the preceding paragraph without the necessity of express demand therefor.

#### b) Maintenance and Repair on the Unit:

The SELLER or the designated hotel management corporation shall keep the Unit in good and habitable condition, making all necessary repairs and maintenance works therein, without need of prior notification to the BUYER. The expenses of such repair and maintenance works shall form part of the operating expenses of the hotel.

#### c) Alterations and Improvements in the Unit:

Any improvements or alterations on the Unit and fixtures therein, shall become the property of the BUYER at the expiration of the Condominium Pooling Investment Agreement.

This paragraph shall not apply to ornamental improvements and removable fixtures and furniture, which the SELLER or the designated hotel management corporation, may install pursuant to the provisions of paragraph (5) of Article XIV of this section.

#### d) Payment of Condo Dues, Taxes and other Assessments:

During the effectivity of the Condominium Pooling Investment Agreement, the SELLER or the designated hotel management corporation shall pay for all charges for water, electric current, telephone and such other services provided to the Unit which constitute as part of the operating expenses of the hotel.

#### e) Management Fee:

During the effectivity of the Condominium Pooling Investment Agreement, the SELLER or the designated hotel management corporation shall be entitled to 30% of the net profits as management fee;

### 4. RIGHTS AND OBLIGATION OF THE BUYER:

a) During the effectivity of the Condominium Pooling Investment Agreement, the BUYER shall be liable for the payment of the following, which shall be deducted from gross profits, if there is any, prior to remittance of the return of investment provided that the Condotel is already operational;

1. The Condo dues on the Unit;
2. The real estate taxes due on the Unit and the land;
3. The insurance premiums on the Unit, if any, which become due and payable during the effectivity of the Lease Agreement;
4. The BUYER's share, if any, of the real estate taxes on the common areas and of the insurance premiums on the building;
5. Any other assessments on the Unit, on the Building or on its facilities and improvements.

b) The BUYER shall be entitled to his/her dividends or return of investment and 30-day room rights per year upon occurrence of the following conditions;

1. Condotel is fully operational;
2. Full payment of the required down payment for the Unit;
3. Issuance of the Bank Guarantee from the Bank or other financial institution or Post dated Checks from the BUYER for the outstanding balance of the purchase price;

4. The BUYER is religiously paying his/her monthly amortization even if the Condotel is not yet operational;

c) In the event that the BUYER defaults in the payment of his/her amortizations, his/her rights to dividends (return of investment) including the 30-day room rights shall be suspended until the BUYER updates his/her amortization;

d) In case of cancellation of this Contract due to causes stated Article VIII, the BUYER loses his/her right to dividends (return of investment) including the 30-day room rights.

5. Use of the Unit as Hotel Room:

It is the essence of this Condominium Pooling Investment Agreement that the SELLER or the designated hotel management corporation shall be allowed to operate the Unit as part of the pooling of various units which shall be available to the paying guest as hotel rooms.

The SELLER or the designated hotel management corporation, shall also be allowed to install in the Unit such additional ornamental improvements or fixtures or furniture, as it may see fit, to the end that the Unit's value as a hotel room may be enhanced, without need for the approval of the BUYER. At the termination of the Condominium Pooling Investment Agreement, the said ornamental improvements may be removed by the SELLER or the designated hotel management corporation, only if such removal can be done without damaging the portions of the Unit to which the improvements may be attached. If such removal cannot be done, the improvements so attached shall become the property of the BUYER.

The SELLER or the designated hotel management corporation may also store and keep inside the Unit beverages, toiletry and such other consumables as may be necessary for the comfortable stay of the occupants therein.

6. Surrender of the Unit Upon Termination of Leaseback Agreement:

Upon the termination of the Condominium Pooling Investment Agreement, the SELLER or the designated hotel management corporation, shall peacefully surrender and yield to the BUYER the unit, in substantially the same condition that the Unit was at the beginning of the said Agreement subject to ordinary wear and tear of the said ornamental improvements, fixtures or furniture which shall be assumed by the BUYER .

7. The Hotel Management Corporation shall be either be formed by Sta. Lucia Land or engaged an existing management corporation, the interest of either party shall be subject to a separate agreement.

8. **PARTICIPATION OF SELLER IN THE CONDO CORPORATION** - During the effectivity of the Condominium Pooling Investment Agreement, the SELLER or the designated hotel management corporation, shall irrevocably be entitled to exercise the BUYER's voting rights in the \_\_\_\_\_ CONDOMINIUM COPORATION as such right is hereby assigned by the BUYER to the SELLER or the designated hotel management corporation. The SELLER or the designated hotel management corporation shall likewise be entitled to exercise all other rights and shall assume all obligations which may pertain to the BUYER by virtue of his membership in said Condominium Corporation.

9. **PRE-TERMINATION** - There shall be no pre-termination of the Condominium Pooling Investment Agreement by either party during the initial fifteen-year period of the said Agreement. Should either party not wish to renew the Condominium Pooling Investment Agreement after the expiration of the initial fifteen-year period, the said party shall serve a written notice to the other party not later that one (1) year prior to the expiration of the fifteenth (15<sup>th</sup>) year of the Condominium Pooling Investment Agreement.

The renewal of the Condominium Pooling Investment Agreement shall be the subject of approval of both parties.

10. **BUYER's RIGHT TO USE UNIT** - Upon prior arrangement with the SELLER or the designated hotel management corporation, the BUYER may occupy the unit for personal use (i.e., for the personal use of the BUYER or any person designated by him) for thirty (30) room rights per day per year, non-cumulative, under the following conditions:

a. All bookings for the BUYER shall be done on the basis of availability of the Unit.

b. If the Unit is not available, the closest equivalent room may be assigned in lieu of the Unit.

c. A BUYER has the option to use three (3) of the abovementioned thirty (30) room rights per year in other hotels of the SELLER subject to its availability.

d. A BUYER who will occupy the Unit shall upon arrival check in the reception desk and complete a registration form and comply with all the other procedures required by the SELLER or the designated hotel management corporation, from its other hotel guest.

**11. SELLER's or HOTEL MANAGEMENT CORP'S RIGHT TO WITHHOLD TAXES DUE** - The SELLER or the designated hotel management corporation shall withhold such taxes which may become due on the amounts paid to the BUYER by virtue of the Condominium Pooling Investment Agreement.

**12. ASSIGNABILITY** - The SELLER is hereby authorized to assign its rights and obligations under Condominium Pooling Investment Agreement to any corporation to which the SELLER owns at least FIFTY-ONE PERCENT (51%) of the authorized capital stock. Such assignment shall not require the consent of the BUYER.

**13. REGISTRATION OF THE LEASE** - The SELLER shall cause the same to be annotated on the CCT of the Unit. The BUYER shall execute all documents necessary to register the Condominium Pooling Investment Agreement and all expenses for this purpose shall be for the account of the BUYER.

**14.** In the event that the BUYER sells, transfers or conveys the Unit subject of this Condominium Pooling Investment Agreement, the BUYER must inform in writing the SELLER or the designated hotel management corporation of the said sale or transfer and must submit all documents that may be required by the SELLER or hotel management corporation.

#### **XV. SUBSEQUENT TRANSFER BY THE BUYER**

1. BUYER may sell, assign, mortgage or otherwise transfer or convey its rights and/or obligations under this Contract provided all the following conditions are fulfilled:

- (a) BUYER obtains the prior written consent of the SELLER on such sale, assignment, mortgage or other transfer or conveyance, which consent SELLER shall not unreasonably withhold.
- (b) BUYER pays in full a transfer fee to SELLER in the amount to be fixed by SELLER from time to time.
- (c) Transferee executes a sworn undertaking in favor of SELLER or the Corporation, as the case may be confirming that transferee is aware of and accepts the limited rights that one shall acquire over the Unit; its/his awareness and conformity to the terms and conditions of the Master Deed and Declaration of Restrictions and House Rules and his/its willingness to abide by and be subject to the aforesaid documents; its willingness to be a member of the Corporation, and its assumption in full of all the rights and obligations of the transferor.
- (d) BUYER can only transfer its rights after four (4) years from execution of this contract and provided BUYER has fully paid the contract price.

#### **XVI. MISCELLANEOUS PROVISIONS**

1. Whenever the Government or any of its instrumentalities empowered by law shall cause or authorize the amendments of the condominium plan, appropriate adjustment shall accordingly be made with the view of having as much as possible the floor areas in the amended plan conform to the original plan. In such an event, there shall be no change in the rights and obligations of the parties under the Contract except only that caused by the adjustment on the area.

2. The BUYER hereby agrees that the representatives of the SELLERS shall have the right to enter the property at any reasonable time for the purpose of inspection, measurement, and enforce the rules and regulations of the SELLER and any inconvenience or disturbance thus caused shall not be a ground for the rescission of this Contract or an action for damages.

3. If at anytime before full payment of the purchase price, the Government or any of its political subdivision, instrumentalities or any public service company shall condemn or expropriate the property, the SELLER shall have the full and absolute right to deal, negotiate or resist the expropriating or condemning authority or enter into a compromise with the latter. In the event of expropriation, the BUYER shall be entitled to receive only his corresponding share equivalent to the percentage of the total payments made by him/her herein the proceeds realized from said appropriation.

4. If there are two or more BUYERS under this contract, the obligations mentioned herein are deemed contracted by the BUYERS in their joint and solidary capacities.

5. The BUYER hereby makes manifests and represents that he has full acknowledge of the type of developments to be introduced, the plans and specifications of the Project and the Unit.\

6. Should the SELLER be required to retain the services of an attorney to enforce the provisions of this Contract, the BUYER agrees to pay the SELLER as Attorney's fees, a minimum sum of ONE HUNDRED THOUSAND PESOS (Php100,000.00). Should the SELLER resort to Courts of Justice for the protection of its rights or redress of its grievance under this Contract the BUYER agrees to pay the SELLER, by way of Attorney's fees, as reasonable sum which in no case shall be less than ONE HUNDRED THOUSAND PESOS (Php100,000.00) and further sum of FIFTY THOUSAND PESOS (Php50,000.00) if its reaches any of the Appellate Courts and in addition, the cost and expenses of litigation and the damages actual or consequential, to which the SELLER may be entitled by law.

7. The BUYER hereby represents that this entire Contract has been read and or translated to him/her in the language or dialect known and understood by him/her.

8. All notices and correspondence of any nature sent to the BUYER at the indicated ADDRESS shall bind him, unless written notice of change of address has been received by the SELLER.

9. This Contract cancels and supersedes all previous agreements or contract between the parties herein and this shall not be considered as changed, modified, altered or in any way amended by acts of tolerance of the SELLER unless such changes, modification, alterations or amendments are made in writing and signed by both parties to this Contract.

10. In the event that any Court or Tribunal shall invalidate anyone or more of the herein covenants, such invalidation shall in no way affect the remaining covenants and restriction which shall remain in full force and effect.

11. The BUYER his/her heirs, successors and assigns hereby authorizes the SELLER to establish and organize the Condominium Corporation, if not yet organized and accepts automatic and compulsory membership thereto to be composed of all unit owners for the purpose of owning and maintaining the common areas as defined in the MASTER DEED and for the proper operation, maintenance and beautification of the condominium facilities, for the security, protection, enforcement, and to protect the general welfare of the Condominium Corporation. The BUYER, his heirs, successors and assigns accept and bind themselves to obey and follow all the rules and regulations that shall be imposed by the Condominium Corporation such as but not limited to the payment of condominium monthly dues and other fees.

12. Prior to the organization of the Condominium Corporation, and upon completion of the development works in the Project, the BUYER agrees to reimburse on a pro rata basis the SELLER the expenses for proper operation maintenance and security of the Project.

13. The BUYER warrants that the personal information which he has provided for the purposes of executing this Contract to Sell and the Deed of Absolute Sale (if executed pursuant hereto) is true and correct as of the date hereof and thereof, and agrees to directly and personally inform the SELLER in writing of any changes in the BUYER's personal data such as but not limited to name, address and/or status. It is understood that the SELLER shall have the right to solely rely on the information provided by the BUYER. Correspondingly, the SELLER shall not be held responsible for any error, non-communication or miscommunication in the personal information given by the BUYER. The BUYER also warrants that the funds used and to be used in purchasing the Unit was, have been and will be obtained through legitimate means and do not and will not constitute all or part of the proceeds of any unlawful activity under applicable laws. The BUYER hereby holds the SELLER free and harmless from any incident, claim, action or liability arising from the BUYER's breach of warranties herein.

## **XVII. SPECIAL CONDITIONS AND RESTRICTIONS**

1. Subject to such amendments, cancellation and additional restrictions, reservations, servitudes, etc., as the Condominium Corporation may from time to time adopt and prescribe, the lot subject matter of this Contract is subject to the following restrictions which shall be annotated on the title subject of the Contract and shall form part of the Contract between the SELLER and BUYER, to wit:

- a) Unless otherwise specified herein by the SELLER, subject to existing laws and ordinances, the unit shall not be subdivided and shall be used for residential purposes only. Sari-sari stores and other retail or wholesale shops and services are not allowed.
- b) No additional structures shall be constructed on the units, and that the exterior color of the units shall be maintained at all times.
- c) The walls in between two units are commonly owned by the two (2) units owners and may not be demolished or damaged by any owner. Otherwise, the one who did or caused or allowed the demolition or damage shall be responsible, to restore the walls to its original conditions. Any repair on the walls of the unit shall be with the

consent of the SELLER. If not, Condominium Corporation may cause the repair thereof and charge it to the one who caused the damage and such unpaid amounts shall be considered a lien on the property.

- d) No commercial or advertising signs shall be placed, constructed, or erected on the residential unit.
- e) No clothes and/or clothes line shall appear or hang in front or at the back of the unit or any exterior part thereof. If the BUYER shall fail to comply with these obligations, the SELLER or the Condominium Corporation shall have the right to remove the said clothes/clothes line at the expense of the BUYER.

2. This Contract shall be valid and binding upon the heirs, executors, administrators, successors-in-interest and assigns of both the herein contracting parties.

IN WITNESS WHEREOF, the parties have hereunto set their hands this \_\_\_\_th day of \_\_\_\_\_ at \_\_\_\_\_.

**STA. LUCIA LAND, INC.**

[Seller]

[Buyer]

By:

\_\_\_\_\_  
Authorized Signatory

With my marital consent

SIGNED IN THE PRESENCE OF:

\_\_\_\_\_

#### ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)  
) S.S.

BEFORE ME, a Notary Public for and in \_\_\_\_\_, Philippines, this \_\_\_\_ day \_\_\_\_\_  
personally appeared the following:

NAME  
Sta. Lucia Land, Inc.

COMM. TAX CERT. NO./I.D. No.

DATE/PLACE ISSUED

known to me to be the same persons who executed the foregoing documents and acknowledge to me that the same is their free and voluntary act and deed and of the corporation represents.

This instrument consisting of thirteen (13) pages, including this page whereon the acknowledgment clause is written and signed by the parties and their instrumental witnesses on each and every page hereof.

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

NOTARY PUBLIC

Doc. No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Series of \_\_\_\_\_.