



BAGONG PILIPINAS

Republic of the Philippines
Province of Cagayan
TUGUEGARAO CITY

Phone number: 0953-588-3721 | email address: cmotuguegaraocity@gmail.com

OFFICE OF THE CITY MAYOR

20 August 2025

THE HONORABLE MEMBERS

Sangguniang Panlungsod
This City

Thru: HON. ROSAURO RODRIGO G. RESUELLO
Vice Mayor and Presiding Officer

Dear *Honorable Members of the Sanggunian*:

Herewith is the Memorandum of Agreement between Tuguegarao City Government, Department of Human Settlements and Urban Development (DHSUD) and Home Development Mutual Fund (Pag-IBIG FUND) relative to the change of the residential number of units from 77 to 97 and the selling price from P1,495,191.25 to P1,317,223, for your information and appropriate action.

We believe this adjustment is necessary to ensure the successful implementation of the project. We are confident that with these revisions, the partnership will be more effective in achieving its objectives and benefiting the city and its constituents.

Thank you!

In the name of public service,

MAILA ROSARIO S. TING-QUE
City Mayor

For and by authority of the City Mayor:


JUANITO A. CALUBAQUIB
City Administrator

Copy furnished:

- City Legal Office
- CPDO
- DSHUD
- Pag-IBIG Fund



MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (the "MOA") is made, entered into, and executed this March 11, 2024 by and between:

The **DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT**, a national government agency primarily responsible for management of housing, human settlement, and urban development, with office address at the DHSUD Building, Kalayaan Avenue corner Mayaman Street, Diliman, Quezon City, herein represented by **SECRETARY JOSE RAMON P. ALILING**, hereinafter referred to as "**DHSUD**";

-and-

The **HOME DEVELOPMENT MUTUAL FUND** (also known as **Pag-IBIG FUND**), a government financial institution duly organized and existing under and by virtue of Republic Act No. 9679, with principal office at Petron MegaPlaza, 358 Sen. Gil Puyat Avenue, Makati City, represented in this Act by its **CHIEF EXECUTIVE OFFICER, MARILENE C. ACOSTA**, hereinafter referred to as the "**Pag-IBIG FUND**";

-and-

The **CITY OF TUGUEGARAO**, a Local Government Unit existing under the laws of the Republic of the Philippines, with principal office at Mabini Cor. Gomez St. Tuguegarao city, represented by its **LOCAL CHIEF OFFICER, Hon. MAILA ROSARIO TING-QUE**, duly authorized under Sanggunian Panlungsod Resolution No. **40-10-2025¹**, dated **July 22, 2025**, and hereinafter referred to as the "**LGU**"

The **DHSUD**, **Pag-IBIG FUND**, and the **LGU** may also be individually referred to as "Party," and collectively as "Parties."

WITNESSETH:

WHEREAS, Republic Act No. 11201 created the **Department of Human Settlements and Urban Development (DHSUD)** as the primary national government entity responsible for policy, direction, regulation, and management of housing, human settlements, and urban development;

WHEREAS, the Department of Human Settlements and Urban Development (DHSUD) launched its flagship program in the year 2022: "**Pambansang Pabahay Para Sa Pilipino: Zero ISF Program for 2028**"

¹ Attached as Annex "A" is the Sangguniang _____ Resolution No. _____.

WHEREAS, Department Circular No. 2022-04 dated December 15, 2022, declared the **Pambansang Pabahay Para sa Pilipino (4PH) Program** as a priority program of **DHSUD**;

WHEREAS, the **Pambansang Pabahay Para sa Pilipino (4PH) Program** is a government housing program implemented by the **DHSUD** in partnership with its key shelter agencies, which aims to address the country's housing needs of over six million (6,000,000.00) by 2028;

WHEREAS, **Pag-IBIG FUND** is one of the premier financial institutions in the country, which aims to establish, develop, promote, and integrate a nationwide mutual provident savings system suitable for the needs of the employed and other earning groups, motivate, better plan, and provide for their housing needs by becoming qualified members of **Pag-IBIG FUND** with mandatory contributory support of employers in the spirit of social justice and the pursuit of national development;

WHEREAS, pursuant to and in accordance with its mandate, the **Pag-IBIG FUND** implemented the Direct Developmental Loan Program which aims to increase the number of end-user availments by providing additional housing inventories through developmental financing;

WHEREAS, in support to the 4PH Program, **Pag-IBIG FUND** as one of Government Financial Institutions (GFIs), has made its funds available for the development of housing projects under the program through its Pag-IBIG FUND Direct Developmental Loan Program;

WHEREAS, the **LGU**, pursuant to its agreement with the **DEVELOPER/CONTRACTOR**, has adopted the implementation of the 4PH program;

WHEREAS, the **LGU** shall be the lead proponent for the Project, the **DHSUD** shall oversee the implementation and other compliances necessary for the project, and the **Pag-IBIG FUND** shall fund the project as needed;

WHEREAS, the **PARTIES** have expressed their willingness to complement each other and jointly help to pursue the Program and commit to faithfully perform their obligations as contained herein, providing quality yet affordable shelter to the underprivileged beneficiaries being one of the main thrusts of our government. Through competence and active involvement, this undertaking or project is in pursuit of sustainable solutions for the growing housing backlogs in the **CITY OF TUGUEGARAO, PROVINCE OF CAGAYAN**.

NOW THEREFORE, for and in consideration of the foregoing premises, the Parties hereby agree and bind themselves to the following:

SECTION 1 DEFINITION OF TERMS AND INTERPRETATION

Section 1.1. Definition of Terms

As used herein, the following terms shall have the following meanings:

- (a) **CONTRACTOR** refers to any person who undertakes or offers to undertake the construction, repair, improvement of any building, structure, or project, or who provides labor and materials for the completion of an identified project under the specified engagement terms or contract;
- (b) **DEVELOPER** shall refer to any natural or juridical person engaged in the business of real estate development for his/her or its own account and offering them for sale or lease, duly authorized, selected, and/or partnered with by the LGU. For purposes of Pag-IBIG's Direct Developmental Loan Program (DDLDP), a **DEVELOPER** must have an established track record of at least five (5) years in housing development and with at least three hundred (300) completed house and lot / condominium units to be able to avail of the Developmental Loan from **Pag-IBIG FUND**;
- (c) **DEVELOPMENTAL LOAN** refers to the financial loan to be extended by **Pag-IBIG FUND** to the **DEVELOPER/CONTRACTOR** for the development and completion of the **PROJECT** in accordance with the former's guidelines for the 4PH DDLDP and the amendments thereof;
- (d) **END-USER FINANCING** shall refer to a housing loan program or package to be extended by the **Pag-IBIG FUND** to the qualified target project beneficiaries of the housing **PROJECT**;
- (e) **INFORMAL SETTLER FAMILIES (ISFs)** refers to the primary target beneficiaries of the **PROJECT** that are living under challenged conditions residing in blighted areas, waterways, and other danger zones, as determined and verified by the **LGU**;
- (f) **MEMORANDUM OF AGREEMENT** shall mean this agreement, including all future amendments and supplements thereto;
- (g) **PROJECT** shall mean the multi- level condominium projects, pursuant to the 4PH Program, that will be developed by the **DEVELOPER/CONTRACTOR**, with all the necessary utility systems such as roads, power, drainage and water distribution;
- (h) **PROJECT BENEFICIARIES** shall refer to the individuals with designated income levels, to whom specific areas of the **PROJECT** as developed and completed will be sold, and who shall be identified and selected by the **LGU**, with eligibility for loans under the **Pag-IBIG FUND's** prevailing housing loan policies and guidelines for 4PH program;
- (i) **NECESSARY SUPPORT FACILITIES** shall include, but is not limited to, concrete roads, drainage system, water and power connections; and

- (j) **TURNKEY** shall refer to the implementation modality of the 4PH Program whereby the private developer assumes the responsibility of land acquisition, site development, and/or housing construction. The completed housing project shall be turned over/sold to the 4PH project beneficiaries in coordination with the LGU. For this purpose, there is a complete turn-key arrangement when the private developer fully assumes responsibility over the land acquisition, the site development, and the housing construction.

Section 1.2 Interpretation. The headings in this Memorandum of Agreement are inserted for convenience of reference only and shall not limit or affect the interpretation of the provisions hereof. Unless the context otherwise requires, words denoting the singular number shall include the plural, and vice versa. References to Sections and Exhibits are to be construed as references to the Sections and exhibits of and to this Memorandum of Agreement while references to Annexes are to be deemed references to the implementing documents, consisting of the Loan Agreement and the Deed of Assignment of Take-out/ Sales Proceeds and other income/revenues, annexed hereto and made an integral part hereof.

**SECTION 2
PROJECT**

The Project shall be named as **ST. STEPHEN RESIDENCES**, consisting of One Thousand Two Hundred (1,200) square meters more or less, located at **Cataggaman Nuevo, Tuguegarao City**. It shall be composed of **97** residential number of units, admin office utility room and **1**commercial unit. The total project cost is at the amount of

The selling price per unit is as follows, subject to approval by DHSUD:

UNIT SIZE	SELLING PRICE/UNIT
27 sqm	1,317,223

**SECTION 3
TARGET COMPLETION PERIOD OF THE PROJECT**

The Project has a target completion period of two and half years after the execution of this MOA.

**SECTION 4
RESPONSIBILITIES AND OBLIGATIONS OF THE PARTIES**

Section 4.1. RESPONSIBILITIES AND OBLIGATIONS OF DHSUD

- 4.1.1 **DHSUD** shall facilitate, either directly or through its Key Shelter Agencies (KSAs), the implementation of the housing projects in collaboration with the **LGU** and other relevant agencies by acting as the overall enabler, initiator, coordinator, and facilitator of the Housing Program;
- 4.1.2 It shall facilitate the provision of funds for the program through the General Appropriations Act (GAA) for use as interest subsidy for the program's project beneficiaries;
- 4.1.3 The 4PH beneficiaries will be entitled to an interest subsidy not to exceed

five percent (5%) pursuant to the guidelines on interest subsidy to be issued by DHSUD. Corollarily, the 4PH beneficiaries shall pay a minimum interest rate of one percent (1%).

- 4.1.4 The interest subsidy shall be sourced from the Annual Appropriations Act or from any other sources of funds to be provided by the National Government. It may also be derived from any future legislation that Congress may pass in relation to the program;
- 4.1.5 It shall assist in the reduction and simplification of qualification and accreditation requirements for the participating **DEVELOPER/CONTRACTOR**;
- 4.1.6 As initiator, coordinator, and overall enabler, it shall oversee and monitor the implementation of the 4PH Program, including the project implementation and performance of all **PARTIES**;
- 4.1.7 It shall also assist the **LGU** in obtaining the necessary permits and licenses from national government agencies;
- 4.1.8 It warrants expediting the development of the housing projects enrolled in or registered with the 4PH Program. In this regard, it shall assist in providing the performance parameters and specifications, support, and technical assistance to the **LGU**, and other program partners, including the facilitation of the License-to-Sell (LS) and other requirements needed for the issuance of a Development Permit (DP);
- 4.1.9 It shall coordinate with the **LGU** for the list of qualified beneficiaries entitled to housing units in the **PROJECT**;
- 4.1.10 It shall assist in the organization of homeowner's association among the buyers and residents; and
- 4.1.11 It may extend necessary support and assistance within its powers and capacity in order to implement the **PROJECT**.

Section 4.2. RESPONSIBILITIES AND OBLIGATIONS OF THE PAG-IBIG FUND

- 4.2.1 It shall extend Direct Developmental Loan to the **DEVELOPER/CONTRACTOR**, who passed the accreditation process, in the event that the latter chose to avail of the same, in accordance with **Pag-IBIG FUND**'s existing wholesale loan policies and guidelines for the land development and construction of the proposed housing project;
- 4.2.2 It may provide technical assistance to the **LGU** including, but not limited to, the project conceptualization and packaging to facilitate the full implementation of the **PROJECT**;
- 4.2.3 It shall extend individual housing loans to eligible beneficiaries pre-

qualified and selected by the **LGU**, pursuant to the socialized housing price ceiling jointly determined by DHSUD and NEDA, and subject further to **Pag-IBIG FUND's** prevailing housing loan policies and guidelines for the 4PH program;

- 4.2.4 It shall provide housing loan counseling;
- 4.2.5 It may assist the **LGU** in coordinating with other Key Shelter Agencies for the successful implementation of the housing project; and
- 4.2.6 It shall simplify the guidelines and requirements to facilitate the access to financing by the **LGU**, if needed, its authorized developers/contractors, and homebuyer-beneficiaries.

Section 4.3. RESPONSIBILITIES AND OBLIGATIONS OF THE LGU

- 4.3.1 It shall cause its partner **DEVELOPER/CONTRACTOR** to ensure that the land title of the **DEVELOPER/CONTRACTOR** where the **PROJECT** will be located is free from all liens, claims, or encumbrances, and that the land is free and unoccupied by any settlers upon or at the commencement of the land development and housing construction. The **DEVELOPER/CONTRACTOR** shall likewise ensure that the land is physically suitable and accessible for the **PROJECT**;
- 4.3.2 It shall hold Pag-IBIG FUND, its member-borrowers, successors-in-interest, assigns, and its employees, officers harmless from and against all losses, costs, liabilities, claims, damages and expenses of every kind and character, resulting from or relating to or arising out of any dispute or claim on the control and rightful possessor of the land and validity of the land title;
- 4.3.3 It shall ensure that the project design pertaining to the type of land development, structural designs, and condominium units, and other specifications to be proposed by the **DEVELOPER/CONTRACTOR** conform to the applicable **DHSUD** standards, and other relevant or applicable laws, rules and regulations;
- 4.3.4 It shall assist and provide easy processing of the necessary permits, licenses, certificates, and/or approvals in relation to the development of the **PROJECT**;
- 4.3.5 It may provide support to the **PROJECT** and its beneficiaries, either through monthly amortization support and/or other commitments and assistance, such as additional land donation and site development, to make the units affordable to target project beneficiaries;
- 4.3.6 It shall identify qualified project beneficiaries based on the eligibility requirements provided by the **Pag-IBIG FUND's** prevailing housing loan policies and guidelines for the 4PH Program and existing laws, rules and regulations;

- 4.3.7 It shall submit to **DHSUD** and the **Pag-IBIG FUND** list of the legitimate and qualified beneficiaries who are entitled to reside and occupy the housing units of the **PROJECT**;
- 4.3.8 It shall promote to the beneficiaries the housing loan programs of **Pag-IBIG FUND** and assist the beneficiaries in their application for **Pag-IBIG FUND** Housing Loans through an orientation of the guidelines and loan requirements of **Pag-IBIG Fund**;
- 4.3.9 It shall ensure that the necessary facilities are in place, such as, but not limited to, a concrete road, a drainage system, water supply, and power connections. It shall ensure that the necessary facilities are available upon occupancy by the **LGU's** beneficiaries on the **PROJECT**;
- 4.3.10 It shall assist in ensuring the estate/property management of the project. The estate/property management shall be the primary responsibility of the Project Beneficiaries and the Condominium Owner's Association, to be assisted by the Estate Management Welfare Council (EMWC). The **LGU** shall be a member of the EMWC.
- 4.3.11 It shall formulate local policies and programs to support and facilitate project financing, construction, and property management, including necessary financial and social services assistance for the target beneficiaries;
- 4.3.12 It shall ensure that the **DEVELOPER/CONTRACTOR** complies with the technical, financial, and documentary requirements as may be required under the 4PH Program;
- 4.3.13 It shall perform any and all actions, obligations, or responsibilities that the **LGU** may wish to undertake for the proper and full implementation of the Program, provided that it is not contrary to law, good custom, public order, or public policy, and its executed MOA;
- 4.3.14 It shall oversee the completion of the **PROJECT** within the construction schedule and extensions, if any, as approved by **DHSUD**.
- 4.3.15 It shall ensure that the Master Deed for the **PROJECT**, or any other document relative to the administration of the project, does not contain limitation/s and restriction/s that will affect the right of **Pag-IBIG FUND** to enforce its rights, interests or lien on the property, to recover on its exposure by subsequent sale of the collateral to the individual housing loan that has become its acquired assets, and ensure that the property subject of the individual housing loans provided to the project beneficiaries is not impaired.

SECTION 5

WARRANTY AND SECURITY

Section 5.1. The loan shall be secured by any or all of the following:

Real Estate Mortgage on the real estate property subject of the loan including the land and/or building/improvements comprising the housing project and any improvements that will thereafter exist on the project site.

In the event that the value of the on-site collateral is insufficient, the loan may be secured by additional or off-site collateral acceptable to the **Pag-IBIG FUND**. This may come in the form of undeveloped, partially developed, or developed residential lands, either adjacent or contiguous to the PROJECT/S site or located in another area, or in any other form as maybe allowed under the Pag-IBIG Fund's prevailing guidelines.

Section 5.2. Assignment of Takeout Proceeds and/or Sales Income

The LGU shall ensure that the **DEVELOPER/CONTRACTOR** shall be allowed to assign to the **Pag-IBIG FUND** the loan proceeds of accounts that have been financed through the prevailing Pag-IBIG End-User Home Financing Program and/or the income from sales of the **PROJECT** to be financed, thereby authorizing the **Pag-IBIG FUND** to apply the said amount to the **DEVELOPER/CONTRACTOR's** outstanding obligation.

SECTION 6

MISCELLANEOUS

Section 6.1. Complete Agreement. This Agreement shall be construed as a general agreement on commitments between the Parties. The same shall supersede any and all representations, understandings, or agreements, verbal or written, implied or express, previously made or entered into by them. It is understood that all terms and conditions herein provided are subject to and subordinate to the existing laws, rules, and regulations. In case of conflict, the pertinent provisions of the law, rules, and regulations shall prevail;

Section 6.2. Effectivity. This Agreement shall take effect upon its execution and shall remain effective, unless otherwise terminated through written and mutual agreement by the Parties or upon satisfaction of the objectives by which this Agreement was forged.

Section 6.3. Non-waiver of Rights. The failure of a Party to insist upon a strict performance of any of the terms, conditions, and covenants under this Agreement shall not be deemed a relinquishment or waiver of any right/remedy that the aforesaid Party may have, nor shall it be construed as a waiver of any subsequent breach of the same or other terms, conditions, and covenants. Any waiver, extension, or forbearance of any of the terms, conditions, and covenants of this Agreement by any Party shall be in writing and limited to the particular instance only and shall not in any manner whatsoever be construed as a waiver, extension, or forbearance of any other term, condition, and/or covenant of this Agreement.

Section 6.4. Amendments. Any amendment or additional term and condition to this Agreement must be in writing. The parties hereto may, at any time, by mutual agreement, execute a supplement or amendment for the purpose of adding provisions to or changing or eliminating provisions of this Memorandum of Agreement.

To ensure compliance with the prevailing guidelines and business rules of the **Pag-IBIG FUND** relative to the grant of the developmental loan or other funding facility, the parties shall execute a supplemental or amendatory agreement, upon demand from the **Pag-IBIG FUND**.

Nothing in this Memorandum of Agreement shall preclude the parties from entering into a separate agreement, as they may deem necessary, in furtherance of the objectives and for the implementation of the intended housing PROJECT/S.

Section 6.5. Assignment and Sub-Contracting. Unless otherwise stated in this Agreement, a party shall not assign or transfer any of its interests and title under this Agreement nor subcontract any portion of the work covered by the contract without the written consent of the other party.

Section 6.6. Additional Developmental Loan. The **DEVELOPER/CONTRACTOR** may apply for a new developmental loan; provided, the said **DEVELOPER/CONTRACTOR** meets the criteria for a new loan. The total debt shall be evaluated at any given time and must not exceed the Single Borrower's Limit.

Section 6.7. Cross Default. A default in one developmental loan with **Pag-IBIG FUND** shall entail a default in the other direct developmental loans with **Pag-IBIG FUND**.

Section 6.8. Governing Law and Venue of Suit. This Agreement shall be governed by and construed according to the laws of the Republic of the Philippines. The venue of any court action with respect to this Agreement shall be the proper court of Quezon City only, to the exclusion of any other venues.

Section 6.9. Counterparts. This MOA may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 6.10. Good Faith. In complying with and implementing the terms of this MOA, the Parties shall exercise good faith and cooperation to ensure the fulfillment of their common objective.

Section 6.11. Successors and Assigns. This MOA shall inure to the benefit of the **PARTIES** hereto and their respective successors and assigns, except that the LGU shall ensure that the **DEVELOPER/CONTRACTOR** cannot transfer and/or assign its rights and obligations hereunder to a third party without the written conformity of the **Pag-IBIG FUND**.

Section 6.12. Separability. If any part of this Memorandum of Agreement shall for any reason be declared invalid and unenforceable, the remaining portions not affected thereby shall remain in full force and effect as if this Memorandum of Agreement was

executed with such invalid portion eliminated, or as if the parties would not have executed this Memorandum of Agreement had they known the invalidity or unenforceability thereof.

Section 6.13. Settlement of Disputes. The parties herein commit to exerting efforts to resolve amicably any dispute, of any kind whatsoever, in connection with or arising out of this Memorandum of Agreement, prior to filing any suit or action before any quasi-judicial agencies, or the courts.

IN WITNESS WHEREOF, the Parties hereto have signed and executed this Memorandum of Agreement this _____ in _____.

DEPARTMENT OF HUMAN
SETTLEMENTS AND URBAN
DEVELOPMENT (DHSUD)

By:

CITY OF TUGUEGARAO

By:

JOSE RAMON P. ALILING
Secretary

MAILA ROSARIO TING-QUE
Mayor

HOME DEVELOPMENT
MUTUAL FUND (Pag-IBIG FUND)
By:

MARILENE C. ACOSTA
Chief Executive Officer

SIGNED IN THE PRESENCE OF:

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPINES }
_____ } S.S.

BEFORE ME, personally appeared:

- 1) Jose Ramon P. Aliling
- ID : _____
Issued On: : _____
Issued By: : _____
Expires On: : _____

- 2) Marilene C. Acosta

ID :
Issued On: :
Issued By: :
Expires On: :
- 3) Mayor Maila Rosario Ting-Que

ID :
Issued On: :
Issued By: :
Expires On: :

to me known to be the same persons who executed the foregoing instrument, and each acknowledged to me that they have acted in a representative capacity, that they are duly authorized to represent as such, and that the same is their own free and voluntary act and deed as well as of the institution represented herein.

This Memorandum of Agreement consists of _____ (____) pages, including the page wherein this acknowledgment is written, signed by the Parties and their witnesses.

WITNESS MY HAND AND NOTARIAL SEAL, this _____ day of _____ in _____, Philippines.

Doc No. _____

Page No. _____

Book No. _____

SERIES of 2025 _____