

CONTRACT TO SELL

KNOW ALL MEN BY THESE PRESENTS:

This Contract to Sell ("Contract") is made and entered by and between:

_____, a corporation duly organized and existing under and by virtue of the laws of the Philippines with office address at _____

_____ herein represented by its _____,

and _____ (hereinafter referred to as the "SELLER");- and -

(hereinafter referred to as the "BUYER").
The parties hereto agree as follows:

FIRST : PROPERTY

1.01 The SELLER hereby agrees to sell, transfer and convey to the BUYER, and the BUYER hereby agrees to buy from the SELLER, subject to the terms and conditions of this Contract and such other related documents, including but not limited to, the Reservation Agreement, Deed of Restrictions, Guidelines on Turn-Over of Property, House Rules, Design and Construction Guidelines, Articles of Incorporation and By-Laws of the Homeowners' Association ("Related Documents"), a house and lot particularly described as follows:

Lot No.	
Block No.	
Lot Area	
House Model	
Floor Area	
Subdivision	

(The above-described house and lot shall hereinafter be referred to as the "Property" and the above-named subdivision shall hereinafter be referred to as the "Subdivision").

SECOND: CONSIDERATION AND PAYMENT SCHEMES

2.01 The SELLER agrees to sell the Property to the BUYER, and the BUYER agrees to purchase the Property from the SELLER, for the Contract Price of PESOS:

____ (Php _____) (hereafter, the "Contract Price"), payable in the manner indicated in the Schedule of Payment attached and made an integral part hereof as Annex "A", and broken down as follows:

Net TCP	
Value Added Tax (VAT)	
Contract Price	

2.02 The down payment shall be paid by the BUYER to the SELLER in the manner provided in Annex "A" hereof. In case of failure of the BUYER to pay any monthly amortization on the required down payment on its due date, the SELLER shall impose penalty at the rate of four percent (4%) per month until fully paid. Failure of the BUYER to pay one (1) monthly amortization on the required down payment shall entitle the SELLER to cancel this Contract, without need of court action, and all payments so far made by the BUYER shall be forfeited in favor of the SELLER.

2.03 All amounts payable by the BUYER to the SELLER under this Contract, including, but not limited to, the down payment and amortizations, shall be covered by post-dated checks, promissory notes and such other forms of security in favor of the SELLER or its assigns as may be required by SELLER, unless dispensed with in writing by the SELLER. The BUYER binds himself to immediately submit said post-dated checks and other forms of security within the period set by the SELLER.

2.04 In the event that the due date for any payment due under this Contract falls on a holiday or non-working day, the due date shall be understood to be the preceding working day. The BUYER undertakes to pay the Total Contract Price and all other monetary obligations punctually at the principal office of the SELLER during office hours, without need of the services of any collector and/or demand from the SELLER. Only payments actually received by the SELLER for which corresponding official receipts are issued shall be recognized by the SELLER. No receipt shall be obligatory on, and binding to, the SELLER without the signature of the SELLER or its authorized representatives. Payments made directly to brokers, agents and/or any unauthorized person shall be at the risk and responsibility of the BUYER.

2.05 Failure of the BUYER to pay any portion of the Total Contract Price on its due date shall subject the BUYER to imposition of the penalties provided in Section 10.03 hereof, without prejudice to the exercise by the SELLER of its other rights under this Contract or the law.

2.06 In case the BUYER avails of Sale on Installment, the following provisions shall be applicable (in addition to other applicable provisions under this Contract):

2.06.01 In case of Deferred Payment -

2.06.01.1 The BUYER shall pay the Loanable Amount in accordance with the Schedule attached hereto as Annex "A", without interest.

2.06.01.2 In case of failure of the BUYER to pay any monthly amortization on its due date, the

SELLER shall impose interest on the unpaid amortization at the prevailing in-house rate until fully paid or until the BUYER updates his payments. Failure of the BUYER to pay two (2) consecutive monthly amortizations shall entitle the SELLER to cancel this Contract, without need of court action, and all payments so far made by the BUYER shall be forfeited in favor of the SELLER, UNLESS,

prior to cancellation, the BUYER signifies to the SELLER his intention to avail of the In-House Financing Scheme, provided that his availment of said scheme is approved by the Credit Evaluation Committee of the SELLER.

2.06.02 In case of In-House Financing

2.06.02.1 The BUYER shall pay the Total Contract Price with interest at the rate provided in Annex "A" hereof. The interest rate shall be fixed for the entire term subject to the provisions of Section 2.10 hereof.

2.06.02.2 The BUYER hereby acknowledges that his availment of the in-house financing scheme is subject to the approval of the Credit Evaluation Committee of the SELLER. Acceptance by the SELLER of any payment from the BUYER shall not be construed as waiver on the SELLER'S part to subject the BUYER'S application to the Committee's evaluation and review. Failure on the part of the BUYER to substantiate his declared income through the required documents shall be a ground for the disapproval of his application. In the event the Credit Evaluation Committee does not approve the availment of this scheme by the BUYER, the BUYER shall pay the Total Contract Price and his other monetary obligations in full within fifteen (15) calendar days from Notice of Disapproval sent in the manner set forth in Section 11.04. Failure of the BUYER to pay within the said period shall cause the automatic cancellation of this Contract, without need of court action, and all payments so far made by the BUYER shall be forfeited in favor of the SELLER.

2.06.03 In case of financing through banks or other financial institutions -

2.06.03.1 The BUYER hereby undertakes to apply for a loan and secure the approval thereof with a banking or financing institution no later than six (6) months prior to full payment of the required minimum

down payment and to irrevocably assign the entire proceeds of his loan to the SELLER in payment of the Total Contract Price and other monetary obligations of the BUYER to the SELLER.

2.06.03.2 The SELLER may assist the BUYER in his loan application but assumes no liability or obligation in case of denial or disapproval or delay in the processing thereof by the banking or financing institution, as the case may be. In the event the SELLER assists the BUYER in the processing of the loan application, the BUYER undertakes to submit all duly accomplished and complete documents necessary to obtain a loan within thirty (30) days from date of payment of first monthly amortization on the required down payment.

2.06.03.3 Upon release by the bank or financing institution to the SELLER of the loan proceeds of the BUYER, the same shall be applied as payment of the equivalent portion of the Total Contract Price and/or other monetary obligations of the BUYER to the SELLER not necessarily arising from this Contract. In case the loan proceeds of the BUYER is less than the amounts payable by the BUYER to the SELLER under this Contract, the BUYER shall pay the deficiency to the SELLER within such period of time as may be agreed upon by the BUYER and the SELLER. The BUYER agrees to issue and deliver to the SELLER post-dated checks representing payments for any such deficiency.

2.06.03.4 If the proceeds of the loan are not released to the SELLER due to delay in the completion and/or acceptance of the housing component of the Property, the BUYER undertakes to continue in the payment of the monthly amortizations with interest at prevailing bank rate to the SELLER.

2.06.03.5 Pending action on the loan application of the BUYER, the BUYER shall pay the monthly amortizations in accordance with the Schedule attached as Annex "A" hereof. The principal component of any and all amortization actually paid to the SELLER under the installment scheme shall be deducted from the loan take-out. Otherwise, such principal payment shall be applied to future amortization under the bank financing scheme, provided the BUYER has no other pending monetary obligation to the SELLER.

2.06.03.6 If for any reason the loan proceeds is not released to the SELLER, unless the same is due to the delay in the completion and/or acceptance of the housing component, or the BUYER'S loan application was disapproved by the banking or financing institution, the SELLER shall have the option to: (A) Automatically shift the BUYER'S account to In-House Financing Scheme, and thereupon apply the prevailing interest rate under the said scheme, subject to the provisions of Section 2.06.02 (and its sub-sections); or (B) Demand payment by the BUYER of the Total Contract Price and other monetary obligations in full within fifteen (15) calendar days from Notice to Pay sent in the manner set forth in Section 11.04 hereof. Failure of the BUYER to pay within the said period shall cause the automatic cancellation of this Contract, without need of court action, and all payments so far made by the BUYER shall be forfeited in favor of the SELLER.

2.06.03.7 The SELLER is hereby authorized by the BUYER to seek out other banking or financing institutions that may offer terms and conditions which are more beneficial to both parties. Thus, the SELLER reserves the right to substitute the banking or financing institution originally chosen by the BUYER with other banking or financing institution, and the BUYER hereby expressly agrees to abide by the terms and conditions imposed by the substitute banking or financing institution and/or by the SELLER.

2.06.03.8 The BUYER binds himself to comply with all rules and regulations promulgated or hereinafter to be promulgated by the banking or financing institution.

2.07 In case of discrepancy in the area of the Property as stated herein and as finally determined by actual survey, the SELLER shall adjust the Total Contract Price accordingly. Any adjustment in the Total Contract Price as determined by the SELLER shall be binding and conclusive on the BUYER absent any manifest error in the re-computation or adjustment.

2.08 In case *extraordinary inflation* is declared by the Bangko Sentral ng Pilipinas during the effectivity of this Contract, the value of the currency at the time of the execution of this Contract shall be the basis of payment of the Total Contract Price. In such event, any unpaid balance of the Total Contract Price shall be adjusted monthly using as basis the inflation rate and the value of the currency at the time of execution of this Contract. In case *extraordinary depreciation* or

devaluation of the currency should supervene during the effectivity of this Contract, the value of the currency at the time of the execution of this Contract shall likewise be the basis of payment of the Total Contract Price. For purposes of this Contract, "extraordinary depreciation or devaluation" shall mean the diminution to the extent of twenty five (25%) in the exchange rate of the Philippine currency vis-à-vis the US Dollar prevailing at the close of trading hours on the date of this Contract as reflected in the records of the Bangko Sentral ng Pilipinas. In such event, any unpaid balance of the Total Contract Price shall be adjusted monthly using as basis the value of the currency and exchange rate at the time of execution of this Contract. In case *extraordinary increase* in the prices of construction materials or equipment and/or in the cost of labor should supervene during the effectivity of this Contract, the SELLER shall make corresponding adjustments in the unpaid balance of the Total Contract Price. For purposes of this Contract, "extraordinary increase" shall mean a fifteen percent (15%) increase in the prices of construction materials and/or costs of labor prevailing on the date of this Contract.

2.09 In the event of direct or indirect increase in the overall cost of money to the SELLER, such as, but not limited to (i) reserve or similar requirements, tax on income/gross receipts, or the imposition of any levy, fees or other taxes; or (ii) change in the prevailing market rates or such other guiding or reference taxes as may be adopted, determined and/or authorized by the Bangko Sentral ng Pilipinas ("BSP"); or (iii) extraordinary inflation when so declared by the BSP reckoned from the date of signing of this Contract; or (iv) devaluation or depreciation or appreciation in the real value or purchasing power of the Philippine Peso, that is, when there has been an adverse change of at least twenty five percent (25%) in the Exchange Rate for the Philippine Peso to the US Dollar as determined in the Philippine Dealing System as published in any major business dailies, reckoned from the date of signing of this Contract; (v) the applicable maximum rate of interest is increased or decreased by law or by the Monetary Board; or (vi) in case the difference between the rate of interest indicated herein and the prevailing average lending rate of banks at any point before full payment of the Total Contract Price is at least nine percent (9%), the SELLER is hereby authorized to increase, decrease or otherwise change the rate of interest on all outstanding obligations of the BUYER under this Contract and Related Documents within the allowable rates, which adjustment shall take effect immediately upon notice to the BUYER in the manner set forth in Section 11.04 hereof.

2.10 In case of refusal or failure by BUYER to pay the Total Contract Price and/or interest rate as adjusted, the BUYER shall be considered in default and Sections 3.01 and 3.03 hereof shall be applicable.

2.11 The SELLER reserves the right to reject insufficient or incomplete payments. The payments of the BUYER shall be applied in the following order: a) to costs and expenses incurred or advanced by the SELLER pursuant to this Contract and Related Documents; b) to penalties; c) to premiums on credit insurance; d) to real property taxes; e) to homeowners' association dues; f) to interests on scheduled balance of the Total Contract Price and, thereafter; g) to the outstanding balance of the Total Contract Price.

2.12 In the event that there is a need for the BUYER to change his financing scheme, the BUYER hereby agrees that such change shall be with the written consent of the SELLER and will be subject to standards, terms and conditions as set by the SELLER and existing at the time of such change.

2.13 The BUYER agrees to be covered by Life and Credit Insurance for such amount equivalent to the balance of the Total Contract Price which has remained unpaid, which insurance coverage must be effective until such time that the Total Contract Price is paid in full, the premiums on which shall be for the account of the BUYER. The SELLER shall have the option, but not the obligation, to procure the required insurance on behalf of the SELLER. In which case, the premiums due thereon shall be added to the monthly installments of the BUYER. The relevant policy evidencing the insurance coverage shall be endorsed in favor of the SELLER. This provision shall also be applicable in case of Deferred Cash Scheme.

THIRD: DEFAULT AND CANCELLATION

3.01 Any of the following events shall constitute default under this Contract:

3.01.01 Failure and/or refusal of the BUYER to pay the Total Contract Price and/or his other monetary obligations under this Contract on its due date; or failure or refusal of the BUYER to pay additional fees, amounts and/or taxes when necessary or required by present or future laws, rules, regulations and/or circumstances;

3.01.02 Dishonor and/or bouncing of the checks or notes issued by the BUYER as payment or security for any monetary obligation of the BUYER in favor of the SELLER, for any reason whatsoever;

3.01.03 Disapproval of the loan application of the BUYER with any banking or financing institution for any reason whatsoever; or when the loan application cannot be processed or the loan proceeds is not received by the SELLER within the required period or the BUYER failed to apply for a loan within the required period, for any reason whatsoever;

3.01.04 Failure or refusal of the BUYER to execute or submit on its due date any of the existing and/or additional documents and postdated checks required by the SELLER and/or by the banking or financing institution or to attend seminars required by the SELLER and/or by the banking or financing institution. A penalty of four percent (4%) per month of the BUYER'S outstanding obligation, as may be adjusted by the SELLER from time to time, shall be charged against the BUYER in case the SELLER chooses to accept documents submitted beyond the deadline;

3.01.05 Breach by the BUYER of any of his covenants, undertakings, warranties or representations, obligations and commitments in this Contract and Related Documents;

3.01.06 Failure or refusal of the BUYER to comply with the terms and conditions of this Contract and Related Documents and policies of the SELLER (whether or not annotated at the back of the title to the Property), including those embodied in the Deed of Restrictions for the Subdivision and other additional or revised rules and restrictions, if any, relative to the Property or the Subdivision;

3.01.07 Falsification or misrepresentation of any of the information or data in the documents executed, submitted and filed by the BUYER, or his authorized representative, or any acts of fraud or machination, improper/illegal acts committed by the BUYER and/or anybody with or without the BUYER'S knowledge or consent in connection with the purchase of the Property;

3.01.08 When upon further verification, the SELLER finds that the BUYER is not qualified to avail of any of financing schemes offered by the SELLER (e.g. "negative credit investigation");

3.01.09 Without fault of the SELLER, failure or refusal of Government Authority to issue the approval for the government financing or to issue the proper clearances or approvals for registration of the transfer of title to the Property in the name of the BUYER; or,

3.01.10 Such other grounds including those that may have been stated elsewhere in this Contract and Related Documents.

3.02 Upon the occurrence of any of the events of default specified in Section 3.01 hereof,

the SELLER shall be entitled to exercise or avail of any, some, or all of the following rights or remedies, whether cumulatively or alternatively, at its option:

3.02.01 Restructure the payment schedule of the BUYER, together with the imposition of interests and penalties or adjustments thereof;

3.02.02 Accelerate the due dates of the BUYER'S monetary obligations making them all immediately due and demandable;

3.02.03 Subject to the provisions of Republic Act No. 6552, extra-judicially cancel this Contract and related documents and forfeit as liquidated damages and/or rentals whatever amount had already been paid by the BUYER. In case the BUYER is entitled to a cash surrender value pursuant to the provisions of RA 6552, the refund of the cash surrender value shall be effected at the office of the SELLER within five (5) days from receipt by the BUYER of the notice to collect the same; Provided, however, that failure of the BUYER for whatever reason to collect the cash surrender value notwithstanding notice to do so shall not render ineffective the SELLER'S cancellation or rescission of the Contract. Uncollected cash surrender value shall be held by the SELLER for the BUYER without interest;

3.02.04 Cut-off all utilities and facilities, including but not limited to water, garbage and distribution of mail; or

3.02.05 Deny the turn-over of possession of the Property to the BUYER.

In the event of default by the BUYER after the account has already been assigned or migrated to Pag-IBIG (HDMF) and/or other banking or financial institution, which obligates the SELLER to buy-back the said account, the BUYER shall, within fifteen (15) days from the time of buy-back, inform the SELLER of his choice on how to finance the purchase of the Property, otherwise, the SELLER shall cancel the account. In case title to the Property has already been transferred to the BUYER, the BUYER undertakes to execute a Deed of Reconveyance in favor of the SELLER.

3.03 In case of cancellation of this Contract and/or withdrawal by the BUYER from this Contract or violation by the BUYER of any of the provisions of this Contract, the SELLER shall be entitled to exercise or avail of any, some, or all of the following rights or remedies, whether cumulatively or alternatively, at its option:

3.03.01 Forfeit the Reservation Fee, without need of notice to the BUYER;

3.03.02 Subject to the provisions of Republic Act No. 6552, to automatically deduct from any and all payments so far made by and/or on behalf of the BUYER to the SELLER, the following charges and amounts: (a) Reservation Fee; (b) Broker's commission, incentive, promotion and other fees; (c) Administrative fees and cancellation/withdrawal fees in the amount to be determined by the SELLER which fees shall in no case be less than Twenty Thousand Pesos (P20,000.00); (d) Transfer expenses, reconveyance fees and charges, if the title to the Property has been transferred to BUYER'S name; (e) Cost of money; (f) Reasonable amount of rent, if Property has been turned-over to the BUYER; (g) Premium on credit insurance; (h) Liquidated damages of not less than ten percent (10%) of the Total Contract Price; (i) Taxes, fees and assessments paid or have to be paid, including real property taxes; (j) Penalties and interests accrued as of the date of cancellation; (k) Any unpaid charges on the Property, membership fee and/or dues payable to the pertinent homeowners' association; and (l) Other expenses that the SELLER may have incurred or may incur in connection with this Contract and Related Documents, without prejudice to the right of SELLER to make other allowable deductions.

If the payments so far made by the BUYER are not sufficient to cover the foregoing allowable deductions, the SELLER has the right to collect from the BUYER the deficiency within fifteen (15) calendar days from the cancellation or withdrawal.

3.03.03 Without necessity of court order, to enter and take physical possession of the Property, including any and all improvements found thereon.

3.03.04 Without necessity of court order, to clear the Property of any structure, furniture, fixtures and equipment of the BUYER or any occupants found therein and cause such furniture, fixtures and equipment to be stored in a warehouse or storage area of the SELLER'S choice, the expenses for which shall be charged to the BUYER. The BUYER shall have thirty (30) calendar days from Notice to Claim sent in the manner set forth in Section 11.04 within which to claim or take possession of his said furniture, fixtures and equipment, subject to prior settlement of all his liabilities with the SELLER. If the BUYER fails to claim or take possession of his furniture and fixtures, the SELLER is given the power of attorney to dispose of the same by public or private auction and to sign the necessary documents relative thereto, the costs of which shall be charged to the BUYER, and to thereafter apply the proceeds in settlement of the BUYER'S liabilities, without prejudice to the right of the SELLER to collect from the BUYER the balance thereof. The exercise by the SELLER of its rights herein shall not constitute the SELLER a depository of the properties of the BUYER.

3.03.05 To cut-off the utilities and/or services, or to cause the cutting-off of the utilities and/or services provided to the Property or the BUYER;

3.03.06 To extra-judicially eject any person found therein;

3.03.07 If this Contract is cancelled after the Property has been turned over to the BUYER and/or after title to the Property has been transferred in the BUYER'S name, the SELLER has the right to require the BUYER to return full, actual, physical and legal ownership and possession of the Property to the SELLER within fifteen (15) calendar days from cancellation and, if the BUYER fails to do so, the SELLER shall be entitled to collect rentals from the BUYER in the amount to be determined solely by the SELLER until the latter surrenders possession and ownership of the Property, without prejudice to the SELLER'S right to file an ejectment suit and other appropriate charges against the BUYER. It is the BUYER'S obligation to immediately execute the necessary and proper documents, including, but not limited to, a Deed of Re-conveyance, in order to revert ownership and possession of the Property to the SELLER. Failure of the BUYER to comply with the requirements of re-conveyance, if warranted, shall give the SELLER the right to re-convey the Property back to its name, judicially or extra-judicially. For this purpose, the SELLER is hereby appointed by the BUYER as his attorney-in-fact, coupled with interest, to effect such re-conveyance.

3.03.08 To institute lawsuits against the BUYER, and/or any person claiming rights under him, with the proper court; and

3.03.09 To the extent allowed by law, adopt any such measure or step deemed necessary to protect its rights and interest.

Further, improvements made or introduced by the BUYER on the Property, if any, shall, at the option of the SELLER, become the property of the SELLER without any obligation on the SELLER'S part to reimburse the BUYER for the cost or value of such improvements. In the event that the SELLER shall refuse to accept the improvements, then the BUYER shall deliver the Property to the SELLER in the same physical condition it was found at the time of the delivery of the Property to BUYER; otherwise, any remaining improvements found on the Property shall be deemed automatically abandoned, and the SELLER may thereupon enter the Property and cause the demolition or removal of such improvements, without necessity of a court order, and charge the BUYER for the cost thereof.

For purposes of the foregoing provisions and other related provisions in this Contract, the BUYER

hereby constitutes the SELLER and/or its authorized representatives as his attorney-in-fact, and all acts performed by the SELLER in the exercise of its rights and remedies under this Contract are hereby confirmed and ratified by the BUYER. In addition, the BUYER hereby expressly agrees that any and all acts performed by the SELLER, its authorized agents or representatives pursuant to the provisions of this Contract may not be the subject of any petition for writ of preliminary injunction or mandatory injunction in any court or agency.

3.04 Upon notice to the BUYER of such cancellation or upon such time as when the SELLER agrees to the withdrawal by the BUYER from this Contract, as the case may be, the SELLER shall automatically have the rights enumerated in Sections 3.02 to 3.03 hereof.

FOURTH: CONSTRUCTION

4.01 The SELLER shall commence the construction of the housing component after the BUYER shall have paid the required down payment and other monetary obligations specified herein, or after the SELLER shall have received the letter of guarantee from the bank, whichever is applicable, provided the BUYER shall have complied with all the documentary requirements of the SELLER.

The SELLER shall complete the house construction within a period of eighteen (18) months after the commencement of the construction.

4.02 No construction, improvement, enhancement, and/or changes or reparatory works on the Property and/or the housing component, including construction of fence (collectively, "Additions and/or Changes") shall be allowed prior to full payment of the Total Contract Price, and the corresponding completion and acceptance of the Property by the BUYER. However, subject to the prior written approval of the SELLER, the BUYER who has availed of the Sale on Installment Scheme or Deferred Cash Payment Scheme may apply for permission to introduce Additions and/or Changes on the Property after he has paid the Required Minimum Percentage of Payment without any past incident or event of default as provided in Section 3.02 hereof, and provided further that the Subdivision and the Property are ready for Additions and/or Changes and the Property has already been accepted by the BUYER.

Additions and/or Changes on the Property and/or the housing component shall be in accordance with the provisions hereof, as well as those provided for in the Deed of Restrictions of the Subdivision, House Rules, and Design and Construction Guidelines. Once Additions and/or Changes are made, the SELLER shall cease to guaranty the structural integrity of the housing component of the Property even when the design, plan and specifications were obtained from the SELLER or were approved by the SELLER. Likewise, the SELLER shall not be responsible for any use of either or both of the electrical or water facilities beyond their respective allowable loads/capacities. The BUYER shall be solely liable for any accident that may occur due to any Additions and/or Changes on the Property.

4.03 In case of cancellation of, or withdrawal from, this Contract, all Additions and/or Changes made by the BUYER shall automatically pertain to the SELLER without obligation to reimburse the BUYER for the cost thereof; or, at its option, require the BUYER to restore the Property to its original state at the sole expense of the BUYER. In either case, the SELLER is hereby authorized by the BUYER to enter the Property without need of court order and without incurring any liability whatsoever.

FIFTH : TRANSFER OF TITLE AND ASSIGNMENT BY BUYER

5.01 Upon full payment of the Total Contract Price and other monetary obligations of the BUYER and satisfactory compliance by the BUYER of the terms and conditions of this Contract and Related Documents, the SELLER shall execute a deed of absolute sale in favor of the BUYER covering the Property ("Deed of Absolute Sale").

The title, rights and interest in and to the Property to be conveyed to the BUYER by the SELLER shall be subject to the provisions of Presidential Decree No. 57, as amended, and its implementing regulations, the Deed of Restrictions, the Articles of Incorporation and the By-Laws of the Subdivision's Homeowners' Association, its rules and regulations, zoning regulations, other restrictions imposed on the use of the Property by governmental authorities, and the restrictions and easements of record, by all of which the BUYER hereby agrees to be bound. This Contract is understood to be subject to Batasang Pambansa Blg. 185, which provides that only Filipino citizens and Balikbayan Filipinos who intend to reside permanently in the Philippines, subject to certain conditions, may acquire real properties in the Philippines.

5.02 The SELLER may, at its option, assist in the transfer of title over the Property in the name of the BUYER. Failure or refusal of the BUYER to remit to the SELLER the amounts necessary for the said transfer when required shall relieve the SELLER from any responsibility to have the Property registered under the BUYER'S name and the SELLER shall then be deemed to have complied with all its obligations to the BUYER under this Contract. In cases where title to the Property has to be transferred-in-trust to the BUYER as required by the banking or financing Institution, SELLER may proceed with the transfer even without prior consent from the BUYER and advance the necessary amount for the payment of taxes and other fees, subject to the provisions of Section 10.02 hereof.

5.03 The BUYER acknowledges that, if for any reason, title to the Property is transferred to the BUYER'S name prior to full payment of the Total Contract Price and other monetary obligations under this Contract, said transfer shall be considered only as a transfer in trust, and the SELLER remains the beneficial owner of the Property.

5.04 Assignment, transfer and encumbrance after the BUYER has fully paid the Total Contract Price shall only be effective after the BUYER shall have secured from the SELLER and from the pertinent HOA, certifications that the BUYER has no pending obligations, financial or otherwise, and after written notice to the SELLER of the said transfer. Otherwise, notwithstanding the transfer, the BUYER is solidarily liable with the transferee with respect to all obligations of the BUYER to the SELLER and/or the HOA.

Assignment, transfer and encumbrance prior to full payment of the Total Contract Price shall require the prior written consent of the SELLER and the HOA. Otherwise, any such assignment shall not be valid and binding upon the SELLER.

The provisions of this Contract and Related Documents shall be deemed incorporated in any and all documents executed by the BUYER and his transferee.

SIXTH : TURN-OVER OF PROPERTY

6.01 Upon completion of the housing component of the Property, the SELLER shall send to the BUYER by personal delivery, facsimile and/or registered mail a written notification ("Notice of Turn-Over") informing the latter that the Property is ready for turn-over, provided that (a) the BUYER has fully paid the Total Contract Price and other monetary obligations to the SELLER, and

has complied with all the requirements of the SELLER; or (b) in case of bank financing, the SELLER shall have received the proceeds of the loan from the bank or financing institution; or (c) in case of in-house financing, the BUYER shall have fully paid the required down payment plus three(3) monthly amortizations on the balance of the Total Contract Price and is not otherwise in default; or (d) in case of deferred payment, the BUYER shall have paid seventy percent (70%) of the Total Contract Price and is not otherwise in default.

The BUYER acknowledges that the Property shall be turned-over unfurnished and any furniture, fixture, accessory and/or equipment illustrated in any sales brochures or prospectus that may be present in the Property is not included in the sale thereof.

6.02 The SELLER shall notify the BUYER in the manner set forth in Section 11.04 of the date on which the Property shall be ready for turnover to the BUYER ("Notice of Turn-Over"). The BUYER'S receipt of such Notice, or the BUYER'S refusal to acknowledge receipt thereof, or after the Turn-Over date, shall be conclusively construed as equivalent to an acceptance of the Property by the BUYER. In addition, the non-acceptance of the Property and/or the housing component shall not affect the obligation of the BUYER to pay the balance of the purchase price in the manner specified in this Contract.

In case of turn-over of the Property prior to full payment of the Total Contract Price, the BUYER acknowledges that it shall only be a turn-over in trust and ownership over the Property still remains with the SELLER.

6.03 The BUYER shall accept the turn-over of the Property on the date or period specified by the SELLER in the Notice of Turn-Over referred to in Section 6.02.

Only defects affecting the structural integrity of the housing component of the Property may constitute as a ground for the BUYER'S refusal to accept the Property and the housing component. Defects in the workmanship and in the materials used on the housing component may be corrected by the SELLER but shall not be used by the BUYER as ground for non-acceptance of the Property and the housing component. For as long as the Property and/or the housing component is complete in accordance with the plans, it shall be eligible for acceptance and shall be accepted by the BUYER unless the integrity of the housing component is put in serious question. After inspection and the BUYER does not raise serious and valid questions on the structural integrity of the Property and the housing component, or where the questions raised pertain only to defects in workmanship and materials, the BUYER shall be presumed to have accepted the Property and the housing component, regardless of whether or not a formal acceptance is made, in which case, Section 6.05 shall be applicable.

6.04 Any of the following shall be considered as effective or constructive turn-over of possession of the Property to the BUYER: (a) upon execution of the Deed of Absolute Sale of the Property in favor of the BUYER; or (b) upon receipt of Notice of Turn-Over by the SELLER; (c) upon actual possession of the Property by the BUYER; or (d) upon introduction of any Additions and/or Changes in the Property and/or the housing component or; (e) upon payment of the Required Minimum Percentage of the Total Contract Price, whichever comes first.

However, in the event that the SELLER is ready to turn-over the Property to the BUYER but the Property cannot be turned-over to the BUYER due to BUYER'S non-compliance with the requirements of the SELLER for turn-over, Section 6.05 hereof shall become effective as if the Property has actually been turned-over to the BUYER.

6.05 Actual or constructive turn-over of the Property to BUYER shall have the following effects:

6.05.1 The risk of loss or damage to the Property, including any improvements thereon, shall be transferred to the BUYER, and the corresponding obligation to maintain the same in good condition.

6.05.2 The SELLER shall be free from any responsibility and liability, whatsoever, arising from pilferage, destruction, deterioration, damage, and/or defect of the Property.

6.05.3 The SELLER shall be deemed to have performed all its obligations under this Contract and Related Documents.

6.05.4 The payment of all pertinent utility services, i.e. water and electric charges, shall be for the sole and exclusive account of the BUYER. Any disconnection of water and/or electrical facilities of the Property shall be the sole responsibility of BUYER.

6.05.5 It shall constitute as an express acceptance of and conformity with the Restrictions embodied herein, in the Deed of Restrictions, House Rules and in the Design and Construction Guidelines.

6.05.6 The BUYER shall be responsible for the payment of the following: (a) charges and fees for utilities and services to the Property; (b) all taxes and assessments due on the Property, including real property taxes; (c) expenses for the preservation and maintenance of the Subdivision, such as, costs for street sweeping, grass cutting, garbage collection and security, and such other expenses for the maintenance of the common areas whether or not a homeowners' association has been incorporated; (d) HOA dues and assessments; and (e) estate management fees. Should the BUYER fail to pay for said taxes, charges and/or fees, the SELLER may advance payment thereof and collect the same from the BUYER, subject to the provisions of Sections 10.02 and 10.03 hereof.

SEVENTH: ASSIGNMENT BY SELLER

7.01 The SELLER reserves the right to sell, cede, transfer, endorse or assign to any person or entity (hereafter, the "ASSIGNEE") its rights, title, participation and interests in and to this Contract and the obligations to the BUYER including the sale, cession, transfer, endorsement or assignment of notes, checks, rights, actions, claims and receivables arising out of or as a consequence of this Contract, to which the BUYER hereby gives its express consent. In such a case, the BUYER understands and agrees that the ASSIGNEE shall assume all the rights of the SELLER as stipulated in this Contract and further agrees to settle all his obligations under this Contract directly with the ASSIGNEE.

In the event the SELLER exercises its rights under this Section, the BUYER understands and agrees that the ASSIGNEE has the option to convert this Contract into a direct mortgage loan agreement, in which case the BUYER further agrees to execute such mortgages and guarantees as may be required by the ASSIGNEE to secure payments for the amounts advanced and/or paid to the SELLER by the ASSIGNEE, and to shoulder all costs due to conversion of this Contract into a mortgage loan agreement. Such conversion shall not require the further consent or approval of the BUYER.

7.02 Should the SELLER sell, transfer or assign its rights or interest under this Contract pursuant to Republic Act No. 9267, the BUYER hereby waives his rights under Republic Act No. 6552.

EIGHTH: HOMEOWNERS' ASSOCIATION

8.01 The BUYER hereby authorizes the SELLER to organize or form a homeowners' association ("HOA") for the Subdivision or where the subdivision concerned is composed of various phases or segments, to organize or form a HOA for each phase or segment at its sole prerogative. From the date of registration of the HOA or the date of this Contract, whichever comes first, the BUYER automatically becomes a member of the HOA, pay the latter all the dues and assessments duly levied and imposed, and shall comply with its Articles of Incorporation, By-Laws and rules and regulations. During the period that the HOA has not yet been organized and functioning, all the rights, powers and authority vested in it by the Deed of Restrictions, its Articles of Incorporation, and By-Laws may be exercised, performed and enforced by the SELLER. For clarity, the BUYER shall be obligated to pay membership fees, assessments and monthly dues ("HOA Dues") immediately upon payment of the Required Minimum Percentage of Payment, or upon turn-over of the Property to the BUYER, or upon full payment of the Total Contract Price, whichever comes first. In case of non-payment, the HOA Dues shall constitute as a lien on the Property, which lien shall be annotated on the title of the Property. The lien may be enforced by the SELLER and/or the HOA through judicial and/or extra-judicial foreclosure of the Property, without prejudice to such other remedies which the SELLER and/or the HOA may avail by virtue of this Contract or the law. For said purpose, the BUYER hereby irrevocably grants the SELLER and/or the HOA special power and authority to extra-judicially foreclose the Property. The term "BUYER" as used herein shall mean to include the homeowner, assignee, lessee, successors-in-interest, and all persons claiming rights under the BUYER.

8.02 The Board of Directors of the HOA shall be composed of five (5) members. During the first five (5) years of the HOA, at least three (3) seats in the Board shall be reserved for the representatives of the SELLER. Further, until such time that the SELLER has fully turned-over the control, management and maintenance of the road lots, open spaces and community facilities to the concerned local government unit and/or to the HOA, the SELLER shall be entitled to at least one (1) seat in the Board. The representatives of the SELLER shall have the same powers and authority as those elected by the members.

8.03 The BUYER agrees and acknowledges that the facilities promised as Subdivision amenities, if located in a particular phase of the Subdivision where the Property is located, are not exclusive to the lot owners of that particular phase. Lot owners of other phases of the Subdivision or other subdivisions owned and/or developed by the SELLER and/or the Developer, their subsidiaries and affiliates located within the vicinity may likewise use the same. Conversely, the BUYER also agrees that the facilities or amenities represented as available to the BUYER may refer to those located in other phases of the Subdivision or in subdivisions owned and/or developed by the SELLER and/or the Developer, their subsidiaries and affiliates and located within the same vicinity of the Subdivision and are therefore to be shared by the lot owners/home owners of the different phases/subdivisions. The use of such facilities shall be subject to reasonable fees and assessments to be paid to the SELLER or Developer or its assignees.

8.04 If the Subdivision is composed of various phases or segments, or forms part of a master planned community of the SELLER and/or its affiliates and subsidiaries, the SELLER is hereby expressly authorized to appoint an Estate Management Company for the purpose of managing and administering the common facilities, amenities and the road lots of the Subdivision and/or the Project. The BUYER hereby expressly agrees that the fees paid to the Estate Management Company after actual or effective Turn-Over Date shall be assessed against the BUYER in accordance with the Deed of Restrictions. In addition, the BUYER agrees to comply with, and be bound, by such rules and regulations that the Estate Management Company shall promulgate and implement in furtherance of its functions.

8.05 Until the Total Contract Price is fully paid by the BUYER, the BUYER hereby appoints the SELLER or its authorized representative as his attorney-in-fact to perform any and all acts involving matters related to HOA and/or Estate Association, including, but not limited to, representing him in any meeting of the HOA and/or the Estate Association with the power to exercise his voting rights in the election of the directors and officers of the HOA and/or the Estate Association. However, the obligation to pay all dues, fees and charges remains with the BUYER.

8.06 The SELLER reserves the right to promulgate additional rules and regulations relative to the share and/or use of the amenities as well as to the formation and management of the HOA and/or the Estate Association.

NINTH : RESTRICTIONS AND RULES AND REGULATIONS

9.01 The BUYER, by executing this Contract, manifests his conformity to and binds himself to strictly observe and comply with the Deed of Restrictions ("DOR") and Design Guidelines imposed by the SELLER concerning the use, ownership and occupancy of the Property, the Common Areas and/or the Subdivision. The limitations, conditions, restrictions and covenants contained in the Deed of Restrictions and the Design Guidelines are hereby deemed written into this Contract and are made integral parts hereof by reference, copies of which are available at the office of the SELLER. The SELLER, however, reserves the right to amend, supplement or add to these restrictions.

9.02 The following are the basic restrictions culled from the DOR concerning the Property, Common Areas and the Subdivision, to wit: (a) The Property shall be used for purely residential purposes only. It shall not be used for any immoral or illegal activity. (b) The BUYER shall at all times peaceably use the Property and the Common Areas, and shall refrain from making or causing any improper noise or commit any act which shall cause any alarm or scandal or cause the disturbance of the public peace, or interfere with the use and enjoyment by third persons of the Common Areas and their respective properties. No contraband, effects of crime, explosives or combustible materials shall be kept or maintained in the Property and in the Common Areas. (c) Commercial use, including but not limited to using the Property and Common Areas or a portion thereof as boarding house/rooms, sari-sari store; grocery store; hardware store; massage parlor; beer house; warehouse; gambling place; poultry, piggery, vulcanizing, welding, repair, junk, sash or steelworks shop; and other uses that will be prohibited by the SELLER, and/or by the HOA, are strictly prohibited. (d) The BUYER is absolutely prohibited to use any property within the Subdivision as a place for hang-out or to deface or vandalize the same. Otherwise, this shall be considered as trespassing and shall be dealt with accordingly. (e) The BUYER shall not allow the use of the Property and Common Areas as parking spaces or areas, or as right-of-way or access to any adjoining property. No opening of the perimeter wall of the Subdivision, if any, shall be allowed, especially if such opening shall be used as ingress or egress to and from the Subdivision. If the BUYER is found to be violating this provision, the SELLER has the right to extra-judicially close the right-of-way and BUYER shall be obliged to pay the SELLER the cost with an interest and penalty at the rates stated in Sections 10.03 and 10.04. However, if the SELLER grants a right-of-way within the Subdivision to third persons, the BUYER hereby agrees to be bound by the act of the SELLER. (f) No cattle, pig, sheep, goat, duck, goose, rabbit, carabao, horses, chicken,

snake or any kind of animal shall be kept within the Property, the Common Areas or any other properties within the Subdivision except such pets as may be allowed in writing by the SELLER or by the HOA. (g) In the interest of public health and sanitation, the BUYER shall keep the Property and Common Areas in a safe, clean, neat and sanitary condition and shall comply with all laws, ordinances and regulations pertaining to health and safety. Further, BUYER will not use the Property for any purpose that would result in the pollution of the waterways or otherwise impair the ecological balance of the surrounding areas. (h) All Improvement and/or Structures in the Property shall be with prior written consent of the SELLER and are subject to the House Rules, and Design and Construction Guidelines which may be changed by the SELLER from time to time, including but not limited to payment of construction bond and securing permit from the local government unit and other appropriate government agency. Further, the BUYER must comply with the National Building Code, Fire Code, rules and regulations, ordinances and other pertinent laws, and amendments thereto. Further, in the event of Additions and/or Changes, the provisions of Section 4.03 are applicable. (i) All Improvement and/or Structures shall be made of strong materials and properly painted and finished. Only finishing materials which are used by the SELLER on the Property shall be used, unless otherwise allowed in writing by the SELLER. (j) Any Improvement and/or Structures must be in an architectural style harmonious with its surroundings and landscape, and must comply with the overall concept of the Subdivision. In case the Property is fenced as sold by the SELLER, the BUYER shall have no right to change the color, design and height of the same. (k) The BUYER must maintain the easements required by the SELLER and provide an open space for purposes of landscaping and for an easement of drainage, sewage, water, and other public utilities as may be necessary and desirable. (l) Only one (1) "single-family" housing unit shall be constructed on a single lot. (m) The construction of additional floor/storey on the Property is not allowed unless with the written consent of the SELLER. (n) No temporary building, shack, barn or other structures shall be erected on the Property, Common Areas and other properties within the Subdivision. (o) Individual lots shall not be subdivided. However, two or more lots may be consolidated into one. Three or more lots may be consolidated and subdivided into lesser number of lots provided that none of the resulting lots will be smaller in area than the smallest lot before the consolidation. In all cases, the alteration shall first be approved in writing by the SELLER at the cost of the BUYER. (p) The Property shall not be transferred, mortgaged or assigned except as a whole unless allowed in writing by the SELLER. Further, the BUYER undertakes to inform the SELLER in writing of any subsequent transaction by the BUYER relative to the Property as provided in Section 5.04 hereof. The BUYER, however, shall not be allowed to display any sign of "For Sale or For Rent" or any other similar sign in the Property. (q) The BUYER shall not dump construction materials, rubbish, garbage or other waste materials in the Common Areas and other properties within the Subdivision. The BUYER shall provide for the necessary receptacles for said materials and garbage disposal systems subject to the design and color specified by the SELLER or the HOA. (r) No soil, trees, plants or any other matter from the Property, Common Areas or from any other lot within the Subdivision shall be removed, cut, destroyed, relocated, or defaced without the written consent of the SELLER. (s) The BUYER must keep the grass within the Property properly trimmed to reduce fire hazard. The BUYER hereby agrees that if the grass within the Property has a height of at least one (1) foot from the soil, the SELLER and/or the HOA may at anytime cut the grass, with or without the permission of the BUYER, and the BUYER shall be obliged to pay the SELLER or HOA the cost of the cutting subject to interest and penalty at the rates stated in Sections 10.03 and 10.04. (t) Subject to written consent by the SELLER, the BUYER may be allowed to landscape the planting strip in front of the Property. Such landscaping shall be at curb level and shall be conducive to pedestrian use. However, in the event the SELLER finds it necessary to make certain changes and/or borings on this area for purposes of enhancing the Subdivision, the BUYER agrees to allow the SELLER, or its authorized representatives, free passage and entry to effect the same without cost or liability whatsoever to the SELLER. (u) No commercial or advertising signs, or any other signs, posters, banners and the like, shall be placed, posted, or erected within the Property, Common Areas and other properties within the Subdivision, except nameplates and professional signs not exceeding 30 cm. x 60 cm. in size and placed only within the Property or at designated commercial area. (v) In case the SELLER and/or HOA decide to operate a garbage collection system, the BUYER hereby agrees to pay the monthly garbage collection fees as may be fixed by the SELLER and/or the HOA. (w) In the event that the SELLER constructs/puts facilities or amenities, such as, but not limited to swimming pool, playground, basketball court and clubhouse, within the Subdivision, the SELLER shall, in no case, be responsible nor liable, monetary or otherwise, for any accident that may occur thereon; or for any damage or injury that may be sustained or suffered by any person while using or while in any of these facilities or amenities. This provision applies regardless of whether or not the management and/or control over the facilities or amenities have been turned over to the HOA or any other entity.

9.03 The SELLER shall enter into an agreement with a duly licensed utility company (the "Utility Company") for the following services:

9.03.01 Installation, operation, maintenance and administration of water distribution system, water treatment facilities, deep wells, water reservoir, sewage system, septage management system, treatment plants and/or water mains in the Subdivision;

9.03.02 Installation, operation, maintenance and administration of power/electric lines, facilities and equipment in the Subdivision; and

9.03.03 Installation, operation, maintenance and administration of telecommunications, including information and communication technologies, wireless, internet connections, and cable television system, connection, facilities and equipment in the Subdivision

The BUYER commits to abide by the policies, rules and regulations of the Utility Company concern and agrees to pay such rates and charges as the Utility Companies shall charge. For avoidance of doubt, it is hereby expressly understood that the ownership of the water facilities and equipment in the Subdivision shall pertain to the Utility Company and the lot on which it shall be constructed and/or installed shall pertain to the SELLER.

The BUYER is prohibited from conducting the following activities: (a) Tap the water supply from the water mains of the Utility Company without its written consent; (b) Cause any damage to the water mains or drainage system; (c) Install or repair the drainage or utility lines outside his Property without the written consent of the SELLER or the Utility Company, nor shall he obstruct, cover, or destroy any drainage line, manholes or an inlet thereof; (d) Make any borings through the concrete curb or gutter without the consent of the SELLER; (e) Install booster pump, overhead tank or similar devices. In case of violation, the SELLER reserves the right to cause the disconnection of water utilities to the Property of the BUYER and to impose appropriate penalties; (f) Install deep wells in any of the lots of the Subdivision including the Property; and (g) Sell to any third party the water or any other mineral extracted from the Property.

9.04 In case of failure or refusal of the BUYER, his heirs, successors, assigns or guests to comply with the Restrictions and with his obligation to the pertinent HOA, depending on the gravity, stage and nature of violation of any of the Restrictions, the SELLER, or its successors or assigns, and/or the HOA shall have the right to exercise any and/all of the following remedies:

9.04.1 Enter to the Property in order to summarily and extra-judicially abate and remove, at the BUYER'S expense any structure, thing or condition that may exist thereon contrary to the intent and meaning of the Restrictions;

9.04.2 Cut-Off the service utilities and facilities, including but not limited to water, garbage, and distribution of mail provided to the Property. Provided, however, that this right cannot be exercised by the HOA without the consent of the SELLER;

9.04.3 Refusal of entry of the construction materials and/or laborers used for illegal or unauthorized constructions or alterations or modifications of the Property and the Common Areas;

9.04.4 Confiscation of the construction materials, contraband, drugs, drug paraphernalia, firearms or dangerous weapons, and other prohibited items mentioned herein;

9.04.5 Monitor the construction and order the cessation of any on-going constructions;

9.04.6 Order the expulsion of the laborers of the BUYER out of the Subdivision;

9.04.7 Extrajudicial demolition of the structure constructed or in the process of construction at the expense of the BUYER;

9.04.8 Restoration of the Property and the Common Areas to their original state at the sole expense of the BUYER;

9.04.9 Institution of a proceeding in law or equity against the BUYER, and in any case, recover damages, such as but not limited to liquidated damages in such amount as may be determined by the SELLER or the HOA;

9.04.10 Rescission or cancellation of this Contract and Related Documents covering the sale of the Property;

9.04.11 Forfeiture by the SELLER of whatever bond which has been posted in its favor;

9.04.12 The BUYER shall reimburse and indemnify the SELLER for whatever expense incurred or damage suffered by SELLER due to BUYER'S violation of the Restrictions, subject to the interest and penalty at rates stated in Sections 10.03 and 10.04;

9.04.13 Imposition of fines as mentioned in this Contract or Related Documents; and

9.04.14 Such other remedies deemed necessary by the SELLER.

9.05 In the exercise of any of its remedies provided above, the SELLER and/or the HOA shall have the right during reasonable hours of the day to enter and inspect the Property and Common Areas to ascertain compliance with the Restrictions, and shall not be guilty of trespass or any criminal act nor shall it be liable for any damages or injuries whatsoever suffered by the BUYER, his assigns, transferees or successors.

9.06 The result of every action or omission violative of the Restrictions is hereby declared to be a nuisance, and every remedy allowed in law or equity against the BUYER to abate such nuisance shall be available and may be exercised by the SELLER, the HOA and/or any person affected or prejudiced by such nuisance.

9.07 The BUYER agrees that the Restrictions may, at the option of the SELLER, be annotated at the back of the title covering the Property. However, even in the event of failure to annotate the same on the title, the Restrictions shall permanently subsist as limitations to the ownership of the BUYER, his successors or assigns, or any other person, over the Property. In case of encumbrance, transfer or lease of the Property by the BUYER to a third person, the BUYER obligates himself to incorporate these restrictions in the encumbrance, transfer or lease documents. The Restrictions shall remain effective even when all the residential lots have been sold and all the road lots and open spaces have been turned-over to the local government unit or HOA.

9.08 These restrictions are deemed incorporated in the Deed of Absolute Sale by way of reference.

9.09 The SELLER, however, reserves the right to tolerate or approve any variance or special use of the Property such as but not limited to religious, educational and commercial uses, or waive any and all the foregoing Restrictions as it may deem proper without need to secure the consent of the BUYER and other homeowners or the HOA taking into consideration the best interest and welfare of the Subdivision residents, without prejudice to Section 11.01. Further, the SELLER reserves the right to prohibit the use of the Property or any property within the Subdivision for purposes the SELLER may deem improper.

TENTH: OTHER OBLIGATIONS

10.01 The BUYER shall cover the Property with insurance policy from an insurance company acceptable to the SELLER, and which policy covers the full insurable value of the Property together with all the Improvement and/or Structures thereon, if any, or such other value as the SELLER may otherwise consent in writing. The relevant policy evidencing the insurance coverage required hereunder shall be endorsed in favor of the SELLER. The BUYER shall not secure any additional policy on the Property without the consent of the SELLER and without properly endorsing in favor of the SELLER the policy corresponding thereto, and the same shall, by virtue of these presents, be considered assigned to the SELLER.

10.02 Any amount advanced by the SELLER on behalf of the BUYER for any costs and expenses relative to this Contract shall earn an interest from the date it was advanced until full payment at the rate of six percent (6%) per annum (or fraction thereof), compounded monthly. The rate of interest shall be reasonably adjusted by the SELLER from time to time based on prevailing cost of money to the SELLER. All accrued interest shall be payable on the same date that the next monthly installments is due, if any, otherwise it shall be payable within the first five (5) calendar days of the succeeding month.

10.03 Any amount due to the SELLER which is not paid or reimbursed on due date shall be subject to penalty at the rate of four percent (4%) per month (or fraction thereof) until fully paid, in addition to the stipulated interests and charges. The rate of penalty shall be reasonably adjusted by the SELLER from time to time based on prevailing cost of money to the SELLER. All accrued penalty shall be payable on the same date that the next monthly installments is due, if any, otherwise it shall be payable within the first five (5) calendar days of the succeeding month.

10.04 The parties hereby agree that the roads inside the Subdivision are made available only to the BUYER and members of his family who will utilize and make use of Property for residential purposes only, and not otherwise as to gain entrance to and/or exit from the Subdivision in such a manner that the BUYER shall create a right of way through the roads of the Subdivision to have access to properties within, beyond, or adjoining the Subdivision. Should the BUYER be found to have purposely purchased the Property to gain access to properties within, beyond or adjoining the Subdivision, be it belonging to the BUYER or other person, the SELLER shall have the right to cancel this Contract without need of court declaration, and without obligation to reimburse the BUYER for whatever the BUYER has paid on account of the purchase price of the Property for breach of this Contract.

10.05 The BUYER undertakes to faithfully comply with all his obligations, commitments and undertakings under this Contract and Related Documents and any violation or non-performance thereof shall entitle the SELLER, at its option, to forthwith extra-judicially cancel or terminate this Contract without need for any court action, and thereupon, the down payment and any other

payments made pursuant to this Contract and Related Documents shall be subject to the provisions of Section 3.03 hereof.

10.06 The BUYER binds himself to comply with all laws, tax laws, ordinances and such orders, rules and regulations promulgated or hereinafter promulgated by government authorities, or financing institution, insofar as they affect the use and occupancy of the Property, including any rule requiring payment of fees. Any and all omissions or violations thereof shall be the sole responsibility and exclusive risk of the BUYER.

ELEVENTH:

GENERAL PROVISIONS

11.01 Any condition or consideration which may or shall be made by the SELLER with respect to any violation or omission of the terms and conditions of this Contract and Related Documents or with respect to any of the defaults mentioned in this Contract and Related Documents including its failure to or delay in, or single or partial exercise of any right contained herein shall not, in any manner, be construed or interpreted as a waiver, renunciation or relinquishment by the SELLER of such right, in case of any past, contemporaneous or subsequent violation or omission or default of the terms hereof and of the Related Documents on the part of the BUYER. Moreover, acceptance by the SELLER of any payments made in any manner or at any time, other than as herein provided, shall not be construed as a variation, novation or waiver of the terms hereof, unless expressly agreed in writing by the parties hereto.

11.02 This Contract and Related Documents shall not be considered as changed, modified or altered by acts of tolerance on the part of the SELLER unless such changes, modifications or alterations are reduced in writing and signed by both parties hereto.

11.03 In the event of war, rebellion, insurrection, or coup d'état, the SELLER shall not be obliged to accept payment(s).

11.04 Notice or correspondence relative to this Contract and Related Documents sent to the BUYER by the SELLER either through publication, personal delivery, courier, mail, or through other means at the BUYER'S address as stated in this Contract (or such other address communicated in writing by the BUYER to and duly accepted by the SELLER) through the BUYER'S agent or broker or attorney-in-fact, shall be binding on the BUYER, regardless of whether or not actually received by BUYER or addressee, and shall be considered as sufficient compliance with all the requirements of notice for purposes of this Contract and Related Documents and laws governing transactions of this nature.

11.05 The BUYER hereby manifests and represents that he has investigated the Property, and that he has found the Property unoccupied by any squatter or other unlawful occupants and finds the Property fit for the purposes intended and tallies (especially in terms of location and topography of the lot) with the one described or identified as the subject matter hereof. Further, the BUYER understands and agrees that he is buying the Property on an "AS IS WHERE IS" basis. Thus, the SELLER assumes no obligation to fill up, compact, excavate, or to level off, as the case may be, the lot or any portion thereof, unless otherwise agreed upon in writing.

11.06 The BUYER likewise represents that he has inspected the improvements in the Subdivision particularly the open space amenities, if already available, and further manifests that the same are complete and finished in accordance with the plans and specifications to his full satisfaction.

11.07 The SELLER makes no warranty other than those provided for by law and shall not be liable for minor defects and/or deterioration of the Property or the Subdivision due to the natural weakening of materials, wear and tear, exposure to the elements and/or act, omission or neglect of the HOA. Further, in the event that fire, earthquake, other natural elements, acts of God, war, civil disturbance, government and economic controls, or delay in construction timetable arising out of unforeseen site conditions or difficulty in obtaining the necessary labor or materials required for the completion of the Property, or due to any other cause beyond the SELLER'S control which makes the completion of the Subdivision or construction of the Property at the expected date of delivery impossible, then the SELLER may either extend the delivery date to cope with the exigencies/conditions or consider itself relieved of all obligations under this Contract. In the event the SELLER chooses the latter option, it shall reimburse the BUYER, without interest, for all amounts (excluding penalties) heretofore received from the latter and (where applicable) return the unused BUYER'S post-dated checks; provided that, should any such amount received by the SELLER have been released to it by the financial or banking institution, such corresponding amount shall be refunded by the SELLER, without interest to the financial or banking institution concerned and the Property shall remain the property of the SELLER.

11.08 If for any reason the Property has been previously sold to another or cannot otherwise be transferred to the BUYER for any reason whatsoever, the BUYER hereby agrees that the Property may be substituted with another available property with more or less similar price and features. Hence, the BUYER agrees to execute any and all necessary documents to correct the error and to correspond to the substitute property. The difference in the price shall be paid or reimbursed by, or to the BUYER, as the case may be. In any event, the BUYER acknowledging that the mistake was due purely to inadvertence hereby holds the SELLER and/or any of its directors, officers and employees free from any liability, criminal or otherwise. If the property offered as substitute is not acceptable to the BUYER, the SELLER shall have no other obligation and liability but to refund to the BUYER all amounts paid under this Contract without interest or charges.

11.09 The SELLER shall not be responsible for the delay of the utility and/or service companies in the connection of electrical service facilities, as well as for the delay of water supply, even if corresponding fees or deposits have already been paid by the BUYER, provided that the SELLER shall have already applied for, or contracted with the appropriate utility companies for the said utilities and/or service facilities.

11.10 Unless otherwise stipulated, in the event that the SELLER is not the developer of the Subdivision and the housing units thereon, all the rights, obligations and interest of the SELLER shall be construed as those of the DEVELOPER, whenever applicable.

11.11 Third persons commonly referred to in the real estate industry as "brokers", "agents", "sales executives", "sales consultants", etc. are not agents of the SELLER. There is no contract of agency, oral or written, between the SELLER and these third persons. Thus, the SELLER is not and shall not be bound by any stipulations, representations, agreements or promises made by said third persons, including but not limited to those with respect to the Property, amenities, price, manner of payment and other particulars relative to the purchase of the Property.

11.12 The BUYER is aware that the Subdivision development is being undertaken in stages, or that the amenities and the facilities may be in uncompleted state, and that 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.

11.13 The BUYER hereby agrees that the SELLER shall have the absolute right to change, alter or modify the Subdivision development plan, Subdivision name, and plans and specification of the housing unit subject to the approval of the HLURB or other government agency whenever

