**CONTRACT OF LEASE**

KNOW ALL MEN BY THESE PRESENTS:

This **Contract of Lease** (“Contract”) is entered into on this \_\_\_day of December 2019 by and between:

 **BIG PAPER, INC.,** a corporation duly established under the laws of the Republic of the Philippines, with principal office at 27 Tamarind Road, Makati City, represented herein by its President, Paper View, and herein referred to as the **LESSOR**.

**-AND-**

 **JONEL RODRIGUEZ**, of legal age, Filipino, married to \_\_\_\_\_\_\_\_\_\_\_, and resident of\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ herein referred to as the **LESSEE.**

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

WHEREAS, the LESSOR is the owner of two (2) parcels of land with a combined area of Eight Thousand Eight Hundred Fifty (8,850) square meters more or less, located along Mindanao Avenue, Quezon City and covered by Transfer Certificate of Title (TCT) Nos. 12345 and 12346 of the Registry of Deeds of Quezon City, a copy of which is hereto attached and made an integral part hereof as Annex “A”, intended and available for lease;

WHEREAS, the LESSOR has offered to the LESSEE a portion of the building where the LESSEE shall place an educational institution, and the LESSOR has agreed to lease the same unto and in favor of the LESSEE, subject to the terms and conditions herein set forth (“Leased Premises”);

NOW THEREFORE, for and in consideration of the foregoing premises and the mutual covenants and stipulations hereinafter contained, the Parties hereto have agreed, and by these presents, do hereby agree and bind themselves, as follows;

1. **LEASE PERIOD** – The term of this Lease shall be for a period of four (4) years commencing on \_\_\_\_\_\_\_\_ and expiring on \_\_\_\_\_\_\_\_\_ (the “Lease Period”). By mutual agreement of the Parties, the term may be renewed for a period to be mutually agreed upon. Any such renewal shall be subject to the same terms and conditions provided for herein.
2. **RENT** – The LESSEE shall pay unto the LESSOR, as consideration of this lease, a monthly rental of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Philippine Currency (P \_\_\_\_\_\_\_\_\_), payable quarterly in advance within the first fifteen (15) days of the rental year.

The rental fee payments shall be inclusive of all taxes, fees, assessments and other charges, except Value-Added Tax (VAT). The withholding tax shall be withheld by the LESSOR. Expenses for the documentary stamp tax (DST) arising from this Contract shall be for the account of the LESSOR.

The VAT, if applicable, shall be for the account of the LESSEE provided the LESSOR is a VAT registered entity and presents a copy of its VAT Registration Certificate upon commencement of the term of this lease and issues duly registered VAT official receipts (ORs) upon receipt of rental fee payments. Failure by the LESSOR to issue the applicable ORs will be ground for the LESSEE to withhold future payments. In case of failure on the part of the LESSOR to provide said VAT Registration Certificate, the LESSEE may refuse to pay the VAT from the time of the commencement of the Lease Period until such time the LESSOR provides a copy of its VAT Registration Certificate.

1. **ESCALATION RATE** – The monthly rental rate indicated herein shall be subject to a two percent (2%) escalation rate per annum.
2. **PAYMENT TERMS**
	1. Upon signing of this Contract, the LESSEE shall remit to the LESSOR the equivalent of three (3) months advance rental or a total sum of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Philippine Currency (P \_\_\_\_\_\_\_\_\_), less the withholding tax and other necessary fees and charges provided for in Section 2, hereof.
	2. Succeeding semi-annually payments shall be issued by a crossed check.
3. **TAXES ON IMPROVEMENT** – During the Lease Period, the LESSEE shall pay for the real estate taxes on the improvements introduced or to be introduced by it on the Leased Premises should there be any.
4. **USE OF LEASED PREMISES**
	1. The LESSEE shall use the Leased Premises solely for educational purposes and not for any other use.
	2. The LESSEE shall have the sole use and enjoyment of the Leased Premises and shall thereby have the right among others to furnish and equipment and other facilities necessary, useful and conducive to the learning and other telecommunications, electronic and computer equipment or device together with other necessary or useful equipment, fixtures and appurtenances at suitable places within the Leased Premises within the duration of the Lease Period.
	3. All expenses in connection with the installation and maintenance of any and all installations of the LESSEE thereof shall be for the LESSEE’s exclusive account;
	4. The LESSEE shall have free ingress and egress to and from the Leased Premises at any hour of the day and night for the operation, maintenance, introduction and removal of the LESSEE’s equipment and device thereat.
	5. The LESSEE shall not devote the Leased Premises to any purpose other than the foregoing without the prior written consent of the LESSOR.
5. **UTILITY CHARGES** - The electricity, water and other utility charges arising from the use by the LESSEE of the said utility during the Lease Period shall be for the exclusive account of the LESSEE. For this purpose, the LESSEE shall install or cause to be installed a separate meter to measure and register its electric and water consumption. The utility charges shall be paid as they become due based on the kilowatt hours (kwh) used with respect to electricity, and the cubic meters (cum.) consumed with respect to water, as registered on the LESSEE’s meter.
6. **CURTAILMENT OF UTILITY SERVICES** - The undue curtailment of or interference with the water supply or electric current or such other utility services as may be provided by the LESSOR shall exempt the LESSEE from the payment of utility charges as provided in Section 7, hereof, except when the curtailment or interference is due to the willful misconduct or gross negligence of the LESSEE. The LESSOR shall take the necessary steps to immediately restore such utility services and deduct the actual and reasonable cost thereof from the rentals due from the LESSEE.
7. **RESTRICTIONS ON THE LESSOR** - The LESSOR shall not store hazardous materials, explosives, corrosive chemicals and other substances that are harmful to health and safety of children.
8. **SUB-LEASE -** The LESSEE shall not sublease the Leased Premises or any part thereof, without the prior written consent of the LESSOR.
9. **DEGREE OF DILIGENCE, DAMAGE AND WARRANTIES**
	1. The LESSEE shall exercise the diligence of a good father of the family in the use of the Leased Premises in the construction, installation and maintenance of its educational institution and other equipment thereon and in the conduct of its operation on the said premises.
	2. In the event of damage to or injury to the LESSOR or its properties arising from or in connection with the LESSEE’s use of the said equipment or the wrongful or negligent conduct of the LESSEE’s employees, the LESSEE shall immediately correct the defect and indemnify the LESSOR for any damage that it may sustain without any delay. If the damage or injury is sustained by a third party the LESSEE shall indemnify the party concerned and shall hold the LESSOR free and harmless from any claim or liability sustained thereby, except those damages or injuries arising from fortuitous events.
10. **INSPECTION OF LEASED PREMISES** - The LESSOR or its duly authorized representatives shall have the right to inspect the Leased Premises upon at least three (3) days prior written notice to the LESSEE and at such time convenient to the LESSEE.
11. **BREACH** - Either party may terminate this Contract upon thirty (30) days prior written notice should the other party commit any breach of the terms and conditions of this Contract and fails to remedy the same within thirty (30) days from receipt of written demand by the aggrieved party to remedy such breach.
12. **JUDICIAL RELIEF:**
	1. The Parties agree that any controversy or claim arising out of or relating to this Contract, shall, as much as practicable, be settled amicably.
	2. Should any one of the parties herein be compelled to seek judicial relief against the other, the losing party shall pay whatever is adjudged with finality by the court and attorney's fees which shall in no case be less than Eighty Thousand Pesos (Php 80,000.00) in addition to other cost and damages which the said party may be entitled to under the law.
	3. Failure to exercise or delay in exercising a right or remedy provided by this Contract or by law does not constitute a waiver of the right or remedy or a waiver of other rights or remedies. No single or partial exercise of a right or remedy provided by this Contract or by law prevents further exercise of the right or remedy or the exercise of another right or remedy.
13. **TERMINATION** - In the event of termination by the LESSEE pursuant to Section 13 hereof, the LESSOR shall refund to the LESSEE the unused portion of any and all payments made by the LESSEE to the LESSOR within thirty (30) days from date of termination, without prejudice to the right of the LESSE to claim damages against the LESSOR in which case the damages shall be equivalent to the same amount of two (2) months rental applicable at the time of termination and without further prejudice to whatever legal remedies the LESSEE may institute to protect its interests.
14. **PRE-TERMINATION** - Should the LESSEE be constrained to pre-terminate this Contract due to any reason whatsoever, the LESSEE shall give a written notice to the LESSOR at least thirty (30) days before the effective date of termination, and pay the LESSOR an amount equal to two (2) month rent prevailing at the time of pre-termination, or forfeiture of the unused portion of any advance rental already paid by the LESSEE to the LESSOR whichever is lower.
15. **FORCE MAJEURE** – In the event that the LESSEE could not use the Leased Premises due to force majeure, this Contract may be terminated anytime by either party and the unused portion of the advance rentals already paid shall be refunded by the LESSOR to the LESSEE, provided that the LESSEE shall have given the LESSOR a reasonable period of thirty (30) days within which to refund the same. For purpose of this provision, force majeure shall include but not limited to fire, earthquake, floods, typhoons, war actions, orders or rulings by the government, whether national or local, or any of its agencies or instrumentalities which may adversely affect the performance of the obligations or exercise of the rights of the Parties, and which could not be attributable to the fault, negligence, or participation of the LESSEE or its agents and employees.
16. **TRADE FIXTURE, EQUIPMENT, AND IMPROVEMENTS** - All trade and professional fixtures, equipment and improvements introduced by the LESSEE during the Lease Period shall exclusively belong to the LESSEE. The LESSEE shall have the right to remove all of its trade or professional fixtures, equipment, device and any and all improvements introduced within the Leased Premises upon the expiration of the termination of this Contract, provided, that the LESSEE shall, at its own expense, repair any damage which may result from the removal of said fixtures, equipment or device or improvements; provided finally, that concrete structures shall be restored should it be proved that damage has been caused thereby after an investigation has been made clearly showing the LESSEE’s liability.
17. **RETURN OF LEASED PREMISES** – Upon the expiration or termination of this Contract, the LESSEE agrees to return the physical possession of the Leased Premises in the condition in which it was delivered to the LESSEE at the commencement of this Contract, reasonable wear and tear excepted and excepting further such improvements introduced by the LESSEE on the Leased Premises pursuant to or are allowed under this Contract. Upon turn-over by the LESSEE to the LESSOR, all permanent improvements introduced or made on the leased premises shall pertain and belong to the LESSOR, without any compensation. However all movables, apparatus, fixtures, and equipment which are not otherwise permanently attached to the subject property or which may be removed without causing damage or destruction to the subject property shall remain to the property of LESSEE and shall be removed by the LESSEE at its expense.
18. **RIGHT OF FIRST REFUSAL**- In the event that during the Leased Period, the LESSOR, desires to sell its title and interest in and to the Property covered by the Leased Premises subject of this Agreement or any portion thereof whereat the Leased Premises or any portion thereof is situated the LESSOR shall first offer the same to the LESSEE by giving written notice or its intention to sell, together with the price and terms for the sale. The LESSEE may exercise its right of first refusal by giving written notice to the LESSOR of its decision to buy the same within thirty (30) days from receipt of the aforesaid written notice of the LESSOR. If the LESSOR shall so notify the LESSEE and the latter shall fails to notify the LESSOR of its decision to exercise its first refusal within the aforesaid thirty day period, the LESSOR shall thereafter be free to sell the Leased Premises to any third party under at least the same terms and conditions that it was offered for sale to the LESSEE.
19. **SALE OR TRANSFER** – In the event of sale, transfer, assignment, conveyance, mortgage or encumbrance at the Property subject of this Agreement, or any portion thereof whereat the Leased Premises is situated to any third party during the effectivity of this Contract, the LESSOR shall cause the buyer, transferee, assignee, mortgage or encumbrances to respect the terms of this Contract. The LESSOR shall not be released from its obligation under this Contract notwithstanding such sale, transfer, assignment, conveyance, mortgage or encumbrances or the aforementioned property unless and until the buyer, transferee, assignee, mortgagee, or encumbrancer agrees in writing to be bound by the terms of this Contract and to assume all the obligations of the LESSOR under this Contract.
20. **REGISTRATION** – This Contract may be registered with the Registry of Deeds where the title to this property was registered and annotated at the back of the applicable TCT. All expenses necessary for the herein registration shall be for the account of the LESSEE.
21. **WARRANTY** – The LESSOR hereby warrants the peaceful and continuous possession and enjoyment of the Leased Premises by the LESSEE. The LESSOR shall indemnify and hold the LESSEE free and harmless from claims, suits, proceedings, actions and other demand of thirds parties claiming title possession or any other interest in respect of the Leased Premises or any portion thereof and from damages arising therefrom, including suits to declare the Leased Premises or any portion thereof and from damages arising therefrom, including suits to declare the Lease illegal or unauthorized and any order, ruling or judgment rendered against the LESSEE.
22. **VENUE** – The venue of all suits or actions arising out of or in connection with this Contract shall be in the proper courts where the property is located in Quezon City, the Parties hereby waiving other applicable venues.
23. **NOTICE.** Any inquiry of information relative to this Contract shall always be

**Paper View**

**<Address>**

**LESSOR**

 **Jonel Rodriguez**

**LESSEE**

1. **NON-MODIFICATION OF TERMS AND CONDITIONS.** This Contract constitutes the entire agreement between the Parties and cannot be changed in any manner except in writing and subscribed by the Parties. This Contract shall be binding upon and inure to the benefit of the Parties, their heirs, successors and assigns.
2. **AUTHORITY.** Each of the Parties hereto represents and warrants that it has full power and authority to encourage and perform its obligations under this Contract. All necessary actions, consents, and approvals for the execution of this Contract have been taken and or obtained. This Contract constitutes the legal, valid and binding obligations of each of the Parties enforceable in accordance with its terms.
3. **SEPARABILITY** – Should any provision of this Contract be held invalid by any competent court, the same shall apply only to the provisions involved and the remainder hereof remains valid and enforceable.
4. **GOVERNING LAW** – This Contract, together with the interpretation and implementation of any of its provisions, shall be governed by the law of the Republic of the Philippines.

**IN WITNESS WHEREOF** ,the parties have hereunto signed this Contract on the date first above written in Makati City, Metro Manila.

**BIG PAPER, INC.**

LESSOR

By: Paper View

**JONEL RODRIGUEZ**

 LESSEE

**SIGNED IN THE PRESENCE OF:**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**ACKNOWLEDGMENT**

REPUBLIC OF THE PHILIPPINES)
\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ )  SS.

BEFORE ME, a Notary Public for and in the City of Makati, personally appeared:

Name                           Passport Number              Date/Place Issued

Known to me and to me known to be the same persons who executed the foregoing instrument and acknowledged to me that the same are their free act and voluntary deed.

This instrument, consisting of \_\_\_\_\_ pages, including the page on which this Acknowledgment is written, has been signed on the left margin of each and every page thereof by the concerned parties and their witnesses, and sealed with my notarial seal.

WITNESS  MY HAND AND SEAL on this \_\_\_day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_20\_\_ at\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Notary Public**

Doc. No. ........;
Page No. .......;
Book No. .......;
Series of 2020.