

JOINT VENTURE AGREEMENT

KNOW ALL MEN BY PRESENTS:

This agreement made and executed in Naga City, this 17th day of July 2018 by and between:

COMMUNITIES NAGA, INC. a private entity duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office located at 2nd Floor, Camella Commercial Bldg., Del Rosario, Naga City, herein represented by NATANETTE E. PARDITO and RUEL R. FERNANDEZ, herein referred to as the "FIRST PARTY",

-and-

The CITY GOVERNMENT OF NAGA CITY, a government entity duly organized and existing under the laws of the Republic of the Philippines herein represented by Honorable City Mayor, JOHN G. BONGAT, with principal office at J. Miranda Avenue, Concepcion Pequeña, Naga City hereinafter referred to as the "SECOND PARTY",

WITNESSETH:

WHEREAS, the FIRST PARTY is the developer of the Main Project Lessandra Naga Phase 3 located at Del Rosario, Naga City require to comply with the provisions of Section 18 of R.A. 7279 and its Implementing Rules and Regulations;

WHEREAS, pursuant to Housing and Land Use Regulatory Board (HLURB) Memorandum Circular No. 04, Series of 2013 (dated January 2, 2013) Section 6.1, compliance to Section 18 of R.A No. 7279 shall mean the development of a socialized housing project or a housing project in an resettlement area;

WHEREAS, the SECOND PARTY has existing inventory of socialized housing units in Jolly Neighbors Resettlement Project and Isarog Heights Subdivision (Socialized Housing Project) Brgy. Sta. Cruz, Naga City, Camarines Sur and Brgy. Carolina, Naga City, Camarines Sur (the "Compliance Project").

WHEREAS, the proceeds hereof shall be maintained in the special bank account of the SECOND PARTY, (Bank Account No. 0012-1112-10, Land Bank, Naga City) for the purpose of this Agreement, funds shall be utilized among others, for the site development works of the SECOND PARTY's Tabuco Tenant Homeowners Association Project and Carolina Resettlement Project Subdivision Project;

WHEREAS, as requisite for the approval of release of Development Permit (DP) of the Lessandra Naga Phase 3 Project to the FIRST PARTY, the SECOND PARTY offers to assign to the FIRST PARTY its existing inventory of socialized housing units as compliance of the FIRST PARTY of the requirement under section 18 of R.A. 7279;

WHEREAS, the FIRST PARTY accepts the offer of the SECOND PARTY, under the terms and conditions hereinafter set forth.

NOW, THEREFORE, for and consideration of the total amount of FIVE MILLION FIVE HUNDRED FIFTY THOUSAND PESOS (Php 5,550,000.00) representing the socialized housing units participation of the FIRST PARTY as compliance to Section 18 R.A 7279, as shown in the attached Notice of Assessment hereto labelled as Annex "A", and the mutual covenants and stipulations hereinafter set forth, the Parties hereby agree as follows:

1. Assignment of Socialized Housing unit. The SECOND PARTY hereby assigns 111 socialized housing units participation as shown in the attached summary of Available Socialized Housing Units credited in favour of the FIRST PARTY as compliance to Section 18 of R.A. 7279, hereto attached as Annex "B".
2. Upon ratification of the Joint Venture Agreement, and issuance of the Approved Resolution, the SECOND PARTY shall issue the Development Permit of the LessandraNaga Phase 3 and the FIRST PARTY shall remit to the SECOND PARTY its amount contribution to this Agreement.
3. Within 30 days from the execution of this Agreement, the SECOND PARTY shall deliver a copy of the approved site development plan of the Project indicating the location of the socialized housing units covered by this Agreement.
4. Warranties and Representations. The SECOND PARTY hereby represents and warrants to the FIRST PARTY as follows:
 - a. That the SECOND PARTY has valid authority to enter into this Agreement and that the execution, delivery and performance of the Agreement will not violate any provision of or result in a breach of any law, court order, regulation, implementing rule or governmental directive applicable to the SECOND PARTY, nor will this violate its charter and or the Local Government Code of the Philippines which the SECOND PARTY or its properties bound. The SECOND PARTY hereby undertakes to submit to the FIRST PARTY within fifteen (15) days from the execution of this Agreement, a duly enacted Sangguniang Resolution confirming and/or ratifying the authority of the SECOND PARTY as duly represented by its City Mayor, to enter into and execute this Agreement.
 - b. That Jolly Neighbors Resettlement Project and Isarog Heights Subdivision, subject of its Agreement, is subsisting and that its permits, licenses and registrations are subsisting and have not been suspended or revoked and that no Cease and Desist Order restraining the sale hereof has been issued for any reason whatsoever, and that the units have not been assigned as housing unit participation to any proponent or developer.
 - c. The Units or housing credits are free and clear of all liens, encumbrances or claims whatsoever, and have not been disposed of or sold to a third party, and shall continue to be, not subject to any claim, set off or defense which will prevent purchasers of the Units from acquiring full and absolute ownership of the units or housing credits.

IN WITNESS WHEREOF, the Parties have hereunto affixed their signatures on the date and at the place first above mentioned.

COMMUNITIES NAGA, INC.
(FIRST PARTY)

By: 
NATANETTE E. PARDIÑO

RUEL R. FERNANDEZ

CITY GOVERNMENT OF NAGA
(SECOND PARTY)

By: 
Hon. JOHN G. BONGAT

SIGNED IN THE PRESENCE