

CONTRACT OF LEASE

KNOW ALL MEN BY THESE PRESENTS:

This Contract of Lease, dated **February 28, 2025**, made and entered into by and between:

JUAN CARLO G. REMULLA and **DIANNE ROSE A. REMULLA**, spouses, of legal age, with residence at Block 3 Lot 21 Phase 1, South Breeze Homes, Brgy. San Francisco, Biñan, Laguna, hereinafter referred to as the "**LESSOR**",

- and -

CHRISTIAN D. MENDOZA, Filipino, married, of legal age, with residence at Block 4 Lot 11 Newton Heights Subdivision, Brgy. San Francisco, Biñan, Laguna, hereinafter referred to as the "**LESSEE**".

WITNESSETH, That:

WHEREAS, the LESSOR is the owner of a parcel of land situated at Lot 2 Block 3 Silmer Village, Brgy. San Francisco (former Halang), Biñan City, Laguna, consisting of Two Hundred Forty (245) SQUARE METERS and covered by Transfer Certificate of Title No. 060-2019008860 (a copy of which is attached hereto) on which land the LESSOR has a portion of said property with an existing gated and fenced lot, as described below (hereinafter referred to as the **LEASED PREMISES**), is hereby leased by LESSOR to LESSEE, subject to the terms and conditions provided in this Contract:

Description of Area Designation :	Lot with small old structured improvement (as-is-where-is)
Area of LEASED PREMISES :	245 square meters

WHEREAS, the LESSOR acknowledges that LESSEE has entered into this lease contract in consideration of the potential profitability and desirability of the LEASED PREMISES based on present situation of the trade area and/or location for the establishment of LESSEE's store and its business operations.

NOW, THEREFORE, the parties hereto have agreed, and they hereby agree, as follows:

- 1. LEASED PREMISES.** The LESSOR hereby leases the LEASED PREMISES, with the right to use all adjoining parking areas, right of way and all means of ingress and egress thereto. Adjoining parking areas in front of the LEASED PREMISES can be used by the LESSEE as long as aforementioned spaces are not yet leased by any/other third parties in agreement with the LESSOR.
- 2. TERM OF LEASE.** This lease contract shall have a primary term of FIVE (5) years which shall commence on the first day of the first calendar month following the actual turnover of the LEASED PREMISES by the LESSOR and acceptance thereof by the LESSEE. Whereas, turnover of the LEASED PREMISES shall be endorsed by the LESSOR to the LESSEE upon signing of this lease contract. And that the actual Lease Period of FIVE (5) years will be from April 1, 2025 to March 31, 2030, since the LESSOR approved the LESSEE's request for a 1-month rent-free period for building their structures and installation of electric line and water supply.

This lease agreement is renewable upon mutual agreement of both LESSOR and LESSEE for another FIVE (5) years under such terms as provided, unless sooner terminated or extended as hereinafter provided. LESSEE shall notify the LESSOR of its intention to renew within ninety (90) days prior to expiration of the term.

- 3. RENTAL RATE AND PAYMENT.** LESSEE shall pay monthly rentals with initial monthly rent of Twenty Five Thousand Pesos (Php 25,000) for the first (1st) two (2) years, and will have an annual increase of Five Percent (5%) thereafter.

All monthly rental payments for the first whole year shall be given by the LESSEE to the LESSOR in the form of Post-Dated Checks (PDCs) upon signing of Lease Contract, and succeeding years' PDCs

payments shall be given annually during the contract anniversary, every **February 28** of the succeeding years within the lease period. And that rental payments for the second year shall also commence on **May 1, 2026** and every 1st of the succeeding months.

4. **ADVANCE RENTALS AND SECURITY DEPOSITS.** Upon signing of this Lease Contract, LESSEE shall deposit with LESSOR the amount of **SEVENTY FIVE THOUSAND PESOS (PHP 75,000.00)**, Philippine Currency, which is equivalent to **three (3) months rent which shall be applied as one (1) month advance rental and two (2) months security deposit.**

The LESSOR shall apply advance rental, which shall be applied pro rata, exclusive of applicable adjustments, to the last month of the last year of the lease. During the 1st year anniversary of the contract, the LESSEE will issue an additional check amounting to one month rental in replacement of the one month advanced rent that they already used during the first month of the contract. The new check issued for the advance will be used in the last month of the last year of the lease.

The LESSOR shall apply security deposit toward the payment of any claim that the LESSOR may have against the LESSEE upon the termination of this Contract, including but not limited to unpaid utility bills and taxes due on improvements of the property, damages to the property, other charges and obligations due to the LESSEE. Any balance remaining on such deposit shall be returned to LESSEE upon the termination of this Contract, or LESSEE can apply the same as rental payment corresponding to the last applicable months prior to termination of the lease, and any amount remaining after applying the said balance of deposit shall be returned by LESSOR to LESSEE as herein stated.

5. **USE OF LEASED PREMISES AND SUBLEASING.** The LEASED PREMISES shall be used by the LESSEE for business activity pertaining to the operation and/or of Glass and Aluminum Fabrication business and other related products and services. This refer to the sale of merchandise sold and services offered customarily at a Glass and Aluminum Fabrication business and other various related products and services which LESSEE may provide in the future. LESSOR allows LESSEE to use the LEASED PREMISES for any lawful purpose concerning Glass and Aluminum Fabrication other than those herein mentioned.

The LESSEE shall not have either the right or the power, at any time or from time to time, to sublease all or any portion of the LEASED PREMISES.

6. **UTILITIES.** The LESSEE shall pay all charges for electricity, water, telephone, and other utilities installed on the LEASED PREMISES, and used by the LESSEE. LESSOR shall not impose any additional charges and/or deposits other than those imposed by the utility provider to LESSEE's actual electricity and/or water consumption. Association dues and garbage collection fees shall also be for the account of the LESSEE.

7. **TAXES.** All real estate taxes levied or assessed or those which may thereafter be levied or assessed on the LEASED PREMISES, including real estate taxes assessed on the improvements introduced by the LESSEE on the LEASED PREMISES shall be for the account of the LESSEE for the duration of the lease. All rentals due and other payments required to be made under this contract shall be subject to withholding tax and other taxes imposed by law, shall be for the account of the LESSEE.

8. **REPAIRS AND MAINTENANCE.** By taking possession of the LEASED PREMISES, LESSEE shall be deemed to have accepted the LEASED PREMISES as-is-where-is. LESSEE shall at LESSEE's cost, keep the premises and every part thereof in good condition and repair except for damages from causes beyond the control of LESSEE and ordinary wear and tear. LESSEE shall be responsible also to all major repairs on the existing LEASED PREMISES, as the LESSEE have accepted the LEASED PREMISES as-is-where-is, and other areas which are the responsibility of the LESSEE. The LESSOR cannot guarantee the structural integrity of the existing dilapidated house and walls and shall not be liable to any future damages should the LESSEE utilize them.

LESSOR agrees to that LESSEE shall maintain good repair and structural soundness of the property and to keep the inside of the LEASED PREMISES in good order and repair, to paint the exterior walls, and be responsible for all glass, and those which will be needing repairs and maintenance to operate the LESSEE's business. LESSEE shall inform LESSOR in writing of any major repair needed on the LEASED

PREMISES and LESSOR shall commence the repair within 7 days from notice. In case LESSOR fails to do so, LESSEE may immediately repair, restore or reconstruct or cause to be repaired, restored or reconstructed any damage on the LEASED PREMISES prior to casualty damage by giving written notice to the LESSOR.

In case of interruption in the business operations of LESSEE due to repair works to be made by LESSOR on the LEASED PREMISES for whatever cause or reason, rental payment shall abate corresponding to such period that LESSEE was prevented from conducting its normal business operations in the LEASED PREMISES.

9. **ALTERATIONS/IMPROVEMENT.** LESSEE may renovate/construct, introduce other improvements and make such alterations on the LEASED PREMISES as LESSEE may deem necessary for its business. Permanent improvements and alterations to be made by LESSEE shall automatically become the property of the LESSOR and shall remain upon and be surrendered with the LEASED PREMISES at the termination of the lease without the right of reimbursement.

10. **TRADE AND OTHER FIXTURES.** LESSEE may install or cause to be installed such equipment and trade or other fixtures that are reasonably necessary for the operations of its business. Such equipment and trade and other fixtures shall remain personal property of the LESSEE, regardless of the manner in which the same may be attached or affixed to the LEASED PREMISES. Upon expiration or termination of the lease as herein provided, the LESSEE shall remove such trade and other fixtures without, however, destroying or defacing the LEASED PREMISES.

11. **EXPROPRIATION AND DAMAGE OF LEASED PREMISES.** If the LEASED PREMISES or portion thereof is expropriated by the government or substantially destroyed due to earthquake and other unforeseen cause or fortuitous event, LESSEE may opt to terminate the lease. In such case, LESSOR shall return the deposit and allow LESSEE to remove its equipment and movable improvements in the LEASED PREMISES, with prior consideration on Section Four (4) hereof.

It is mutually agreed that in case of injury to the LEASED PREMISES by fire, the LESSOR shall cause the damage to be repaired, the rent suspended only for such a time, and only in the proportion, as the LEASED PREMISES shall remain untenable; but if the property be destroyed or so damaged that the LESSOR shall, in its sole discretion, decide it is not advisable to repair, this Lease shall cease and terminate and the LESSEE shall pay the rent to the time of injury. If the LEASED PREMISES or any other part of the property is damaged by fire or other casualty resulting from any act or negligence of LESSEE or any of LESSEE's agents, employees, or invitees, rent shall not be diminished or abated while such damages are under repair, and LESSEE shall be responsible for the costs of repair.

12. **ADVERTISEMENT.** The LESSOR allows LESSEE to affix its standard signage, and install signs, notices or other advertising media of its business on the inside and outside portions of the LEASED PREMISES. LESSEE shall be responsible for compliance with all rules, laws, tax payments, and ordinances and for any damage to property or injury to persons in connection therewith or arising therefrom.

13. **CO-TENANCY and EXCLUSIVITY.** LESSOR agrees that no space in the LEASED PREMISES and on the remaining portion of the above-mentioned parcel of land shall be occupied by a business directly or indirectly competing with the business of the LESSEE without the prior written consent of LESSEE.

14. **DEFAULT.** In the event LESSEE shall default in the payment of the monthly rent as provided herein, LESSOR shall promptly so notify LESSEE in writing, and failure of LESSEE to cure such default within THIRTY (30) days after receipt of such notice shall, at the option of the LESSOR, work as a forfeiture of this lease or LESSOR may enforce performance in any manner provided by law.

In the event LESSEE shall default in the performance of any of the terms or conditions of this lease other than the payment of monthly rent, LESSOR shall promptly so notify LESSEE in writing. If LESSEE shall fail to cure such default within THIRTY (30) days after receipt of such notice, LESSOR may cure such default and such expense shall be added to the rent otherwise due, or cancel and terminate this contract.

15. TERMINATION OF LEASE. Upon sixty (60) days prior written notice to LESSOR, LESSEE may terminate this contract for any reason whatsoever; aside from those already provided for under this contract or for reasons attributable to a breach or default by the LESSOR of the terms and conditions thereof, without any liability on the part of the LESSEE for any claims or damages of any nature whatsoever. Upon termination of the lease, LESSOR shall refund the deposit to the LESSEE, in accordance with Section Four (4) hereof, and shall allow the LESSEE to remove all movable improvements, trade and fixtures installed in the LEASED PREMISES.

Should the LESSEE decide to pre-terminate this Contract without just cause, the LESSEE shall forfeit as liquidated damages in favor of the LESSOR the Security Deposit and LESSOR is without further recourse of any other remedy at law or in equity.

16. SALE, TRANSFER, MORTGAGE OF LEASED PREMISES. Should the LESSOR decide to sell the LEASED PREMISES, the LESSEE shall be granted the first option to purchase the LEASED PREMISES at the same terms and conditions as offered by the LESSOR to a third party, and such option shall be exercisable by the LESSEE within sixty (60) days from receipt by the LESSEE of written notice of LESSOR's intention to sell or transfer the LEASED PREMISES. The LESSEE shall have the right to assign its option to purchase the LEASED PREMISES to a qualified designee.

Should the LESSOR decide to lease the adjoining spaces of the LEASED PREMISES, the LESSEE shall be granted the first option to lease the aforementioned areas at the same terms and conditions as offered by the LESSOR to a third party, and such option shall be exercisable by the LESSEE within sixty (60) days from receipt by the LESSEE of written notice of LESSOR's intention to lease those adjoining spaces of the LEASED PREMISES. The LESSEE shall have the right to assign its option to lease the aforementioned areas to a qualified designee.

In the event of a sale, transfer, or mortgage or any encumbrance, or new lease for adjoining spaces of the LEASED PREMISES to any person other than the LESSEE, the LESSOR shall warrant and ensure that the purchaser, transferee, mortgagee or person in whose favor the encumbrance is constituted, or new lessee(s) for adjoining spaces of the LEASED PREMISES, his successors and assigns, to respect all the terms and conditions of this Contract, including the provision for renewal thereof, and to recognize the applicable advance rentals, if any, and the security deposit paid in accordance with Section (4) hereof. To this end, the LESSOR shall cause the pertinent deed or agreement with such person to reflect this foregoing commitment.

17. COMPLETE AGREEMENT. This lease contains a complete expression of the agreement between the parties and there are no promises, representations or inducements except such as are herein provided. After both parties sign this Contract, it shall be notarized at its end. This lease agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have hereunto set their signature on this SIGNING DATE at Bifan, Laguna, Philippines.

**SPOUSES JUAN CARLO G. REMULLA &
DIANNE ROSE A. REMULLA**
LESSOR



JUAN CARLO G. REMULLA

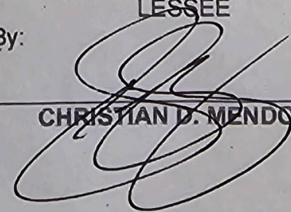


DIANNE ROSE A. REMULLA

CHRISTIAN D. MENDOZA

LESSEE

By:



CHRISTIAN D. MENDOZA

SIGNED IN THE PRESENCE OF

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
Bifan City) S. S.

05 MAR 2025

BEFORE ME, a Notary Public for and in the above jurisdiction, this ____ day of _____, personally appeared:

NAME

VALID ID/CTC NO.

DATE/PLACE ISSUED

JUAN CARLO G. REMULLA

DIANNE ROSE A. REMULLA

CHRISTIAN D. MENDOZA

known to me to be the same person who executed the foregoing Contract of Lease consisting of five (5) pages including this page on which this Acknowledgment appears and the attached Annexes, and acknowledged to me that the said instrument is her own free and voluntary act and deed, as well as that of the principals herein represented.

WITNESS MY HAND AND NOTARIAL SEAL on the date, and at the place first above-mentioned.

Doc. No. 738
Page No. 44
Book No. 11
Series of 20 25

Notary Public
Until December 31, 20

ATTY. LYDIA A. BLINDAC

Notary Public until December 31, 2026

Notarial Commission No. 2024-12

Roll No. 42299 / 5.9.97

IDP LRN No. 02259 / 3.12.91 / Makati

PTR No. 3750662 / P'que / 01.13.2025

MCLE Exempt. No. VII Valid until April 14, 2025