



December 18, 2023

To: **Mr. FELIX S. MIRASOL, Jr., CESO IV**  
Regional Executive Director  
**Department of Environment and Natural Resources**  
**MIMAROPA – Region 4B**  
8<sup>th</sup> floor DENR by the Bay Bldg., 1515 Roxas Blvd.,  
Ermita, Manila

We are pleased to submit below, for your review, the basic terms and conditions of our proposed lease space at Paranaque Integrated Terminal Exchange;

**General Information and Leased Area**

**Location** Paranaque Integrated Terminal Exchange – **Tower 2**

**Lessee** **DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES**  
**MIMAROPA**

**Leased Premise** **Tower 2 – 6<sup>th</sup> floor; Room 612 & 613 (additional spaces)**

Unit 612	196.69
Unit 613	205.22

**Gross Leasable Area** 401.91 Sq. M.  
approximately for Office Space

**Use of Leased Space** General Office Use; regular office hours.

**Commercial Terms**

**Lease Term and Renewal** **One (1) Year (renewable)**

The terms and conditions of the renewal shall be subject to mutually acceptable terms and conditions.

Lessee shall notify the Lessor at least ninety (90) days before lease expiration.

**Lease Term** **January 1, 2024 – December 31, 2024**

**Start of Rent** **February 1, 2024** or actual start of operations, whichever comes first.

**Php 480.00 / sqm / month exclusive of VAT (if applicable).**  
**Five percent (5%) escalation rate annually beginning on Year 2**

Monthly rent shall be based on the total Gross Leasable Area and shall be subject to Value Added Tax (VAT) and Documentary Stamp Tax (DST), which shall be for the LESSEE's account, if applicable. Withholding tax shall be for the LESSOR's account.

The Rent is payable monthly in advance.



## Rental Incentives

Upon signing this Lease Offer, the LESSOR is offering the following:

- 1 Month Rent Free on the 1<sup>st</sup> Year (1<sup>st</sup> month)

## Rental Schedule

Year	Area in SQM	Rate per SQM	Monthly Rent	Rent Free	Annual Rent	Escalation Rate
1	401.91	₱480.00	₱192,916.80	₱192,916.80	₱2,122,084.80	na

*\*Rates above are subject to Value Added Tax*

## Common Usage Service Area

**CUSA charges PhP150.00 per sqm per month**

*Payable upon turn-over of leased premises.*

**Five percent (5%) escalation rate annually beginning on Year 2**

COMMON USE SERVICE AREA (CUSA) refers to areas, services, and/or facilities which are used in common by all Lessees of PITX Office Tower, such as, but not limited to, lobbies, hallways, grounds, air-conditioning, elevators, escalators, stairways, public restrooms, parking and other similar improvements and/or facilities, and exterior areas situated within the boundaries of PITX Office Tower, like parking areas and structures, driveways, landscaped and planted areas, streets, sidewalks, arcades, street lights, service areas, and other similar improvements and/or facilities.

CUSA Charges are the Lessee's proportionate share, based on, among others, the area and location of the Leased Premises, for the operation, repair, and maintenance costs of the CUSA, including, but not limited to, the costs of electricity, water, materials, and personnel (for sanitation, landscaping, security and traffic), real estate tax, reasonable administrative costs, and other similar expenses.

CUSA charges are subject to further adjustment in case of an extraordinary inflation / deflation, and/or unforeseen or unexpected increases in the costs of electricity, materials, personnel, or taxes.

## Parking

**Parking slots can be reserved at Php 4,000.00 per slot / month**

The parking rental may not follow the same lease end date, anniversary schedule, and escalation as the Office Space Lease.

## Utilities

Light, Power and Aircon costs shall be metered and charged based on actual consumption.

## Aircon Charges

**Php 90.00 /sqm /month + VAT (for 12 hours operation)**

**Php 150.00 /sqm /month + VAT (for 24 hours operation)**

## Hand over date

**January 1, 2024**

The handover of the Leased Premises shall be subject to the following:

The signing of the Contract of Lease by both parties.

The full settlement by the LESSEE of the required security deposit, advance rent and one-time fees associated with the lease of space within the building.



## Hand over condition

The Leased Premises shall be handed over to the LESSEE on a **"Fully-Fitted"** condition, with the following inclusions:

- Existing Partitions
- Completed Common Areas
- Chairs and tables -To be determined upon request

Any improvements other than those handed over are for Lessee's account

## Documentary Stamp Tax

Shall be for the Lessee's account

## Required Deposits and Initial Payment

### Security Deposit

**Three (3) months office rent.**

The Security Deposit shall be payable upon signing of this Lease Offer, within seven (7) days.

The Security Deposit shall be adjusted annually following the prevailing basic office rent of the succeeding years due and payable at the beginning of each year.

The Security Deposit shall be refunded within sixty (60) days from expiration of the lease subject to the payment of any outstanding financial obligations by the LESSEE and completion of all required documents for the refund of the Security Deposit.

### Advance Rent

Upon signing this Lease Offer, the LESSEE shall pay an Advance Rent within seven (7) days, equivalent to **three (3) months' rent based** on the last year of the Lease Term to be applied to the last 3 months of the Lease term.

### Construction Bond

Prior to the commencement of any construction or renovation work on the Leased Premises, LESSEE shall submit to LESSOR a construction cash bond, in an amount equivalent to **one (1) month rent** for every floor leased, to answer and stand as security for the immediate repair or reconstruction of any damage caused to the property of LESSOR, injury to any person and/or damage to any property.

Any construction cash bond submitted net of any deductions shall be returned to LESSEE after completion of such construction or renovation works.

### Reservation Deposit

Upon signing of this Lease Offer, LESSEE shall pay a reservation fee equivalent to one (1) month's rent based on the first year's rental rate.

The reservation fee shall be credited to the security deposit upon signing of the Contract of Lease. In the event the LESSEE decides not to proceed with the lease or the LESSEE does not finalize the Contract of Lease by the prescribed date above, the reservation fee shall be forfeited in favor of the LESSOR, unless the LESSOR and the LESSEE agree to extend the deadline of the signing of the definitive Contract of Lease.

### Vetting Fee

A vetting fee of **Php100.00** per sqm shall be charged to the Lessee for the review and approval of the fit-out designs and plans.

### Others

### Contingency

Except for the payment of the reservation fee, this Terms of Reference shall not be legally binding on either party nor enforceable by either party against the other party and is expressly subject to:

- the execution of a lease contract by both parties, and
- the delivery of the Leased Premises to the Lessee



## Holdover

If LESSEE fails to return the Leased Premises to LESSOR at the end of the Lease Term or at the termination of this lease, LESSEE shall pay LESSOR, as damages, a sum equal to 150%, for the first 3 months, the rental payable by LESSEE to LESSOR for the period during which LESSEE shall retain possession of the Leased Premises and increase to 300% thereafter should possession exceed 3 months. The exercise by LESSOR of its rights under this Article shall not be interpreted as a grant of permission to LESSEE to continue in possession of the Leased Premises beyond the Lease Term. LESSEE shall also be responsible to LESSOR for all damages which the latter may directly suffer by reason of its failure to return the Leased Premises and will indemnify LESSOR against any and all claims made by any succeeding lessee, resulting from the delay in delivering possession of the Leased Premises to such succeeding lessee, to the extent that such delay is occasioned by the failure of LESSEE to surrender the Leased Premises on time. LESSOR shall also be entitled to exercise the remedies specified in Article (events of default/ termination) hereof as well as all remedies to which it is entitled under the law.

## Reinstatement

All additions, alterations, and improvements made on the Leased Unit by the LESSEE, except movable furniture and fixtures installed at the LESSEE's expense and removable without damaging the premises, shall become LESSOR's property upon the termination of this Contract or its extension, without any obligation on the LESSOR's part to reimburse the LESSEE for the value thereof. Should the LESSOR decide, at its sole discretion, that it does not wish to retain any or all of the said additions, alterations and improvements, it shall also advise the LESSEE at least sixty (60) days prior to the termination of this Contract, and the LESSEE hereby undertakes to remove such additions, alterations and improvements from the premises at its sole cost. In the event that the LESSEE is obligated to remove any alteration or improvement, such removal shall be made without damaging the Premises and must be completed on or before the date of this Contract's termination. The LESSEE likewise undertakes to immediately repair any damage caused upon the Premises by reasons of such removal.

## Pretermination

No pretermination

## Access to Leased Premises

LESSEE shall have access to their Leased Premises 24 hours per day, 7 days per week, 365 days per year, the building and parking facilities and to the use of the elevator, if any, without the requirement for prior notice to the building's management but subject to the reasonable guidelines of the building (i.e., building house rules and regulations)

## Back-Up Power

100% back up power by generator sets.

## Interruption of Services

In the event of any interruption of services rendering all or any portion of the premises un-tenantable, Lessee shall have the following remedies:

- a) abatement of rent if services are interrupted for more than 7 days (applicable only to affected areas and during the period of interruption), and
- b) the right to terminate the Lease, without penalties, if services are interrupted for more than sixty (60) continuous days due to the fault of Lessor.

## Confidentiality

LESSEE and their respective principals, principle shareholders or partners, employees, agents, and representatives will not disclose the subject matter or terms of this Offer Letter except to LESSEE's mortgagee, accountants, financial advisors, attorneys, architects and other consultants, unless written consent is obtained from the LESSOR, which consent may be withheld in the non-disclosing party's sole discretion, provided, however, that the non-disclosing party's consent shall not be required for any disclosure required by legal or administrative process.





## PARAÑAQUE INTEGRATED TERMINAL EXCHANGE

*This Lease Offer shall be valid for seven (7) days from the date of offer and is subject to availability of the space and approval of the LESSOR.*

Upon receipt of duly conformed copy of Lease Offer together with the payment of Reservation Deposit, the Lease Offer shall be deemed accepted for all intents and purposes until the LESSOR receives all deposits and Contract of Lease is executed.

If you agree to the foregoing, kindly affix your signature below and submit the original copy back.

Thank you.

Best Regards,

**MWM TERMINALS INC.**

By:

**JOHN PAUL G. PANAGA**  
Leasing Supervisor

**LEINEL J. CRUZ**  
Office Leasing Asst. Manager

**RUTH P. MORALES**  
Commercial Head

Approved by:

**MR. MOHIT MALHI**  
Chief Executive Advisor

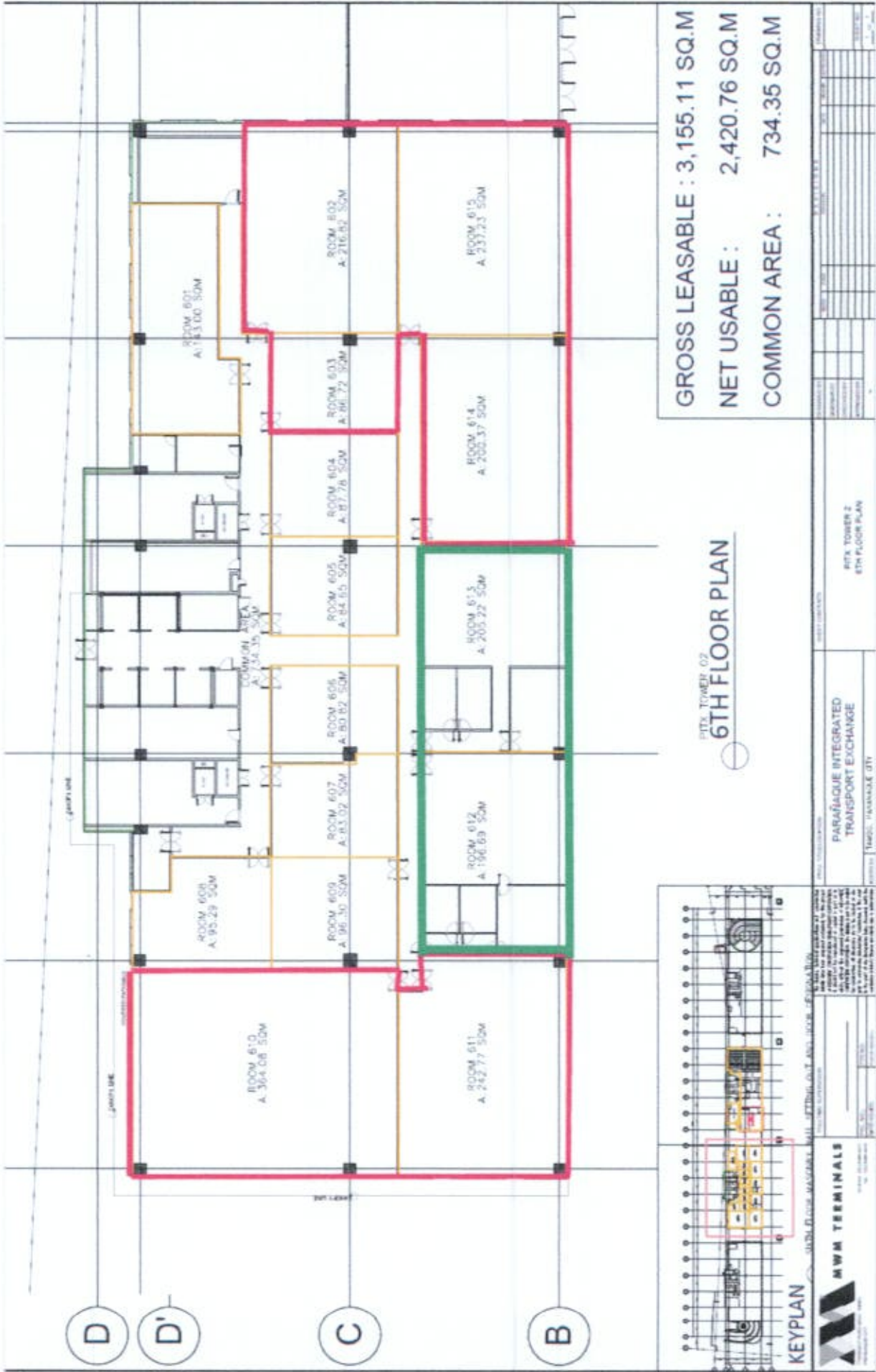
Conforme:

**DEPARTMENT OF ENVIRONMENT  
AND NATURAL RESOURCES**

By:

**FELIX S. MIRASOL, Jr., CESO IV**  
Regional Executive Director  
MIMAROPA Region 4B





DENR MIMAROPA – additional office space