

CONTRACT OF LEASE

(Entrance Pavilion Commercial Space)

THE PUBLIC IS INFORMED:

This **MEMORANDUM OF AGREEMENT** entered into by and between:

The **UNIVERSITY OF CAMARINES NORTE** (*formerly Camarines Norte State College*), a public higher educational institution created by virtue of Republic Act No. 11399, with principal address at F. Pimentel Avenue, Brgy. II, Daet and external campuses in Abaño, Mercedes, Labo, Jose Panganiban, and Entienza, all in the Province of Camarines Norte, Philippines represented by its SUC President III, **Atty. RYAN L. ESTEVEZ, DPA**, referred to as the **“LESSOR”**,

and

_____, a private individual, of legal age, Filipino, and with principal office at _____, hereinafter referred as the “**LESSEE**”

(UCN and LESSOR may be referred to individually as “**PARTY**” and collectively as “**PARTIES**”)

WITNESSETH:

WHEREAS, the LESSOR is the absolute owner of the Commercial Space Stall No. 10 located at Camarines Norte State College Entrance Pavillion, Daet, Camarines Norte.

WHEREAS, the **LESSEE** desires to lease the above-mentioned premises and the **LESSOR** is willing to lease the same unto the **LESSEE** subject to the terms and conditions stipulated hereunder.

WHEREAS, the **LESSEE** warrants that she is not a UCN Employee or a relative up to the 3rd civil degree of the consanguinity or affinity of such employee.

NOW THEREFORE, in consideration of the rental and mutual covenants hereinafter specified, the **LESSOR** hereby leases unto the **LESSEE** who hereby undertakes to lease the Commercial Space Stall No. UCN Entrance Pavilion under the following terms and conditions:

A. OBLIGATIONS OF THE LESSEE. Subject to specific roles and responsibilities that the PARITES may add, the obligations of the LESSEE shall be as follows:

1. **RENT.** The rental fee for the above facility shall be **Rental Fee in word (Php. 00.00) monthly** and shall be paid by the **LESSEE** on or before the 5th day of every month without delay and without the necessity of express demand to pay and it should be paid directly to the Cashier of UCN Main Campus. The rental fee for the facility shall be subject to an annual increase of five percent (5%). Failure of the **LESSEE** to pay two consecutive months and other fees shall result in the automatic termination of this contract.

2. **SECURITY DEPOSIT AND CLEARANCE PROCEDURE.** The **LESSEE** shall pay a) **one (1) month advance** and, b) **two (2) months deposit** in the Cashier's Office as bond during the term of the lease. The **LESSEE** who opts to discontinue leasing the space shall undergo a clearance procedure. The copy of the clearance form is available at the office of IGP Director. Upon completion of the clearance, the deposit shall be returned to the **LESSEE**, without interest and less any set off for damages to the space rented, penalties, and other receivables.
3. **USE OF PREMISES.** The **LESSEE** is hereby expressly agreeing and warrants that the leased premises shall only be used for the purpose stated in the letter of intent and not for any other purposes. The **LESSEE** is hereby expressly prohibited from making any alteration or introduction of any fixed and immovable structures without the approval from the **LESSOR**. The **LESSEE** shall not directly or indirectly sublease, assign, transfer, convey, mortgage, or in any way encumber the right of lease over the leased property or any portion thereof under any circumstances whatsoever. Any contract that shall be made in contravention of this clause shall be null and void. Moreover, the **LESSOR** hereby prohibits the **LESSEE** from having any stay-in occupants in the leased premises at night and from using the same as a dwelling place.
4. **RULES AND REGULATIONS.** The **LESSEE** shall comply with the provision of PD 856 also known as Code on Sanitation of the Philippines, and its Implementing Rules and Regulations (IRR), all laws, ordinances, regulations and orders of the National and Local Government authorities regarding the use, occupation and sanitation of the leased premises and follow reasonable UCN rules and regulations in particular for the "**Garbage in, Garbage out Policy**". Failure to comply with the said laws, ordinances, regulations or orders shall be at the exclusive risk of the **LESSEE**. Repeated violations of the **LESSEE** shall be sufficient ground for the **LESSOR** to unilaterally terminate the contract.

B. GENERAL PROVISIONS

1. **CONTRACT PERIOD.** The term of the Contract of Lease shall be for a period of **ONE (1) YEAR** commencing on **202** to **202** subject for renewal if the **LESSOR** grants the request of the **LESSEE** for at least fifteen (15) calendar days before the expiration.
2. **DELINQUENCY.** Monthly Rental remitted after the 5th day of the scheduled payment date shall be considered overdue and delinquent on the last day of the monthly rental period. If the overdue rent is paid on the succeeding monthly rental period, one percent (1%) penalty shall be charged for every equivalent month delayed. Should the **LESSEE** fail to pay the penalty and the accrued rental/s, a notice shall be forwarded by the Business Affairs Office (BAO) requiring the default **LESSEE** to settle the bill otherwise it shall automatically be deducted from their security deposit. A Notice of Deduction shall then be forwarded by the BAO. The **LESSEE** is given fifteen (15) calendar days after the

receipt of Notice of Deduction to replenish their security deposit, otherwise the non-replenishment shall be grounds for the termination of the contract.

3. **UTILITIES.** The **LESSEE** shall bear full responsibility for the application, installation, and payment of all necessary utility services for the leased premises.
4. **MAINTENANCE AND REPAIR.** All the necessary repairs of the facility being rented shall be undertaken and shall be all at the expense of the **LESSEE**, such as may be required to maintain the facility in good condition. The **LESSEE** also shall not start or proceed with any repair work nor in any cause introduce improvement or make any alterations in the leased premises without prior written approval of the **LESSOR**. Both parties agree that all permanent improvements or alterations in the leased premises become exclusive property of the **LESSOR** without any obligation on the part of the latter to reimburse the cost or value of the improvements introduced or made by the **LESSEE**.
5. **INSPECTION OF THE PREMISES.** The **LESSEE** shall maintain the leased premises in a clean, orderly, and sanitary condition at all times. Furthermore, the **IPDO**, or their authorized representative, shall have the right to enter the leased premises at reasonable times and for justifiable cause, for the purpose of inspecting and assessing the condition of the property, provided that such entry shall not unreasonably interfere with the **LESSEE's** use and enjoyment of the premises.
6. **SIGNAGES.** The prescribed signage for each commercial space shall have dimensions of 1m x 8m x 2m and must be installed above the entrance of the commercial space rented by the **LESSEE**. Prior to installation, the signage shall be subject to verification and approval by the Physical Plant Division Office (PPDO).
7. **PROHIBITIONS.** To protect the welfare of University of Camarines Norte (UCN) stakeholders and the property of the institution, the sale of carinderia or eatery (turo-turo) items, hardware supplies, animal feed, cigarettes, liquor, and liquefied petroleum gas (LPG) is strictly prohibited within the premises of the commercial space.
8. **INDEMNIFICATION.** The **LESSOR** shall not be liable for any injury caused by accident to any person entering the commercial space/ occupied area.

C. OTHER STIPULATIONS

1. **Term, Pre-termination, and Renewal.** This agreement shall take effect upon its signing by the parties, unless earlier revised, amended, modified, or terminated upon such grounds mutually agreed upon with at least thirty (30) days prior notice to either party. Any renewal of this agreement shall be through the mutual written consent of both parties.
2. **Intellectual Property Rights.** Any intellectual property that may accrue, be created, or generated from the undertaking shall be governed by the Intellectual Property Code, as amended, its implementing rules and regulations, and

issuances of the Intellectual Property Office of the Philippines as well as the policies and procedure on Intellectual Property of UCN.

3. **Dispute Resolution and Venue.** The Parties manifest that they will meet and confer within sixty (60) days from receipt of notice for the purpose of exploring all avenues to amicably settle whatever dispute, controversy, claim or issue that may arise in connection with any of the terms and conditions of this agreement. No legal action may be instituted unless the negotiation has failed or been waived by both Parties. Any such suit shall only be filed in the appropriate court of Daet, Camarines Norte. The parties may, however, settle the matter between themselves at any time before final judgment.
4. **Data Privacy.** Both parties must maintain strict confidentiality at all times of the personal data gathered, adhering to the Data Privacy Act of 2012, its implementing rules and regulations and other pertinent issuances by the National Privacy Commissions as well as the UCN Data Privacy and the Management Information System Manual of Operation. (Board Resolution No. 41 s. 2023). Confidentiality obligations persist even after the termination of this agreement.
5. **Confidentiality/ non-disclosure.** The parties shall hold in strict confidentiality any data or information which they may obtain during the course of this agreement in relation to its preparation, negotiation, and execution. No disclosure, to any person, natural or juridical, is permitted without prior consent. The same prohibition on disclosure and condition for disclosure shall apply even after the termination of this agreement.

IN WITNESS WHEREOF, the **PARTIES** have set their hands and affixed their signatures on this ____ day of _____, 202_, at _____.

LESSOR

LESSEE

ATTY. RYAN L. ESTEVEZ, DPA
SUC President III, UCN

Proprietor

Signed in the presence of:

MARIA CRISTINA C. AZUELO, Ph.D
VP for Finance Administration, UCN

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
PROVINCE OF _____) S.S.

BEFORE ME, a Notary Public for and in the Municipality of _____, personally came and appeared the following persons in their official capacity whose respective Competent Evidence of Identities, dates, and places of issuance are indicated opposite their respective names:

ATTY. RYAN L. ESTEVEZ, DPA
SUC President III

Valid ID No. _____
Date Issued: _____
Place Issued: _____

Proprietor

Valid ID No. _____
Date Issued: _____
Place Issued: _____

Known to me to be the same persons who executed the foregoing Contract of Lease, consisting of _____ pages including this page where the Acknowledgement is printed and signed by the parties and their witnesses on each and every page thereof. They further acknowledged to me that they are duly empowered to enter into this agreement by the entities that they represent and that they have done so freely and voluntarily.

WITNESS MY HAND AND NOTARIAL SEAL this ____th day of _____, 202_ at the Municipality of _____.

NOTARY PUBLIC

Doc. No. ____
Page No. ____
Book. No. ____
Series of 202_.