



OFFICE OF THE PRESIDENT  
**NATIONAL HOUSING AUTHORITY**

**TERMS OF REFERENCE (TOR) FOR THE PROCUREMENT OF THE  
REMAINING PROJECTS UNDER THE  
NHA'S YOLANDA PERMANENT HOUSING PROGRAM**

**1.0 THE NHA's YOLANDA PERMANENT HOUSING PROGRAM (NHA-YPHP)**

- 1.1 In view of the onslaught of Super Typhoon "Yolanda" which hit majority of the cities / municipalities of Visayas, and Region IV-B particularly Palawan province on November 08, 2013 and brought great devastation in the areas, there is an immediate need to provide house and lot packages for the affected families who have totally lost their houses located at, and declared as "unsafe zone" (no build zone).
- 1.2 Proclamation No. 682 on November 11, 2013 was issued by the Office of the President, declaring a state of national calamity, as a result of the widespread death, destruction and incalculable damage in several areas, including Samar provinces, Leyte, Cebu, Capiz, Aklan, Antique, Iloilo, Negros Occidental and Palawan caused by Typhoon Yolanda (International codename: Haiyan) last November 08, 2013.

**2.0 PROCUREMENT PROCESS**

- 2.1 This Terms of Reference (TOR) will provide interested CONTRACTORS-DEVELOPERS the guidelines and requirements for the **Procurement of Fully Developed Serviced Lots with Completed Housing Units** under the NHA's Yolanda Permanent Housing Program (NHA-YPHP) through "Design and Build" scheme pursuant to Annex "G" of the Revised IRR of RA 9184.
- 2.2 The National Housing Authority (NHA) through publication of Notices or Invitation to Bid/Request for Expression of Interest shall call for submission of bids / proposals for fully developed serviced lots with completed housing units in areas greatly affected by Super Typhoon "Yolanda" as may be identified by the concerned Local Government Unit (LGU) the site/s suitable for resettlement under the Yolanda Permanent Housing Program (YPHP) The notice shall be published in a newspaper of general circulation nationwide and posted at the PhilGEPS website; the NHA's website; and in conspicuous places in the premises of NHA reserved for the purpose in compliance with Revised IRR of RA 9184, as amended.
- 2.3 The public notice is intended to satisfy the requirements of due notification to all interested parties for purposes of selecting bids/proposals that are most advantageous to the government.

- 2.4 The bid/proposal shall cover the provision by the CONTRACTOR-DEVELOPER to NHA the following, to wit:
- a. a suitable land/lot as permanent resettlement sites for qualified families residing in unsafe zones affected by the devastation caused by Super Typhoon "Yolanda", pursuant to Memorandum Circular - 2015-0015 dated 29 December 2015 (Guidelines for Site Selection, Site Suitability and Site Planning of NHA Housing Development Projects)
  - b. said land/lots must then be fully developed with completed housing unit ready for occupancy (RFO) and provided with basic utilities.(power and water facilities within the project site)
- 2.5 All parties interested in submitting bids/proposals shall comply with the requirements of this Terms of Reference (TOR), the bid documents and Annex "G", of the Revised IRR of RA 9184.
- CONTRACTORS-DEVELOPERS shall be wholly responsible for taking all necessary steps to examine this TOR and other related documents and to inform themselves as to all conditions and circumstances affecting their bids/proposals and the implementation of the project (s) and/or the obligations to be undertaken by them.
- 2.6 All costs and expenses incurred directly or indirectly by CONTRACTORS-DEVELOPERS in the preparation and presentation of their proposals shall be borne by them.
- 2.7 The NHA reserves the right to request additional or clarificatory information from CONTRACTORS-DEVELOPERS or interested bidders.
- 2.8 The NHA reserves the right, as its interest may require, to amend, or clarify the requirements of this TOR before the deadline for submission of bids/proposals. Such amendments, or clarifications, if any, shall be made through the issuance of one or more addenda, copies of which shall be furnished to all CONTRACTORS-DEVELOPERS. If the amendments require substantial changes to the bids/proposals, the date set for the submission of the bids/proposals may be extended to enable CONTRACTORS - DEVELOPERS to revise their bids/proposals. The CONTRACTORS- DEVELOPERS shall acknowledge receipt of all addenda to the TOR. Inquiries may be made with the Bids and Awards Committee (BAC) through Telephone/Telefax No. (02) 929-8016.
- 2.9 The NHA shall call eligible CONTRACTORS-DEVELOPERS to a Pre-Bid Conference prior to the date of submission of bids/proposals to clarify any provisions in the TOR and Bid Documents or matters that the CONTRACTORS-DEVELOPERS may raise.



- 2.10 NHA reserves the right to reject any or all proposals, to waive any minor defects therein and to accept the bid/offer considered most advantageous to the Government.

### 3.0 SUBMISSION OF EXPRESSION OF INTEREST AND BIDS/PROPOSALS

All interested parties shall submit a written Expression of Interest (EOI) together with the Application for Eligibility which shall state the property / site offered indicating the location, area, development in place ( if any ) and colored photographs of offered site, showing further the owner/s intent to sell the property to NHA and zoning certificate, among others which must be received by the Bids and Awards Committee (BAC) within fourteen (14) calendar days after the date of publication of the invitation to Submit Bids/Proposals.

### 4.0 ELIGIBILITY REQUIREMENTS

- 4.1 REQUIREMENTS SHALL COMPLY WITH THE APPLICABLE PROVISIONS OF SECTION 23-24 AND ANNEX "G" OF THE REVISED IRR OF RA 9184, AS AMENDED.
- 4.2 PROCEDURES IN THE EVALUATION OF INTERESTED CONTRACTORS- DEVELOPERS SHALL BE IN ACCORDANCE WITH SECTION NOS. 9,10,11 AND 12 OF ANNEX "G" OF THE REVISED IRR OF RA 9184, AS AMENDED.

To be eligible to participate in the public bidding, prospective CONTRACTOR-DEVELOPER must pass the following criteria:

- a. The CONTRACTOR-DEVELOPER must have signified its intention to participate in the public bidding pursuant to the provisions of the Implementing Rules and Regulations (RR) of R.A. 9184, as amended, for a particular project at specific location (s) as per published invitation to Submit Bids/Proposals.
- b. Basic Qualification: The prospective CONTRACTOR-DEVELOPER must be registered with the Securities and Exchange Commission (SEC), the Department of Trade and Industry (DTI) or the Cooperative Development Authority (CDA) with authority to conduct business whichever is applicable.
- c. Financial Capability: The prospective CONTRACTOR-DEVELOPER must meet the financial contracting capacity to undertake the project, as determined through the following formula:

Net Financial Contracting Capacity (NFCC): This will establish the value or cost of the project which the CONTRACTOR can undertake. The NFCC is computed as follows:

NFCC = (Current assets minus current liabilities) (15) minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started)

The NFCC must be at least equal to the Approved Budget of the Contract (ABC) of the specific project

- d. Experience: The prospective CONTRACTOR must have completed a single contract that is similar to the contract to be bid, and whose value, adjusted to current prices using the National Statistics Office (NSO) consumer price indices, must be at least fifty percent (50%) of the Approved Budget of the Contract (ABC) of the specific project.
- e. Track Record: The prospective CONTRACTOR-DEVELOPER must have an experience of having completed at least one (1) contract similar to the contract to be bid, and whose value, adjusted to current prices using the NSO consumer price indices, must be at least fifty percent (50%) of the ABC to be bid: provided however, that the Contractors-Developers under Small A and Small B categories without similar experience on the contract to be bid may be allowed to bid if the cost of such contract is not more than fifty percent (50%) of the Allowable Range of Contract Cost (ARCC) of their registration based on the guidelines as prescribed.
- f. PCAB License: The prospective CONTRACTOR-DEVELOPER must possess valid PCAB License and Registration for the type and cost of the contract/s to be bid.
- g. For CONTRACTOR-DEVELOPER who does not possess the required valid PCAB License/Registration and Size Range corresponding to the contract for bidding may enter into a joint venture agreement (JVA) or consortium with a PCAB Licensed CONTRACTOR-DEVELOPER to secure a Special License prior to the bidding of the project for the purpose of compliance with this requirement.
- h. List of Design and Construction Personnel and Equipment as provided under Section 10.1, iii of Annex "G" of the IRR of RA 9184, as amended. The prospective CONTRACTOR's-DEVELOPER's key personnel must have sufficient experience in the relevant aspect of schemes similar or related to the project(s) under bidding and must own or with lease contract and/or under purchase agreements sufficient major construction equipment necessary to undertake the project (s).
  - i. Background and Performance Check: The BAC must ensure that a thorough background investigation have been conducted on the prospective CONTRACTOR-DEVELOPER to gain as much information possible pertinent to the identity of the prospective CONTRACTOR-DEVELOPER, its completed and on-going projects; financial capability, track record for the past five years, as well as its reputation.
  - ii. CONTRACTORS-DEVELOPERS who meet all of the above-cited criteria shall be considered as eligible Bidders to participate in the procurement of specific project (s) pursuant to the provisions of the IRR of R.A. 9184, as amended.



## 5.0 DESIGN PARAMETERS AND SPECIFICATIONS

### 5.1 SITE/LOCATION

Location : Within the Municipalities/Cities affected by Super Typhoon "Yolanda" as may be determined by the NHA-YPHP and considered as "safe zone" by DENR/MGB and LGU.

Zoning Classification: Residential

Topography : Suitable for residential development.

Right-Of-Ways : Adequate right-of-ways for roads, drainage/ sewer shall be secured by the developer for access to existing roads and outfalls to natural body of water.

Slope should not exceed 15% per Memorandum Circular - 2015-0015 dated 29 December 2015 (Guidelines for Site Selection, Site Suitability and Site Planning of NHA Housing Development Projects)

### UTILITIES

a.) Water : The plans and the installation of the water distribution system shall be approved and supervised by the local water district to ensure the connection of the system to available water main/ source and the acceptance of the facility upon its turnover to the concerned water district.

The LGU and Local Water Districts shall provide the tapping from the water source. Otherwise, the Contractor-Developer must provide its own water system (at least Level 2)

b.) Power : For the electrical power component, poles wires/cables and other devices shall be installed within the site, short of energization of the system. The plans and the provisions of power component/facilities in the identified site shall be in coordination with and approved by the service provider of the locality of the concerned LGU.

If not, an alternative lighting system (minimum) must be provided per housing unit, such as; solar panel, among others; whichever is practical and reasonable (as a temporary power supply)

The site development plans, design of houses and technical specification must conform to the Implementing Rules and Regulations (IRR) of Batas Pambansa 220 (BP220) of 2008 (with Amendments) and the adaption of NHA-Memorandum Circular - 2015-0015 dated 29 December 2015 (Guidelines for Site Selection, Site Suitability and Site Planning of NHA Housing Development Projects), such as but not limited to the following:

- I. CONCRETE ROAD PAVEMENT (Based on Hierarchy of Road under BP220).
- II. DRAINAGE SYSTEM – Concrete; combination of underground reinforced concrete pipe culvert (RCPCs) appurtenances and covered lined-canal with drainage outfall to existing main drainage system or to natural body of water. The minimum diameter for RCPC shall be 450 mm.
- III. SEWERAGE – The sewerage system/ individual septic tank shall conform with the standard set by appropriate laws, environmental circulars, department orders or similar issuances.

A secondary retarding/retention pond at the end of the drainage outfall shall be provided to further enhance the quality of the effluent. The plans shall be approved by the NHA and the Department of Health as required pursuant to PD 856, December 23, 1975, otherwise known as The Code on Sanitation of the Philippines.

- 5.2 Land Ownership : With clean title(s) free from liens and encumbrances, without tenants or illegal occupants/ structures
- 5.3 Min. Land Area : As may be determined by the NHA-YPHP
- 5.4 No. of Housing Unit : Maximum of 1,000 units or as may be determined by NHA-YPHP based on the magnitude of families vetted by the Office of the Presidential Assistance on Rehabilitation and Recovery (OPARR).
- 5.5 Minimum Lot Size : 40 square meters
- 5.6 Minimum House Design Standards/ Specifications  
House Typology : NHA Conventional Loftable Row House Design or other housing design using new technology & materials. AITECH (Accreditation of Innovative Technologies for Housing) is required, as well as the DPWH approval through NHA-HTDO on the structural evaluation for disaster resiliency. (Refer to Annex "A")
- 5.7 Price/Unit (House/Lot) : PhP 290,000.00/unit (this shall be considered as the approved budgetary cost for all YPHP)

## 6.0 TERMS AND CONDITIONS OF CONTRACT/AGREEMENT BETWEEN NHA AND THE CONTRACTOR-DEVELOPER

### 6.1 OWNERSHIP OF PROPERTY

The OWNERSHIP of the property shall be transferred under the name of NHA (through Deed of Absolute Sale) upon signing of the Contract Agreement by the NHA and the winning CONTRACTOR-DEVELOPER in accordance with the existing laws, rules and regulations.



## 6.2 ROLES AND RESPONSIBILITIES

### 6.2.1 RESPONSIBILITIES OF CONTRACTORS-DEVELOPERS

- 6.2.1.1 Secure the necessary permits/licenses/clearances such as but not limited to development permit, building permit, environmental clearance certificate required.
- 6.2.1.2 Secure performance security to guarantee the faithful performance of the obligations under the contract in accordance to the schedule for the performance security in accordance with Section 39 of the IRR of R.A. 9184.
- 6.2.1.3 Execute a warranty that the submitted plans, designs and specifications conform/comply with all pertinent national laws and regulations as well as local ordinances and land development works and construction of housing units were implemented in accordance with the submitted plans, designs and specifications.
- 6.2.1.4 Deliver to NHA developed sites and completed housing units in accordance with the approved plans, designs, technical specifications and standards and time frame/schedule.
- 6.2.1.5 Undertake all corrective/repair works on housing units and land development project components found defective or below specifications at its own expense within fifteen (15) days from receipt of notice from NHA or replace defective housing units.
- 6.2.1.6 Warrant complete, satisfactory and faithful performance of all works in accordance with plans, designs, and specifications approved by NHA, the Local Government Unit (LGU) concerned or other regulatory agencies.
- 6.2.1.7 Warrant the issuance of individual Transfer of Certificates of Title (TCT) by the Register of Deeds based on the verified and approved subdivision plan by the LMB.
- 6.2.1.8 Ensure the maintenance, security and upkeep of the housing units at its expense until such time the same are accepted by identified NHA project beneficiaries but not to exceed six (6) months from date of NHA's final acceptance of the units.
- 6.2.1.9 Maintain for its own account, all housing project/subdivision facilities (e.g. roadways, footpaths, parks, and open spaces, water system) until such time said facilities are turned over and accepted by the proper authorities concerned.

- 6.2.1.10 Ensure the extension and installation of electrical and water facilities to Service the housing units within the project area, the cost of which shall be shouldered by the CONTRACTOR – DEVELOPER and ensure that the same are operational and/or available prior to occupancy of the units.
- 6.2.1.11 Submit as-built plans and final quantification for completed development to the NHA Project Office.
- 6.2.1.12 Secure occupancy permit from the local building official for completed housing units.

#### 6.2.2 RESPONSIBILITIES OF NHA

- 6.2.2.1 Through the Concerned Operating Unit, review and approve all subdivision plans, architectural and engineering plans and designs, technical specifications, cost estimates and delivery schedule/time frame.
- 6.2.2.2 Create a Committee of Inspection and Acceptance composed of the Concerned Operating Units and two (2) project representatives of other Offices who are not directly involved in the supervision of the concerned project, upon reaching ninety five percent (95%) completion of the works.
- 6.2.2.3 The concerned Operating Units shall undertake inspection of fully developed serviced lots with completed housing units including the required community/subdivision facilities and appurtenances and effect the turn-over of the same to the concerned LGU for acceptance in accordance with provisions of Section 76 of PD 1445.
- 6.2.2.4 The NHA reserves the right to reject any housing unit not found acceptable which shall be excluded from acquisition, the NHA may accept replacement units. The concerned Operating Units shall ensure that a thorough site inspection has been conducted and ensure that the CONTRACTOR- DEVELOPER followed the plans and designs as approved and agreed upon. The concerned operating units shall certify as to the correctness of the design and completeness of the project before any progress billing may be released to the CONTRACTOR-DEVELOPER."
- 6.2.2.5 Ensure through conduct of periodic Constructor's Performance & Evaluation System (CPES), that the fully developed lots and completed housing units and other appurtenant works have been satisfactorily constructed in accordance with plans, designs, and specifications approved by NHA, the LGU concerned or other regulatory agencies.



### 6.3 ADVANCE PAYMENT

The advance payment shall be processed in accordance with Section of Annex "E" of the IRR of RA 9184, as amended.

### 6.4 TERMS OF PAYMENT

6.4.1 Request for payment beyond fifty percent (50%) of accomplished development by the CONTRACTOR-DEVELOPER shall only be processed upon transfer of the title of the property (mother lot) in the name of the NHA and proof of 50% completion of the project.

6.4.2 Succeeding payments for completed works may be allowed pursuant to Annex E of the IRR of RA 9184, as amended.

6.4.3 Payment for completed housing units shall be allowed in accordance with approved plans and specifications excluding specified removable housing components such as doors, windows, receptacles and faucet etc. The CONTRACTOR-DEVELOPER shall be required to issue a deed of undertaking for specified removable housing components not yet installed. The said removable housing components shall be delivered by the CONTRACTOR-DEVELOPER prior to occupancy of the housing units.

6.4.4 To assure the continuous cycle of construction and progress payment of completed works as provided under Annex "E" of the Revised IRR of R.A. 9184, as amended, the concerned operating units who shall be in charge of the supervision of a particular project shall process the same based on the project office evaluation/monitoring, log book maintained by the Project Office showing the CONTRACTOR's-DEVELOPER's accomplishments/activities at all time and Bi- Monthly Report of the Project Office that was submitted to the Office of the General Manager, which shall serve as basis of payment for works accomplished.

### 6.5 PROGRESS PAYMENT

6.5.1 The CONTRACTOR-DEVELOPER may submit a Statement of Work Accomplished (SWA) or progress billing and corresponding request for progress payment for work accomplished certified/signed by authorized signees under MC No. 2774 dated December 4, 2015. The SWA should show the amounts which the CONTRACTOR- DEVELOPER consider itself to be entitled to up to the end of the month.

6.5.2 The materials and equipment delivered on the site but not completely put in place shall be excluded from payment.

6.5.3 The NHA shall deduct from the certified gross amounts to be paid to the CONTRACTOR-DEVELOPER as progress payment: the following:

a) cumulative value of the work previously certified and paid for

- b) portion of the advance payment to be recouped for the month c)
- retention money in accordance with the condition of the contract
- d) amount to cover third party liabilities
- e) amount to cover uncorrected discovered defects in the work

## 6.6 RETENTION MONEY

- 6.6.1 Progress payments are subject to retention of ten percent (10%) referred to as the "retention money". Such retention shall be based on the total amount due to the CONTRACTOR-DEVELOPER prior to any deduction and shall be retained from every progress payment until fifty percent (50%) of the value of works, as determined by the NHA, are completed.
- 6.6.2 If, after fifty percent (50%) of the works have been completed and the work is satisfactorily done on schedule, no additional retention shall be made; otherwise, the ten percent (10%) retention shall be imposed. A certificate shall be issued by the NHA Project Manager attesting to the satisfactory completion and on schedule of the works.
- 6.6.3 The total "retention money" shall be due for release upon final acceptance of the Works
- 6.6.4 The CONTRACTOR-DEVELOPER may, however, request the substitution of the "retention money" for each progress billing with irrevocable standby Letters of credit of from a commercial bank, bank guarantees or surety bonds callable on demand, of amount equivalent to the retention money substituted for and acceptable to NHA, provided that the project is on schedule and is satisfactorily undertaken. Otherwise, the ten percent (10%) retention shall be made.
- 6.6.5 The irrevocable standby letters of credit, bank guarantees and/or surety bonds, to be posted in favor of the NHA shall be valid for a duration of one (1) year and will answer for the purpose for which the ten percent (10%) retention is intended, i.e. to cover uncorrected discovered defects and third party liabilities.
- 6.6.6 The balance of the retention shall be released upon satisfaction of the following conditions:
  - 6.6.6.1 Issuance by the NHA through the Concerned Operating Units of a Certificate of Completion for any repairs undertaken by the CONTRACTOR-DEVELOPER on the housing units and land development works.
  - 6.6.6.2 Submission by the CONTRACTOR-DEVELOPER of a surety bond from GSIS Insurance Fund or any insurance/surety company duly accredited by the Insurance Commission in favor of the NHA equivalent to thirty percent (30%) of the total contract price to cover remedial works for any deficiency in the housing



units and land development to be undertaken within a period of one (1) year starting from date of acceptance pursuant to Section 62.2.3 of the IRR of R.A. 9184, as amended.

## **6.7 CONTRACT COMPLETION**

6.7.1 Once the project reaches an accomplishment of ninety five percent (95%) of the total contract amount, the NHA shall create an inspectorate team to make preliminary inspection and submit a punch-list to the CONTRACTOR- DEVELOPER in preparation for the final turnover of the project. Said punch-list will contain, among other, the remaining works, work deficiencies for necessary corrections, and the specific duration/time to fully complete the project considering the approved remaining contract time. This, however, shall not preclude the NHA's claim for liquidated damages.

## **6.8 LIQUIDATED DAMAGE**

- 6.8.1 Where the CONTRACTOR-DEVELOPER refuses or fails to satisfactorily complete the work within the specified contract time, plus any time extension duly granted and is hereby in default under the contract, the CONTRACTOR- DEVELOPER shall pay the NHA for liquidated damages, and not by way of penalty, an amount, as provided in the conditions of contract, equal to at least one tenth (1/10) of one percent (1%) of the cost of the unperformed portion of the works for every day of delay.
- 6.8.2 Such amount shall be deducted from any money due or which may become due the CONTRACTOR-DEVELOPER under the contract and/or collect such liquidated damages from the retention money or other securities posted by the CONTRACTOR-DEVELOPER, whichever is convenient to the NHA.
- 6.8.3 In case that the delay in the completion of the work exceeds a time duration equivalent to ten percent (10%) of the specified contract time plus any time extension duly granted to the CONTRACTOR-DEVELOPER, the NHA may rescind the contract, forfeit the CONTRACTOR's-DEVELOPER's performance security and takeover the prosecution of the project or award the same to a qualified CONTRACTOR- DEVELOPER through negotiated contract.
- 6.8.4 The total sum of liquidated damages shall not exceed ten percent (10%) of the total contract price, in which event the contract shall automatically be taken over by the NHA or award the same to a qualified CONTRACTOR- DEVELOPER through negotiation and the erring CONTRACTOR's- DEVELOPER's performance security shall be forfeited. The amount of the liquidated damages that the CONTRACTOR- DEVELOPER shall pay the Government under the provisions of this clause and impose other appropriate sanctions.

- 6.8.5 For terminated contracts where negotiation shall be undertaken, the procedures prescribed in the IRR of R.A. 9184, as amended, shall be adopted.

## **6.9 SUSPENSION OF WORK**

- 6.9.1 The NHA shall have the authority to suspend the work wholly or partly by written order for such period as may be deemed necessary, due to force majeure or any fortuitous events or for failure on the part of the CONTRACTOR-DEVELOPER to correct bad conditions which are unsafe for workers or for the general public, to carry out valid orders given by the procuring entity or to perform any provisions of the contract, or due to adjustment of plans to suit field conditions as found necessary during construction. The CONTRACTOR-DEVELOPER shall immediately comply with such order to suspend the work wholly or partly.
- 6.9.2 The CONTRACTOR-DEVELOPER or its duly authorized representative shall have the right to suspend work operation on any all projects/activities along the critical path of activities after fifteen (15) calendar days from date of receipt of written notice from the CONTRACTOR-DEVELOPER to the Concerned Operating Unit or equivalent official, as the case may be, due to the following:
- 6.9.2.1 Peace and order conditions make it extremely dangerous, if not possible, to work. However, this condition must be certified in writing by the Philippine National Police (PNP) station which has responsibility over the affected area and Government (DILG) Regional Director.
- 6.9.2.2 Delay in the payment of CONTRACTOR's-DEVELOPER's claim for progress billing beyond forty-five (45) calendar days from the time the CONTRACTOR's-DEVELOPER'S claim has been certified to by the NHA's concerned operating unit that the documents are complete unless there are justifiable reasons thereof which shall be communicated in writing to the CONTRACTOR- DEVELOPER.

## **6.10 EXTENSION OF CONTRACT TIME**

The conditions of extension of contract time as stipulated in Annex "E" of the IRR of R.A 9184, as amended, shall apply to this contract.

## **6.11 TERMINATION OF CONTRACTS**

The conditions of termination of contracts as stipulated in Appendix 4 of the IRR of R.A. 9184, as amended, shall apply to this contract.



#### 6.12 CONSTRUCTION SCHEDULE

The Construction Schedule-PERT/CPM and S-curve shall be as follows:

No. of Housing Units	No. of Days
150 and Below	160
151 - 300	195
301 - 450	245
451 - 600	285
601 - 750	325
751 - 900	365
901 - 1,050	405

The duration shall be reckoned from the date of issuance of the Notice to Proceed (NTP).

#### 7.0 SUBMISSION OF BIDS/PROPOSALS

Proposals with the required supporting documents enumerated shall be submitted to NHA in a sealed envelope addressed to:

**The General Manager**

Attention: **The Chairperson**

Bids and Awards Committee (BAC)

National Housing Authority

3rd Floor, Main Office

Elliptical Road Diliman, Quezon City.

Submission of the required supporting documents which may not yet be available on the deadline of submission of proposals may be temporarily waived provided that all basic documents pertinent to the proposal have been submitted, and the absence of the other documents will not hamper the evaluation of proposals; provided further that all required documents are submitted on the final date set by the BAC with due notification given to the CONTRACTOR-DEVELOPER.

##### 7.1 Letter of Expression of Interest (EOI) containing the following:

- i. Certified True Copy of Title, Vicinity Map highlighting current use and development of adjacent properties considered as "safe zone" and Lot Plan signed by a Geodetic Engineer, Property/site offered indicating location, area and development in place, if any.
- ii. All clearances/permits/license obtained, including environmental (DENR- MGB, and PHILVOLCS) clearances/certifications.

##### 7.2 The price indicating whether offer is on an "as-is, where is: basis or with further development to be undertaken by the CONTRACTOR-DEVELOPER with the following:

**7.2.1 Land Data (Certified true copies required)**

- i. Vicinity map and location plan
- ii. Clean title over the entire property free of liens or encumbrances
- iii. Declaration of tenancy or illegal occupancy on land
- iv. Tax Declaration and latest Official Receipt (OR) for tax payment
- v. Lot Plan signed and sealed by a Geodetic Engineer
- vi. Zoning Clearance/Land Use Classification
- vii. Documents on access road/road right-of-way (title/appropriate certification from LGU, if barangay road)
- viii. Land Conversion Clearance, if applicable
- ix. Topographic Map signed and sealed by a Geodetic Engineer
- x. Subdivision Plan/Survey signed and sealed by a Geodetic Engineer

**7.2.2 Technical Data (Duly signed and authenticated by authorized representative/party)**

- i. Detailed architectural and engineering plans (to be submitted in "20x30" whiteprint paper) showing the land development plan, road, drainage, water supply, sewerage system, open spaces/ location of community facilities, land use computation and detailed architectural and engineering plans for housing units;
- ii. Design analysis and computation for land development and housing construction;
- iii. Technical specifications;
- iv. Plans, agreements and all other documents pertinent to water and power supply; and
- v. All clearances/permits/license obtained, including environmental (DENR - MGB and PHILVOLCS) clearances/certifications; among others.

**8.0 EVALUATION OF BIDS/PROPOSALS**

The CONTRACTOR's-DEVELOPER's proposal shall be evaluated based on the Section 11.1 and 11.2 of the Annex "G" of the IRR of RA 9184, as amended.

- a. First Level Evaluation (First Step Procedure): Evaluation of individual proposals as to compliance with/conformity to legal, technical and financial parameters/technical specifications/requirement prescribed under Sections 5, 6 and 7 of this TOR.
- b. Second Level (Second Step Procedure) : Comparison of proposals as to the following criteria:
  - Average Price Per Unit (house and lot)
  - Location of Property
  - Production and Delivery Schedule
  - Accessibility to Site (ROW)



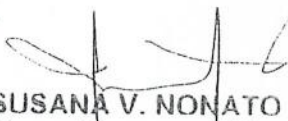
## 9.0 GUIDELINES AND REFERENCES


- a) Revised IRR of RA 9184
- b) Annex "G" – IRR RA 9184
- c) Applicable NHA MCs and Issuances
- d) COA Rules and Regulations on the implementation and procurement of infrastructure projects
- e) Applicable Department Orders (from other Government Agencies)

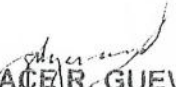
## 10.0 ANNEXES AND SAMPLE FORMS


- a) Annex "a" – List of Minimum Requirements for the Release of Payments
- b) Annex "b" – Sample Notice of Award (NOA)
- c) Annex "c" – Sample Contract
- d) Annex "d" – Sample Notice to Proceed (NTP)

### RECOMMENDING APPROVAL:

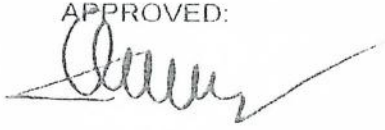
  
**SUSANA V. NONATO**  
Group Manager, SLB  
Head, NPIT A

  
**ROMUEL P. ADIMBOYAO**  
Department Manager, NCL/  
Head, NPIT B

  
**GRACE R. GUEVARRA**  
Officer-in-Charge, VMO

  
**MA. BENITA O. REGALA**  
Manager, HTDO

### APPROVED:

  
**MARCELINO P. ESCALADA JR.**  
General Manager



OFFICE OF THE PRESIDENT  
NATIONAL HOUSING AUTHORITY  
Elliptical Road, Diliman, Quezon City



**WORK SUSPENSION ORDER NO. 2**

(For Projects Costs above PhP 50M, beyond 30 CD up to 90 CD)

PROJECT NAME:	Procurement of 1,200 Fully Developed Lots And Completed Housing Units Under The NHA's Yolanda Permanent Housing Program (YPHP)
LOCATION:	Coron Residences, Bgy. San Nicolas, Coron, Palawan
DATE:	November 15, 2021

TO:

**MR. MARK ANGELO L. NOCUM**

Authorized Managing Officer  
Front Nine Konstruct (Builders & Realty Development)  
Corporation / The One Dynamic Three Realty  
and Development Corporation (JV).  
Lot 26, Bgy. Bangad Cabanatuan City,  
Nueva Ecija



Full Suspension



Partial Suspension

You are hereby directed to suspend full construction operation for 90 calendar days effective upon receipt hereof due to hold and abeyance order requested by the DENR Forest Management Bureau until such time that the authenticity and legality of the titles OCT No. G-6688 and TCT No.8335 are proven.

Please acknowledge receipt of this Work Suspension Order by signing the space provided below and returning the signed Copies 1 and 2. A Work Resumption Order shall be issued upon expiration of the work suspension period or earlier, as may be upon expiration of the WSO applicable. Suspended works are deemed resumed if no WRO or CWSO is issued within three (3) days upon expiration of the WSO.

Prepared by:

**HELARIO P. VALONES**  
Principal Architect B

Checked and Reviewed by:

**Engr. MAXIMO R. CABASAL**  
OIC, MIMAROPA District

I hereby acknowledge receipt of the above notice.

DATE: November 15, 2021

Front Nine Konstruct (Builders  
& Realty Development) Corporation  
/ The One Dynamic Three Realty  
And Development Corporation (JV)

By:

**MARK ANGELO L. NOCUM**  
Authorized Managing Officer

Recommending Approval:

**Engr. MAXIMO R. CABASAL**  
OIC, MIMAROPA District

Approved by:

**ENGR. ROMUEL P. ALIMBOYAO**  
Regional Manager, Region 4

Copy 1: District Office/Department  
Copy 2: Regional Office/Group  
Copy 3: Contractor





Republic of the Philippines  
Province of Palawan

**MUNICIPALITY OF CORON**

OFFICE OF THE MUNICIPAL PLANNING & DEV'T COORDINATOR

## CERTIFICATION

TO WHOM IT MAY CONCERN:

THIS IS TO CERTIFY that the lot in the name of Villarino Celedonio located at Bgy. San Nicolas, Coron, Palawan under Transfer Certificate of Title No. T-8335 falls within the New Development Use Zone (Housing Project) as per Proposed Enhance Comprehensive Land Use of the Municipality.

Issued this 12<sup>th</sup> day of May 2021, upon the request of Front Nine Konstruck for whatever legal purposes it may serve.

ENP/ENGR. MICHAEL ADRIAN F. FABABEIR, MPA, MAURP

MPDC

ACTING ZONING ADMINISTRATOR

Paid Under OR No.: 5809898

Issued On: May 12, 2021

Issued At: Coron, Palawan

Zoning Fee: P/12,630.25



Republic of the Philippines  
Department of Environment and Natural Resources  
MIMAROPA REGION  
PROVINCIAL ENVIRONMENT AND NATURAL RESOURCES OFFICE  
Brgy. Sta. Monica, Puerto Princesa City  
Tel/Fax No. (048) 434-8791  
Email Add: [propr@depr.dem.gov.ph](mailto:propr@depr.dem.gov.ph)

November 08, 2021

MEMORANDUM

TO: CTNRO ARNOLDO A. BLAZA JR.  
DENR Coron, Palawan

FROM: The Provincial Environment and  
Natural Resources Officer

SUBJECT: REQUIREMENTS FOR THE CLASSIFICATION OF LPI  
INTO ALIENABLE AND DISPOSABLE LAND

Received in relation to above subject is the letter from IATF of Yolzoda Project Monitoring Office dated November 2, 2021 and your memorandum dated November 3, 2021.

1. Relative to the project site covered by TCT No. T-8035, the same enjoys its character as private land holding regardless of its land classification status until after it is cancelled thru Court Proceedings.
2. For lots within plan GNS 4A-000012 identified as resettlement area of displaced occupants within YLR established thru Proclamation 1387 now known as DFR, the same is protected by Section 15 of DAO No. 1 dated January 20, 1975 quoted hereunder:

The Bureau of Lands, with the assistance of the Bureau of Forest Development shall select, survey and subdivide available resettlement sites where occupants claimants may be relocated, and assist in their relocation. The Bureau of Forest Development shall forthwith classify as Alienable and disposable such areas selected.

Since the identification of the resettlement sites are legally authorized, the survey plan is duly approved, there is no other documentary and processing requirement needed other than the approval of its classification or reclassification to Alienable and Disposable Area now as Agricultural Land.

This special concern shall be forwarded to the Regional Executive Director for information and consideration.

Very truly yours,  
\_\_\_\_\_  
Regional Executive Director

  
ERBERTO B. SANTOS, CSE



**CONTRACT FOR THE PROCUREMENT OF FULLY DEVELOPED LOTS AND  
COMPLETED HOUSING UNITS LOCATED WITHIN CORON RESIDENCES,  
BRGY. DECALACHAO, CORON, PALAWAN (1,200 UNITS)**

**KNOW ALL MEN BY THESE PRESENTS:**

This Contract made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2020 at Quezon City, Metro Manila, Philippines, by and between:

The **NATIONAL HOUSING AUTHORITY**, a government-owned and controlled corporation, organized and existing pursuant to Presidential Decree (PD) 757, as amended, with principal office at NHA Building, Elliptical Road, Diliman, Quezon City, represented herein by its General Manager, **MARCELINO P. ESCALADA, JR.**, herein referred to as the "**AUTHORITY**";

-and-

**FRONT NINE KONSTRUCT (BUILDERS REALTY DEVELOPMENT) CORP./THE ONE DYNAMIC THREE REALTY & DEVELOPMENT CORP. (JV)**, a private entity duly organized and existing under the laws of the Republic of the Philippines, with principal office address in Lot 26, Brgy. Bangad, Cabanatuan City, Nueva Ecija represented by its Authorized Managing Officer, **MARK ANGELO L. NOCUM**, hereinafter referred to as the "**CONTRACTOR**".

-Witnesseth-

**WHEREAS**, the **AUTHORITY** on 28 August 2020 at the NHA Annex Building, 3<sup>rd</sup> Floor, GSD New Building, Diliman, Quezon City accepted proposals for the procurement of House and Lot Packages under the NHA's Typhoon Yolanda Permanent Housing Program. The scope of works under this project are Land acquisition of Rawland, Land Development and Housing Construction;

**WHEREAS**, the Approved Maximum Price per Unit (House and Lot package) is **FOUR HUNDRED EIGHTY-TWO THOUSAND NINE HUNDRED SEVENTY-EIGHT PESOS (Php 482,978.00)**;

**WHEREAS**, the **CONTRACTOR** committed to deliver **One Thousand Two Hundred (1,200) units** (House and Lot package) within **Six Hundred Fifty (650)** calendar days;

**WHEREAS**, the *Approved Fund Allotment for the Contract* for 1,200 units (House and Lot Package) is **FIVE HUNDRED SEVENTY-NINE MILLION TWO HUNDRED THIRTY-FIVE THOUSAND THREE HUNDRED EIGHTY-FOUR PESOS 67/100 ONLY (Php 579,235,384.67) with Request for Fund Allotment No. 2041-07-48 approved by the General Manager and was approved by the Board with NHA Board Resolution No. NHA-BR- 6717 dated 24 September 2020**;

**WHEREAS**, the **AUTHORITY** has awarded the Project to the Contractor in accordance with Section 7.0 and 8.0 of the Terms of Reference (TOR) furnished to the Contractor;

**WHEREAS**, the **CONTRACTOR** agreed and accepted the award to undertake the Project under the terms and conditions herein set forth in the amount of **FIVE HUNDRED SEVENTY-NINE MILLION TWO HUNDRED THIRTY-FIVE THOUSAND THREE HUNDRED EIGHTY-FOUR PESOS 67/100 ONLY (Php 579,235,384.67)**;



**NOW, THEREFORE**, in view of the foregoing premises, and for and in consideration of the mutual covenants and undertakings hereinafter provided, the **PARTIES** hereto have agreed as follows:

## **ARTICLE I CONTRACT DOCUMENTS**

The following documents, hereinafter referred to as Contract Documents, shall be deemed integral parts of this Contract, as fully as if hereto attached or herein stated, and shall continue to govern and control in full force and effect, the right of the parties as if the documents were set forth in full, except as otherwise modified by mutual agreement in writing of both parties, to wit;

1. Terms of Reference (TOR) for the procurement of fully developed lots and completed housing units for the remaining projects under the NHA's Yolanda Permanent Housing Program
2. Winning bidder's bid, including the Eligibility requirements and all other documents/statements submitted
3. Approved Drawing Plans
4. Specifications
5. Invitation to Submit Proposal
6. Technical Proposal submitted by the CONTRACTOR for this Project
7. Financial Proposal submitted by the CONTRACTOR for this Project
8. Board Resolution
9. Notice of Award of Contract and/or with CONTRACTOR "Conforme" thereto and its attachments.

In case of discrepancy or any defective prescription, errors, omissions, or ambiguity in any of the Contract Documents, the CONTRACTOR shall promptly submit the matter in writing. Such determination by the AUTHORITY shall be final and binding and the CONTRACTOR shall accordingly proceed with the work strictly in accordance with such determination.

## **ARTICLE II CONTRACT PRICE**

In consideration of the Works to be performed by the CONTRACTOR as specified in the Terms of Reference the AUTHORITY shall pay the CONTRACTOR the sum of **FIVE HUNDRED SEVENTY-NINE MILLION TWO HUNDRED THIRTY-FIVE THOUSAND THREE HUNDRED EIGHTY-FOUR PESOS 67/100 ONLY (Php 579,235,384.67)** in the manner herein prescribed. It is understood that all billings shall be based on work actually performed as verified by the NHA Project Office.

This amount is deemed full compensation for everything furnished and done by the CONTRACTOR under this Contract, including all works required but not specifically mentioned and also for all losses or damages arising out of the aforesaid work, from the action of the elements or from any obstruction or difficulty encountered in the prosecution of the Contract, for all expenses incurred by or in consequence of the suspension or discontinuance of the Contract and the whole thereof, at the time and in the manner provided in this Contract Documents and shall be at all times subject to the usual government accounting and auditing procedures and requirements.



### **ARTICLE III CONTRACTOR'S UNDERTAKING**

The CONTRACTOR shall, in accordance with the provision and subject to the terms and conditions contained in the Contract Documents supplied by the AUTHORITY, including the written corrective determination mentioned in Article I hereof, if any, fully and faithfully furnish to the satisfaction of the AUTHORITY all necessary labor, equipment, material, tools, supplies, machinery and perform all operations (including mobilization, supervision and other similar or necessary acts) required to complete the Contract as per plans and specifications. The CONTRACTOR in particular shall:

- a. Carry out the Works properly and in accordance with the Contract. The CONTRACTOR shall provide all supervision, labor, materials, plant and equipment, which may be required. All materials and plant on site shall be deemed to be property of the AUTHORITY.
- b. Commence execution of the Works on the Start Date and shall carry out the Works in accordance with the Program submitted by the CONTRACTOR, as updated with the approval of the AUTHORITY, and complete them by the Intended Completion Date.
- c. Be responsible for the safety of all activities on site.
- d. Submit to the AUTHORITY for consent, the name and particulars of the person authorized to receive instructions on behalf of the CONTRACTOR.
- e. Carry out all instructions of the AUTHORITY that comply with the applicable laws where the site is located.
- f. During continuance of the Contract, the CONTRACTOR and his subcontractors, if any, shall abide at all times by all labor laws, including child labor related enactments, and other relevant rules.
- g. Employ the key personnel named in the List of Key Personnel, to carry out the supervision of the Works. The AUTHORITY will approve any proposed replacement of key personnel only if their relevant qualifications and abilities are equal to or better than those of the personnel listed.
- h. Cooperate and share the site with public authorities, utilities, the AUTHORITY and other contractors, if any, between the dates given in the schedule of other contractors. The CONTRACTOR shall also provide facilities and services for them as described in the schedule. The AUTHORITY may modify the schedule of other contractors, and shall notify the CONTRACTOR of any such modification.
- i. Should anything of historical or of significant value is unexpectedly discovered on the site, it shall be the property of the AUTHORITY. The CONTRACTOR shall notify the NHA Project Office of such discoveries and carry out the NHA's Project Office instructions for dealing with them.

### **ARTICLE IV MANNER OF PAYMENT**

The AUTHORITY shall pay the CONTRACTOR the Contract Price stated in Article II hereof subject to Sections 6.3, 6.4, 6.5, 6.6 and 6.8 of the Terms of Reference (TOR) for the procurement of fully developed lots and completed housing units under the NHA's Yolanda Permanent Housing Program.



## **ARTICLE V WORK COMPLETION**

That, the CONTRACTOR shall commence work as stated in Notice to Proceed and expressly warrants to complete the project within **Six Hundred Fifty (650)** calendar days. ✓

The CONTRACTOR, may, however, ask for extension of the contract period through a written request submitted to the NHA Project Office in accordance with the conditions prescribed in Annex E Part 10 Of RA 9184 IRR-A.

Once the project reaches an accomplishment of ninety-five percent (95%) of the total contract amount, the AUTHORITY may create an inspectorate team to make preliminary inspection and submit a punch-list to the CONTRACTOR in preparation for the final turnover of the project. Said punch-list will contain among others, the remaining works, and work deficiencies for necessary corrections, and the specific duration/time to fully complete the project considering the approved remaining contract time.

## **ARTICLE VI PERFORMANCE SECURITY**

Before signing of this Contract, the CONTRACTOR shall furnish a performance security in the form of cash, certified check, manager's check, cashier's check, bank draft, bank guarantee, letter of credit issued by a reputable bank, surety bond callable on demand issued by the Government Service Insurance System or by surety or insurance companies duly accredited by the office of the Insurance Commissioner, or a combination thereof, in accordance with the following schedule:

- a. Cash, certified check, manager's check, cashier's check, irrevocable letter of credit or bank draft – ten percent (10%) of the total contract price.
- b. Bank Guarantee – ten percent (10%) of the total contract price.
- c. Surety Bond – thirty percent (30%) of the total contract price.

This performance security shall be posted in favor of the AUTHORITY and shall guarantee the payment of the amount of the security as penalty in the event it is established that the CONTRACTOR is in default in his obligations in this Contract. It shall include the following provision: "The right to institute action on the penal bond pursuant to ACT No. 3688 of any individual firm, partnership, corporation and association supplying the contractor with labor and materials for the prosecution of the work is hereby acknowledged and confirmed.

The CONTRACTOR shall post an additional performance security following the schedule herein cited to cover any cumulative increase of more than ten percent (10%) over the original value of the contract as a result of amendments to order, change orders, extra work orders and supplemental agreements, as the case may be. The CONTRACTOR shall cause the extension of the validity of the Performance Security to cover approved contract time extensions.

In case of reduction in the contract value, or, in the case of procurement of infrastructure projects, for partially completed works under the contract which are usable and accepted by the AUTHORITY, and the use of which, in its judgment, will not affect the structural integrity of the entire project, the AUTHORITY shall allow a proportional reduction in the original Performance Security, provided that any such reduction is more



than ten percent (10%) and that the aggregate of such reduction is not more than fifty percent (50%) of the original Performance Security.

## **ARTICLE VII DELAY AND LIQUIDATED DAMAGES**

It is understood that in execution of the work herein contracted, time is of essence. For that matter, Section 6.8 of the Terms of Reference shall be adopted.

In case that the delay in the completion of the work exceeds a time duration equivalent to fifteen percent (15%) of the specified contract time plus any time extension duly granted to the CONTRACTOR, the AUTHORITY may rescind the contract, forfeit the CONTRACTOR's performance security and take over the prosecution of the project or award the same to a qualified Contractor through Negotiated Contract.

## **ARTICLE VIII IDENTIFICATION AND CORRECTION OF DEFECTS**

The NHA Project Office shall check the CONTRACTOR's work and notify the CONTRACTOR of any defects that are found. Such checking shall not affect the CONTRACTOR's responsibilities. The NHA Project Office may instruct the CONTRACTOR to search for a defect and to uncover and test any work that the NHA Project Office considers may have a defect.

Every time a Notice of a Defect is given by the NHA Project Office, the CONTRACTOR shall correct the notified defect subject to Section 6.2.2.4, 6.7.1 and 6.2.1.5 of the Terms of Reference.

In case of Structural Defects/Failure occurring during the applicable warranty period provided in Section 62.2.3.2 (of Revised IRR of RA No. 9184) hereof, the procuring entity shall undertake the necessary restoration or reconstruction works and shall be entitled to full reimbursement by the parties found to be liable for expenses incurred therein upon demand, without prejudice to the filing of appropriate administrative, civil, and/or criminal charges against the responsible persons as well as the forfeiture of warranty securities posted in favor of the procuring entity."

## **ARTICLE IX LIABILITY TO THIRD PERSONS**

All damages and losses of whatever nature that may be suffered by third persons as a result, directly or indirectly, of the fault or negligence of the CONTRACTOR in the execution of its work or performance of its undertaking under this Contract shall be sole responsibility of the CONTRACTOR. The CONTRACTOR therefore shall save and hold the AUTHORITY free and exempt from all claims for damages, losses, penalties and liabilities of whatever kind or nature including all causes of action, suits, judgments, arising from death or injury to persons or damage to property resulting from the CONTRACTOR fault or failure to exercise the diligence required in the execution of its work and in the performance of its undertakings.

It is the duty of the CONTRACTOR in order to minimize if not eliminate the incidence of such damages or losses that may be inflicted upon third persons, to provide all necessary safeguards including the posting of warning signs at strategic points of the work area and its vicinity to the end that incidents that may result in injury or death to persons and damage to property may be avoided or prevented.



## **ARTICLE X NO EMPLOYER-EMPLOYEE RELATIONSHIP**

The **CONTRACTOR** is not an employee of the **AUTHORITY** and there is absolutely no employer-employee relationship between them. All personnel, workmen or laborers hired by the **CONTRACTOR**, all persons contracted by its sub-contractors, hereof, for the work shall be deemed employees or agents of the **CONTRACTOR** solely and never that of the **AUTHORITY**. Hence, personal injury or death, or any other forms of damages, caused by the said employees or agents or sub-contractor shall be the responsibility of the **CONTRACTOR**.

## **ARTICLE XI DISPUTES AND ARBITRATION**

Any and all disputes arising from the implementation of a contract covered by the Act and this IRR shall be submitted to arbitration in the Philippines according to the provisions of Republic Act No. 876, otherwise known as the "Arbitration Law" and the Republic Act No. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004":

Provided, however, that, disputes that are within the competence of the Construction Industry Arbitration Commission to resolve shall be referred thereto. The process of arbitration shall be incorporated as a provision in the contract that will be executed pursuant to the provisions of the Act and this IRR: Provided, further, that, by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution."

## **ARTICLE XII SUPPLEMENTARY USE OF CONTRACT DOCUMENTS**

The Contract Documents shall be supplementary to this Contract. Any and all deficiencies in the provision of this Contract intended to be covered hereby otherwise connected with or related to the project covered hereby, but not expressly covered by the provision of this Contract, shall be supplied by the Contract Documents.

In case of irreconcilable conflict between the provisions of the Contract Documents and this Agreement, the latter shall prevail.

## **ARTICLE XIII SUSPENSION OF WORK**

The **AUTHORITY** shall have the authority to suspend the work wholly or partly by written order for such period as may be deemed necessary, due to force majeure or any fortuitous events or for failure on the part of the **CONTRACTOR** to correct bad conditions which are unsafe for workers or for the general public, to carry out valid orders given by the **AUTHORITY** or to perform any provisions of the contract, or due to adjustment of plans to suit field conditions as found necessary during construction. The **CONTRACTOR** shall immediately comply with such order to suspend the work wholly or partly.

The **CONTRACTOR** or its duly authorized representative shall have the right to suspend work operation on any or all projects/ activities along the critical path of activities after fifteen (15) calendar days from the date of receipt of written notice from the **CONTRACTOR** to the NHA Project Office, as the case may be, due to the following:



- a. There exist right-of-way problems, which prohibit the contractor from performing, work in accordance with the approved construction schedule.
- b. Peace and order conditions make it extremely dangerous, if not possible, to work. However, this condition must be certified in writing by the Philippine National Police (PNP) station which has responsibility over the affected area and confirmed by the Department of Interior and Local Government (DILG) Regional Director.
- c. There is failure on the part of the AUTHORITY to deliver government furnished materials and equipment as stipulated in the contract.

In case of total suspension, or suspension of activities along the critical path, which is not due to any fault of the CONTRACTOR, the elapsed time between the effective order of suspending operation and the order to resume work shall be allowed the CONTRACTOR by adjusting the contract time accordingly.

#### **ARTICLE XIV TAXES, DUTIES AND FEES**

The CONTRACTOR shall give all the necessary notice to and obtain the necessary permits and sanction of the proper government authorities in respect to the project. All taxes, duties and fees of whatever nature arising out of, or connected with this Contract, execution of work contemplated herein, or which maybe due and payable in all tools, equipment, labor and materials, plants, supplies and other facilities necessary shall be the sole account and responsibility of the CONTRACTOR. Any, fee, imposition, charge, fine, penalty or loss or damage paid or incurred by the AUTHORITY by reason of any breach of this stipulation by the CONTRACTOR shall be reimbursed by the CONTRACTOR as soon as the demand therefore is made by the AUTHORITY.

The CONTRACTOR shall pay taxes in full and on time and that failure to do so will entitle the AUTHORITY to suspend payment for any goods or services delivered by the CONTRACTOR as stipulated on Section 3 of EO 398.

#### **ARTICLE XV VARIATION ORDERS**

The conditions of variation orders of this contract time as stipulated in Section 6.9 and 6.10 of the Terms of Reference shall apply to this contract.

Variation Orders may be issued by the AUTHORITY to cover any increase/decrease in quantities, including the introduction of new work items that are not included in the original contract or reclassification of work items that are either due to change of plans, design and alignment to suit actual field conditions resulting in disparity between the pre-construction plans used for purposed of bidding and the "as staked plans" or construction drawings prepared after a joint survey by the CONTRACTOR and the AUTHORITY after award of the contract, provided that the cumulative amount of the Variation Order does not exceed ten percent (10%) of the original project cost. The addition/ deletion of works should be within the general scope of the project as bid and awarded. A Variation Order may either be in the form of a change order or extra work order as defined in Annex E parts 1.2 and 1.3 of R.A. 9184, IRR-A.

Under no circumstances shall a CONTRACTOR proceed to commence work under any Change Order or Extra Work Order unless the AUTHORITY has approved it. Except, however, in the event of an emergency where the prosecution of the work is urgent to avoid detriment to public service, or damage



to life and/or property, and Provided that immediately after the start of work, the CONTRACTOR shall prepare and submit for approval of the AUTHORITY the corresponding notice for Change Order or Extra Work Order in accordance with the above rules herein set. Payments for works satisfactorily accomplished on any Change Order or Extra Work Order may be made only after approval of the same by the head of the AUTHORITY.

In claiming for any Variation Order, the CONTRACTOR shall, within seven (7) calendar days after such work has been commenced or after the circumstances leading to such condition(s) resulting to the extra cost and within twenty eight (28) calendar days deliver a written communication giving full and detailed particulars of any extra cost in order that it may be investigated at that time. Failure to provide either of such notices in the time stipulated shall constitute a waiver by the CONTRACTOR for any claim. The preparation and submission of Variation Orders shall be in accordance with Annex E part 1.5 of R.A. 9184 IRR-A.

For Variation Orders, the CONTRACTOR shall be paid for additional work items whose unit prices shall be derived based on the following:

- a. For additional/extra works duly covered by Change Orders involving work items which are exactly the same or similar to those in the original contract, the applicable unit prices of work items of original contract shall be used.
- b. For additional/extra works duly covered by Extra Work Orders involving new work items that are not in the original contract, the unit prices of the new work items shall be based on the direct unit costs used in the original contract (e.g. unit cost of cement, rebars, form, lumber, labor rate, equipment rental, etc.). All new components of the new work item shall be fixed prices, provided the same is acceptable to both the AUTHORITY and the CONTRACTOR, and provided further that the direct unit costs of new components shall be based on the CONTRACTOR's estimate as validated by the AUTHORITY via documented canvass in accordance with existing rules and regulations. The direct cost of the new work item shall then be combined with the mark-up factor (i.e. taxes and profit) used by the contractor in his bid to determine the unit price of the new work item.

#### **ARTICLE XVI NON-WAIVER OF RIGHTS**

No document, except the Certificate of Final Acceptance, shall be accepted as evidence of the satisfactory completion of the project. No proof of payment shall be taken or construed as an acceptance of satisfactory performance of the work or the good quality of the materials used, whether in whole or in part as contemplated in the Contract.

Any delay in the assumption of its right under this Contract by the AUTHORITY shall not be construed as waiver of renunciation of such rights.

#### **ARTICLE XVII VALIDITY CLAUSE**

If any term or any condition of this Contract is held invalid or contrary to law, the validity of the other items and conditions hereof shall not be affected thereby.



## **ARTICLE XVIII TERMINATION OF CONTRACT**

The NHA shall terminate a contract for default when any of the following conditions attends its implementation:

1. Due to the Contractor's fault and while the project is on-going, it has incurred negative slippage of fifteen percent (15%) or more in accordance with Presidential Decree No. 1870;
2. Due to the Contractor's fault after the contract time has expired, it has incurred negative slippage ten percent (10%) or more in the completion of the work; or
3. The Contractor:
  - a. Abandons the contract works, refuses or fail to comply with a validity instruction of the AUTHORITY or fails to proceed expeditiously and without delay despite a written notice by the AUTHORITY;
  - b. Does not actually have on the project site the minimum essential equipment listed on the Bid necessary to prosecute the Works in accordance with the approved work plan and equipment deployment scheduled as required for the project;
  - c. Does not execute the Works in accordance with the contract or persistently or flagrantly neglects to carry out its obligations under the contract;
  - d. Neglects or refuses to remove materials or to perform a new work that has been rejected as defective or unsuitable; or
  - e. Sub-lets any part of the contract works without approval by the AUTHORITY.
  - f. The AUTHORITY shall terminate the contract if the Supplier/Contractor/Consultant is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Supplier/Contractor/Consultant, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the AUTHORITY and/or the Supplier/Contractor/Consultant.

## **ARTICLE XIX ASSIGNMENT AND SUB-CONTRACTING**

The CONTRACTOR shall not assign its rights or obligations under this Contract, nor sub-contract any portion of the work covered by this Contract, without the prior written approval of the AUTHORITY. However, this consent does not relieve the CONTRACTOR of any liability or obligation under the contract. The CONTRACTOR will be responsible for the acts, defaults and neglects of any subcontractor, his agents, servants or workmen as fully as if these were its own acts, defaults or neglects of the contractor, or those of its agents, servants or workmen.

## **ARTICLE XX ADDITIONAL PROVISIONS**

1. The AUTHORITY shall not be liable for any violation of labor laws relative to the employment and compensation committed by the CONTRACTOR in connection with the employee-employer relations between the latter and his workers and/or employees.



2. The CONTRACTOR should secure a certification from the Public Employment and Service Office (PESO) of their compliance with R.A. 6685, which is pertinent to the hiring of the services of available labor in the city/locality for at least fifty percent (50%) of the unskilled and at least thirty percent (30%) of skilled labor requirements.
3. If required, the CONTRACTOR shall provide "as built" Drawings and/or operating and maintenance manuals by the time accomplishment have reached ninety-five percent (95%) or before the scheduled punch listing. If the CONTRACTOR does not provide the Drawings and/or manuals by this time, or they do not receive the NHA Project Office's approval, the NHA Project Office shall withhold further payments due to the CONTRACTOR.
4. To ensure the quality of materials being used in infrastructure projects, the CONTRACTOR shall have the materials tested in accordance with industry guidelines by testing laboratories whose services are engaged in infrastructure projects, duly accredited by the Bureau of Research Standards (BRS) of the Department of Public Works and Highways (DPWH) and the Department of Science and Technology (DOST). The AUTHORITY will accept results of materials test(s) coming only from DOST/BRS accredited laboratories.
5. That the NHA General Manager certifies that this Contract is entered into in faithful compliance with all applicable laws and regulations.

IN WITNESS WHEREOF, the PARTIES affixed their signatures this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**NATIONAL HOUSING AUTHORITY**

By:

**MARCELINO P. ESCALADA, JR.**  
General Manager

**FRONT NINE KONSTRUCT \**  
**(BUILDERS & REALTY DEVELOPMENT)**  
**CORP./ THE ONE DYNAMIC THREE**  
**REALTY & DEVELOPMENT CORP. (JV)**

By:

**MARK ANGELO L. NOCUM**  
Authorized Managing Officer

SIGNED IN THE PRESENCE OF:

**ROMUEL P. ALIMBOYAO**  
Regional Manager, Region 4

**RENATO Y. ALZONA**  
Manager, FMD



### ACKNOWLEDGMENT

(Republic of the Philippines  
Quezon City, Metro Manila ) S.S

**BEFORE ME**, a Notary Public, for and in Quezon City, Metro Manila, this \_\_\_\_\_ day of \_\_\_\_\_, 2020 personally appeared **MARCELINO P. ESCALADA, JR.** in his capacity as General Manager of the National Housing Authority with NHA ID No. 61654 issued on July 4, 2016, known to me and to me known to be the same person who executed the foregoing instrument and acknowledged to me that the same is his free and voluntary act and deed and that of the entity he represents.

This instrument refers to the Contract for the **PROCUREMENT OF FULLY DEVELOPED LOTS AND COMPLETED HOUSING UNITS (1,200 UNITS), CORON RESIDENCES, BRGY. DECALACHAO, CORON, PALAWAN** consisting of eleven (11) pages including this page where this acknowledgment is written and sealed with my notarial seal.

WITNESS MY HAND AND SEAL this **DEC 17 2020** day of \_\_\_\_\_, 2020

Doc No. : 371  
Page No. : 76  
Book No. : XLVIII  
Series of : 2020.

**NOTARY PUBLIC**  
**ATTY. CHARLIE S. GARCIA**  
Adm Matter No. NP-249  
Notary Public for and in Quezon City  
Valid until 31 December 2020  
Bldg., Elliptical Road, Diliman, Quezon City  
Roll of Attorney No. 58309  
PTR No. 9297469 / 1-3-2020; Q.C.  
IBP No. 100996 / 1-3-2020; Laguna

### ACKNOWLEDGMENT

(Republic of the Philippines  
Quezon City, Metro Manila ) S.S

**BEFORE ME**, a Notary Public, for and in Quezon City, Metro Manila, this \_\_\_\_\_ day of \_\_\_\_\_, 2020 personally appeared **MARK ANGELO L. NOCUM** in his capacity as Authorized Managing Officer of **FRONT NINE KONSTRUCT (BUILDERS & REALTY DEVELOPMENT) CORP./THE ONE DYNAMIC THREE REALTY AND DEVELOPMENT CORP. (JV)** with Passport No. \_\_\_\_\_ valid until \_\_\_\_\_ known to me and to me known to be the same person who executed the foregoing instrument and acknowledged to me that the same is his free and voluntary act and deed and that of the entity he represents.

This instrument refers to the Contract for the **PROCUREMENT OF FULLY DEVELOPED LOTS AND COMPLETED HOUSING UNITS (1,200 UNITS), CORON RESIDENCES, BRGY. DECALACHAO, CORON, PALAWAN** consisting of eleven (11) pages including this page where this acknowledgment is written and sealed with my notarial seal.

WITNESS MY HAND AND SEAL this **DEC 17 2020** day of \_\_\_\_\_, 2020

Doc No. : 370  
Page No. : 75  
Book No. : XLVIII  
Series of : 2020.

**NOTARY PUBLIC**  
**ATTY. CHARLIE S. GARCIA**  
Adm Matter No. NP-249  
Notary Public for and in Quezon City  
Valid until 31 December 2020  
NHA Bldg., Elliptical Road, Diliman, Quezon City  
Roll of Attorney No. 58309  
PTR No. 9297469 / 1-3-2020; Q.C.  
IL No. 100996 / 1-3-2020; Laguna



**CONTRACT FOR THE PROCUREMENT OF FULLY DEVELOPED LOTS AND  
COMPLETED HOUSING UNITS LOCATED WITHIN CORON HEIGHTS,  
BRGY. DECALACHAO, CORON, PALAWAN (1,470 UNITS)**

**KNOW ALL MEN BY THESE PRESENTS:**

This Contract made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2020 at Quezon City, Metro Manila, Philippines, by and between:

The **NATIONAL HOUSING AUTHORITY**, a government-owned and controlled corporation, organized and existing pursuant to Presidential Decree (PD) 757, as amended, with principal office at NHA Building, Elliptical Road, Diliman, Quezon City, represented herein by its General Manager, **MARCELINO P. ESCALADA, JR.**, herein referred to as the "**AUTHORITY**";

-and-

**FRONT NINE KONSTRUCT (BUILDERS REALTY DEVELOPMENT) CORP./THE ONE DYNAMIC THREE REALTY & DEVELOPMENT CORP. (JV)**, a private entity duly organized and existing under the laws of the Republic of the Philippines, with principal office address in Lot 26, Brgy. Bangad, Cabanatuan City, Nueva Ecija represented by its Authorized Managing Officer, **MARK ANGELO L. NOCUM**, hereinafter referred to as the "**CONTRACTOR**".

-Witnesseth-

**WHEREAS**, the **AUTHORITY** on 28 August 2020 at the NHA Annex Building, 3<sup>rd</sup> Floor, GSD New Building, Diliman, Quezon City accepted proposals for the procurement of House and Lot Packages under the NHA's Typhoon Yolanda Permanent Housing Program. The scope of works under this project are Land acquisition of Rawland, Land Development and Housing Construction;

**WHEREAS**, the Approved Maximum Price per Unit (House and Lot package) is **FOUR HUNDRED EIGHTY-TWO THOUSAND NINE HUNDRED SEVENTY-EIGHT PESOS (Php 482,978.00)**;

**WHEREAS**, the **CONTRACTOR** committed to deliver **One Thousand Four Hundred Seventy (1,470)** units (House and Lot package) within **Six Hundred Seventy-Five (675)** calendar days;

**WHEREAS**, the **Approved Fund Allotment for the Contract for 1,470 units** (House and Lot Package) is **SEVEN HUNDRED NINE MILLION FIVE HUNDRED TWENTY-FIVE THOUSAND SEVEN HUNDRED TWENTY-FOUR THOUSAND PESOS AND 62/100 ONLY (Php 709,525,724.62) with Request for Fund Allotment No. 2041-87-49 approved by the General Manager and was approved by the Board with NHA Board Resolution No. NHA-BR- 6716 dated 24 September 2020**;

**WHEREAS**, the **AUTHORITY** has awarded the Project to the Contractor in accordance with Section 7.0 and 8.0 of the Terms of Reference (TOR) furnished to the Contractor;

**WHEREAS**, the **CONTRACTOR** agreed and accepted the award to undertake the Project under the terms and conditions herein set forth in the amount of **SEVEN HUNDRED NINE MILLION FIVE HUNDRED TWENTY-FIVE THOUSAND SEVEN HUNDRED TWENTY-FOUR THOUSAND PESOS AND 62/100 ONLY (Php 709,525,724.62)**;

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**NOW, THEREFORE**, in view of the foregoing premises, and for and in consideration of the mutual covenants and undertakings hereinafter provided, the **PARTIES** hereto have agreed as follows:

## **ARTICLE I CONTRACT DOCUMENTS**

The following documents, hereinafter referred to as Contract Documents, shall be deemed integral parts of this Contract, as fully as if hereto attached or herein stated, and shall continue to govern and control in full force and effect, the right of the parties as if the documents were set forth in full, except as otherwise modified by mutual agreement in writing of both parties, to wit;

1. Terms of Reference (TOR) for the procurement of fully developed lots and completed housing units for the remaining projects under the NHA's Yolanda Permanent Housing Program
2. Winning bidder's bid, including the Eligibility requirements and all other documents/statements submitted
3. Approved Drawing Plans
4. Specifications
5. Invitation to Submit Proposal
6. Technical Proposal submitted by the CONTRACTOR for this Project
7. Financial Proposal submitted by the CONTRACTOR for this Project
8. Board Resolution
9. Notice of Award of Contract and/or with CONTRACTOR "Conforme" thereto and its attachments.

In case of discrepancy or any defective prescription, errors, omissions, or ambiguity in any of the Contract Documents, the CONTRACTOR shall promptly submit the matter in writing. Such determination by the AUTHORITY shall be final and binding and the CONTRACTOR shall accordingly proceed with the work strictly in accordance with such determination.

## **ARTICLE II CONTRACT PRICE**

In consideration of the Works to be performed by the CONTRACTOR as specified in the Terms of Reference the AUTHORITY shall pay the CONTRACTOR the sum of **SEVEN HUNDRED NINE MILLION FIVE HUNDRED TWENTY-FIVE THOUSAND SEVEN HUNDRED TWENTY-FOUR THOUSAND PESOS AND 62/100 ONLY (Php 709,525,724.62)** in the manner herein prescribed. It is understood that all billings shall be based on work actually performed as verified by the NHA Project Office.

This amount is deemed full compensation for everything furnished and done by the CONTRACTOR under this Contract, including all works required but not specifically mentioned and also for all losses or damages arising out of the aforesaid work, from the action of the elements or from any obstruction or difficulty encountered in the prosecution of the Contract, for all expenses incurred by or in consequence of the suspension or discontinuance of the Contract and the whole thereof, at the time and in the manner provided in this Contract Documents and shall be at all times subject to the usual government accounting and auditing procedures and requirements.

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### **ARTICLE III CONTRACTOR'S UNDERTAKING**

The CONTRACTOR shall, in accordance with the provision and subject to the terms and conditions contained in the Contract Documents supplied by the AUTHORITY, including the written corrective determination mentioned in Article I hereof, if any, fully and faithfully furnish to the satisfaction of the AUTHORITY all necessary labor, equipment, material, tools, supplies, machinery and perform all operations (including mobilization, supervision and other similar or necessary acts) required to complete the Contract as per plans and specifications. The CONTRACTOR in particular shall:

- a. Carry out the Works properly and in accordance with the Contract. The CONTRACTOR shall provide all supervision, labor, materials, plant and equipment, which may be required. All materials and plant on site shall be deemed to be property of the AUTHORITY.
- b. Commence execution of the Works on the Start Date and shall carry out the Works in accordance with the Program submitted by the CONTRACTOR, as updated with the approval of the AUTHORITY, and complete them by the Intended Completion Date.
- c. Be responsible for the safety of all activities on site.
- d. Submit to the AUTHORITY for consent, the name and particulars of the person authorized to receive instructions on behalf of the CONTRACTOR.
- e. Carry out all instructions of the AUTHORITY that comply with the applicable laws where the site is located.
- f. During continuance of the Contract, the CONTRACTOR and his subcontractors, if any, shall abide at all times by all labor laws, including child labor related enactments, and other relevant rules.
- g. Employ the key personnel named in the List of Key Personnel, to carry out the supervision of the Works. The AUTHORITY will approve any proposed replacement of key personnel only if their relevant qualifications and abilities are equal to or better than those of the personnel listed.
- h. Cooperate and share the site with public authorities, utilities, the AUTHORITY and other contractors, if any, between the dates given in the schedule of other contractors. The CONTRACTOR shall also provide facilities and services for them as described in the schedule. The AUTHORITY may modify the schedule of other contractors, and shall notify the CONTRACTOR of any such modification.
- i. Should anything of historical or of significant value is unexpectedly discovered on the site, it shall be the property of the AUTHORITY. The CONTRACTOR shall notify the NHA Project Office of such discoveries and carry out the NHA's Project Office instructions for dealing with them.

### **ARTICLE IV MANNER OF PAYMENT**

The AUTHORITY shall pay the CONTRACTOR the Contract Price stated in Article II hereof subject to Sections 6.3, 6.4, 6.5, 6.6 and 6.8 of the Terms of Reference (TOR) for the procurement of fully developed lots and completed housing units under the NHA's Yolanda Permanent Housing Program.





## **ARTICLE V WORK COMPLETION**

That, the CONTRACTOR shall commence work as stated in Notice to Proceed and expressly warrants to complete the project within **Six Hundred Seventy-Five (675)** calendar days.

The CONTRACTOR, may, however, ask for extension of the contract period through a written request submitted to the NHA Project Office in accordance with the conditions prescribed in Annex E Part 10 Of RA 9184 IRR-A.

Once the project reaches an accomplishment of ninety-five percent (95%) of the total contract amount, the AUTHORITY may create an inspectorate team to make preliminary inspection and submit a punch-list to the CONTRACTOR in preparation for the final turnover of the project. Said punch-list will contain among others, the remaining works, and work deficiencies for necessary corrections, and the specific duration/time to fully complete the project considering the approved remaining contract time.

## **ARTICLE VI PERFORMANCE SECURITY**


Before signing of this Contract, the CONTRACTOR shall furnish a performance security in the form of cash, certified check, manager's check, cashier's check, bank draft, bank guarantee, letter of credit issued by a reputable bank, surety bond callable on demand issued by the Government Service Insurance System or by surety or insurance companies duly accredited by the office of the Insurance Commissioner, or a combination thereof, in accordance with the following schedule:

- a. Cash, certified check, manager's check, cashier's check, irrevocable letter of credit or bank draft – ten percent (10%) of the total contract price.
- b. Bank Guarantee – ten percent (10%) of the total contract price.
- c. Surety Bond – thirty percent (30%) of the total contract price.

This performance security shall be posted in favor of the AUTHORITY and shall guarantee the payment of the amount of the security as penalty in the event it is established that the CONTRACTOR is in default in his obligations in this Contract. It shall include the following provision: "The right to institute action on the penal bond pursuant to ACT No. 3688 of any individual firm, partnership, corporation and association supplying the contractor with labor and materials for the prosecution of the work is hereby acknowledged and confirmed.

The CONTRACTOR shall post an additional performance security following the schedule herein cited to cover any cumulative increase of more than ten percent (10%) over the original value of the contract as a result of amendments to order, change orders, extra work orders and supplemental agreements, as the case may be. The CONTRACTOR shall cause the extension of the validity of the Performance Security to cover approved contract time extensions.

In case of reduction in the contract value, or, in the case of procurement of infrastructure projects, for partially completed works under the contract which are usable and accepted by the AUTHORITY, and the use of which, in its judgment, will not affect the structural integrity of the entire project, the AUTHORITY shall allow a proportional reduction in the original Performance Security, provided that any such reduction is more than ten percent (10%) and that the aggregate of such reduction is not more than fifty percent (50%) of the original Performance Security.

  
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## **ARTICLE VII DELAY AND LIQUIDATED DAMAGES**

It is understood that in execution of the work herein contracted, time is of essence. For that matter, Section 6.8 of the Terms of Reference shall be adopted.

In case that the delay in the completion of the work exceeds a time duration equivalent to fifteen percent (15%) of the specified contract time plus any time extension duly granted to the CONTRACTOR, the AUTHORITY may rescind the contract, forfeit the CONTRACTOR's performance security and take over the prosecution of the project or award the same to a qualified Contractor through Negotiated Contract.

## **ARTICLE VIII IDENTIFICATION AND CORRECTION OF DEFECTS**

The NHA Project Office shall check the CONTRACTOR's work and notify the CONTRACTOR of any defects that are found. Such checking shall not affect the CONTRACTOR's responsibilities. The NHA Project Office may instruct the CONTRACTOR to search for a defect and to uncover and test any work that the NHA Project Office considers may have a defect.

Every time a Notice of a Defect is given by the NHA Project Office, the CONTRACTOR shall correct the notified defect subject to Section 6.2.2.4, 6.7.1 and 6.2.1.5 of the Terms of Reference.

In case of Structural Defects/Failure occurring during the applicable warranty period provided in Section 6.2.3.2 (of Revised IRR of RA No. 9184) hereof, the procuring entity shall undertake the necessary restoration or reconstruction works and shall be entitled to full reimbursement by the parties found to be liable for expenses incurred therein upon demand, without prejudice to the filing of appropriate administrative, civil, and/or criminal charges against the responsible persons as well as the forfeiture of warranty securities posted in favor of the procuring entity."

## **ARTICLE IX LIABILITY TO THIRD PERSONS**

All damages and losses of whatever nature that may be suffered by third persons as a result, directly or indirectly, of the fault or negligence of the CONTRACTOR in the execution of its work or performance of its undertaking under this Contract shall be sole responsibility of the CONTRACTOR. The CONTRACTOR therefore shall save and hold the AUTHORITY free and exempt from all claims for damages, losses, penalties and liabilities of whatever kind or nature including all causes of action, suits, judgments, arising from death or injury to persons or damage to property resulting from the CONTRACTOR fault or failure to exercise the diligence required in the execution of its work and in the performance of its undertakings.

It is the duty of the CONTRACTOR in order to minimize if not eliminate the incidence of such damages or losses that may be inflicted upon third persons, to provide all necessary safeguards including the posting of warning signs at strategic points of the work area and its vicinity to the end that incidents that may result in injury or death to persons and damage to property may be avoided or prevented.

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## **ARTICLE X NO EMPLOYER-EMPLOYEE RELATIONSHIP**

The **CONTRACTOR** is not an employee of the **AUTHORITY** and there is absolutely no employer-employee relationship between them. All personnel, workmen or laborers hired by the **CONTRACTOR**, all persons contracted by its sub-contractors, hereof, for the work shall be deemed employees or agents of the **CONTRACTOR** solely and never that of the **AUTHORITY**. Hence, personal injury or death, or any other forms of damages, caused by the said employees or agents or sub-contractor shall be the responsibility of the **CONTRACTOR**.

## **ARTICLE XI DISPUTES AND ARBITRATION**

Any and all disputes arising from the implementation of a contract covered by the Act and this IRR shall be submitted to arbitration in the Philippines according to the provisions of Republic Act No. 876, otherwise known as the "Arbitration Law" and the Republic Act No. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004":

Provided, however, that, disputes that are within the competence of the Construction Industry Arbitration Commission to resolve shall be referred thereto. The process of arbitration shall be incorporated as a provision in the contract that will be executed pursuant to the provisions of the Act and this IRR: Provided, further, that, by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution."

## **ARTICLE XII SUPPLEMENTARY USE OF CONTRACT DOCUMENTS**

The Contract Documents shall be supplementary to this Contract. Any and all deficiencies in the provision of this Contract intended to be covered hereby otherwise connected with or related to the project covered hereby, but not expressly covered by the provision of this Contract, shall be supplied by the Contract Documents.

In case of irreconcilable conflict between the provisions of the Contract Documents and this Agreement, the latter shall prevail.

## **ARTICLE XIII SUSPENSION OF WORK**

The **AUTHORITY** shall have the authority to suspend the work wholly or partly by written order for such period as may be deemed necessary, due to force majeure or any fortuitous events or for failure on the part of the **CONTRACTOR** to correct bad conditions which are unsafe for workers or for the general public, to carry out valid orders given by the **AUTHORITY** or to perform any provisions of the contract, or due to adjustment of plans to suit field conditions as found necessary during construction. The **CONTRACTOR** shall immediately comply with such order to suspend the work wholly or partly.

The **CONTRACTOR** or its duly authorized representative shall have the right to suspend work operation on any or all projects/ activities along the critical path of activities after fifteen (15) calendar days from the date of receipt of written notice from the **CONTRACTOR** to the NHA Project Office, as the case may be, due to the following:





- a. There exist right-of-way problems, which prohibit the contractor from performing, work in accordance with the approved construction schedule.
- b. Peace and order conditions make it extremely dangerous, if not possible, to work. However, this condition must be certified in writing by the Philippine National Police (PNP) station which has responsibility over the affected area and confirmed by the Department of Interior and Local Government (DILG) Regional Director.
- c. There is failure on the part of the AUTHORITY to deliver government furnished materials and equipment as stipulated in the contract.

In case of total suspension, or suspension of activities along the critical path, which is not due to any fault of the CONTRACTOR, the elapsed time between the effective order of suspending operation and the order to resume work shall be allowed the CONTRACTOR by adjusting the contract time accordingly.

#### **ARTICLE XIV TAXES, DUTIES AND FEES**

The CONTRACTOR shall give all the necessary notice to and obtain the necessary permits and sanction of the proper government authorities in respect to the project. All taxes, duties and fees of whatever nature arising out of, or connected with this Contract, execution of work contemplated herein, or which maybe due and payable in all tools, equipment, labor and materials, plants, supplies and other facilities necessary shall be the sole account and responsibility of the CONTRACTOR. Any, fee, imposition, charge, fine, penalty or loss or damage paid or incurred by the AUTHORITY by reason of any breach of this stipulation by the CONTRACTOR shall be reimbursed by the CONTRACTOR as soon as the demand therefore is made by the AUTHORITY.

The CONTRACTOR shall pay taxes in full and on time and that failure to do so will entitle the AUTHORITY to suspend payment for any goods or services delivered by the CONTRACTOR as stipulated on Section 3 of EO 398.

#### **ARTICLE XV VARIATION ORDERS**

The conditions of variation orders of this contract time as stipulated in Section 6.9 and 6.10 of the Terms of Reference shall apply to this contract.

Variation Orders may be issued by the AUTHORITY to cover any increase/decrease in quantities, including the introduction of new work items that are not included in the original contract or reclassification of work items that are either due to change of plans, design and alignment to suit actual field conditions resulting in disparity between the pre-construction plans used for purposed of bidding and the "as staked plans" or construction drawings prepared after a joint survey by the CONTRACTOR and the AUTHORITY after award of the contract, provided that the cumulative amount of the Variation Order does not exceed ten percent (10%) of the original project cost. The addition/ deletion of works should be within the general scope of the project as bid and awarded. A Variation Order may either be in the form of a change order or extra work order as defined in Annex E parts 1.2 and 1.3 of R.A. 9184, IRR-A.

Under no circumstances shall a CONTRACTOR proceed to commence work under any Change Order or Extra Work Order unless the AUTHORITY has approved it. Except, however, in the event of an emergency where the prosecution of the work is urgent to avoid detriment to public service, or damage

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to life and/or property, and Provided that immediately after the start of work, the CONTRACTOR shall prepare and submit for approval of the AUTHORITY the corresponding notice for Change Order or Extra Work Order in accordance with the above rules herein set. Payments for works satisfactorily accomplished on any Change Order or Extra Work Order may be made only after approval of the same by the head of the AUTHORITY.

In claiming for any Variation Order, the CONTRACTOR shall, within seven (7) calendar days after such work has been commenced or after the circumstances leading to such condition(s) resulting to the extra cost and within twenty eight (28) calendar days deliver a written communication giving full and detailed particulars of any extra cost in order that it may be investigated at that time. Failure to provide either of such notices in the time stipulated shall constitute a waiver by the CONTRACTOR for any claim. The preparation and submission of Variation Orders shall be in accordance with Annex E part 1.5 of R.A. 9184 IRR-A.

For Variation Orders, the CONTRACTOR shall be paid for additional work items whose unit prices shall be derived based on the following:

- a. For additional/extra works duly covered by Change Orders involving work items which are exactly the same or similar to those in the original contract, the applicable unit prices of work items of original contract shall be used.
- b. For additional/extra works duly covered by Extra Work Orders involving new work items that are not in the original contract, the unit prices of the new work items shall be based on the direct unit costs used in the original contract (e.g. unit cost of cement, rebars, form, lumber, labor rate, equipment rental, etc.). All new components of the new work item shall be fixed prices, provided the same is acceptable to both the AUTHORITY and the CONTRACTOR, and provided further that the direct unit costs of new components shall be based on the CONTRACTOR's estimate as validated by the AUTHORITY via documented canvass in accordance with existing rules and regulations. The direct cost of the new work item shall then be combined with the mark-up factor (i.e. taxes and profit) used by the contractor in his bid to determine the unit price of the new work item.

#### **ARTICLE XVI NON-WAIVER OF RIGHTS**

No document, except the Certificate of Final Acceptance, shall be accepted as evidence of the satisfactory completion of the project. No proof of payment shall be taken or construed as an acceptance of satisfactory performance of the work or the good quality of the materials used, whether in whole or in part as contemplated in the Contract.

Any delay in the assumption of its right under this Contract by the AUTHORITY shall not be construed as waiver of renunciation of such rights.

#### **ARTICLE XVII VALIDITY CLAUSE**

If any term or any condition of this Contract is held invalid or contrary to law, the validity of the other items and conditions hereof shall not be affected thereby.





## **ARTICLE XVIII TERMINATION OF CONTRACT**

The NHA shall terminate a contract for default when any of the following conditions attends its implementation:

1. Due to the Contractor's fault and while the project is on-going, it has incurred negative slippage of fifteen percent (15%) or more in accordance with Presidential Decree No. 1870;
2. Due to the Contractor's fault after the contract time has expired, it has incurred negative slippage ten percent (10%) or more in the completion of the work; or
3. The Contractor:
  - a. Abandons the contract works, refuses or fail to comply with a validity instruction of the AUTHORITY or fails to proceed expeditiously and without delay despite a written notice by the AUTHORITY;
  - b. Does not actually have on the project site the minimum essential equipment listed on the Bid necessary to prosecute the Works in accordance with the approved work plan and equipment deployment scheduled as required for the project;
  - c. Does not execute the Works in accordance with the contract or persistently or flagrantly neglects to carry out its obligations under the contract;
  - d. Neglects or refuses to remove materials or to perform a new work that has been rejected as defective or unsuitable; or
  - e. Sub-lets any part of the contract works without approval by the AUTHORITY.
  - f. The AUTHORITY shall terminate the contract if the Supplier/Contractor/Consultant is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Supplier/Contractor/Consultant, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the AUTHORITY and/or the Supplier/Contractor/Consultant.

## **ARTICLE XIX ASSIGNMENT AND SUB-CONTRACTING**

The CONTRACTOR shall not assign its rights or obligations under this Contract, nor sub-contract any portion of the work covered by this Contract, without the prior written approval of the AUTHORITY. However, this consent does not relieve the CONTRACTOR of any liability or obligation under the contract. The CONTRACTOR will be responsible for the acts, defaults and neglects of any subcontractor, his agents, servants or workmen as fully as if these were its own acts, defaults or neglects of the contractor, or those of its agents, servants or workmen.

## **ARTICLE XX ADDITIONAL PROVISIONS**

1. The AUTHORITY shall not be liable for any violation of labor laws relative to the employment and compensation committed by the CONTRACTOR in connection with the employee-employer relations between the latter and his workers and/or employees.

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2. The CONTRACTOR should secure a certification from the Public Employment and Service Office (PESO) of their compliance with R.A. 6685, which is pertinent to the hiring of the services of available labor in the city/locality for at least fifty percent (50%) of the unskilled and at least thirty percent (30%) of skilled labor requirements.
3. If required, the CONTRACTOR shall provide "as built" Drawings and/or operating and maintenance manuals by the time accomplishment have reached ninety-five percent (95%) or before the scheduled punch listing. If the CONTRACTOR does not provide the Drawings and/or manuals by this time, or they do not receive the NHA Project Office's approval, the NHA Project Office shall withhold further payments due to the CONTRACTOR.
4. To ensure the quality of materials being used in infrastructure projects, the CONTRACTOR shall have the materials tested in accordance with industry guidelines by testing laboratories whose services are engaged in infrastructure projects, duly accredited by the Bureau of Research Standards (BRS) of the Department of Public Works and Highways (DPWH) and the Department of Science and Technology (DOST). The AUTHORITY will accept results of materials test(s) coming only from DOST/BRS accredited laboratories.
5. That the NHA General Manager certifies that this Contract is entered into in faithful compliance with all applicable laws and regulations.

IN WITNESS WHEREOF, the PARTIES affixed their signatures this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

NATIONAL HOUSING AUTHORITY

By:

  
MARCELINO P. ESCALADA, JR.  
General Manager

FRONT NINE KONSTRUCT \  
(BUILDERS & REALTY DEVELOPMENT)  
CORP./ THE ONE DYNAMIC THREE  
REALTY & DEVELOPMENT CORP. (JV)

By:

  
MARK ANGELO L. NOCUM  
Authorized Managing Officer

SIGNED IN THE PRESENCE OF:

  
ROMUEL P. ALIMBOYAO  
Regional Manager, Region 4

  
PRUDENCIA B. GUGOL  
Manager, FMD  
RFA # 2041-87-49

### ACKNOWLEDGMENT

(Republic of the Philippines  
Quezon City, Metro Manila ) S.S

**BEFORE ME**, a Notary Public, for and in Quezon City, Metro Manila, this \_\_\_\_\_ day of \_\_\_\_\_, 2020 personally appeared **MARCELINO P. ESCALADA, JR.** in his capacity as General Manager of the National Housing Authority with NHA ID No. 61654 issued on July 4, 2016, known to me and to me known to be the same person who executed the foregoing instrument and acknowledged to me that the same is his free and voluntary act and deed and that of the entity he represents.

This instrument refers to the Contract for the **PROCUREMENT OF FULLY DEVELOPED LOTS AND COMPLETED HOUSING UNITS (1,470 UNITS), CORON HEIGHTS, BRGY. DECALACHAO, CORON, PALAWAN** consisting of eleven (11) pages including this page where this acknowledgment is written and sealed with my notarial seal.

WITNESS MY HAND AND SEAL this **DEC 17 2020** day of \_\_\_\_\_, 2020

Doc No. : 372  
Page No. : 78  
Book No. : XLVII  
Series of : 2020.

**NOTARY PUBLIC**  
**ATTY. CHARLIE S. GARCIA**  
Adm Matter No. NP-249  
Notary Public for and in Quezon City  
Valid until 31 December 2020  
NHA Bldg., Elliptical Road, Diliman, Quezon City  
Roll of Attorneys No. 58309  
PTR No. 9297469 / 1-3-2020; Q.C.  
IBR No. 100996 / 1-3-2020; Laguna

### ACKNOWLEDGMENT

(Republic of the Philippines  
Quezon City, Metro Manila ) S.S

**BEFORE ME**, a Notary Public, for and in Quezon City, Metro Manila, this \_\_\_\_\_ day of \_\_\_\_\_, 2020 personally appeared **MARK ANGELO L. NOCUM** in his capacity as Authorized Managing Officer of **FRONT NINE KONSTRUCT (BUILDERS & REALTY DEVELOPMENT) CORP./THE ONE DYNAMIC THREE REALTY AND DEVELOPMENT CORP. (JV)** with Passport No. \_\_\_\_\_ valid until \_\_\_\_\_ known to me and to me known to be the same person who executed the foregoing instrument and acknowledged to me that the same is his free and voluntary act and deed and that of the entity he represents.

This instrument refers to the Contract for the **PROCUREMENT OF FULLY DEVELOPED LOTS AND COMPLETED HOUSING UNITS (1,470 UNITS), CORON HEIGHTS, BRGY. DECALACHAO, CORON, PALAWAN** consisting of eleven (11) pages including this page where this acknowledgment is written and sealed with my notarial seal.

WITNESS MY HAND AND SEAL this **DEC 17 2020** day of \_\_\_\_\_, 2020

Doc No. : 369  
Page No. : 75  
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**NOTARY PUBLIC**  
**ATTY. CHARLIE S. GARCIA**  
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PTR No. 9297469 / 1-3-2020; Q.C.  
IBR No. 100996 / 1-3-2020; Laguna



## DEED OF ABSOLUTE SALE

(Coron Residences , Typhoon Yolanda Permanent Housing Program 1,200 units)  
Brgy. San Nicolas, Coron Palawan

### KNOW ALL MEN BY THESE PRESENTS:

This Deed of Absolute Sale made and entered in Quezon City, this \_\_\_\_\_ by and between:

**MARK ANGELO L. NOCUM**, of legal age, single and resident of #18 sarangaya St,m Whiteplains, Quezon City, Metro Manila, Philippines, Authorized Managing Officer of the Joint Venture entity established by and between **FRONT NINE KONSTRUCT BUILDERS AND REALTY DEVELOPMENT CORP. and THE ONE DYNAMIC THREE REALTY AND DEVELOPMENT CORP.** with office address at 83B Matahimik St., Teachers Village West, Quezon City, by virtue of Board Resolution No. \_\_\_\_\_ issued by **FRONT NINE KONSTRUCT BUILDERS AND REALTY DEVELOPMENT CORP.-THE ONE DYNAMIC THREE REALTY AND DEVELOPMENT CORP Joint Venture**, attached herewith as Annex "A", and hereinafter referred to as the **"VENDOR"**.

-and-

The **NATIONAL HOUSING AUTHORITY**, a government-owned and controlled corporation, created and existing by virtue of PD No. 757, as amended, with principal office at NHA Bldg., Quezon Memorial Elliptical Road, Diliman, Quezon City, represented in this Act by its General Manager, **MARCELINO P. ESCALADA, JR.**, hereinafter referred to as the **"VENDEE"**;

**WHEREAS**, the VENDEE shall, pursuant to Section 10.9 of Rule II of the implementing Rules and Regulations of Republic Act No. 11201 (otherwise known as the "Department of Human Settlements and Urban Development Act") continue to functions based on its existing charter and its other mandates as provided under existing laws;

**WHEREAS**, to ensure the timely, peaceful and orderly location and resettlement of the families affected by the calamities and those living in danger areas, the VENDEE is the lead agency in the implementation of the NHA's Resettlement and Relocation Programs and such other housing program specifically authorized by law;

**WHEREAS**, the VENDOR has acquired the subject property by virtue of the Extra Judicial Settlement of Estate of the Late Villarino B. Celedonio with Simultaneous Deed of Absolute Sale from the heirs of Villarino B. Celedonio. The Extrajudicial Settlement of Estate with Simultaneous Deed of Sale is attached herewith as Annex "B"

**WHEREAS**, VENDOR is the absolute owner of parcel of land consisting of **TWO HUNDRED THIRTY NINE THOUSAND SIX HUNDRED AND FIVE (239,605) SQUARE METERS**, particularly described under Transfer Certificate of Title No. 8335 duly registered with the Registry of Deeds of the Province of Palawan, particularly described as follows:

**Transfer Certificate of Title No. 8335 "Plan-H-119741"**

"Beginning at a point marked "1" on plan H-119741, being N.46-33'w., 2255.84 m. from B.L.L.M No. 1, Bo. Of San Nicolas, Mp. Of Coron, Palawan: thence:

N.35-22E.,47.98 m. to point 2; S. 83-32'E., 201.62 m. to point 3;  
S.81-36E., 180.16 m. to point 4; S. 5-51'W., 107.51 m. to point 5;  
S. 1-56'W., 143.94 m. to point 6; S.0-07'E., 373.22 m. to point 7;

ENGR. MAXIMO R. CABASAL  
OIC- Region 4, MIMAROPA  
Witness

Developer's Representative  
Witness

MARK ANGELO L. NOCUM  
Authorized Managing Officer  
Joint Venture: FRONT NINE KONSTRUCT BUILDERS AND REALTY  
DEVELOPMENT CORP. and ONE DYNAMIC THREE REALTY AND  
DEVELOPMENT CORP.  
Vendor

MARCELINO P. ESCALADA, JR.  
General Manager  
National Housing Authority  
Vendee



N.85.18'W., 379.44 m to point 8; N. 3-14'E., 197.8 m. to point 9;  
N.18-53'W 53.82 m. to point 10; N.7-12'E., 170.71 m. to point 11;  
N-8-35'W., 187.60 to point 1; point of beginning.

A portion of the total area as maybe determined by an actual survey and subdivision plan duly approved by the DENR-LMS will be utilized to generate some One Thousand Two Hundred (1,200) units and developed lots exclusive for CORON RESIDENCES located at Brgy. San Nicolas, Coron, Palawan, a Yolanda Permanent Housing Program

**WHEREAS**, as provided in the CONTRACT FOR THE PROCUREMENT OF FULLY DEVELOPED LOTS AND COMPLETED HOUSING entered into and among the VENDOR, the aforesaid Homeowner's Association and the National Housing Authority (VENDEE), the VENDEE shall finance the acquisition of the developed resettlement lots from the vendor by the qualified beneficiary/ies in the approved maximum price of **FOUR HUNDRED EIGHTY-TWO THOUSAND NINE HUNDRED SEVENTY EIGHT (Php 482,978.00)** subject to VENDEE's appraisal and existing auditing laws, rules and regulations.

**NOW THEREFORE**, for and in consideration of sum of: **THIRTY MILLION TWO HUNDRED SEVENTY- SIX THOUSAND SIX HUNDRED THIRTY- THREE AND 56/100 (Php 30, 276, 633. 56/100)** receipt of which is hereby acknowledged by the VENDOR, the VENDOR hereby absolutely voluntary and unconditionally, SELLS, TRANSFER, CEDES, and CONVEYS unto and in favor of the VENDEE, its assign and successors-in-interest of the 1,200 developed house and lot package called CORON RESIDENCES under Typhoon Yolanda Permanent Housing Program transfer certificate of titles to be issued by the Registry of Deeds for the Province of Palawan and made an integral part hereof subject to the following conditions:

- 1) All payments shall be subject to the VENDEE's existing accounting and auditing rules, regulations and procedures including its Term of Reference;
- 2) The VENDOR agrees and undertakes to execute, accomplish and deliver any and all kinds of papers and documents which may be necessary for the issuance and delivery to the VENDEE of the Transfer Certificate(s) of the Title in the latter's name and to effect/implement the intention of the Parties as contained in this Deed;
- 3) The VENDOR represents and warrants that the titles of the developed lots or parcel of land sold and conveyed to the VENDEE are good, genuine, valid and clear from all adverse interest, liens and encumbrances, obligations and other burdens in favour of third persons and in case of litigation or administrative action, the VENDOR shall defend VENDEE and answer for any and all damages which the Courts or administrative bodies may award against the VENDEE including damages and litigation expenses in bringing, the action against third party claimants;
- 4) The VENDOR warrants a clean title over the property and that there are no litigations, proceedings, suits, actions or investigations pending or threatened against the VENDOR over the parcel(s) of land herein conveyed, nor there is any basis known to the VENDOR of any action, suit or proceedings which if adversely decided against the VENDOR, would also have an adverse effect upon the VENDEE;

ENGR. MAXIMO R. CABASAL  
OIC- Region 4, MIMAROPA  
Witness

Developer's Representative  
Witness

MARK ANGELO L. NOCUM  
Authorized Managing Officer  
Joint Venture: FRONT NINE KONSTRUCT BUILDERS AND REALTY  
DEVELOPMENT CORP. and ONE DYNAMIC THREE REALTY AND  
DEVELOPMENT CORP.  
Vendor

MARCELINO P. ESCALADA, JR.  
General Manager  
National Housing Authority  
Vendee

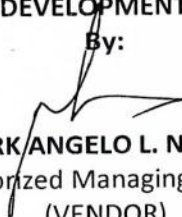


- 5) The VENDOR shall undertake all corrective/repair works on the land development project components/infrastructure facilities found defective or below specification at its own expense within thirty (30) Calendar Days from the receipt notice from the VENDEE;
- 6) The VENDOR warrants the complete, satisfactory and faithful performance of all works in accordance with the design, plans and specifications approved by the concerned Local Government Unit and other regulatory agencies in accordance with the Terms of Reference of the VENDEE;
- 7) The housing credits on the Project shall exclusively belong the VENDEE;
- 8) The VENDOR or its agents, upon receipt of payment in full satisfaction of the sale of the above-mentioned property shall hold the VENDEE free and harmless from any liability for any delays in the release of funds due under this Agreement arising from causes not attributed to the VENDEE or those that are beyond its control;
- 9) The VENDOR shall submit Taxpayer's Identification Number, Income and Business Tax Returns duly stamped and received by the Bureau of Internal Revenue (BIR) including the Tax clearance from BIR duly validated with the tax payments and timely payment of taxes; and
- 10) The VENDOR shall pay all the expenses for the preparation, execution and notarization of this Deed, including the expenses necessary and incidental to the registration and issuance of the new Transfer Certificate(s) of Title and Tax Declaration(s) in the name of the VENDEE.

IN WITNESS WHEREOF, the Parties have hereunto signed these presents on the date and place first above written.


**JOINT VENTURE: FRONT NINE KONSTRUCT  
BUILDERS AND REALTY DEVELOPMENT  
CORP. and ONE DYNAMIC THREE REALTY  
AND DEVELOPMENT CORP.**

By:

  
**MARK ANGELO L. NOCUM**  
Authorized Managing Officer  
(VENDOR)


**NATIONAL HOUSING AUTHORITY**

By:

  
**MARCELINO P. ESCALADA, JR.**  
General Manager  
(VENDEE)

Signed in the presence of:

  
Vendor's Representative

  
**ENGR. MAXIMO R. CABASAL**  
OIC – Region 4 | MIMAROPA

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES ) S.S.  
QUEZON CITY )  
x-----x

BEFORE ME, a Notary Public for \_\_\_\_\_ this \_\_\_\_\_  
personally appeared:

NAME	CTC/Drivers ID. No.	DATE / PLACE ISSUED
MARK ANGELO L. NOCUM	29783794	3-9-21 / Cabanatuan City

known to me to be the same person who executed the foregoing Deed and acknowledged to me that the same is his voluntary free act and deed and the entity he represents.

The foregoing instrument refer to the Deed of Absolute Sale consisting of four (4) pages with Annexes A to B, including this page on which this acknowledgement is written, duly signed by all the parties and their instrumental witnesses on each and every step hereof.

WITNESS MY HAND AND SEAL this 30 JUL 2021, in the place above written.

Doc. No.: 64  
Page No.: 14  
Book No.: XIX  
Series of 2021

ATTY. ELNINO JESUS A. BELTRAN  
Adm. Matter No. NP-260  
Extended until 12-31-2021 per BM. No. 3795  
Notary Public for and in Quezon City  
Roll No. 50776  
PTR No. 0700935; 1-11-2021; Q.C.  
IBP No. 150252; 1-11-2021; MANILA II

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES ) S.S.  
QUEZON CITY )  
x-----x

BEFORE ME, a Notary Public for \_\_\_\_\_ this \_\_\_\_\_  
personally appeared:

NAME	GOV'T. I.D. NO.	DATE / PLACE ISSUED
MARCELINO P. ESCALADA, JR.	61654	Quezon City

known to me to be the same person who executed the foregoing Deed and acknowledged to me that the same is his voluntary free act and deed and the entity he represents.

The foregoing instrument refer to the Deed of Absolute Sale consisting of four (4) pages with Annexes A to B, including this page on which this acknowledgement is written, duly signed by all the parties and their instrumental witnesses on each and every step hereof.

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IBP No. 150252; 1-11-2021; MANILA II



**CONTRACT FOR THE PROCUREMENT OF FULLY DEVELOPED LOTS AND  
COMPLETED HOUSING UNITS LOCATED WITHIN CORON HEIGHTS,  
BRGY. DECALACHAO, CORON, PALAWAN (1,470 UNITS)**

**KNOW ALL MEN BY THESE PRESENTS:**

This Contract made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2020 at Quezon City, Metro Manila, Philippines, by and between:

The **NATIONAL HOUSING AUTHORITY**, a government-owned and controlled corporation, organized and existing pursuant to Presidential Decree (PD) 757, as amended, with principal office at NHA Building, Elliptical Road, Diliman, Quezon City, represented herein by its General Manager, **MARCELINO P. ESCALADA, JR.**, herein referred to as the "**AUTHORITY**";

-and-

**FRONT NINE KONSTRUCT (BUILDERS REALTY DEVELOPMENT) CORP./THE ONE DYNAMIC THREE REALTY & DEVELOPMENT CORP. (JV)**, a private entity duly organized and existing under the laws of the Republic of the Philippines, with principal office address in Lot 26, Brgy. Bangad, Cabanatuan City, Nueva Ecija represented by its Authorized Managing Officer, **MARK ANGELO L. NOCUM**, hereinafter referred to as the "**CONTRACTOR**".

-Witnesseth-

**WHEREAS**, the **AUTHORITY** on 28 August 2020 at the NHA Annex Building, 3<sup>rd</sup> Floor, GSD New Building, Diliman, Quezon City accepted proposals for the procurement of House and Lot Packages under the NHA's Typhoon Yolanda Permanent Housing Program. The scope of works under this project are Land acquisition of Rawland, Land Development and Housing Construction;

**WHEREAS**, the Approved Maximum Price per Unit (House and Lot package) is **FOUR HUNDRED EIGHTY-TWO THOUSAND NINE HUNDRED SEVENTY-EIGHT PESOS (Php 482,978.00)**;

**WHEREAS**, the **CONTRACTOR** committed to deliver **One Thousand Four Hundred Seventy (1,470) units** (House and Lot package) within **Six Hundred Seventy-Five (675) calendar days**;

**WHEREAS**, the *Approved Fund Allotment for the Contract* for 1,470 units (House and Lot Package) is **SEVEN HUNDRED NINE MILLION FIVE HUNDRED TWENTY-FIVE THOUSAND SEVEN HUNDRED TWENTY-FOUR THOUSAND PESOS AND 62/100 ONLY (Php 709,525,724.62) with Request for Fund Allotment No. 2041-87-49 approved by the General Manager and was approved by the Board with NHA Board Resolution No. NHA-BR- 6716 dated 24 September 2020**;

**WHEREAS**, the **AUTHORITY** has awarded the Project to the Contractor in accordance with Section 7.0 and 8.0 of the Terms of Reference (TOR) furnished to the Contractor;

**WHEREAS**, the **CONTRACTOR** agreed and accepted the award to undertake the Project under the terms and conditions herein set forth in the amount of **SEVEN HUNDRED NINE MILLION FIVE HUNDRED TWENTY-FIVE THOUSAND SEVEN HUNDRED TWENTY-FOUR THOUSAND PESOS AND 62/100 ONLY (Php 709,525,724.62)**;



**NOW, THEREFORE**, in view of the foregoing premises, and for and in consideration of the mutual covenants and undertakings hereinafter provided, the **PARTIES** hereto have agreed as follows:

## **ARTICLE I CONTRACT DOCUMENTS**

The following documents, hereinafter referred to as Contract Documents, shall be deemed integral parts of this Contract, as fully as if hereto attached or herein stated, and shall continue to govern and control in full force and effect, the right of the parties as if the documents were set forth in full, except as otherwise modified by mutual agreement in writing of both parties, to wit;

1. Terms of Reference (TOR) for the procurement of fully developed lots and completed housing units for the remaining projects under the NHA's Yolanda Permanent Housing Program
2. Winning bidder's bid, including the Eligibility requirements and all other documents/statements submitted
3. Approved Drawing Plans
4. Specifications
5. Invitation to Submit Proposal
6. Technical Proposal submitted by the CONTRACTOR for this Project
7. Financial Proposal submitted by the CONTRACTOR for this Project
8. Board Resolution
9. Notice of Award of Contract and/or with CONTRACTOR "Conforme" thereto and its attachments.

In case of discrepancy or any defective prescription, errors, omissions, or ambiguity in any of the Contract Documents, the CONTRACTOR shall promptly submit the matter in writing. Such determination by the AUTHORITY shall be final and binding and the CONTRACTOR shall accordingly proceed with the work strictly in accordance with such determination.

## **ARTICLE II CONTRACT PRICE**

In consideration of the Works to be performed by the CONTRACTOR as specified in the Terms of Reference the AUTHORITY shall pay the CONTRACTOR the sum of **SEVEN HUNDRED NINE MILLION FIVE HUNDRED TWENTY-FIVE THOUSAND SEVEN HUNDRED TWENTY-FOUR THOUSAND PESOS AND 62/100 ONLY (Php 709,525,724.62)** in the manner herein prescribed. It is understood that all billings shall be based on work actually performed as verified by the NHA Project Office.

This amount is deemed full compensation for everything furnished and done by the CONTRACTOR under this Contract, including all works required but not specifically mentioned and also for all losses or damages arising out of the aforesaid work, from the action of the elements or from any obstruction or difficulty encountered in the prosecution of the Contract, for all expenses incurred by or in consequence of the suspension or discontinuance of the Contract and the whole thereof, at the time and in the manner provided in this Contract Documents and shall be at all times subject to the usual government accounting and auditing procedures and requirements.

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### **ARTICLE III CONTRACTOR'S UNDERTAKING**

The CONTRACTOR shall, in accordance with the provision and subject to the terms and conditions contained in the Contract Documents supplied by the AUTHORITY, including the written corrective determination mentioned in Article I hereof, if any, fully and faithfully furnish to the satisfaction of the AUTHORITY all necessary labor, equipment, material, tools, supplies, machinery and perform all operations (including mobilization, supervision and other similar or necessary acts) required to complete the Contract as per plans and specifications. The CONTRACTOR in particular shall:

- a. Carry out the Works properly and in accordance with the Contract. The CONTRACTOR shall provide all supervision, labor, materials, plant and equipment, which may be required. All materials and plant on site shall be deemed to be property of the AUTHORITY.
- b. Commence execution of the Works on the Start Date and shall carry out the Works in accordance with the Program submitted by the CONTRACTOR, as updated with the approval of the AUTHORITY, and complete them by the Intended Completion Date.
- c. Be responsible for the safety of all activities on site.
- d. Submit to the AUTHORITY for consent, the name and particulars of the person authorized to receive instructions on behalf of the CONTRACTOR.
- e. Carry out all instructions of the AUTHORITY that comply with the applicable laws where the site is located.
- f. During continuance of the Contract, the CONTRACTOR and his subcontractors, if any, shall abide at all times by all labor laws, including child labor related enactments, and other relevant rules.
- g. Employ the key personnel named in the List of Key Personnel, to carry out the supervision of the Works. The AUTHORITY will approve any proposed replacement of key personnel only if their relevant qualifications and abilities are equal to or better than those of the personnel listed.
- h. Cooperate and share the site with public authorities, utilities, the AUTHORITY and other contractors, if any, between the dates given in the schedule of other contractors. The CONTRACTOR shall also provide facilities and services for them as described in the schedule. The AUTHORITY may modify the schedule of other contractors, and shall notify the CONTRACTOR of any such modification.
- i. Should anything of historical or of significant value is unexpectedly discovered on the site, it shall be the property of the AUTHORITY. The CONTRACTOR shall notify the NHA Project Office of such discoveries and carry out the NHA's Project Office instructions for dealing with them.

### **ARTICLE IV MANNER OF PAYMENT**

The AUTHORITY shall pay the CONTRACTOR the Contract Price stated in Article II hereof subject to Sections 6.3, 6.4, 6.5, 6.6 and 6.8 of the Terms of Reference (TOR) for the procurement of fully developed lots and completed housing units under the NHA's Yolanda Permanent Housing Program.





## ARTICLE V WORK COMPLETION

That, the CONTRACTOR shall commence work as stated in Notice to Proceed and expressly warrants to complete the project within **Six Hundred Seventy-Five (675)** calendar days.

The CONTRACTOR, may, however, ask for extension of the contract period through a written request submitted to the NHA Project Office in accordance with the conditions prescribed in Annex E Part 10 Of RA 9184 IRR-A.

Once the project reaches an accomplishment of ninety-five percent (95%) of the total contract amount, the AUTHORITY may create an inspectorate team to make preliminary inspection and submit a punch-list to the CONTRACTOR in preparation for the final turnover of the project. Said punch-list will contain among others, the remaining works, and work deficiencies for necessary corrections, and the specific duration/time to fully complete the project considering the approved remaining contract time.

## ARTICLE VI PERFORMANCE SECURITY

Before signing of this Contract, the CONTRACTOR shall furnish a performance security in the form of cash, certified check, manager's check, cashier's check, bank draft, bank guarantee, letter of credit issued by a reputable bank, surety bond callable on demand issued by the Government Service Insurance System or by surety or insurance companies duly accredited by the office of the Insurance Commissioner, or a combination thereof, in accordance with the following schedule:

- a. Cash, certified check, manager's check, cashier's check, irrevocable letter of credit or bank draft – ten percent (10%) of the total contract price.
- b. Bank Guarantee – ten percent (10%) of the total contract price.
- c. Surety Bond – thirty percent (30%) of the total contract price.

This performance security shall be posted in favor of the AUTHORITY and shall guarantee the payment of the amount of the security as penalty in the event it is established that the CONTRACTOR is in default in his obligations in this Contract. It shall include the following provision: "The right to institute action on the penal bond pursuant to ACT No. 3688 of any individual firm, partnership, corporation and association supplying the contractor with labor and materials for the prosecution of the work is hereby acknowledged and confirmed.

The CONTRACTOR shall post an additional performance security following the schedule herein cited to cover any cumulative increase of more than ten percent (10%) over the original value of the contract as a result of amendments to order, change orders, extra work orders and supplemental agreements, as the case may be. The CONTRACTOR shall cause the extension of the validity of the Performance Security to cover approved contract time extensions.

In case of reduction in the contract value, or, in the case of procurement of infrastructure projects, for partially completed works under the contract which are usable and accepted by the AUTHORITY, and the use of which, in its judgment, will not affect the structural integrity of the entire project, the AUTHORITY shall allow a proportional reduction in the original Performance Security, provided that any such reduction is more than ten percent (10%) and that the aggregate of such reduction is not more than fifty percent (50%) of the original Performance Security.

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## **ARTICLE VII DELAY AND LIQUIDATED DAMAGES**

It is understood that in execution of the work herein contracted, time is of essence. For that matter, Section 6.8 of the Terms of Reference shall be adopted.

In case that the delay in the completion of the work exceeds a time duration equivalent to fifteen percent (15%) of the specified contract time plus any time extension duly granted to the CONTRACTOR, the AUTHORITY may rescind the contract, forfeit the CONTRACTOR's performance security and take over the prosecution of the project or award the same to a qualified Contractor through Negotiated Contract.

## **ARTICLE VIII IDENTIFICATION AND CORRECTION OF DEFECTS**

The NHA Project Office shall check the CONTRACTOR's work and notify the CONTRACTOR of any defects that are found. Such checking shall not affect the CONTRACTOR's responsibilities. The NHA Project Office may instruct the CONTRACTOR to search for a defect and to uncover and test any work that the NHA Project Office considers may have a defect.

Every time a Notice of a Defect is given by the NHA Project Office, the CONTRACTOR shall correct the notified defect subject to Section 6.2.2.4, 6.7.1 and 6.2.1.5 of the Terms of Reference.

In case of Structural Defects/Failure occurring during the applicable warranty period provided in Section 6.2.3.2 (of Revised IRR of RA No. 9184) hereof, the procuring entity shall undertake the necessary restoration or reconstruction works and shall be entitled to full reimbursement by the parties found to be liable for expenses incurred therein upon demand, without prejudice to the filing of appropriate administrative, civil, and/or criminal charges against the responsible persons as well as the forfeiture of warranty securities posted in favor of the procuring entity."

## **ARTICLE IX LIABILITY TO THIRD PERSONS**

All damages and losses of whatever nature that may be suffered by third persons as a result, directly or indirectly, of the fault or negligence of the CONTRACTOR in the execution of its work or performance of its undertaking under this Contract shall be sole responsibility of the CONTRACTOR. The CONTRACTOR therefore shall save and hold the AUTHORITY free and exempt from all claims for damages, losses, penalties and liabilities of whatever kind or nature including all causes of action, suits, judgments, arising from death or injury to persons or damage to property resulting from the CONTRACTOR fault or failure to exercise the diligence required in the execution of its work and in the performance of its undertakings.

It is the duty of the CONTRACTOR in order to minimize if not eliminate the incidence of such damages or losses that may be inflicted upon third persons, to provide all necessary safeguards including the posting of warning signs at strategic points of the work area and its vicinity to the end that incidents that may result in injury or death to persons and damage to property may be avoided or prevented.

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## **ARTICLE X NO EMPLOYER-EMPLOYEE RELATIONSHIP**

The **CONTRACTOR** is not an employee of the **AUTHORITY** and there is absolutely no employer-employee relationship between them. All personnel, workmen or laborers hired by the **CONTRACTOR**, all persons contracted by its sub-contractors, hereof, for the work shall be deemed employees or agents of the **CONTRACTOR** solely and never that of the **AUTHORITY**. Hence, personal injury or death, or any other forms of damages, caused by the said employees or agents or sub-contractor shall be the responsibility of the **CONTRACTOR**.

## **ARTICLE XI DISPUTES AND ARBITRATION**

Any and all disputes arising from the implementation of a contract covered by the Act and this IRR shall be submitted to arbitration in the Philippines according to the provisions of Republic Act No. 876, otherwise known as the "Arbitration Law" and the Republic Act No. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004":

Provided, however, that, disputes that are within the competence of the Construction Industry Arbitration Commission to resolve shall be referred thereto. The process of arbitration shall be incorporated as a provision in the contract that will be executed pursuant to the provisions of the Act and this IRR: Provided, further, that, by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution."

## **ARTICLE XII SUPPLEMENTARY USE OF CONTRACT DOCUMENTS**

The Contract Documents shall be supplementary to this Contract. Any and all deficiencies in the provision of this Contract intended to be covered hereby otherwise connected with or related to the project covered hereby, but not expressly covered by the provision of this Contract, shall be supplied by the Contract Documents.

In case of irreconcilable conflict between the provisions of the Contract Documents and this Agreement, the latter shall prevail.

## **ARTICLE XIII SUSPENSION OF WORK**

The **AUTHORITY** shall have the authority to suspend the work wholly or partly by written order for such period as may be deemed necessary, due to force majeure or any fortuitous events or for failure on the part of the **CONTRACTOR** to correct bad conditions which are unsafe for workers or for the general public, to carry out valid orders given by the **AUTHORITY** or to perform any provisions of the contract, or due to adjustment of plans to suit field conditions as found necessary during construction. The **CONTRACTOR** shall immediately comply with such order to suspend the work wholly or partly.

The **CONTRACTOR** or its duly authorized representative shall have the right to suspend work operation on any or all projects/ activities along the critical path of activities after fifteen (15) calendar days from the date of receipt of written notice from the **CONTRACTOR** to the NHA Project Office, as the case may be, due to the following:

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- a. There exist right-of-way problems, which prohibit the contractor from performing, work in accordance with the approved construction schedule.
- b. Peace and order conditions make it extremely dangerous, if not possible, to work. However, this condition must be certified in writing by the Philippine National Police (PNP) station which has responsibility over the affected area and confirmed by the Department of Interior and Local Government (DILG) Regional Director.
- c. There is failure on the part of the AUTHORITY to deliver government furnished materials and equipment as stipulated in the contract.

In case of total suspension, or suspension of activities along the critical path, which is not due to any fault of the CONTRACTOR, the elapsed time between the effective order of suspending operation and the order to resume work shall be allowed the CONTRACTOR by adjusting the contract time accordingly.

#### **ARTICLE XIV TAXES, DUTIES AND FEES**

The CONTRACTOR shall give all the necessary notice to and obtain the necessary permits and sanction of the proper government authorities in respect to the project. All taxes, duties and fees of whatever nature arising out of, or connected with this Contract, execution of work contemplated herein, or which maybe due and payable in all tools, equipment, labor and materials, plants, supplies and other facilities necessary shall be the sole account and responsibility of the CONTRACTOR. Any, fee, imposition, charge, fine, penalty or loss or damage paid or incurred by the AUTHORITY by reason of any breach of this stipulation by the CONTRACTOR shall be reimbursed by the CONTRACTOR as soon as the demand therefore is made by the AUTHORITY.

The CONTRACTOR shall pay taxes in full and on time and that failure to do so will entitle the AUTHORITY to suspend payment for any goods or services delivered by the CONTRACTOR as stipulated on Section 3 of EO 398.

#### **ARTICLE XV VARIATION ORDERS**

The conditions of variation orders of this contract time as stipulated in Section 6.9 and 6.10 of the Terms of Reference shall apply to this contract.

Variation Orders may be issued by the AUTHORITY to cover any increase/decrease in quantities, including the introduction of new work items that are not included in the original contract or reclassification of work items that are either due to change of plans, design and alignment to suit actual field conditions resulting in disparity between the pre-construction plans used for purposed of bidding and the "as staked plans" or construction drawings prepared after a joint survey by the CONTRACTOR and the AUTHORITY after award of the contract, provided that the cumulative amount of the Variation Order does not exceed ten percent (10%) of the original project cost. The addition/ deletion of works should be within the general scope of the project as bid and awarded. A Variation Order may either be in the form of a change order or extra work order as defined in Annex E parts 1.2 and 1.3 of R.A. 9184, IRR-A.

Under no circumstances shall a CONTRACTOR proceed to commence work under any Change Order or Extra Work Order unless the AUTHORITY has approved it. Except, however, in the event of an emergency where the prosecution of the work is urgent to avoid detriment to public service, or damage

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to life and/or property, and Provided that immediately after the start of work, the CONTRACTOR shall prepare and submit for approval of the AUTHORITY the corresponding notice for Change Order or Extra Work Order in accordance with the above rules herein set. Payments for works satisfactorily accomplished on any Change Order or Extra Work Order may be made only after approval of the same by the head of the AUTHORITY.

In claiming for any Variation Order, the CONTRACTOR shall, within seven (7) calendar days after such work has been commenced or after the circumstances leading to such condition(s) resulting to the extra cost and within twenty eight (28) calendar days deliver a written communication giving full and detailed particulars of any extra cost in order that it may be investigated at that time. Failure to provide either of such notices in the time stipulated shall constitute a waiver by the CONTRACTOR for any claim. The preparation and submission of Variation Orders shall be in accordance with Annex E part 1.5 of R.A. 9184 IRR-A.

For Variation Orders, the CONTRACTOR shall be paid for additional work items whose unit prices shall be derived based on the following:

- a. For additional/extra works duly covered by Change Orders involving work items which are exactly the same or similar to those in the original contract, the applicable unit prices of work items of original contract shall be used.
- b. For additional/extra works duly covered by Extra Work Orders involving new work items that are not in the original contract, the unit prices of the new work items shall be based on the direct unit costs used in the original contract (e.g. unit cost of cement, rebars, form, lumber, labor rate, equipment rental, etc.). All new components of the new work item shall be fixed prices, provided the same is acceptable to both the AUTHORITY and the CONTRACTOR, and provided further that the direct unit costs of new components shall be based on the CONTRACTOR's estimate as validated by the AUTHORITY via documented canvass in accordance with existing rules and regulations. The direct cost of the new work item shall then be combined with the mark-up factor (i.e. taxes and profit) used by the contractor in his bid to determine the unit price of the new work item.

#### **ARTICLE XVI NON-WAIVER OF RIGHTS**

No document, except the Certificate of Final Acceptance, shall be accepted as evidence of the satisfactory completion of the project. No proof of payment shall be taken or construed as an acceptance of satisfactory performance of the work or the good quality of the materials used, whether in whole or in part as contemplated in the Contract.

Any delay in the assumption of its right under this Contract by the AUTHORITY shall not be construed as waiver of renunciation of such rights.

#### **ARTICLE XVII VALIDITY CLAUSE**

If any term or any condition of this Contract is held invalid or contrary to law, the validity of the other items and conditions hereof shall not be affected thereby.

M.H.



## **ARTICLE XVIII TERMINATION OF CONTRACT**

The NHA shall terminate a contract for default when any of the following conditions attends its implementation:

1. Due to the Contractor's fault and while the project is on-going, it has incurred negative slippage of fifteen percent (15%) or more in accordance with Presidential Decree No. 1870;
2. Due to the Contractor's fault after the contract time has expired, it has incurred negative slippage ten percent (10%) or more in the completion of the work; or
3. The Contractor:
  - a. Abandons the contract works, refuses or fail to comply with a validity instruction of the AUTHORITY or fails to proceed expeditiously and without delay despite a written notice by the AUTHORITY;
  - b. Does not actually have on the project site the minimum essential equipment listed on the Bid necessary to prosecute the Works in accordance with the approved work plan and equipment deployment scheduled as required for the project;
  - c. Does not execute the Works in accordance with the contract or persistently or flagrantly neglects to carry out its obligations under the contract;
  - d. Neglects or refuses to remove materials or to perform a new work that has been rejected as defective or unsuitable; or
  - e. Sub-lets any part of the contract works without approval by the AUTHORITY.
  - f. The AUTHORITY shall terminate the contract if the Supplier/Contractor/Consultant is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Supplier/Contractor/Consultant, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the AUTHORITY and/or the Supplier/Contractor/Consultant.

## **ARTICLE XIX ASSIGNMENT AND SUB-CONTRACTING**

The CONTRACTOR shall not assign its rights or obligations under this Contract, nor sub-contract any portion of the work covered by this Contract, without the prior written approval of the AUTHORITY. However, this consent does not relieve the CONTRACTOR of any liability or obligation under the contract. The CONTRACTOR will be responsible for the acts, defaults and neglects of any subcontractor, his agents, servants or workmen as fully as if these were its own acts, defaults or neglects of the contractor, or those of its agents, servants or workmen.

## **ARTICLE XX ADDITIONAL PROVISIONS**

1. The AUTHORITY shall not be liable for any violation of labor laws relative to the employment and compensation committed by the CONTRACTOR in connection with the employee-employer relations between the latter and his workers and/or employees.

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2. The CONTRACTOR should secure a certification from the Public Employment and Service Office (PESO) of their compliance with R.A. 6685, which is pertinent to the hiring of the services of available labor in the city/locality for at least fifty percent (50%) of the unskilled and at least thirty percent (30%) of skilled labor requirements.
3. If required, the CONTRACTOR shall provide "as built" Drawings and/or operating and maintenance manuals by the time accomplishment have reached ninety-five percent (95%) or before the scheduled punch listing. If the CONTRACTOR does not provide the Drawings and/or manuals by this time, or they do not receive the NHA Project Office's approval, the NHA Project Office shall withhold further payments due to the CONTRACTOR.
4. To ensure the quality of materials being used in infrastructure projects, the CONTRACTOR shall have the materials tested in accordance with industry guidelines by testing laboratories whose services are engaged in infrastructure projects, duly accredited by the Bureau of Research Standards (BRS) of the Department of Public Works and Highways (DPWH) and the Department of Science and Technology (DOST). The AUTHORITY will accept results of materials test(s) coming only from DOST/BRS accredited laboratories.
5. That the NHA General Manager certifies that this Contract is entered into in faithful compliance with all applicable laws and regulations.

IN WITNESS WHEREOF, the PARTIES affixed their signatures this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

NATIONAL HOUSING AUTHORITY

By:

  
**MARCELINO P. ESCALADA, JR.**  
General Manager


FRONT NINE KONSTRUCT \  
(BUILDERS & REALTY DEVELOPMENT)  
CORP./ THE ONE DYNAMIC THREE  
REALTY & DEVELOPMENT CORP. (JV)

By:

  
**MARK ANGELO L. NOCUM**  
Authorized Managing Officer

SIGNED IN THE PRESENCE OF:

  
**ROMUEL P. ALIMBOYAO**  
Regional Manager, Region 4

  
**PRUDENCIA B. GUGOL**  
Manager, FMD  
RFA # 2041-87-49



### ACKNOWLEDGMENT

(Republic of the Philippines  
Quezon City, Metro Manila ) S.S

**BEFORE ME**, a Notary Public, for and in Quezon City, Metro Manila, this \_\_\_\_\_ day of \_\_\_\_\_, 2020 personally appeared **MARCELINO P. ESCALADA, JR.** in his capacity as General Manager of the National Housing Authority with NHA ID No. 61654 issued on July 4, 2016, known to me and to me known to be the same person who executed the foregoing instrument and acknowledged to me that the same is his free and voluntary act and deed and that of the entity he represents.

This instrument refers to the Contract for the **PROCUREMENT OF FULLY DEVELOPED LOTS AND COMPLETED HOUSING UNITS (1,470 UNITS), CORON HEIGHTS, BRGY. DECALACHAO, CORON, PALAWAN** consisting of eleven (11) pages including this page where this acknowledgment is written and sealed with my notarial seal.

WITNESS MY HAND AND SEAL this DEC 17 2020 day of \_\_\_\_\_, 2020

Doc No. : 372  
Page No. : 78  
Book No. : XLVII  
Series of : 2020.

**NOTARY PUBLIC**  
ATTY. CHARLIE S. GARCIA  
Adm Matter No. NP-249  
Notary Public for and in Quezon City  
Valid until 31 December 2020  
NHA Bldg., Elliptical Road, Diliman, Quezon City  
Roll of Attorney No. 58309  
PTR No. 9297469 / 1-3-2020; Q.C.  
IBF No. 100996 / 1-3-2020; Laguna

### ACKNOWLEDGMENT

(Republic of the Philippines  
Quezon City, Metro Manila ) S.S

**BEFORE ME**, a Notary Public, for and in Quezon City, Metro Manila, this \_\_\_\_\_ day of \_\_\_\_\_, 2020 personally appeared **MARK ANGELO L. NOCUM** in his capacity as Authorized Managing Officer of **FRONT NINE KONSTRUCT (BUILDERS & REALTY DEVELOPMENT) CORP./THE ONE DYNAMIC THREE REALTY AND DEVELOPMENT CORP. (JV)** with Passport No. \_\_\_\_\_ valid until \_\_\_\_\_ known to me and to me known to be the same person who executed the foregoing instrument and acknowledged to me that the same is his free and voluntary act and deed and that of the entity he represents.

This instrument refers to the Contract for the **PROCUREMENT OF FULLY DEVELOPED LOTS AND COMPLETED HOUSING UNITS (1,470 UNITS), CORON HEIGHTS, BRGY. DECALACHAO, CORON, PALAWAN** consisting of eleven (11) pages including this page where this acknowledgment is written and sealed with my notarial seal.

WITNESS MY HAND AND SEAL this DEC 17 2020 day of \_\_\_\_\_, 2020

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Page No. : 75  
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**NOTARY PUBLIC**  
ATTY. CHARLIE S. GARCIA  
Adm Matter No. NP-249  
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