



Republic of the Philippines  
NATIONAL POLICE COMMISSION  
**NATIONAL HEADQUARTERS PHILIPPINE NATIONAL POLICE**  
**OFFICE OF THE CHIEF, PNP**  
Camp BGen Rafael T Crame, Quezon City

**JUL 31 2024**

DL-LPPD-230704-0866

**MEMORANDUM CIRCULAR**

No.: **2024-056**

**AMENDED GUIDELINES AND PROCEDURES ON THE LEASE OF PNP-OWNED,  
OCCUPIED, AND MANAGED LOTS, BUILDINGS, AND SPACES**

**1. REFERENCES:**

- a. Republic Act (RA) No. 9184 otherwise known as the "Government Procurement Reform Act," and its 2016 Revised Implementing Rules and Regulations (IRR);
- b. Article 62 of RA No. 9520 or the "Philippine Cooperative Code of 2008";
- c. Section 26, RA No. 6975 as amended by RA No. 8551 otherwise known as the "Philippine National Police Reform and Reorganization Act of 1998";
- d. Title VIII, "Lease", Book IV, New Civil Code of the Philippines;
- e. Section 48, Chapter 12, Book I, Executive Order (EO) No. 292, as amended, otherwise known as The Administrative Code of 1987, on the subject "Official Authorized to Convey Real Properties";
- f. Section 6 and 7 of EO No. 301, Series of 1987 titled, "Decentralizing Actions on Government Negotiated Contracts, Lease Contracts, and Records Disposal";
- g. Commission on Audit (COA) Policy Training and Technical Assistance Facility (PTTAF) Manual on Lease of Lands, Buildings and Spaces;
- h. COA Circular No. 88-282A dated March 3, 1988, titled, "Uniform Standards/Guidelines to Determine the Reasonableness of the Terms and Rental Rates of Lease Contracts for Private or Government Buildings/Spaces";
- i. BIR Revenue Regulations No. 7-2024 dated March 2024, titled Implementing Sections 113, 235, 236, 237, 238, 242, 243 of the National Internal Revenue Code of 1997, as Amended by Republic Act No. 11976, otherwise known as the "Ease of Paying Taxes Act", on the Registration Procedures and Invoicing Requirements;
- j. Section 1.2.5, Chapter 1, Part 3 of Joint Circular No. 1 DBM-DENR-DPWH Manual on Lease of Government Owned Building Space and Lot by Private Sector;
- k. Section 3 of DENR Administrative Order No. 98-20 dated May 20, 1998;
- l. PNP Memorandum Circular (MC) No. 2023-048 dated July 18, 2023, titled "Policy on the Formulation of the Camp Master Development Plan";
- m. PNP MC No. 2019-003 dated January 24, 2019, titled, "Revised Guidelines and Procedures on the Lease of PNP-Owned, Occupied, and Managed Lots, Buildings and Spaces";



**AUTHENTICATED BY:**

**HENRICH L. LAÑADA**  
Police Lieutenant Colonel  
Administrative Officer



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- n. PNP MC No. 2017-038 dated June 1, 2017, titled, "Amending Paragraph 2 of PNP MC No. 2016-069 Guidelines and Procedures on the Lease of PNP Owned, Occupied, and Managed Lots, Buildings and Spaces";
- o. PNP MC No. 2016-069 dated October 26, 2016, entitled, "Guidelines and Procedures on the Lease of PNP-Owned, Occupied, and Managed Lots, Buildings and Spaces";
- p. Memorandum of Agreement (MOA) between the PNP and the AFP executed on November 14, 2009, on real properties in the name of the AFP or PC/INP which are jointly used by the PNP and the AFP; and
- q. MOA between the PNP and the AFP executed on July 25, 2008, on real properties in the name of the AFP or PC/INP which are solely used and/or occupied by the PNP.

## 2. RATIONALE:

This MC provides the amended guidelines and procedures to be undertaken by offices and units concerned on the lease of PNP-owned, occupied, and managed lots, buildings, and spaces.

## 3. SITUATION:

After continuous monitoring of all Philippine National Police (PNP)-owned and occupied real estate properties, it has been observed that numerous PNP lots/buildings/spaces are being leased to private entities and/or other private individuals without a lease contract being entered into between the PNP and the lessee. As a result, the PNP is inclined to incur possible pecuniary loss/es for forgone opportunities.

Further, the PNP observed that a number of Audit Observation Memoranda (AOM) were received in the past stating the same recurring problems. After thorough evaluation and research, it was found out that there is an administrative regulation specifically Section 1.2.5, Chapter 1, Part 3 of Joint Circular No. 1 DBM-DENR-DPWH. Manual on Lease of Government-Owned Building Space and Lot by Private Sector which is applicable to the current gaps identified. In order to define a clear view of the tasks, procedures, and obligations of units/individuals concerned, PNP MC No. 2019-003 was crafted. However, there are several gaps that still exist and must be addressed, thus this MC.

## 4. PURPOSE:

This MC sets forth the terms, procedures, guidelines, and obligations of the PNP regarding the lease of PNP-owned, occupied, and administered lots, buildings, and spaces to the private sector.

The implementation of this MC shall apply to all PNP lands, such as:

- a. Those lands titled in the name of the Philippine National Police and Insular Government of the Philippine Island, Philippine Island, Commonwealth of the Philippines, Republic of the Philippines, and



**AUTHENTICATED BY:**

**HENRICH L. LAÑADA**  
Police Lieutenant Colonel  
Administrative Officer



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Philippine Constabulary (PC)/Integrated National Police (INP) and presently occupied by the PNP;

- b. Those titled in the name of the Armed Forces of the Philippines (AFP) but in the possession of the PNP and/or in joint use with the PNP pursuant to the Memoranda of Agreement (MOA) between the AFP and the PNP, dated July 25, 2008, and November 14, 2009;
- c. Those covered by Presidential Proclamation named under the Republic of the Philippines, AFP, and PC-INP but are occupied and administered by the PNP; and
- d. All other lands that are in lawful possession or legally acquired by the PNP, or those that are donated or will be donated to the PNP except those donated lots with condition/reversion clause.


5. **DEFINITION OF TERMS:**

For purposes of this MC, the following words and phrases shall be defined as:

- a. Appraisal Committee - refers to the committee initially tasked by the Chief of Office to determine the available lots, buildings, and spaces for lease and their monthly rental rate.
- b. Auction Committee - refers to the committee that shall be created to handle the public auction.
- c. Donated Land - refers to land given to the PNP or its predecessor by private individuals or private juridical persons or other government entities (e.g., LGU) out of liberality to the PNP or gratitude for the service rendered by the PNP or as a measure of support and cooperation to the government, particularly in combating crimes and all forms of lawlessness. It may be absolutely donated or subject to certain commons.
- d. Duly Authorized Representative - refers to D, HSS for NHQ, and RD for PROs who were given delegation of authority by the Chief, PNP.
- e. Invitation to Bid (IB) - this serves as the notice to the public and all interested parties of the procurement opportunity.
- f. Lease - refers to a contractual agreement in which the PNP conveys its unoccupied portion of lots/buildings/spaces to a private individual/entity in exchange for a periodic payment or consideration. The PNP, however, retains ownership over the property being leased.



**AUTHENTICATED BY:**

  
**HENRICH L. LAÑADA**  
Police Lieutenant Colonel  
Administrative Officer



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- g. Lease Contract - refers to a written agreement or document entered into by the lessor and lessee that provides for the terms and conditions of the lease of property.
- h. Leased lots/buildings/spaces - refer to the lots/buildings/spaces subject matter of the contract of lease.
- i. Lessee - refers to the party that rents the lots/buildings/spaces.
- j. Lessor - refers to the PNP, as represented by the CPNP, being the owner/administrator of the lots/buildings/spaces.
- k. Monthly Rental Rate - refers to the amount of money paid each month to rent a property.
- l. PNP-owned, occupied, and administered buildings, lots, and spaces - refer to idle PNP properties such as lots/buildings/spaces which will be determined by the appraisal committee and open for lease.
- m. Proponent - refers to the one who submits an offer to lease vacant PNP lots/buildings/spaces.
- n. Public Auction - refers to the procedure conducted by the Auction Committee for the award of the contracts to the private sector involving the utilization of PNP lands, buildings, or properties for a certain period subject to the payment of reasonable compensation, which is characterized by the offer to the public, open competition, and transparency.
- o. Reserved Land - refers to public land which was withheld back from a sale or any kind or disposition and which shall only be utilized for the sale exclusive purpose for which it was reserved by the President through Presidential Proclamation.
- p. Space - are those identified spaces in buildings and other facilities to include billboards, LED walls, and the like.

## 6. GUIDELINES:

### a. General Guidelines:

- 1) Only the Chief, PNP has the authority to decide on the transaction over the lease of the PNP lots/buildings/spaces. However, his duly authorized representative can enter into a lease contract involving PNP lots/buildings/spaces upon prior written approval of Delegation of Authority by the Chief, PNP;
- 2) PNP lands that are not reserved nor donated with reversion clause/s, regardless of source or status that were included in or forming part of any development plan, whether national, regional,



**AUTHENTICATED BY:**

  
**HENRICH L. LAÑADA**  
 Police Lieutenant Colonel  
 Administrative Officer



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or provincial development plan, shall not also be leased to the private sector. However, lands that were subsequently excluded from the camp development plan which were neither reserved nor donated may be leased to private entities in accordance with this MC;

- 3) Before a lease of a government-owned building, space or lot may be executed, the public auction shall be conducted by the Auction Committee;
- 4) Any person, partnership, or corporation, complying with the prescribed rules and regulations may participate in the public auction;
- 5) All bids submitted after the deadline will not be accepted and the Auction Committee shall record the date and time of the late submission/s; and
- 6) All private persons, partnerships, or corporations with existing MOAs or contracts shall be considered as new applicants upon expiration of their contract.

**b. Specific Guidelines:**

- 1) The Contract of Lease shall, among others, contain the following terms, conditions, stipulations, and limitations:
  - a) As provided for under Section 1.2.5, Chapter 1. Part 3 of the DBM-DENR-DPWH Manual and Section 533, GAAM, Vol. 1, "Limited Period of Revenue Generating Contract", as a general rule, the contract period shall be limited to one year. It shall be the responsibility of the Head of the Agency to see to it that the public bidding and award can already be made before the expiration of the contract. A contract period longer than one year but not exceeding two years may, however, be fixed to allow the lessee, contractor, or concessionaire to recover the cost of equipment or leasehold improvement necessary to be brought into or introduced in the operation to effectively fulfill its part of the agreement;
  - b) The rights and obligations of both parties shall be clearly defined to preclude ambiguity and shall be fair and equitable for both parties;
  - c) The lessee, before introducing any improvement/s to the leased premises, must inform the lessor in writing;
  - d) The lessee, whose lease has just terminated, shall have the right to equal the highest bid if he manifests such in writing not more than five (5) days from the opening of the bids;



**AUTHENTICATED BY:**

**HENRICH L. LAÑADA**  
Police Lieutenant Colonel  
Administrative Officer



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- e) Any useful improvement at the expiration of the lease shall be forfeited in favor of the lessor without prejudice to the restoration of the leased premises to their original condition if any improvement introduced materially alters its original use of the leased premises;
- f) In cases where the lessee shall build permanent structures, the maximum duration of the lease shall be two years and renewable every two years until the lessee is able to recoup the expenses in the construction of the building. The contract administrator in coordination with ES shall determine if the lessee was able to recoup the expenses and inform the lessee that should the lessee/occupant be interested in extending its lease after the period, the same should participate in a public auction;
- g) In case the lessee intends to construct a permanent structure, PNP OBO (Office of the Building Official) will require the submission of a complete set of drawing plans and detailed cost estimate, both duly signed by the respective professionals. PNP OBO through PNP ES, Infrastructure Division, will then conduct an ocular inspection to verify and evaluate the accuracy of the lessee's submitted documents.
- h) In case the lessee intends to renovate, has renovated, or will repair an existing structure, PNP OBO will require the submission of an as-built drawing plan along with a detailed cost estimate of their expenses or projected expenses. PNP OBO through PNP ES, Infrastructure Division, will then conduct an ocular inspection to verify and evaluate the accuracy of the lessee's submitted documents.
- i) Yearly escalation of the rental to be determined by the Appraisal Committee should be included in the contract. In relation to paragraph (f), for lease contract/s recommended by the Engineering Service that exceeds the prescribed duration, the escalation shall not be lower than twelve percent of the base monthly rental of the preceding year;
- j) No subleasing or assignment shall be allowed;
- k) The contract shall take effect only upon the approval of the Chief, PNP, or his duly authorized representative; and
- l) The manner of payment of lease rentals and provision for payment, penalties, and charges are as follows:  
 (1) After the contract signing, winning bidders shall issue post-dated checks covering the entire term of the lease; otherwise, winning bidders may be allowed to pay monthly



**AUTHENTICATED BY:**

*[Signature]*

**HENRICH L LAÑADA**  
Police Lieutenant Colonel  
Administrative Officer



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rentals in cash, either personally or through online transactions; and

- (2) The Contract of Lease shall also necessarily include the provisions pertaining to the obligations of the lessor and lessee under Title VIII, "Lease", Book IV, New Civil Code of the Philippines.
- 2) The authorized Collection/Finance Officer shall acknowledge acceptance of payment for the bidding documents by immediately issuing an Official Receipt and or Invoice from the Finance Service pursuant to applicable BIR issuances and other subsequent government regulations.
- 3) In the collection of rental income, the following should be undertaken:
  - a) The authorized Collection/Finance Officer of the unit concerned shall prepare and submit an order of payment or bill to the Lessee in accordance with the manner and time stipulated in the approved lease contract;
  - b) The lessee shall pay the rental in cash or postdated check;
  - c) The authorized Collection/Finance Officer shall acknowledge acceptance of payment by immediately issuing an invoice from the Finance Service for the payment of rental; and
  - d) The payment shall be deposited to the authorized Trust Receipts Account for subsequent remittance to the Bureau of Treasury.
- 4) Composition of Appraisal and Auction Committee with corresponding orders shall be issued by DPRM for NHQ and RPRMD for PROs.

COMPOSITION OF APPRAISAL COMMITTEE		
Unit	Office	Designation
NHQ	CS, HSS	Chairman
	CS, ES	Vice-Chairman
	CS, LSS	Member
	SAO, HSS	Member
	C, LMS, RPMD, DL	Member (if the lease involves a lot)
	C, IFMS, RPMD, DL	Member (if the lease involves buildings and spaces)
	Logistics Officer of Unit Concerned	Member
	C, SWS, HSS	Head, Secretariat
	C, RUS, ID, ES	Member, Secretariat
	C, RDS, LUD, ES	Member, Secretariat
	CRS	Chairman
	Asst C, RHSG	Vice-Chairman



**AUTHENTICATED BY:**

  
**HENRICH L LAÑADA**  
 Police Lieutenant Colonel  
 Administrative Officer



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PROs	C, REU	Member
	RSAO	Member
	Logistics Officer of Unit Concerned PPOs/CPOs/CPS/MPS	Member
	C, Real Estate and Infra Mgt Section, RLRDD	Secretariat

COMPOSITION OF AUCTION COMMITTEE		
Unit	Office	Designation
NHQ	DDA, HSS	Chairman
	DD, ES	Vice-Chairman
	DD, LSS	Member
	C, RPMD, DL	Member
	FMD, HSS	Member
	Legal Officer, HSS	Member
PROs	DRDA, PRO	Chairman
	C, RLRDD	Vice-Chairman
	C, RCD	Member
	C, RHSG	Member
	C, RSFO	Member
	Legal Officer, PRO	Member

SECRETARIAT AUCTION COMMITTEE		
NHQ	Asst Chief, Logistics Division, HSS	Head, Secretariat NHQ Bidding Committee
	Action PNCO/NUP	Member, Secretariat
PROs	Asst Chief, RLRDD	Head, Secretariat PRO Bidding Committee
	Action PNCO/NUP	Member, Secretariat

CONTRACT ADMINISTRATOR		
Unit	Office	Designation
NHQ	Chief, Logistics Division, HSS	NHQ Contract Administrator
PROs	Logistics Officer, RHSU/PPOs	PRO Contract Administrator

#### 7. PROCEDURES:

- a. Each committee shall create a Technical Working Group (TWG) to assist in the conduct of its functions and serve as the main technical support of the respective committees. The Head of Office/Unit may also designate an existing organic office to serve as TWG;
- b. The Appraisal Committee will send a memorandum to all units within their Area of Responsibility (AOR) to determine the available lots, buildings, and spaces falling within the definition under paragraph 4, sub



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**HENRICH L. LAÑADA**  
 Police Lieutenant Colonel  
 Administrative Officer



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para a to d of this MC that are for lease, to be validated by respective Camp Master Development Plan Committees;

- c. The property subject to lease in NHQ shall be recommended by the NHQ Camp Master Development Plan Committee for approval of the CPNP;
- d. The RHQ Camp Master Development Plan Committee shall endorse the property subject for lease to RD and the latter shall recommend the same for approval to the CPNP through the NHQ Camp Master Development Plan Committee.
- e. The Appraisal Committee shall come up with a resolution determining the monthly rental rate of lots, buildings, and spaces for lease (**Annex "A"** - Formula for Computation of Monthly Rates), subject to approval by the approving authority. In conducting the appraisal or re-appraisal, the fair market value of the property shall, as much as possible, be ascertained by considering the following factors similar to the provision of Sec 3 of DENR Administrative Order No. 38-20, dated May 26, 1998, to wit:
  - 1) Extent, classification, location, actual use, and development trends of the area;
  - 2) Assessed Value and BIR zonal valuation;
  - 3) Prevailing rental rates and prices of lands of similar character located in the area;
  - 4) The purpose for which the property is to be leased; and
  - 5) Other relevant factors or circumstances the committee may determine.
- f. The Appraisal Committee shall submit the list of available lots, buildings, and spaces for lease together with the approved resolution recommending rental rate to the D, HSS for NHQ and RD for PROs for approval of the Chief, PNP (Thru: TDL) and ensures submission of complete documentary requirements for the request of the issuance of Delegation of Authority to proceed with the auction process;
- g. Upon issuance of Delegation of Authority, the Appraisal Committee shall forward the approved list to the Auction Committee (Thru: Secretariat Auction Committee). Consequently, the Secretariat Auction Committee shall publish within three days from the date of approval of the list of available lots, buildings, and spaces for lease on the PNP Website, HSS/RHSG Bulletin Board, and other conspicuous places inside camps;
- h. Upon evaluation of the list, the Auction Committee has the discretion to prioritize the identified lots, buildings, and spaces for lease;



**AUTHENTICATED BY:**

  
**HENRICH L. LAÑADA**  
 Police Lieutenant Colonel  
 Administrative Officer



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- i. Upon identification of the priority unit/s for auction, the Secretariat, Auction Committee shall prepare the Invitation to Bid (IB). The IB must contain the following:
- 1) The name of the lessor PNP office/unit;
  - 2) Sufficient descriptive information on the lots/buildings/spaces for lease, such as:
    - a) Location of the property to be leased;
    - b) Area in square meters; and
    - c) Monthly Rental Rate.
  - 3) Date, time, and place of the pre-auction conference;
  - 4) Date, time, and place of the submission and opening of submitted bids; and
  - 5) Information on auction requirements such as accomplishment of the financial bid form, terms of payment and conditions, claims, and among others.

A complete set of the bidding documents shall be given to any interested bidder after payment of fees before the authorized Collection/Finance Officer based on applicable guidelines issued by the GPPB and depending upon the minimum floor price fixed by the Appraisal Committee for the particular item for bidding. (See **Annex "B"**)

- j. The Secretariat Auction Committee shall publish the IB on the PNP Website, HSS/RHSG Bulletin Board, and other conspicuous places inside the camps or where the auction will be conducted.

The Secretariat Auction Committee shall also perform the following:

- 1) Provide administrative support to the Auction Committee;
- 2) Organize and make all necessary arrangements for Committee meetings and inspections;
- 3) Prepare minutes of the meetings and other related documents for the committee;
- 4) Take custody of documents related to the implementation of this MC and other records;



**AUTHENTICATED BY:**

  
**HENRICH L LAÑADA**  
Police Lieutenant Colonel  
Administrative Officer



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- 5) Ensure that all activities undertaken by the Committee are properly documented;
  - 6) Assist in managing the award and turnover process; and
  - 7) Act as a central channel of communication for the NHQ Auction Committee, PROs/NSUs Committees, and other offices.
- k. The Duly Delegated Representative may request the conduct of a public auction;
- l. The Secretariat Auction Committee may send a copy of the IB to prospective bidders by registered mail or personal service, if necessary;
- m. The Auction Committee shall convene at least one Pre-Auction Conference to be attended by the Appraisal Committee and all prospective bidders for the following purposes:
- 1) To clarify and/or explain any of the requirements in the conduct of the bid such as the eligibility requirements of prospective bidders, the accomplishment of the financial bid form, posting of bid security, terms of payment, and the like; and
  - 2) To clarify other issues from all prospective bidders.
- n. During the scheduled submission of bids, the Auction Committee shall accept the submitted bids in a sealed envelope stamped received by the Auction Committee and to be opened on the date and time designated by the Auction Committee containing the following:
- 1) First envelope (Legal and Technical Documents - **Annex "C"**):
    - a) SEC Registration or DTI Business Name Registration or Cooperative Development Authority for Cooperative or Equivalent Documents for foreign bidders;
    - b) Valid Mayor's Permit issued by the City/Municipality where the principal place of business of the bidder is located or equivalent document issued in an economic zone or appropriate equivalent document of foreign bidders;
    - c) Latest financial statement and Income Tax Return (ITR);
    - d) National Police Clearance for the following:
      - (1) **For DTI-Registered Entities and Sole Corporations-** Registered owner of the proponent.



**AUTHENTICATED BY:**

**HENRICH L LAÑADA**  
Police Lieutenant Colonel  
Administrative Officer



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- (2) **For Cooperative Development Authority and SEC-Registered Entities-** Head of the juridical person or his authorized representative through Board Resolution.
- e) BID Securing Declaration; and
  - f) Omnibus Sworn Statement.
- 2) Second envelope containing the bid-offer showing the amount of bid. (See **Annex "D"** - Financial Documents).
- o. Prior to the opening of bids, the Auction Committee shall require any qualified bidder/s to submit a Financial Bid Form in a sealed envelope, which shall not be opened earlier than the opening of the First Envelope, and which shall clearly indicate the following:
- 1) The description of the lots/buildings/spaces with the corresponding bid-offer clearly indicated in figures and words;
  - 2) The name and signature of the bidder;
  - 3) The business or residential address of the bidder;
  - 4) The business license number or residence certificate of the bidder; and
  - 5) The contact number/s and official email address of the bidder.
- p. No prospective bidders are allowed to withdraw/modify after the submission of bids;
- q. The Auction Committee shall open the submitted bids at the time, date, and place set in the IB or as clarified during the Pre-Bid Conference. Under the direction of the Auction Committee, bidders or their authorized representatives may witness the proceedings. To ensure transparency, the Auction Committee shall invite any observers not known to any member of the Committee and who have no interest in the auctioned lots/buildings/spaces;
- r. The Auction Committee shall open the first envelopes submitted by the bidder/s containing eligibility and technical requirements whether they complied with the bid requirements, such as compliance with the prescribed financial bid form. The Auction Committee shall sign the Financial Bid Form immediately after it was opened and announced in order to confirm compliance with the requirements of the auction using the "pass/fail" criteria;



**AUTHENTICATED BY:**

**HENRICH L LAÑADA**  
Police Lieutenant Colonel  
Administrative Officer



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- s. After the opening of the first envelopes, the Auction Committee shall only open the second envelopes of those bidders who were rated "passed" and likewise apply the same "pass/fail" criteria;
- t. After opening the second envelopes, the Secretariat, Auction Committee shall prepare the abstract of bids showing the following: the name of the agency; the date, time, and place of the auction; names of the bidders with their corresponding bids arranged from the highest to lowest bidder; and the reason for disqualification for disqualified bidders to be signed by the Auction Committee and the observer/s;
- u. The Auction Committee shall declare the bidder with the highest bid as the winning bidder. The winning bidder will be subjected to a background check by the Directorate for Intelligence for NHQ and the Regional Intelligence Division for PROs. If the winning bidder passed the background check or is cleared of any derogatory information that would compromise the security and safety of the Camp, a recommendation shall be endorsed to the Chief, PNP, or his duly authorized representative for approval. Should the winning bidder fails the background check, the bidder will be notified for disqualification and the next Highest Calculated Bidder (HCB) shall undergo the post qualification;
- v. Upon approval of the Chief, PNP, or his duly authorized representative, the Contract Administrator shall prepare the Contract of Lease to be signed by D, HSS for NHQ and RD for PROs (Copy of lease contract is hereto attached as **Annex "E"**);
- w. Contract signing should be before a notary public wherein notarial fees shall be paid by the winning bidder;
- x. Within five days from the signing of the contract, the D, HSS for NHQ, and RD for PROs shall submit a copy to the Director, Finance; Collecting Officer; and Unit Auditor/COA for their information and appropriate action; and
- y. Flowchart on the implementation of this MC is hereto attached. (**Annexes "F" and "G"**).

#### 8. BUDGETARY REQUIREMENTS:

The Auction Committee shall determine the budgetary requirements by preparing the Program of Expenditures for the auction activities and may request funds, subject to the approval of the Chief, PNP for NHQ, and RD for PROs to operationalize the activities of this MC.



**AUTHENTICATED BY:**

**HENRICH L LAÑADA**  
Police Lieutenant Colonel  
Administrative Officer



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**9. PENALTY CLAUSE:**

Any PNP personnel who violates any of the provisions of this MC shall be dealt with accordingly and any bidder/s and/or awardee/s who shall be adjudged violating the provisions of the Camp Rules and Regulations shall be banned from participating in future public auctions related to the leasing of PNP properties.

**10. REPEALING CLAUSE:**

All policies, memoranda, issuances, and other circulars, or portions thereof inconsistent with this MC are hereby rescinded/repeated or modified accordingly.

**11. EFFECTIVITY:**

This MC shall take effect 15 days from the filing of a copy hereof at the University of the Philippines Law Center in consonance with Sections 3 and 4, Chapter 2, Book VII, EO No. 292, otherwise known as the "Revised Administrative Code of 1987", as amended.



**ROMMEL FRANCISCO D MARBIL**  
Police General  
Chief, PNP

- Distribution:
- Command Group
  - IG, IAS
  - Cmdrs, APCs
  - D-Staff
  - P-Staff
  - Ds, NSUs
  - RDs, PROs
  - DDs, NCRPO
  - SPA to the SILG



**AUTHENTICATED BY:**

**HENRICH L LAÑADA**  
Police Lieutenant Colonel  
Administrative Officer



**ANNEX "A"****Formula for Computation of Monthly Rates**

Monthly Rental = Size of Space to be Rented (in sqm) X Rate per sqm (based on the nature of business)

<b>DESCRIPTION</b>	<b>RATES (sqm/per month)</b>
General Merchandise Store	Php365.00/sqm
Military Supply	Php365.00/sqm
Barber Shop	Php365.00/sqm
Canteens/Eatery	Php365.00/sqm
Water Refilling Station	Php365.00/sqm
Banks/Financial Institutions	Php515.50/sqm
Office Spaces	Php250.00/sqm
Remittance Center	Php416.00/sqm
Notary Public	Php300.00/sqm
Photocopier	Php5,456.00/unit
Carwash	Php222.22/sqm
Mobile Carwash	Php17,400.00

Example:

General Merchandise Store A wants to rent in NHQ.

Monthly Rental = 85 sqm X 365 (per sqm)  
= Php 31,025

**BID FORM**

\_\_\_\_\_

Date:  
Invitation to Bid No:

To: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Gentleperson:

Having examined the Bidding Documents including the Bid Bulletin Number (N/A) the receipt of which is hereby duly acknowledged, we, the undersigned, offer to lease \_\_\_\_\_ in conformity to the said Bidding Documents for the sum of \_\_\_\_\_ (amount in words) \_\_\_\_\_ (Php0000.00).

We undertake, if our Bid is accepted, to LEASE the PNP property in accordance with the provisions stated in the Lease Contract and PNP MC No. \_\_\_\_\_ entitled "Amended Guidelines and Procedures on the Lease of PNP-Owned, Occupied, and Managed Lots, Buildings, and Spaces".

If our Bid is accepted, we undertake to provide performance security in the form, amounts, and within the times specified in the Bidding Documents.

We agree to abide by this Bid for the Bid Validity Period specified in **BDS** provision for ITB Clause \_\_\_\_\_ and it shall remain binding upon us and maybe accepted at any time before the expiration of that period.

Commissions or gratuities, if any, paid or to be paid by us to agents relating this Bid, and to contract execution if we are awarded the contract, as listed below:

Name and Address of Agent	Amount and Currency	Purpose of Commission or gratuity
_____ NONE _____	_____ NONE _____	_____ NONE _____

Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof and your Notice of Award, shall be binding upon us.

We understand that you are not bound to accept the highest or any Bid you may receive.

We certify/confirm that we comply with the eligibility requirements as per ITB Clause 5 of the Bidding Documents.

Dated this \_\_\_\_ day of \_\_\_\_\_, 202\_\_



\_\_\_\_\_  
Signature Over Printed Name

\_\_\_\_\_  
Representative

Duly authorized to sign Bid for and on Behalf Of  
\_\_\_\_\_

## **LEGAL AND TECHNICAL DOCUMENTS**

### **TABLE OF CONTENTS**

SEC/DTI Registration/Cooperative Development Authority for Cooperative	-----	A
Valid Mayor's Permit	-----	B
Latest Financial Statement and Income Tax Return (ITR)	-----	C
National Police Clearance	-----	D

REPUBLIC OF THE PHILIPPINES)  
CITY OF QUEZON CITY ) S.S.  
X- - - - - X

**BID-SECURING DECLARATION**

Invitation to Bid/Request for Expression of Interest for the bidding of \_\_\_\_\_ under  
ITB No. \_\_\_\_\_

To: **PHILIPPINE NATIONAL POLICE**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I, the undersigned, declare that:

1. I understand that, according to your conditions, bids must be supported by a Bid Security, which may be in the form of a Bid-Securing Declaration.
2. I accept that: (a) we will be automatically disqualified from bidding for any contract with any contract administrator for a period of one (1) year upon receipt of your Blacklisting Order, and (b) I will pay the applicable fine provided under Section 6 of the Guidelines on the Use of Bid Securing Declaration if we have committed any of the following actions:
  - (i) Withdrawn our Bid during the period of bid validity required in the Bidding Documents; or
  - (ii) Fall or refuse to accept the award and enter into a contract or perform any and all acts necessary to the execution of the contract, in accordance with the Bidding documents after having been notified of your acceptance of our Bid during the period of bid validity.
3. I understand that this Bid-Securing Declaration shall cease to be valid under the following circumstances:
  - (a) Upon expiration of the bid validity period, or any extension thereof pursuant to your request;
  - (b) I am declared ineligible or post-disqualified upon receipt of your notice to such effect and (i) I failed to timely file a request for reconsideration or (ii) I filed a waiver to avail of said right;
  - (c) I am declared as the bidder with the Highest Bid and I have furnished the performance security and signed the Contract.

**IN WITNESS WHEREOF**, I have hereunto set my hand this \_\_\_\_\_ at Quezon City.

\_\_\_\_\_  
Proprietress/Authorized Representative

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_\_ at \_\_\_\_\_, Philippines.  
Affiant is personally known to me and was identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13SC). Affiant exhibited to me his/her BIR TIN No. \_\_\_\_\_ of \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

Witness my hand and seal this \_\_\_\_\_

**NOTARY PUBLIC**

Doc No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Series of 202\_\_\_\_\_.

**OMNIBUS SWORN STATEMENT**

REPUBLIC OF THE PHILIPPINES)  
QUEZON CITY) S.S

**AFFIDAVIT**

I, \_\_\_\_\_, of legal age, married, Filipino and residing at \_\_\_\_\_ after having been duly sworn in accordance with law, do hereby depose and state that;

1. I am the duly authorized and designated representative of \_\_\_\_\_ **(Company Name)** with office address at \_\_\_\_\_;

2. I am granted full power and authority to do, execute and perform any and all acts necessary and/or to represent \_\_\_\_\_ in the bidding shown in the attached Special Power of Attorney (SPA);

3. \_\_\_\_\_ is not "blacklisted or barred from bidding by the Government of the Philippines of any of its agencies, corporations or local government units, Foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;

4. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;

5. \_\_\_\_\_ is authorizing the Head of Office or it's duly authorized Representative (s) to verify all the documents submitted;

6. None of the officers, directors, and controlling stockholders of \_\_\_\_\_ is related to the Head of Office, members of the Appraisal and Auction Committees, the Technical Working Group, and the secretariats, the Contract Administrator and/or the Logistics Officer of the end-user unit by consanguinity or affinity up to the third degree;

7. \_\_\_\_\_ complies with existing labor laws and standards; and

8. \_\_\_\_\_ is aware of and has undertaken the following responsibilities as a Bidder;

a. Carefully examine all of the bidding documents;

b. Acknowledge all conditions, local or otherwise, affecting the implementation of the Contract; and

c. Made an estimate of the facilities available and needed for the contract to be bid.

9. I did not give pay, directly or indirectly, any commission, amount, fee or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any auction activity.

IN WITNESS whereof, I have hereunto set my hand this \_\_\_\_\_ at Quezon City, Philippines

\_\_\_\_\_  
Bidder's Representative/Authorized signatory

Attested by:

\_\_\_\_\_  
**Proprietress**

WITNESS MY HAND AND SEAL at the place and on date first herein above written.

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## **FINANCIAL DOCUMENTS**

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Financial Bid Form -----	A
Technical Description of the Lots and Spaces	
Bidding Document Fee Receipt -----	B

**CONTRACT OF LEASE**

**KNOW ALL MEN BY THESE PRESENTS:**

This CONTRACT OF LEASE is made and executed at the City of \_\_\_\_\_, this day of \_\_\_\_\_, 20\_\_, by and between:

The **PHILIPPINE NATIONAL POLICE**, an agency of the Government created and existing by virtue of and pursuant to Republic Act (RA) No. 6975, as amended by RA No. 8551, with principal office address at Camp BGen Rafael T Crame, Quezon City represented herein by \_\_\_\_\_, hereinafter referred to as "**LESSOR.**"

**-AND-**

**(NAME OF LESSEE)**, Filipino and with residence and postal address at **(Address)**, hereinafter referred to as the "**LESSEE.**"

**WITNESSETH; That**

**WHEREAS**, the **LESSOR** is the owner of THE LEASED PREMISES, **(description of the property)** situated at **(Address of property to be leased)**;

**WHEREAS**, during the public bidding conducted on \_\_\_\_\_ pursuant to PNP Memorandum Circular No. \_\_\_\_\_, the **LESSEE** is declared as the winning bidder;

**WHEREAS**, the **LESSOR** agrees to lease out the property to the **LESSEE** and the **LESSEE** is willing to lease the same;

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the **LESSOR** leases unto the **LESSEE**, and the **LESSEE** hereby accepts from the **LESSOR** the **LEASED** premises, subject to the following:

**TERMS AND CONDITIONS**

1. **PURPOSES:** That premises hereby leased shall be used exclusively by the **LESSEE** for \_\_\_\_\_ purposes only and shall not be diverted to other uses. It is hereby expressly agreed that if at any time the premises are used for other purposes, the **LESSOR** shall have the right to rescind this contract without prejudice to its other rights under the law.

2. **TERM:** This term of the lease is for \_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_ inclusive. Upon termination of this contract, another bidding shall be held in the renewal of the same. The lessee, whose lease has just terminated, shall have the right to equal the highest bid if he manifests such in writing not more than five (5) days from the opening of the bids;

3. **RENTAL RATE:** The monthly rental rate for the leased premises shall be: (amount in words) (Php 00,000.00), Philippine Currency and shall be increased by twelve percent (12%) of the monthly Base Rental paid during the preceding lease year. All rental payments shall be payable to the LESSOR with a copy of the Official Receipt for the LESSEE.

4. **DEPOSIT:** That the LESSEE shall deposit to the LESSOR upon signing of this contract and prior to move-in an amount equivalent to the rent for \_\_\_\_\_ MONTHS or the sum of \_\_\_\_\_ PESOS (Php 00,000.00), Philippine Currency wherein the two (2) months deposit shall be applied as rent for the 11th and 12th months and the remaining one (1) month deposit shall answer partially for damages and any other obligations, for utilities such as water, electricity, CATV, telephone, association dues or resulting from violation(s) of any of the provision of this contract.

5. **DEFAULT PAYMENT:** In case of default in payment of the rent, such as when the checks are dishonored, the LESSEE shall inform the LESSOR, hence, repetition of the same, the LESSOR at its option may terminate this contract and eject the LESSEE. The LESSOR has the right to padlock the premises when the LESSEE is in default of payment for One (1) month and may forfeit whatever rental deposit or advances have been given by the LESSEE.

6. **SUB-LEASE:** The LESSEE shall not directly or indirectly sublet, allow or permit the leased premises to be occupied in whole or in part by any person, firm, or corporation, neither shall the LESSEE assign its rights hereunder to any other person or entity and no right or interest thereto or therein shall be conferred on or vested in anyone by the LESSEE.

7. **PROHIBITION AGAINST INTOXICATING LIQUORS:** The LESSOR is prohibited from selling intoxicating liquor. Violation of this prohibition shall automatically terminate this contract.

8. **PUBLIC UTILITIES:** The LESSEE shall pay for its telephone, electric, cable TV, water, Internet, association dues, and other public services and utilities during the duration of the lease.

9. **FORCE MAJEURE:** If whole or any part of the leased premises shall be destroyed or damaged by fire, flood, lightning, typhoon, earthquake, storm, riot, or any other unforeseen disabling cause of acts of God, as to render the leased premises during the term substantially unfit for use and occupation of the LESSEE, then this lease contract may be terminated without compensation by the LESSOR or by the LESSEE by notice in writing to the other.

10. **REPAIR:** The LESSEE is obliged to use the thing leased as a diligent father of a family, devoting it to the use stipulated; and in the absence of stipulation, to that which may be inferred from the nature of the thing leased, according to the custom of the place including ordinary repairs.

The word "repairs," in its ordinary acceptance, must be understood to apply to the restoration of things after injury or partial destruction, without complete loss of identity in the thing repaired.

11. **IMPROVEMENT:** The LESSEE, before introducing any improvement/s to the leased premises must inform the LESSOR in writing. Any useful improvement at the expiration of the lease shall be forfeited in favor of the LESSOR without prejudice to the restoration of the leased premises to their original condition if any improvement introduced materially alters its original use of the leased premises.

12. **LESSOR'S RIGHT OF ENTRY:** The LESSOR or its authorized agent shall after giving due notice to the LESSEE shall have the right to enter the premises in the presence of the LESSEE or its representative at any reasonable hour to examine the same or make repairs therein or for the operation and maintenance of the building or to exhibit the leased premises to prospective LESSEE, or for any other lawful purposes which it may deem necessary.

13. **EXPIRATION OF LEASE:** At the expiration of the term of this lease or cancellation thereof, as herein provided, the LESSEE will promptly deliver to the LESSOR the leased premises with all corresponding keys and in as good and tenable condition as the same is now, ordinary wear and tear expected devoid of all occupants, movable furniture, articles and effects of any kind. Non-compliance with the terms of this clause by the LESSEE will give the LESSOR the right, at the latter's option, to refuse to accept the delivery of the premises and compel the LESSEE to pay rent therefrom at the same rate plus Twenty-Five (25%) thereof as a penalty until the LESSEE shall have complied with the terms hereof. The same penalty shall be imposed in case the LESSEE fails to leave the premises after the expiration of this Contract of Lease or termination for any reason whatsoever.

14. **ESCALATION CLAUSE:** For contracts exceeding one (1) year it shall have an automatic escalation of the base monthly rental for the unexpired portion of the contract in the event that a new Fiscal Directive is approved.

15. **COMPLIANCE WITH COA CIRCULAR NO. 88-282A:** The rights and obligations of both parties as provided in paragraph 2.2 of Commission on Audit Circular No. 88-282A shall likewise form part of the Lease Contract.

16. **TERMINATION CLAUSE:** The LESSEE binds himself to all the foregoing and the following provisions of this Contract coupled with all the existing Laws, Rules, and Regulations existing within the Philippine National Police. The need for a demand to vacate subject premises, should this Contract end due to any cause as enumerated in this contract or law, is no longer required and the LESSOR could summarily evict the LESSEE and subject the latter to criminal, civil or administrative charges if liable.

17. **JUDICIAL RELIEF:** Should any one of the parties herein be compelled to seek judicial relief against the other, the losing party shall pay an amount of One Hundred (100%) of the amount claimed in the complaint as attorney's fees which shall in no case be less than P50,000.00 pesos in addition to other cost and damages which the said party may be entitled to under the law. The venue for any judicial relief shall be in the proper courts of Quezon City only.

18. This **CONTRACT OF LEASE** shall be valid and binding between the parties, their successors-in-interest and assigns.



**IN WITNESS WHEREOF**, parties herein affixed their signatures on the date and place above written.

(Name of Lessor)  
LESSOR

(Name of Lessee)  
LESSEE

**Signed in the presence of:**

\_\_\_\_\_

**ACKNOWLEDGEMENT**

Republic of the Philippines)  
\_\_\_\_\_ ) S.S

**BEFORE ME**, personally appeared:

Name	Government Issued ID Type and No.	Date & Place Issued
(Name of Lessor)	_____	_____
(Name of Lessee)	_____	_____

Known to me and to me known to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their free and voluntary act and deed.

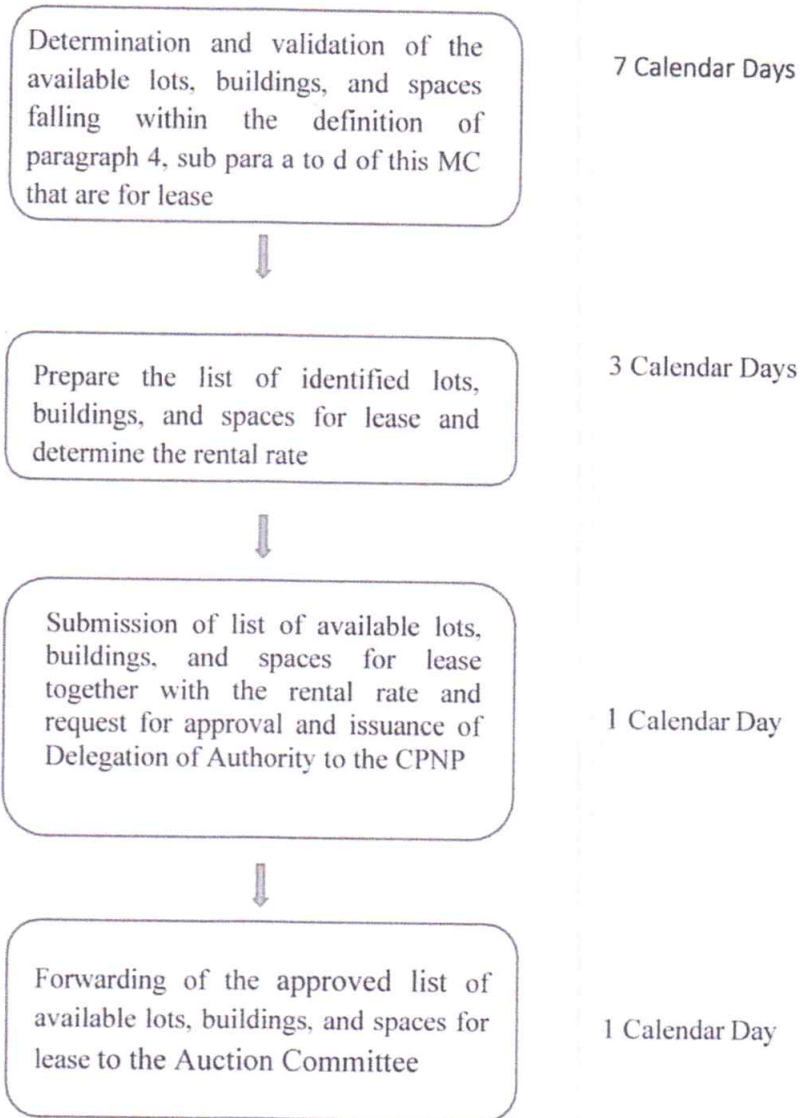
This instrument consisting of \_\_\_\_ page/s, including the page on which this acknowledgment is written, has been signed on each and every page thereof by the concerned parties and their witnesses, and sealed with my notarial seal.

**WITNESS MY HAND AND SEAL**, on the date and place first above written.

Notary Public

Doc. No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
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**Flow Chart for Appraisal Committee (12 Calendar Days)**



### Flow Chart for Auction Process (30 Calendar Days)

