REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

Certificate of Tax Exemption No:
BOI-LEH-0350-2020
JUN 25 2020

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **PACIFIC GRANDE REALTY & DEVELOPMENT CORP.**, with Tax Identification Number [redacted], is exempt from income tax and creditable withholding tax on its income received directly in connection with its low-cost housing project (horizontal), **Pacific Grande Subdivision 2**, consisting of **82** housing units used solely for family home or dwelling purposes, located at Brgy. Babag, Lapu-Lapu City, Cebu, a project duly registered with the Board of Investments (BOI) under Registration No. [redacted] dated January 8, 2013, for a period of **3** years beginning from **August 2013** or actual start of commercial operations/selling, whichever is earlier, but in no case earlier than the date of registration of the project with the BOI, pursuant to Executive Order No. 226, otherwise known as the "Omnibus Investments Code of 1987" and Section 2.57.5 (B)(2) of Revenue Regulations No. 2-98, as amended.

Moreover, the sale by the Company of residential lot valued at P1,919,500.00 and below, or house and lot and other residential dwellings valued at P3,199,200.00 and below, is VAT-exempt under Section 109(1)(P) of the 1997 Tax Code, as amended. Provided, however, that beginning January 1, 2021, the VAT exemption shall only apply to sale of house and lot and other residential dwellings[1] with selling price of not more than Two Million Pesos (P2,000,000.00).

The sale of housing units in excess of the 82 housing units registered with the BOI, if any, including those units used for commercial purposes such as leasing etc., is not covered by this Certificate of Tax Exemption and shall be subject to applicable taxes under the 1997 Tax Code, as amended.

The grant of tax exemption herein is subject to the compliance with the provisions of applicable BIR rules and regulations and the Terms and Conditions stated at the back hereof. The Company is liable, however, to all other applicable taxes not enumerated above.

This Certificate of Tax Exemption is being issued on the basis of the facts and documents as represented and submitted. However, if upon investigation, the BIR ascertains that the facts are different, then this Certificate shall be considered null and void.

Issued this ___ day of JUN 25 2020, ______.

CAESAR R. DULAY
Commissioner of Internal Revenue

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