**CONTRACT TO SELL**

**KNOW ALL MEN BY THESE PRESENTS:**

This Contract to Sell (“the Contract”) made and executed this \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_ in the City of Pasig, Philippines, by and between:

**RAEMULAN LANDS INC. thru its managing company EVERYHOME ENCLAVES**,a corporation duly organized and existing under the laws of the Philippines, with office address at The Club House Pacific Parkplace Village Governor’s Drive Barangay Paliparan 1, Dasmariñas City, Cavite, and represented in this act by its ${exec\_position}, **${exec\_signatories}**,by virtue of the power conferred upon him (hereinafter referred to as the “**SELLER**”);

-and-

**${buyer\_name}**, ${buyer\_nationality}, of legal age, ${buyer\_civil\_status}, **${buyer\_spouse\_name}** and with postal and residence address at **${buyer\_address}** (hereinafter referred to as the “**BUYER**”);

-with co-borrower-

**${co\_borrower\_name},** ${co\_borrower\_nationality}, of legal age, ${co\_borrower\_civil\_status} ${co\_borrower\_spouse} and with postal and residence address at ${co\_borrower\_address} (hereinafter referred to as the “**CO-BORROWER**”);

**W I T N E S S E T H:**

WHEREAS, the SELLER is the owner and developer of **${project\_name}** (**the “Project”**) located in ${project\_address};

WHEREAS, the BUYER has freely inspected the Project, found the development of the Project in order, and offered to purchase a **House and Lot unit (“PROPERTY”)** in the Project, which offer the SELLER has accepted, to wit:

TCT Number: **${tct\_no}** Unit Type (Duplex/SA): ${unit\_type}

Phase: **${phase}** Block Number: ${block}

Lot Number: ${lot} Lot Area: ${lot\_area}

Home Model: Floor Area: ${floor\_area}

Home Color:

**TECHNICAL DESCRIPTION**

${technical\_description}

Now, THEREFORE, for and in consideration of the foregoing premises and the payment of the Contract Price, which the BUYER shall pay in the manner herein specified, and in consideration of the undertaking of the BUYER to comply strictly with the terms and conditions of this Contract to Sell, as well as those specified in the Deed of Restrictions which will be annotated on the corresponding certificate of title covering the Lot subject of this Contract to Sell as an encumbrance thereon, the SELLER hereby agrees to sell, transfer and convey to the BUYER, and the BUYER agrees to purchase and receive from the SELLER, the above-described PROPERTY, subject to the following terms and conditions:

**1. TOTAL CONTRACT PRICE** (**TCP**) The Total Contract Price is ${ntcp\_in\_words} PESOS, (Php **${net\_total\_contract\_price}).** The manner and schedule of payment of the Total Contract Price and other fees and expenses are set forth. Whenever applicable, the Total Contract Price is inclusive of Expanded Value Added Tax (EVAT).

The Total Contract Price is exclusive of the following:

1. Real property taxes and local government assessments, which may be levied on the Property upon delivery of the unit to the BUYER;
2. Home Development Mutual Fund (HDMF/Pag-IBIG) Processing fee;
3. Movement fees;
4. Utility fee;
5. Association dues;
6. Miscellaneous Fees and Insurances;
7. Such other fees and expenses as may be provided in this Contract or agreed by the Parties.

**2. DOWN PAYMENT.** The BUYER agrees that the Down Payment is the Equity which is payable to the SELLER within the specified period of time and the BUYER shall pay the Down Payment without need of demand from the SELLER. The manner and schedule of payment of the Total Contract Price, down payment and other fees and expenses are set forth**.**  To ensure payment of the Contract Price and other fees and expenses provided herein, the **BUYER** may berequired by the SELLER to issue post-dated check or enrolled in Auto Debit Arrangement (ADA)s in such amount and for such payment periods as may be indicated in the Schedule of Payments. In such case, Buyer shall ensure that post-dated checks are replenished should the initial checks issued already be used. The BUYER shall submit to the SELLER this Contract, duly signed, together with the signed ADA form or complete PDCs covering the Down Payment. Subject to SELLER’s approval, the BUYER may pay the Down Payment within a shorter period. Payment of the Down Payment within a shorter period shall have no effect on the conditions of this Contract or the schedule of delivery of the Unit. The Down Payment is computed as follows:

Amount of total Down payment (Php **${loan\_value\_after\_downpayment}**) ; representing % of TCP payable in months to pay at zero 0% interest.

**Less:** Down Payment 1 Amount Pesos (Php ${loan\_value\_after\_downpayment})

Down Payment Balance Pesos (Php )

DP/MA per month **(Php .00)**

Payment Period (start date) to (end date) No. of PDCs

**3.** **BALANCE PAYMENT.** The BUYER shall pay the balance through HDMF Financing. The Balance Payment is computed as follows;

Balance Payment amount **${ntcp\_in\_words} PESOS (Php ${net\_total\_contract\_price})** representing % of TCP payable in months to pay at ${interest}interest rate.

BPMA pesos per month (Php )

Payment Period **\_\_**(start date) to **\_\_**(end date)

3.1 Other HDMF Financing and other Financing provision shall apply:

3.1.1The BUYER declares that he has no existing overdue Pag-IBIG Multi-Purpose Loan nor any Pag-IBIG Housing Loan at the time of purchase of the PROPERTY. BUYER agrees and commits to submit all other required documents within the specified period. The BUYER further agrees that all fees incidental to the loan application and processing with Pag-IBIG shall be solely for his account. The BUYER commits to attend Loan Counseling as a prerequisite to purchase of the PROPERTY. Failure to attend loan counseling and submit required additional Pag-IBIG documents within prescribed period shall be a ground for the declaration of this sale as null and void and any payment made by the BUYER will be forfeited in favor of the SELLER, without the need to notify the BUYER. Terms of this sale are subject to approval by Pag-IBIG Fund. Denial by the Pag-IBIG of this sale grants the SELLER wide latitude or ample discretion as to the proper or appropriate financing for the BUYER’s account.

3.1.2 The BUYER shall comply with all Pag-IBIG requirements in order to obtain Notice of Approval addressed to the SELLER.

3.1.3 The BUYER shall submit updated documents required by Pag-IBIG within ninety (90) calendar days prior to full settlement of the Down Payment.

3.2 Should the BUYER fails to obtain Notice of Approval from Pag-IBIG within the prescribed period, the BUYER agrees that this Contract may be cancelled by the SELLER. However, the BUYER may, at the BUYER’s option, apply in writing for Developer CTS financing provided the BUYER submits to the SELLER the application letter together with the required documents and PDCs within fifteen (15) calendar days from the disapproval of the Pag-IBIG loan application.

3.3 In case the BUYER opts to avail the Developer CTS financing, the BUYER agrees to apply for a loan equal to or greater than the Balance Payment Amount, and shall obtain Bank approval therefor. The BUYER understands and agrees that a full credit investigation shall be conducted and the BUYER shall conform with existing credit investigation criteria. Should the result of the full credit investigation show that the BUYER is not qualified to purchase the PROPERTY, the SELLER or its ASSIGNEE has the right to decline the BUYER’s offer to purchase the PROPERTY and is not obliged to divulge the results of the said full credit investigation.

3.4 In any event, the SELLER has the sole option to approve the BUYER’s application for Developer CTS financing. Should the BUYER’s application for Developer CTS financing be disapproved by the SELLER, then this Contract is automatically cancelled.

**4. ORDER OF PAYMENTS**. All payments shall be indivisible and the SELLER reserves the right to reject insufficient and/or incomplete payments. This notwithstanding, all payments of the BUYER shall be applied to and in the following order:

1. EVAT;
2. Surcharge and/or other penalties due and outstanding;
3. Interest due and outstanding;
4. Outstanding Principal

**5. PLACE OF PAYMENT**. All payments referred to under this Contract shall be made by the BUYER to the SELLER or its duly designated agent at the Customer Service Office of RAEMULAN LANDS INC. at 35th Floor Joy~Nostalg Center, No. 17 ADB Avenue, Ortigas Center, Pasig City, or such other offices of the SELLER that may be established and designated in the future, during its official business hours, without delay or necessity of demand. The SELLER may, at its sole discretion, change and/or transfer the place of payment by giving thirty-(30) calendar days’ notice to the BUYER.

**6. VALIDITY OF PAYMENTS.** Payments should be made directly to the SELLER. Any payments made to brokers or agents shall be deemed valid to the SELLER only upon issuance of official receipt duly registered under the name of the SELLER covering the payment.

**7. ASSIGNMENT OF PAYMENT.** Where the BUYER has entered into an agreement with the SELLER to purchase more than one unit, the BUYER may not assign payments made under this Contract to another unit or vice versa.

**8. CHANGE OF UNIT.** The BUYER may request in writing for a change in the Unit to be constructed or opt to include the purchase of furniture, fixtures and equipment in this Contract subject to the SELLER’s written approval with the corresponding adjustment in the Total Contract Price.

**CONSTRUCTION OF THE UNIT**

**9.**  **CONSTRUCTION CONDITIONS.** The Unit shall be constructed by the SELLER subject to the following conditions:

9.1 Mobilization for the construction of the Unit shall start based on the timeline being followed by the SELLER.

9.2 To ensure safety and security of the parties, the BUYER may be allowed to visit the Unit once a month during business hours from Mondays to Saturdays, subject to the BUYER’s submission of a written request for this purpose five (5) working days from the actual date of visit. The SELLER shall notify the BUYER of approval of such request. During the visit, however, the BUYER’s concerns on this Contract or Unit Construction should be submitted in writing to the SELLER’s authorized representative.

9.3 For all accounts with incidence of delayed payment, the SELLER shall have the right to defer construction until it deems that the account is current based on the SELLER’s existing policy on Unit Construction. Should there be adjustments on the cost of materials due to delay in construction arising from unsatisfactory payment history or non-submission of required documents, the BUYER shall shoulder the increase in construction cost.

9.4 When the construction of the Unit is postponed or delayed due to Section 9.4 hereof, the SELLER reserves the right to adjust the Total Contract Price corresponding to the percentage of inflation derived as follows: the percentage of increase of a minimum of 15% in the Construction Materials Wholesale Price Index (CMWPI) in the National Capital Region officially released by the National Statistics Office (NSO) from the effective date of this Contract until the time the construction of the Unit is awarded.

9.5 Before full payment of the Total Contract Price, the BUYER shall not make any construction, modification, alteration, and/or introduce any improvements on the Unit. After such time, the BUYER at his own sole expense may make modifications on the plans and specifications of the Unit, provided that the prior written approval of the SELLER is obtained and subject to Section 14 hereof. Such modifications shall always be subject to the Deed of Restrictions, Village Rules and Regulations and Village Construction Guidelines, shall not alter the general concept and scheme of the Project nor will interfere with, or diminish the practical enjoyment and use by other Owners of the units in the Project or common areas.

9.6 The BUYER agrees that in the construction of the Unit, the SELLER shall have the sole option and right to apply and use any acceptable construction method such as, but not limited to, load bearing construction method and cast-in-place (CIP) construction method: Provided, that the unit is constructed in accordance with the Building Code of the Philippines, and the construction method is undertaken under the rules prescribed by the same Building Code.

9.6.1 The choice of construction method by the SELLER shall not be a ground for the cancellation of this Contract, nor a reason for the BUYER to avoid compliance with any of his/her obligation under this Contract.

9.6.2 Moreover, the BUYER agrees that it shall hold the SELLER free from any liability, claim or cause of action by reason of the SELLER’s choice of method to be applied or used in the construction of the Unit.

# DELIVERY OF THE UNIT

**10. ACTUAL TURNOVER.** The SELLER shall notify the BUYER in writing of the readiness of the PROPERTY for Occupancy upon the HDMF or any financing company Loan take out. The BUYER shall take possession of the PROPERTY upon the receipt of the Notice to move-in in accordance with rules and guidelines set forth by the SELLER as follows:

10.1 The SELLER shall issue a **Notice of Unit Turnover (“NUT”)** upon completion of the Unit and upon the SELLER’s receipt of the BUYER’S full Down Payment. The BUYER shall inspect the Unit together with representatives of the SELLER on the date indicated in the NUT.

**11. CONSTRUCTIVE TURNOVER.** In case the BUYER fails to conduct an ocular inspection within seven (7) calendar days from the date of receipt of the NUT, the BUYER’s right to inspect the Unit prior to acceptance of the same shall be deemed waived. The Unit shall be deemed constructively accepted by the BUYER after lapse of said seven (7) - day period.

Also in the event the Buyer occupies the PROPERTY without first signing the SELLER’s Deed of Final Acceptance, his/her occupancy shall be deemed an outright and unconditional acceptance of the PROPERTY. The BUYER understands and agrees that his / her occupancy or execution of the SELLER’s Deed of Final Acceptance signed by the BUYER or his/her authorized representative shall be conclusive proof upon the BUYER that all terms, conditions, specifications, etc. of the house construction has been complied with by the SELLER to the full satisfaction of the BUYER, and that the SELLER shall be free from any responsibility or liability over the PROPERTY, including but not limited to the responsibility of the SELLER for pilferage, deterioration, damage, destruction, brought about by any causes and/or conditions beyond the control of the SELLER**.**

**12. FORCE MAJEURE**. The delivery of the Unit shall be without prejudice to force majeure, fortuitous events, or such causes beyond the control of the SELLER. Should any of these events occur, the period for the completion and delivery of the Unit shall be deemed suspended, and shall commence to run only after the cause or causes of delay disappear. In such event, the SELLER shall not be liable for delay. At the SELLER’s sole option, the SELLER may cancel this Contract and refund to the BUYER, less cost of damages on the Unit arising from the force majeure, without interest, the amounts received under this Contract if, for any reason not attributable to the SELLER, the Unit may not be completed. In case of cancellation of this Contract, the Unit and all improvements thereon shall remain the property of the SELLER.

**13. ALTERATION.** The SELLER reserves the right to amend or revise at any time the construction and development plans by filing such additional, supplemental and/or revised plans and/or specifications as may be required. These amendments may include expansion or reduction of the project components. In such case, there shall be no change in the rights and obligations of the Parties under this Contract except only when the change causes an increase or decrease of the area of the Unit, in which case, a proportionate adjustment in the Total Contract Price shall be made. As long as the open spaces, common areas, amenities and facilities remain in the name of the SELLER, the SELLER shall have absolute and unhampered control over them. For this purpose, the BUYER hereby expresses his conformity to any change, alteration or modification of the subdivision plan and subdivision name made by the SELLER.

**14. WARRANTIES ON THE UNIT.** The following provisions shall apply:

14.1 TheSELLER has a limited warranty against hidden defects in accordance with law within three (3) months from the acceptance whether actual or constructive, by the BUYER of the PROPERTY, but defects caused by normal wear-and-tear, abuse, misuse, or alteration of the PROPERTY by the BUYER upon acceptance of the unit or damage caused by termites, presence of rats, ants and other pests plus damages inflicted by the BUYER, third party and “force majeure” are not covered by any warranty.

14.2 These warranties shall be deemed automatically cancelled in case the BUYER undertakes any construction, improvement, modification, and/or alteration on the above items within the said warranty periods.

**15. TRANSFER OF TITLE AND OWNERSHIP**. This Contract gives the BUYER only the right to purchase the Unit subject to the fulfillment of the conditions herein stated. No other right, title or ownership is vested upon the BUYER by the execution of this Contract. The SELLER shall retain ownership of the Unit until the BUYER has fully paid the Total Contract Price and if applicable any Miscellaneous Fees.

**16. EXECUTION OF DEED OF ABSOLUTE SALE (DOAS) AND ASSIGNMENT OF THIS CONTRACT OR CONVERSION TO REAL ESTATE MORTGAGE LOAN AGREEMENT**. The BUYER understands and agrees that this Contract may be assigned and the ASSIGNEE has the option to convert this Contract to Sell into a direct Real Estate Mortgage Loan Agreement with the BUYER, whereby the ASSIGNEE shall pay all the outstanding obligation of the BUYER to the SELLER under this Contract to Sell, and in such a case –

16.1 The SELLER shall execute in favor of the BUYER or his/her successors or assigns a Deed of Absolute Sale of the PROPERTY at the point of conversion of the Contract to Sell to a Real Estate Mortgage Loan Agreement. A Promissory Note/Loan and Mortgage Agreement shall be duly signed and executed by the BUYER in favor of the ASSIGNEE. The Promissory Note/Loan and Mortgage Agreement shall be annotated on the corresponding certificate of title as encumbrances on the PROPERTY.

16.2 The BUYER further agrees to execute such mortgages and guarantees, as may be required by the ASSIGNEE to secure payments for the monies advance and/or paid to the SELLER, and to settle all his/her outstanding obligations related to this Contract To Sell directly with the office of the ASSIGNEE.

16.3 The BUYER further agrees that all cost arising from the conversion of this Contract To Sell to the said Real Estate Mortgage Loan Agreement, including but not limited to documentary stamps, registration fees, annotation fees, transfer and other taxes, shall be for the account of the BUYER.

16.4 The BUYER further agrees that he/she shall continue paying the Monthly Balance Payments during the period in which the Contract to Sell shall undergo assignment or conversion to a Real Estate Mortgage Loan Agreement and agree to conform with payment of prevailing interest rate applied, until the actual release of the Loan Proceeds to the SELLER.

**17. WARRANTIES ON THE TITLE.** The SELLER warrants that the title is free from all liens and encumbrances except those liens and encumbrances as may be provided under law, those imposed by the government authorities, existing subdivision regulations, the Deed of Restrictions and those annotated and registered in the Transfer Certificate of Title. Failure of the SELLER to cause the annotation of the Deed will not void the BUYER’s obligations as contained thereon.

**18. PERPETUAL RIGHT OF ACCESS AND OTHER EASEMENTS.** The BUYER agrees and recognize that the SELLER, its authorized representatives, successors, assigns, affiliates, sister companies, partners, and/or such other persons or entities authorized by the SELLER, including the homeowners/unit owners/residents of any new or existing development project adjoining, contiguous or proximate to the herein Project, which are owned and developed by the SELLER, its successors, assigns, affiliates, sister companies, or partners, shall have a right of perpetual access and other easements through or on the Project or any part thereof pursuant to the Deed of Restrictions.

18.1 In addition, the amenities, facilities, drainage and other easements that may be found on the Project, shall be available for the use, enjoyment and access by the SELLER, its authorized representatives, successors, assigns, affiliates, sister companies, partners, and/or such other persons or entities authorized by the SELLER, including the homeowners/unit owners/residents of any new or existing development project adjoining, contiguous or proximate to the herein Project.

18.2 Whenever the SELLER, its authorized representatives, successors, assigns, affiliates, sister companies, partners, the homeowners/unit owners/residents of any new or adjacent development project, and any person or entity authorized by the SELLER, shall exercise the rights referred to in the next preceding paragraphs, the BUYER agrees that it will not oppose the said exercise of such rights. Accordingly, no written consent or conformity is needed from the BUYER.

# OBLIGATIONS ON THE UNIT

**19.**  **USE OF HOUSE AND LOT.** The BUYER warrants that the Unit shall be used solely for residential purposes and shall not be used for immoral and illegal activities; or any activity that shall diminish the value of the Unit and the Project; and disrupt or endanger the safety, security and overall welfare of the Project. The BUYER further undertakes in good faith to ensure peace and serenity within the Unit and in the Project.

**20. OBLIGATIONS OF THE BUYER. The** BUYER agrees that acceptance of the Unit under Section 10 and 11 hereof shall give rise to the following:

20.1  **REAL PROPERTY TAX AND ASSESSMENTS**. Payments for real property tax and assessments on the Unit shall be borne by the BUYER from the time of acceptance of the Unit under Section 10 and 11 hereof.

20.2 **MORTGAGE REDEMPTION INSURANCE (MRI).** The BUYER agrees that he shall promptly secure a Mortgage Redemption Insurance (MRI) and or its renewal, and appoints SELLER as designated beneficiary. The premium for such insurance shall be for the account of the BUYER until full payment of the Total Contract Price. Failure and/or neglect on the part of the BUYER to secure and/or renew Mortgage Redemption Insurance (MRI) appoints, SELLER as designated beneficiary, shall not relieve the BUYER of his/her obligation under this contract. Neglect and/or failure shall likewise free the SELLER for any liability to the BUYER.

20.3 **PROPERTY INSURANCE.** Upon completion of the Unit, the BUYER agrees and authorizes the SELLER to secure a Property Insurance in behalf of the BUYER from the SELLER’s accredited Insurance Company, where the SELLER shall be the designated beneficiary until full payment of the Total Contract Price. The SELLER may endorse the Property Insurance to its ASSIGNEE should the SELLER sell, transfer, endorse or assign its rights. The premium for such insurance shall be for the account of the BUYER until full payment of the Total Contract Price.

20.4 **INSURANCE RENEWAL.** Within sixty (60) days prior to the expiration of the Mortgage Redemption or Property Insurance, as the case may be, the BUYER shall personally cause the renewal of the pertinent insurance with similar or greater coverage as the expiring insurance. Upon renewal, the BUYER shall submit to the SELLER or any of its assignee, the policy of renewal. The SELLER or any of its assignee, shall be the designated beneficiary of the renewed pertinent insurance until the BUYER has fully settled his obligation thereto.

In the event that the BUYER fails to secure a Mortgage Redemption or Property Insurance within the period specified in the preceding paragraph, the Bank or Financing Institution shall have the right to secure the pertinent insurance in behalf of the BUYER, with all expenses therefor chargeable to the BUYER.

20.5 **UTILITY FEES.** Utility connection fees and deposits to utility service providers (i.e. Pampanga Electric Cooperative Inc.(PELCO) deposit, water meter fees, telephone deposits, cable and internet deposits) shall be for the sole account of the BUYER. **PAMPANGA ELECTRIC COOPERATIVE INC.(PELCO) reserves the right to install its posts and transformers along any street adjacent to any house to ensure proper distribution of power throughout the subdivision, and the BUYER will grant access and not block any PAMPANGA ELECTRIC COOPERATIVE INC.(PELCO) initiative to install, repair or maintain the subdivision power grid. However the BUYER may request the SELLER to arrange with PAMPANGA ELECTRIC COOPERATIVE INC.(PELCO) the transfer of posts or transformers at Buyer’s expense.**

20.6 **MAINTENANCE AND SECURITY.** The BUYER shall secure and maintain his Unit. The SELLER shall be relieved of its obligation to maintain and secure the Unit after acceptance by the BUYER under Section 11 and 12 hereof or one (1) month after full settlement of the Down Payment whichever comes first. The SELLER shall not be liable in case of damage or deterioration of the Unit due to failure and/or refusal of the BUYER to maintain the Unit after acceptance.

20.7  **MOVEMENT FEE.** The BUYER understands and agrees that changes in payment due dates are not allowed unless approved in writing by the SELLER. In case of SELLER’s approval, the BUYER agrees to pay the movement fee. A fee of not lower than ten thousand pesos (Php 10,000.00) plus all mandated taxes, depending on the nature of amendment or revision shall be paid by the BUYER for administrative, notarial, legal, technical and other relative expenses incurred for the alteration, change, modification, or amendment of the contract to sell at the instance of the BUYER.

# 21. MEMBERSHIP IN HOMEOWNERS’ ASSOCIATION AND PAYMENT OF HOMEOWNERS’ ASSOCIATION DUES. The BUYER agrees that the SELLER shall initiate the formation of a Homeowners’ Association with due regard to the Deed of Restrictions, Village Rules and Regulations and Village Construction Guidelines and this Contract for the purpose of managing all the amenities, services and utilities, enhancing the value of the Unit and holding title to certain areas in the Project which may have been designated as areas for common use.

21.1 The BUYER shall automatically become a member of the Homeowners’ Association from date of this Contract. The BUYER shall pay all dues and assessments duly levied and imposed by the Homeowners’ Association and shall comply with its Articles of Incorporation, By-Laws, Village Rules and Regulations, and Village Construction Guidelines. In the event the BUYER is unable to attend any meeting, the BUYER hereby appoints the SELLER as his attorney-in-fact with full power to vote on behalf of the BUYER at any meeting of the Homeowners’ Association. Further, the BUYER, his heirs, assigns and successors-in interest, acknowledge that this special power of attorney (SPA) in favor of the SELLER and SELLER’S Representatives shall be valid and effective until full payment of the Total Contract Price and Miscellaneous Fees or upon loan take out, to the full satisfaction of the conditions of this Contract.

21.2 The BUYER agrees that any unpaid assessment of the Homeowners’ Association shall constitute a lien in the title, which may be foreclosed as in an extrajudicial foreclosure of mortgage. For this purpose, the BUYER hereby appoints the SELLER and/or the Homeowners’ Association and their respective duly authorized representatives as his attorneys-in-fact with full power to cause the annotation of the lien under this paragraph in the title to the Unit, file and prosecute the necessary action for the foreclosure of the said lien as in an extrajudicial foreclosure of mortgage in accordance with law.

# CHANGE IN AGREEMENT

**22.** **TRANSFER OF RIGHTS**. Any sale, cession, encumbrance, assignment, transfer or any other manner of disposing the rights and obligations of the BUYER under this Contract shall be subject to a written approval by the SELLER and a certification from the Homeowners’ Association that the BUYER has no pending obligation and BUYER’S compliance with the following conditions:

22.1 The BUYER shall settle all payment in arrears before any sale, cession, encumbrance, assignment, transfer or other disposition is effected. Otherwise, notwithstanding the transfer, the BUYER is solitarily liable with the transferee with respect to all obligations of the BUYER to the SELLER and/or the Homeowners’ Association;

22.2 The BUYER shall pay a transfer fee of Twenty Thousand Pesos (~~P~~20,000.00) and all other taxes including but not limited to capital gains tax, documentary stamp tax, creditable withholding tax and others related to the transfer of rights;

22.3 Any sale, cession, encumbrance, assignment, transfer or other disposition without prior approval by the SELLER shall be null and void and shall be a ground for the cancellation of this Contract.

# DEFAULTS AND PENALTIES

**23. DEFAULT**. The BUYER’s failure to comply with any terms or conditions of this Contract, and/or refusal to pay the outstanding balance of the Total Contract Price, Miscellaneous Fees, Real Property Taxes, MRI, Property Insurance, Utility Fees, Surcharge and Interest and/or other monetary obligation under this Contract on its due date when necessary or required by present or future laws, rules, regulations and/or circumstances, shall constitute default under this Contract.

**24. SURCHARGE**. The Buyer agrees to pay a surcharge of five percent (5%) per month of the unpaid amount, compounded monthly, which shall form part of the outstanding balance, on any check payment which is returned to the SELLER unpaid anduncollected for any reason whatsoever, or any payment due which is/are in arrears without prejudice to other remedies available to the SELLER.

**25. INTEREST.** For a delay in the Monthly Balance Payments, the BUYER shall pay accrued interest at the interest rate provided by the HDMF or financing institution based on the Outstanding Balance computed from the updated Monthly Balance Payment up to the current Monthly Balance Payment due date.

# CANCELLATION OF THE CONTRACT TO SELL

**26.** **CANCELLATION AND TERMINATION OF CONTRACT**. The following shall be grounds for the cancellation of this Contract:

1. Non-payment by the BUYER of the downpayment and other dues, including but not limited to miscellaneous fees, mandated cash outlay, monthly amortization, or other amounts required in this Contract to Sell.
2. Issuance by the BUYER of cheque/s or note/s as a form of payment, monthly amortization or other charges (i.e. transfer fee, penalty, etc.) which cannot be encashed for any reason whatsoever, or which has been returned by the drawee bank for any reason whatsoever.
3. Failure/Refusal of the BUYER to execute and/or sign, deliver the prescribed reservation documents, contracts, deeds and other documents or requirements within the agreed or prescribed period of time.
4. Failure/Refusal of the BUYER to pay additional fees when justified, required by this Contract or will be required by the SELLER, the law and other rules and regulations of the government and other agencies.
5. Non-submission and/or failure or refusal of the BUYER to deliver documentary requirements pertaining to the purchase of the PROPERTY within the time prescribed and required by the SELLER.
6. Submission by the BUYER of falsified or fraudulent document/s and /or any misinterpretation is made therein.
7. Disapproval of assignment or other forms of disposition by any financing institution due to fraud and/or misinterpretation of facts or for any reason whatsoever, and/or non-submission of any additional requirements by the BUYER needed by the concerned financial institution.
8. Violation/breach or non-compliance/non-performance by the BUYER of any provisions, obligations and undertakings stipulated in the Contract to Sell and any other document executed pursuant to this purchase.
9. Failure/refusal of the BUYER to pay annually the required Mortgage Redemption Insurance (MRI) premium, Property Insurance premium, Real Property Tax and local government assessments on due date specified by the SELLER;
10. Unjustified/deliberate refusal of the BUYER to accept the Unit which is in accordance with this Contract, or due to other reasons not attributable to the SELLER;
11. Failure of the BUYER to maintain and secure the Unit;
12. Failure/refusal of the BUYER to update the SELLER on any change in the BUYER’s information;
13. In case the BUYER misrepresents, provides false information, submits falsified or fraudulent document/s or conceals material facts in any of the contract documents signed by the BUYER;
14. In the event of death, failure/refusal of the heirs, successors and/or assigns of the BUYER: (i) to inform the SELLER of such fact within thirty (30) days; (ii) to assume all outstanding obligations of the BUYER without need of demand from the SELLER; and (iii) to settle all payments in arrears to indicate their willingness to proceed with the purchase of the Unit under the terms and conditions of this Contract;
15. Unilateral withdrawal by the BUYER from this Contract for any reason whatsoever;
16. Any sale, cession, encumbrance, assignment, transfer or other disposition without prior approval by the SELLER;
17. Commission of any illegal, immoral, nuisance or hazardous acts or such other activity or purpose that may disrupt the peace and order in the subdivision, disturb or prejudice the rights of other residents, and/or pose danger to the subdivision community;
18. Breach of any provision of the Deed of Restrictions, Village Rules and Regulations, and other rules and regulations issued by the SELLER or the Homeowners’ Association; and
19. Other circumstances related to the foregoing.

26.1 Except for the ground for cancellation stated in paragraph (o) of this Section, the existence of any of the grounds stated in the preceding paragraph shall give the SELLER the right to cancel this Contract after thirty (30) calendar days from receipt by the BUYER of a Notice of Final Cancellation or date of delivery of such Notice of Final Cancellation to the last known, mailing address of the BUYER.

26.2 In case of cancellation, the SELLER shall be under no obligation to make any refund of payments made by the BUYER, except only to the extent required by the provisions of Republic Act No. 6552, where applicable, or to make any restitution or payment for any improvements that may have been introduced by the BUYER to the Unit, all of which shall be deemed forfeited in favor of the SELLER as penalty for the BUYER’s default or breach, and/or as rentals or compensation for the BUYER’s occupancy and use of the Unit. In all cases, the SELLER shall have no obligation to reimburse the BUYER any cost or value of such improvement or additions.

26.3 In addition, the SELLER is entitled to take immediate possession without recourse to any judicial or other proceeding, and the BUYER shall be obliged to surrender possession of the Unit together with any improvements thereon. Should the BUYER remain in possession, he shall become a mere intruder or unlawful detainer of the Unit, without any further right, title, interest or claim or any kind or character to said Unit and all improvements thereon as if this Contract has never been executed or entered into, and the BUYER shall have the obligation to pay reasonable compensation for his continued possession of the Unit in an amount that may be fixed by the SELLER, and which shall be due from the time of the demand to vacate until the possession of the Unit is returned to the SELLER.

26.4 In the event of cancellation and the Unit is vacant at the time of cancellation, the SELLER or any of its authorized representative/s shall have the right to enter the Unit, take possession of the same and institute whatever action is necessary to protect the SELLER’s rights and interest on the Unit including selling the Unit, its improvements and BUYER’s personal belongings, based on the following conditions:

1. **Abandonment.** The BUYER shall be deemed to have abandoned the Unit in cases where the Unit remains vacant for a period of two (2) consecutive months from the time the mailing of the Notice to Vacate, and the failure of the BUYER to communicate with the SELLER during the same period.
2. **Voluntary Surrender.** In the event of abandonment of the Unit by the BUYER, the SELLER shall have the right, upon five (5) calendar days written notice to the BUYER or in his absence, upon written notice posted at the entrance of the premises of the Unit, to enter and take possession of the Unit including all improvements thereon holding in the SELLER’s custody personal belongings of the BUYER found therein, after an inventory of the same in the presence of a barangay official or representative, all these acts being hereby agreed to by the BUYER as tantamount to his voluntary surrender of the subject premises and its contents without the necessity of suit in court.
3. **Disposal of Personal Belongings**. In the event of the BUYER’s abandonment of the Unit, the BUYER agrees that the SELLER may dispose all the personal belongings found inside the premises and apply the proceeds from the sale to the outstanding obligations of the BUYER to the SELLER.

26.5 For purposes of this Section, the BUYER hereby automatically constitutes the SELLER as his/her attorney-in-fact to possess the Unit and the SELLER shall have all powers and authority to enforce the rights granted in this Contract, Deed of Restrictions, Village Rules and Regulations, and other rules and regulations issued by the SELLER and/or the Homeowners’ Association, including the right to automatically repossess and/or to padlock the Unit, without judicial proceedings.

26.6 In the event of cancellation of this Contract by the BUYER, a cancellation fee shall be paid by the BUYER to the SELLER in such amount as may be determined and provided by the SELLER.

26.7 **Penalties for Commission of Illegal, Immoral, Nusiance, or Hazardous Act.** Any buyer, homeowner, registered resident or authorized occupant of a Unit who has committed any illegal, immoral, nusiance or hazardous act as defined by law or by the rules and regulations issued by the SELLER or the Homeowners’ Association, notwithstanding that no case has been filed against the perpetrator, may be forever banned from the village premises through a notice from the SELLER, or the resolution by majority of the Board of the Homeowners’ Association, or upon petition by thirty percent (30%) of the homeowners with right to vote and in good standing.

26.8 The petition of the homeowners shall be submitted to the President of the Homeowners’ Association, or any authorized representative of the Homeowners’ Association, who shall issue a notice to the buyer, homeowner, registered resident or authorized occupant within three (3) days from the time of submission of the petition.

26.9 In case of a resolution by the majority of the Board, the Board shall immediately send a notice to the concerned buyer, homeowner, registered resident, or authorized occupant within twenty four (24) hours from the issuance of the resolution or at the soonest possible opportunity to send notice.

26.10 If the concerned buyer, homeowner, registered resident, or authorized occupant cannot be located or is not present in the village premises, the notice shall be sent via mail or courier to his/her other known address. In such case, the notice shall be deemed received within fifteen (15) days from the time of mailing.

26.11 In addition to the other penalties provided under this Contract on default, cancellation, termination of contract and ejectment, as well as the Deed of Restrictions, Village Rules and Regulations and other issuances by the SELLER and/or the Homeowners’ Association, the buyer, homeowner, registered resident, or authorized occupant who has been banned from the village premises shall suffer the following penalties or consequences:

1. He/she shall forever be barred from entering the premises of the Project;
2. He/she shall not be allowed to personally access his/her Unit and to retrieve any property found in the Unit or in the village premises without proper clearance from and permission by the SELLER or the Homeowners’ Association;
3. He/shall be ejected from his/her Unit and must immediately vacate the same without need of demand. This notwithstanding, he/she shall have the right to dispose his/her Unit within sixty (60) days from notice of being banned. In case he/she fails to dispose of his/her Unit, the SELLER is hereby given special power to dispose the Unit. The SELLER may likewise acquire such Unit at its option. The ejectment and disposal of the Unit shall be without prejudice to the settlement of whatever liability chargeable to the Unit or the owner, such as but not limited to, monthly amortization, association dues, and other fees and charges.

**MISCELLANEOUS PROVISIONS**

# 27. SETTLEMENT OF DISPUTES. The Parties in this Contract agree that any question regarding this Contract will be discussed in good faith. They shall endeavor to resolve all issues arising from or in connection with this Contract in an amicable manner. Either Party shall directly communicate with the other Party for any grievance, concern or dispute regarding any issue or matter arising from this Contract and all consequential transactions by reason of the sale agreement between the Parties. Either Party shall not resort to social media postings and other means that may expose either Party to public ridicule, harassment, shaming, or which may ruin the reputation of either Party. Also, either Party shall not avail of other mechanism for grievance and dispute resolution other than those remedies provided by law, such as the accepted Alternative Dispute Resolutions under R.A. No. 9285 and its implementing rules and regulations, and other existing laws.

# At the option of the SELLER, any dispute arising out of or in connection with this Contract which cannot be resolved pursuant to the immediately preceding paragraph shall be settled by arbitration in the Philippines, administered by the Philippine Dispute Resolution Center, Inc. (“PDRCI”) in accordance with its rules of arbitration.

# The number of arbitrators shall be three (3). Each Party shall appoint one (1) arbitrator, and one (1) arbitrator shall be chosen by the first two (2) appointed arbitrators who shall be the Chairman of the panel. Should either Party fail to appoint an arbitrator, or should the first two (2) arbitrators fail to appoint the third arbitrator, the president of PDRCI shall make the appointment. The arbitrators must have adequate and recognized expertise in the subject matter of the dispute and must be independent of any of the Parties. The place of arbitration shall be Pasig City, Philippines, and the language to be used in the arbitral proceedings shall be English. The award rendered in such arbitration shall be final and binding upon the Parties and may be entered in any court of competent jurisdiction.

# Nothing in this Contract, however, shall be construed as a waiver by any Party of its right to seek injunctive or similar interim relief, in any court of competent jurisdiction. Any suit arising from and by virtue of this Contract shall be filed in the courts of Pasig City, to the exclusion of all other courts.

**28. OBLIGATION TO PAY** The BUYER is aware that the development is being undertaken in stages, or that the amenities and the facilities may be in an incomplete state, and notwithstanding thereof, the BUYER hereby agrees to make the payments herein required on their respective due dates, and not to use the same as excuse or reason for non-payment.

**29. NO LIABILITY** The BUYER hereby acknowledges that he is aware of land developments and/or improvements actually being and will be undertaken by the SELLER at the Project. The BUYER hereby holds the SELLER free and harmless from any claim or action whatsoever nature and kind which arises out of or is due to or which may be caused by any inconvenience, discomfort and disturbance and/or nuisance which may unavoidably be caused to the BUYER by the said developments work. During such development works, the SELLER is authorized to construct temporary structure on any property within the Project.

# 30. AUTHORIZED REPRESENTATIVE FROM THE BUYER. The BUYER may assign an authorized representative through a Special Power of Attorney (SPA) to inspect the Unit together with the representative of the SELLER and execute an Affidavit of Final Acceptance.

**31. ASSIGNMENT BY SELLER.** BUYER gives his/her express consent to SELLER to sell, transfer, endorse, or assign all payments, notes, checks, rights, action, claims and receivables arising out of or as a consequence of this Contract, to third party financial institutions such as Banks, the HOME Development Mutual Fund, and/or other financial institutions, both private and public, hereinafter referred to as (“ASSIGNEE”), in such case:

31.1 BUYER further agrees to settle all his/her obligations stipulated in this Contract directly with the office of the ASSIGNEE during its official business hours.

31.2 BUYER agrees that the ASSIGNEE shall assume all the rights of SELLER as stipulated in this Contract.

31.3 BUYER agrees that all laws governing the ASSIGNEE shall be applicable to BUYER including but not limited to *Bangko Sentral ng Pilipinas* Circular 143 stating the amended provisions of the “Manual Regulations of Banks and other Financial Intermediaries”.

**32. RECONVEYANCE.** After execution of this Contract, the BUYER shall simultaneously sign a Deed of Reconveyance in favor of the SELLER which shall take effect, after execution of the Deed of Absolute Sale but prior to conversion to Real Estate Mortgage Loan Agreement, should the BUYER fails to pay the amount due to the SELLER within the period agreed upon.

The BUYER hereby agrees to transfer and reconvey ownership and title of the PROPERTY back to the SELLER and to execute the necessary documents to effect such reconveyance. All expenses incurred or which may be incurred to effect such reconveyance of the PROPERTY to the SELLER shall be for the sole account of the BUYER.

**33. NOTICE.** Notice to the BUYER sent by mail to his stated address shall be deemed as sufficient compliance with all requirements of notice for purpose of this Contract, irrespective of whether or not it is was personally received by the BUYER.

**34. CHANGE IN BUYER’S DATA.** The BUYER shall inform the SELLER in writing within thirty (30) calendar days of any changes in the BUYER’S personal data such as his name, home address, mailing address, civil status, contact numbers and/or email address. The SELLER shall not be held responsible for any liability whatsoever or failure by the BUYER to receive the SELLER’S notice/written correspondence due to the BUYER’S non-communication or miscommunication of his updated data to the SELLER.

Further, such notice shall be considered received by BUYER (1) upon actual delivery thereof, if the notice is by personal service, whether accepted or refused by the BUYER or any person of sound discretion who may receive the mail matter on behalf of the BUYER; and (2) upon expiration of thirty (30) days from the date of mailing, whichever is earlier, if service of notice is by registered mail, provided that the copy thereof is deposited in the post office in a sealed envelope, plainly addressed to the BUYER at his address stated in the contract to sell or at his last known address.

**35. ADDITIONAL DOCUMENTS**. The SELLER may require the submission by the BUYER of other additional documents for the full and speedy implementation of this Contract, and the BUYER agrees to submit promptly (within 48 hours) the additional documents required.

**36. LOSS OF CONTRACT.** In case of loss of the BUYER’s copy of this Contract, the BUYER must immediately notify the SELLER thereof in writing. The SELLER shall not in any way be liable for damages arising out of the unauthorized use of such lost Contract.

**37. EMINENT DOMAIN/EXPROPRIATION.** If at any given time before the full payment of the Total Contract Price, the government or any of its political subdivision, instrumentality or any public company shall condemn or expropriate the Unit, the BUYER's payment obligations shall not be hereby affected as the BUYER shall bear the consequence of such expropriation. This notwithstanding, the SELLER shall have the authority to deal, negotiate, receive the proceeds of expropriation or resist the expropriation in behalf of the BUYER. It is understood that the proceeds realized from said expropriation shall accrue to the BUYER provided that the latter shall have paid the Total Contract Price, otherwise, the SELLER may apply the said proceeds to the Outstanding Balance and other obligations of the BUYER.

**38.** The BUYERagrees that the SELLER shall have the right to enter the lot anytime for the purpose of inspection, measurement, relocation, survey, laying of monuments and other such services; and to undertake works of whatever nature, for the general interest of the project and to enforce the deed of restriction, rules and regulations of the SELLER. Any inconvenience or disturbance caused shall not be a ground for rescission of the contract to sell.

**39. JOINT AND SOLIDARY.** If there are two (2) or more BUYERS under this Contract, the rights and obligations mentioned herein are deemed contracted by the BUYERS in a joint and solidary manner.

**40. EFFECT OF DEATH.** In the event of death of the BUYER, all the covenants hereof shall extend to and be obligatory on the heirs, successors and/or assigns of the BUYER. The BUYER understands and agrees that his successors, heirs, or assigns shall immediately inform the SELLER of such fact within thirty (30) calendar days and assume all outstanding obligations of the BUYER and settle all payments in arrears to indicate their willingness to proceed with the purchase of the Unit under the terms and conditions of this Contract.

**41. COMPLIANCE WITH EXISTING AND NEW LAWS, RULES AND REGULATIONS.** The BUYER shall comply with the Deed of Restrictions, easements of record and all applicable laws, ordinances, rules and regulations as may be imposed by the government, insofar as they affect the use and occupancy of the Unit subject of this Contract, including any rule requiring payment of fees and taxes that may be imposed. Any new and/or amended rule, which may be promulgated by the government during the effectivity of this Contract, including any rule requiring payment of fees and taxes that may be imposed, shall be complied with accordingly by the BUYER. Any and all omissions or violations thereof shall be the sole responsibility of the BUYER and at his exclusive risk.

**42. PRIOR AGREEMENTS**. The BUYER understands that this Contract supersedes prior written agreements executed by the Parties.

**43.**  **CERTIFICATION AND BINDING OBLIGATION**. The BUYER hereby certifies that he/she has full capacity to enter into this Contract and all information pertinent to this Contract, are true and correct, and that he has read and fully understands this Contract, and agrees with the terms and stipulations thereof and that he voluntarily binds and obligates himself to faithfully comply with the same. The BUYER likewise agrees to execute all acts and deeds necessary to accomplish the above intention and purposes.

**44. WAIVER.** This Contract shall not be considered as changed, modified, or altered by any acts of tolerance on the part of the SELLER unless such changes, modifications, or alterations are in writing and signed by both Parties. It is further understood and agreed that no failure or delay by the SELLER in exercising any right, power or privilege under this Contract shall be construed as a waiver thereof nor any single or partial exercise thereof shall preclude further exercise thereof of any other right, power and privilege. Moreover, acceptance by the SELLER of any payments made in a manner or at any time other than as herein provided shall not be construed as a variation, novation, or waiver of the terms hereof.

**45. SEPARABILITY CLAUSE.** In case one or more of the provisions contained in this Contract shall be declared invalid, illegal or not enforceable in any respect by competent authority, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

**46. AGREEMENT TO TURNOVER TO THE LOCAL GOVERNMENT.** The BUYER agrees that upon issuance of the Certificate of Completion by the Housing and Land Use Regulatory Board or any certificate attesting to the completion of the Subdivision, the SELLER may turn-over the subdivision’s parks, playgrounds, roads, drainage facilities, utilities and others to the Local Government or any other appropriate agency.

IN WITNESS WHEREOF, the parties have hereunto set their hands on this \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Philippines.

# RAEMULAN LANDS INC.

SELLER

TIN: 008-283-996-000

By:

**${exec\_signatories}**

${exec\_position}

**${buyer\_name}**

# BUYER

**${buyer\_spouse\_name}**

# SPOUSE

# ${co\_borrower\_name} CO-BORROWER

${co\_borrower\_spouse}

# CO-BORROWER SPOUSE

**SIGNED IN THE PRESENCE OF:**

**\_\_\_\_${witness1}\_\_\_\_ \_\_\_\_${witness2}\_\_\_\_**

# A C K N O W L E D G E M E N T

REPUBLIC OF THE PHILIPPINES)

PROVINCE/CITY \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ) S.S.

BEFORE ME, a Notary Public, for and in the above jurisdiction, this \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ personally appeared the following with their Community Tax Certificates and Tax Identification Number, to wit:

## Name Document No. / Date Issued / Place of Issue Competent Evidence of Identity

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
| ${exec\_signatories} TIN: ${exec\_tin\_no}  ${buyer\_name} TIN: ${buyer\_tin}  ${co\_borrower\_name} TIN: ${co\_borrower\_tin} |  |  |  |
| ${co\_borrower\_spouse} TIN: ${co\_borrower\_spouse\_tin} |  |  |  |

known to me and to me known to be the same persons who executed the foregoing Contract to Sell consisting of 10 pages and consummated as Official Sale on , including this page wherein the acknowledgment is written, and acknowledged to me that the same is their free and voluntary act and deed.

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

Doc. No. \_\_\_\_\_\_\_\_\_;

Page No. \_\_\_\_\_\_\_\_\_;

Book No. \_\_\_\_\_\_\_\_\_;

Series of \_\_\_\_\_\_\_\_\_\_.