

**RESERVATION AGREEMENT**

I/We \_\_\_\_\_ of legal age, a resident of \_\_\_\_\_, with email address \_\_\_\_\_ and contact nos. \_\_\_\_\_ and having the capacity and qualification to own and possess real estate properties in the Philippines, hereby manifest my/our intention to purchase the herein below described property.

I/We hereby acknowledges that **FERRIS SOBELL PROPERTIES INC.** (hereinafter known as the "Developer/Company"), a corporation duly organized and existing by virtue and under the laws of the Republic of the Philippines, with office at 391 J.P. Rizal Street, Barangay Namayan, Mandaluyong City is the owner and Developer of a CONDOMINIUM PROJECT known as SUNNY RIDGE RESIDENCES (the "Project"), to be established and constructed at 391 J.P. Rizal Street, Barangay Namayan, Mandaluyong City.

The Property subject to my/our reservation is a \_\_\_\_\_ unit and is particularly described as follows:

|                           |     |
|---------------------------|-----|
| Unit                      |     |
| Floor                     |     |
| Floor Area (sqm.)         |     |
| Unit Finish               |     |
| Gross Selling Price       | Php |
| Less: discount            | Php |
| Net Selling Price         | Php |
| Add: VAT (if any)         | Php |
| Total Selling Price (TSP) | Php |
| Equity of TSP (10%)       | Php |
| Full Balance of TSP (90%) |     |
| OTHER CHARGES:            |     |
| Legal Fees                | Php |
| Miscellaneous Fees        | Php |

If Value Added Tax is imposed on the sale of the Property subject of this Agreement, I/We hereby agree that aforesaid tax shall be for my/our account (the buyer's account).

**Schedule of Payments**

| Particular   | Date  | Amount  |
|--|---|---------|
| Reservation Fee  |   | Php     |
| Monthly Downpayment covering the 1 <sup>st</sup> to _____ month for _____% of Net Equity | Every ___ of the month starting from _____ to _____ | / month |
| Full Balance (____%)   |   | Php     |
| Estimated Monthly Amortization   | Monthly Amortization (Principal Interest) +         |         |
| 5 years at _____%  | Php _____/mo.                                       |         |
| 10 years at _____%   | Php _____/mo.                                       |         |
| 15 years at _____%   | Php _____/mo.                                       |         |
|  |   |         |
|  |   |         |

a. I/We agree that any amount stated above or a portion thereof not paid on due date/s shall be charged with a penalty at the rate of three percent (3%) per month from due date until full payment.

b. In the event that I/We avail myself/ourselves of bank financing/PAG-IBIG Financing, whichever is acceptable to the Seller, for the Purchase Price or any portion thereof, I/We shall be solely responsible for filing the requisite loan application form prescribed by the bank/PAG-IBIG, together with all the necessary supporting requirements for the processing of my/our loan application for the purpose of causing the release of the loan proceeds to be used to finance my/our purchase of the Property

within the payment period prescribed under my/our chosen payment scheme.

c. In case of external financing scheme, I/We shall be entitled to a Php \_\_\_\_\_ discount if full downpayment is paid on or before \_\_\_\_\_. However, if I/We fail to pay the full downpayment on or before its due date, I/We shall pay the Company a finance charge of Php \_\_\_\_\_ plus three percent (3%) per month penalty charge based on the total amount due (downpayment due + finance charge) from aforesaid due date until date of full payment.

d. Should I/we avail of the cash term payment and fail to pay the discounted price on its due date as herein set forth, I/we shall be liable for the payment of a finance charge of Php \_\_\_\_\_ plus interest at the rate of fifteen percent (15%) per annum and three percent (3%) per month penalty charge based on the package price reckoned from the aforesaid due date until date of full payment.

e. For external financing, loan amount not released by financing institution or paid to the Company on or before the due date shall be charged with interest based on prevailing rate of the financing institution plus penalty of three percent (3%) per month from due date until full payment. If the approved loan is lower than the amount reflected above, the difference shall be due within seven (7) days from demand unless a longer payment term is allowed by the Company. My/Our failure to pay the aforesaid difference shall entitle the Company to charge interest at the rate of fifteen percent (15%) per annum plus a penalty of three percent (3%) per month from due date until full payment. All miscellaneous expense, taxes, and other fees relative to the loan application, for title transfer and/or mortgage registration shall be for my/our account payable simultaneously with the above agreed downpayment, unless otherwise approved by the Company.

f. For purposes of the immediately preceding paragraph, the due date of the loan take out therein mentioned is ninety (90) days from the date of this reservation application, if downpayment is paid one time. If downpayment is paid in instalment, the date of the loan takeout is the due date of the last downpayment split.

g. Miscellaneous Fees, such as, but not limited to, insurance premium (for the initial year), location/building plans and electric connection, shall be paid in the same manner and for the same term as the above agreed downpayment. Water Connection Fees shall be paid to the water service provider in the Project upon application thereof. The Company's legal miscellaneous fees covers processing fees, TCT fees and move-in fees.

h. The terms of payment herein stipulated may be changed, altered or modified based on the results of credit evaluation or upon my/our request and approval by the Company. Any such change, alteration or modification shall be contained in another document duly acknowledged and conformed to by both parties. Notwithstanding delay on the part of the Company or regardless of the percentage or fraction of the project completion, the schedule of payment shall be strictly complied with.

i. I/We accept that all payments shall be applied in the following order of priority: first as reimbursement and/or payment for real estate taxes and assessments, miscellaneous fees and other related charges, and annual insurance premiums; second, to penalties and accrued interests up to the time of payment; lastly, to the principal amortization based on the terms of payment appearing in the above payment scheme.

j. Default under the Maceda Law.

- j.1. Where the buyer has paid at least 2 years of instalments :
  - The buyer is entitled to the following rights in case he defaults in the payment of succeeding instalments:
    - i. To pay, without additional interest, the unpaid instalment due within the total grace period earned by him, which is hereby fixed at the rate of one month grace period for every one year of instalment payments made; provided that this right shall be exercised by the buyer only once in every five years of the life of the contract and its extensions, if any.
    - ii. If the contract is cancelled, the seller shall refund to the buyer the cash surrender value of the payments on the property equivalent to fifty percent of the total payments made and, after five years of instalments, an additional five

percent every year but not to exceed ninety percent of the total payments made.

- j.2. \* Where the buyer has paid less than 2 years of instalments:
- i. The seller shall give the buyer a grace period of not less than sixty days from the date the instalments became due. However, the said grace period shall not exempt the buyer from his/her obligation to pay any succeeding monthly amortization that falls due during the grace period. Any monthly amortization due shall be paid in accordance with the agreed schedule. Provided, that the buyer's right to a grace period shall be exercised by the buyer only once within the 2 year period. If the buyer fails to pay any and all instalments, amortizations, penalties, and miscellaneous payments due during or after the grace period, the seller may cancel the contract after 30 days from the receipt by the buyer of the notice of cancellation or the demand for rescission of the contract by a notarial act.
- j.3. \* If the contract is cancelled, the buyer unconditionally agrees to voluntarily vacate the lot, unit, and improvement, clear of occupants and any personal belongings, and turn over the same to the Company without need of written notice and demand upon the buyer or occupants, within ten (10) calendar days, without need of any court or judicial order. The buyer likewise agrees to compensate the seller for any damage or deterioration on the unit and other improvements therein in the amount based on the exclusive assessment and appraisal of the seller. The buyer expressly and unconditionally agrees to authorize the seller to immediately deduct from the cash surrender value, if any, all costs for the damage and deterioration on the unit and its improvements, without need of written notice or demand upon the buyer.

k. I/We understand and have been fully informed that the BIR, before issuing a Tax Clearance or Certificate Authorizing Registration (CAR), may require purchasers of real property to show proof of financial capacity such as Income Tax Return, showing the income earned and declared by the purchaser in relation to the value of the property being acquired; and proof that the purchaser obtained a loan from a financial institution, and the purchaser's income is sufficient to pay back the loan amortizations. I understand and have been fully informed that if the BIR is not satisfied with the proof of financial capacity presented, the BIR may assess and collect Donor's Tax before issuing the CAR. Should any issue on Donor's Tax be raised by the BIR in the process of securing the CAR for this purchase, I/We undertake to resolve the same at my/our own expense and at no additional cost to the Seller. In consideration of my/our decision to purchase, I/We hold the Seller free and harmless from any claim, demand, liability or cause of action arising from the possible Donor's Tax issue described above.

#### **TERMS AND CONDITIONS**

1. As proof of my/our interest to purchase the Property, I/we hereby tender the sum of PESOS: \_\_\_\_\_ (Php \_\_\_\_\_) as Reservation Fee, exclusive of VAT, in order to reserve the Property for my/our intended purchase which shall be effective for a period of thirty (30) days from delivery of the Reservation Fee. I/we understand and acknowledge that the Reservation fee is non-refundable. Should I/we decide to cancel my/our reservation; fail to submit all the documentary requirements, including, but not limited to, this Reservation Agreement, as well as the Contract to Sell and post-dated checks, among others, as mentioned in Sections 5 and 9, within the prescribed period; or fail to pay the amounts due on the due dates prescribed, for any reasons whatsoever, I/we agree that my/our reservation shall lapse and my/our Reservation Fee shall be forfeited in favor of the Company as liquidated damages. I/we will hold the company free and harmless for thereafter releasing and offering the Property to other interested buyers.
2. I/WE acknowledge that the Company reserves the right to accept or deny this request for reservation and is non-transferable or assignable. Likewise, subject to written request by me/us, the Company, at its sole discretion, may extend this reservation for a period of not more than fifteen (15) days after the thirty (30) days prescribed period within which to make the down payment.
3. I/WE understand that this Reservation Agreement is subject to the final acceptance or conformity by the Developer. Accordingly,

I/we hereby recognize that this reservation application is subject to the right of the Company to exchange the subject Property for another of equal value in order to accommodate other buyers who are buying two or more contiguous lots, or in the event the subject Property is found to be unavailable for sale to me/us due to a prior sale commitment or transaction with another party, the same having been offered to me/us by mistake or inadvertence. In the event that there be no other property of equal value to the subject Property, I/we may choose from the available lots or units to replace the same subject to adjustment in the price, terms and conditions, as the case may be. In either case, I/we may opt for the cancellation of this reservation application subject to the reimbursement of all payments previously made.

4. I/WE acknowledge that in the event my application to purchase the Property is accepted, the Reservation Fee shall automatically form part of the required down payment. Upon being notified of the acceptance of my offer to purchase the Property, I shall remit, within the period required by the company, the down payment and/or balance, and the complete post-dated checks, in accordance with the Schedule of Payment (inclusive of VAT and other charges), without need of further demand. All payment/s under this Agreement must be made in favor of the Developer and checks for payments shall be crossed and shall be made payable to **FERRIS SOBELL PROPERTIES INC** to be remitted directly to the cashier for proper issuance of Provisional/Deposit/Collection/Official Receipts. PAYMENTS MADE TO ANY INDIVIDUAL, EMPLOYEE, SALESPERSON OR BROKERS SHALL BE AT MY/OWN SOLE RESPONSIBILITY AND RISK.
5. It is understood and agreed that the Seller may, in its discretion, following my/our submission of a request in writing, allow me/us to: (i) transfer this reservation to another individual, (ii) transfer this reservation in favor of another property of the Seller (whether in the same or another project), or (iii) change certain payment terms, subject to the fulfilment of the following conditions : (a) I/We am/are not in default in the performance of my/our obligations under this Reservation Agreement; (b) I/We shall pay the administrative or processing fees prescribed by the Seller; (c) I/We shall submit and/or execute such amendatory and other documents as may be necessary or required to effect the transfer or change payment terms; and (d) any and all taxes, costs, and government assessments (if any) arising or resulting from any such changes shall be for my/our sole account and for which I/We hereby undertake to indemnify the Seller. I/We further undertake not to hold the Seller liable, and waive any claim or right that I/We may be entitled to under the law or equity to be compensated, for any damages, costs, and expenses which I/We may incur in connection with any delay that may arise in the processing of the certificate of title to the property subject of this reservation by reason of the implementation of this paragraph.
6. The Standard Contract to Sell for the Property shall be executed by the parties only after I/we have submitted to the Company all necessary documents and post-dated checks in such amounts and on such dates as are in accordance with the Schedule of Payment and upon payment of an amount equivalent to at least ten percent (10%) of the total purchase price. I/we agree to execute the aforesaid contract within thirty (30) days from date of my/our receipt of thereof. Should I/we fail to submit the duly signed Contract to Sell within the said period, this Reservation Agreement shall be cancelled.
7. I/We understand and agree that this Agreement only gives me/us the right to purchase the Property subject to the fulfilment of the conditions herein stated. No other right, title, or ownership is vested upon me/us by the execution of this Agreement. The Company retains title and ownership of the Property until I/we shall have fully paid all amounts due to the Company for the purchase of the Property.
8. I/We confirm that I/we have personally inspected the plans and specifications of the Property, studied and verified the Project site and its proximate location and layout of my/our requested Property and I /we find the same to be acceptable and satisfactory. I/we acknowledge that I/we have independently ascertained and evaluated all materials, facts and technical information related to the purchase of the Property and that I/we am satisfied with what has been explained to me/us by the Property Specialist/Broker who assisted me/us. I/we further understand that the sizes and/or numbering of the condominium

units and parking spaces are subject to adjustments in accordance with the approved building plan or amendments thereon and I/we agree that the Developer reserves the right to revise architectural and floor plans without my consent.

9. I/we have inspected the Model Unit for the lot or unit I/we intend to purchase and I/we understand that for artistic and presentation purposes, the Model Unit has been enhanced to contain features, color schemes, finishing and lay-out, not included in the actual plans and specifications for the unit I/we intend to purchase. And that all appliances, furniture and decorative fixtures found in the Model Unit are mere accessories therein and do not form part of the package for the lot or unit I/we intend to purchase.
10. That the lot or unit I/we intend to purchase, when built, conformed or shall conform solely to the detailed plans and specifications approved therefore and which detailed plans and specifications have been shown to me/us and found the same acceptable prior to my/our reservation application.
11. That the Company or any of its agents made no guarantee that the actual lot or unit, when built, or if already built, is or will be exactly and in all aspect be of the same type with and shall contain the features, color scheme, finishing and lay-out found in the Model Unit.
12. I/We hereby authorize the Developer of the Project to organize the Project's governing homeowner's association or Condominium Corporation, as applicable. I/We also understand and agree that upon acceptance of the unit, I/We automatically become/s (a) member(s) of the Condominium association or corporation, a non-stock, non-political organization, organized purposely for the proper operation and maintenance of the condominium facilities, sanitary collection of garbage, security, fire protection, enforcement or restrictive easements and in general for promoting the common benefit of the residents therein; and to remain as such while in possession of the property. I/We agree to be bound by the Articles of Incorporation and By-Laws of the Association or its governing body. Unpaid association dues and other lawful assessments shall constitute a lien or encumbrance on the property second only to the lien in favor of the VENDOR, which shall be annotated on the title by the Association by the filing of the requisite Affidavit before the Register of Deeds such that the association or its duly constituted governing body is hereby appointed Attorney-in-Fact authorized and empowered in accordance with law to: (i) effect said lien or encumbrance, and; (ii) if necessary, to foreclose and auction the unit if the unit owner continuously fails to pay the association dues and other lawful assessment and fees.
13. CANCELLATION OF RESERVATION. I /We, hereby agree that the Developer shall have the right to automatically cancel my/our reservation without further notice and without need of judicial rescission and to forfeit as liquidated damages my/our reservation fee and whatever other payments I/we have made, with any and all rights to the unit(s) considered waived by me/us in favor of the Developer in the event of any of the following:
  - 13.1. Failure or refusal on my/our part to complete the down payment or to pay any instalment on the down payment as specified above.
  - 13.2. Failure or refusal on my/our part to sign and deliver to the Developer the prescribed Contract to Sell within the given grace period.
  - 13.3. Failure or refusal to submit documentary requirements.
  - 13.4. Wilful misrepresentation or falsification of any documents required under this Agreement.
  - 13.5. Withdrawal on my/our part from this Agreement for any reason whatsoever.
14. I/we recognize the right of the Company to assign its receivables under the Contract to Sell for and under such terms and conditions it may deem fit, as well as the Company's right to mortgage the Project as may be allowed under the law, including the title covering the lot/unit, provided that upon my/our full payment of the purchase price, the title to the lot/unit shall be delivered to me/us free from and clear of any and all kinds of liens and encumbrances.
15. I/WE understand that any representation or warranty made to me/us by the Salesperson/Broker who handled this sale not

embodied herein shall not be binding upon the company, unless reduced into writing and confirmed by the President of the Company; and that this Agreement shall not be considered as changed, modified, altered, or in any way amended by acts of tolerance of the Company, unless such changes, modifications or amendments are made in writing and signed by the President. Aside from the President, only dulyauthorized officers of the company are allowed to make commitments for and in behalf of the Company.

16. WE hereby certify that all personal information appearing hereunder are true and correct, and I/we hereby undertake to inform the Developer in writing of any corrections and/or changes with respect to the same. Failure on my/our part to duly inform the Developer, of any such corrections and/or changes shall not make the latter responsible for any liability or accountability arising therefrom or in connection therewith. My/Our stated address shall remain as my/our official address for purposes of service of, among others, notices under this agreement, unless I/we duly inform the Developer in writing of any corrections or changes in the same.
17. I/We hereby further understand and agree that delivery of the unit to me/us shall be made by the Developer within \_\_\_\_\_ or allowed by HLURB per License to Sell from full settlement of the down payment thereof provided that I/we is updated in payment.

This contract states the entire agreement of both parties hereto and any stipulation, representation agreements or promises, oral or otherwise, not contained in this reservations or incorporated herein by reference shall not bind, **FERRIS SOBELL PROPERTIES INC.**, 20\_\_\_\_\_.

\_\_\_\_\_  
Buyer's signature over printed name  
Date : \_\_\_\_\_

\_\_\_\_\_  
Spouse/Co-maker 's signature over printed name  
Date : \_\_\_\_\_

Confirmed/Accepted:  
**FERRIS SOBELL PROPERTIES INC.**

By: \_\_\_\_\_  
Printed name & Signature

\_\_\_\_\_  
Position

\_\_\_\_\_  
Date

*NOTE: This reservation is not valid and binding, unless the reservation fee is paid and unless approved by **FERRIS SOBELL PROPERTIES INC.** Your money shall be refunded if not approved. Payments should be made directly to **FERRIS SOBELL PROPERTIES INC.** Payment/s not received by our cashier shall not be honored. Buyers are advised to demand for the **PROPER RECEIPT** whenever making payment.*