

Republic of the Philippines
TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY
East Service Road, South Superhighway, Taguig, Metro Manila

100TH TESDA BOARD MEETING
18 December 2017, Monday, 2:00 p.m.
7th Floor TESDA Board Room, Office of the Chair
Taguig City, Metro Manila

Resolution No. 2017-48
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**APPROVING THE EXECUTION OF THE DEED OF ABSOLUTE SALE
FOR THE LOT AND BUILDING OF TESDA XI REGIONAL OFFICE AND
DAVAO CITY/SUR PROVINCIAL OFFICE**

WHEREAS, on 17 December 2012 the TESDA Board issued Resolution No. 2012-15 "Approving the Acquisition of the Lot and Building on a Lease Purchase Scheme for the TESDA XI Regional Office and Davao City/Davao del Sur Provincial Office."

WHEREAS, the Contract of Lease with Purchase Agreement was made and entered into on 4 February 2013 in Davao City, Philippines by and between Gina C. Tan, the Lessor-Seller and TESDA, the Lessee-Purchaser, represented by then TESDA Director General Secretary Emmanuel Joel J. Villanueva. Copy of said Contract of Lease is attached for reference.

WHEREAS, the TESDA XI Regional Office and Davao City/Davao del Sur Provincial Office transferred to said lot and building with address at 616 Interior 2, Rimas Street, Aquino Subdivision, J.P. Laurel Avenue, Bajada, Davao City under a rent-to-own scheme.

WHEREAS, the fixed monthly rental of the lot and building amounts to TWO HUNDRED TWENTY-SEVEN THOUSAND SEVEN HUNDRED SEVENTY-THREE PESOS (P227,773.00) inclusive of the principal amount, interest, Value Added Tax (VAT) and Expanded Withholding Tax (EVAT) for ONE HUNDRED FIFTY-FIVE (155) months.

WHEREAS, the total payments to be made by TESDA XI amounts to THIRTY-FOUR MILLION FIVE HUNDRED TWENTY-NINE THOUSAND EIGHT HUNDRED FIFTEEN PESOS (Php 34,529,815.00) by the 155th month.

WHEREAS, the amount of THIRTEEN MILLION ONE HUNDRED FORTY-THREE THOUSAND SIX HUNDRED SEVEN PESOS (Php 13,143,607.00) representing FIFTY-NINE (59) months have already been paid as of 11 December 2017.



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WHEREAS, the amount of FIFTEEN MILLION NINE HUNDRED SEVENTY-SIX THOUSAND EIGHT HUNDRED FORTY-FOUR PESOS (Php 15,976,844.00) of FY 2017 MOOE Continuing Appropriation was realigned to Capital Outlay of FY 2017 by the Department of Budget and Management (DBM) to acquire the lot and building under the rent-to-own scheme.

WHEREAS, the validity of said realigned budget is up to 31 December 2017 only.

WHEREAS, said Capital Outlay is to be used to pay the remaining principal balance, Taxes and Fees Payable to BIR and Registry of Deeds relative to the Deed of Absolute Sale amounting to FOURTEEN MILLION EIGHT HUNDRED TWENTY-ONE THOUSAND ONE HUNDRED TWENTY-ONE PESOS & 70/100 (Php 14,821,121.70) broken down as follows;

Principal Balance as of Dec. 4, 2017	Php 13,473,747.00
Taxes and Fees Payable to BIR and Registry of Deeds relative to the Deed of Absolute Sale	1,347,374.70
TOTAL ACQUISITION COST	Php 14,821,121.70

WHEREAS, the budgetary requirement for the remaining ninety-six (96) months amounts to TWENTY-THREE MILLION ONE HUNDRED SEVEN THOUSAND SEVEN HUNDRED TWENTY-FIVE PESOS & 69/100 (Php 23,107,725.69) broken down as follows;



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Principal Balance as of Dec. 4, 2017	Php 13,473,747.00
Expanded Withholding Tax Payable to BIR(Php 10,608.24 x 96 months)	1,018,391.04
Interest Payable to the owner @ 11% per annum for 96 months	6,815,587.65
Taxes and Fees if Deed of Sale is done in December 2025	1,800,00.00
TOTAL AMOUNT TO BE PAID (January 2018-December 2025)	Php 23,107,725.69

WHEREAS, the Cost Benefit Analysis if Deed of Absolute Sale is executed within the month of December 2017 is also attached to this Resolution and made an integral part hereof.

WHEREAS, with the above presentation, the government stands to save the amount of EIGHT MILLION TWO HUNDRED EIGHTY SIX THOUSAND SIX HUNDRED THREE PESOS & 99/100 (Php 8,286,603.99) if and when the Deed of Absolute Sale is completed within December 2017, as shown below;

TOTAL TO BE PAID (January 2018-December 2025)	Php 23,107,725.69
Less Total Acquisition Cost (refer to page 2)	14,821,121.70
Savings if Deed of Absolute Sale is completed within December 2017	8,286,603.99



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WHEREAS, the other benefits of the execution of the Deed of Absolute Sale within the month of December 2017 are the following;

1. It converts rental expenses into an investment in real property
2. The two (2) Offices are located within the downtown area making it accessible to clients
3. The delivery of public service is continuous since there will be no more office transfers which results to disruption of office work and loss of property, money, time and effort which usually occur every transfer of office

WHEREAS, in the 98th Finance Committee TESDA Board Meeting on 11 December 2017, the Members of the Committee deliberated on the proposal and recommended its approval by the TESDA Board;

WHEREAS, in the 100th EXCOM-TESDA Board Meeting on 14 December 2017, the Members of the EXCOM-TESDA Board further deliberated on the report of the Members of the Finance Committee, after which, it decided to recommend its approval to the TESDA Board;

NOW, THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, that the TESDA Board in its Meeting today 18 December 2017 at 2:00 p.m. approves the execution of the Deed of Absolute Sale for the Lot and Building of the TESDA XI Regional Office and Davao City/Davao del Sur Provincial Office subject to existing laws and regulations.

BE IT RESOLVED FURTHER, that the TESDA Board authorizes the Director General of the Technical Education and Skills Development Authority (TESDA), to sign the Deed of Absolute Sale for the Lot and Building of the TESDA XI Regional Office and Davao City/Davao del Sur Provincial Office in behalf of TESDA;

BE IT RESOLVED FINALLY, that copy of this Resolution be disseminated to all concerned offices.



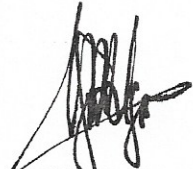
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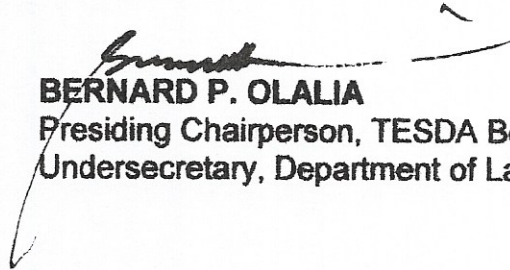
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Approved this 18th day of December 2017.


ATTY. MAMARICO L. SANSARONA, JR
TESDA Board Secretary

Attested by:


BERNARD P. OLALIA
Presiding Chairperson, TESDA Board
Undersecretary, Department of Labor and Employment