REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

Quezon City

Certificate of Tax Exemption No:
BOI - LEH-3 1 1 - 2 0 2 1

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **BASIC HOUSING SOLUTIONS, INC.**, with Taxpayer Identification Number (TIN) , is exempt from income tax and creditable withholding tax on its income received directly in connection with its economic and low-cost housing project (horizontal), **Calamba Park Place[1] – Brgy. Makiling, Calamba City, Laguna,** consisting of **1,390**[2] house and lot units used solely for family home or dwelling purposes, located at Brgy. Makiling, Calamba City, Laguna, a project duly registered with the Board of Investments (BOI) under Certificate of Registration (COR) No. 2017-204 dated July 06, 2017, for a period of **four (4) years** beginning from **July 06, 2017** to **July 05, 2021**, pursuant to Executive Order (EO) No. 226, otherwise known as the "Omnibus Investments Code of 1987" and Section 2.57.5 (B) (2) of Revenue Regulations (RR) 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 exempt from value-added tax (VAT) pursuant to Section 109 (1) (P) of the National Internal Revenue Code (Tax Code) of 1997, as amended. Provided, however, that beginning January 01, 2021, the exemption from VAT shall only apply to sale of house and lot and other residential dwellings[3] with selling price of not more than P3,199,200.00.[4]

However, the sale of house and lot units in excess of the **1,390** house and lot units, if any, including those units used for commercial purposes such as leasing, retail stores, offices, etc., shall be subject to the payment of appropriate taxes under the Tax Code of 1997, 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, for all other applicable taxes not discussed 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 AUG 24 2021 , _____.

CAESAR R. DULAY
Commissioner of Internal Revenue

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[1] Per Certification dated April 08, 2021 issued by the BOI, Calamba Park Place is covered by License to Sell (LTS) Nos. (Calamba Park Place Phase 1) and (Calamba Park Place Phase 2) both dated April 26, 2017 issued by the Housing and Land Use Regulatory Board (HLURB).

[2] Covered by the following COR and LTS issued by the HLURB:

COR No.	and LTS No.	:	Calamba Park Place Phase 1	:	729 units
COR No.	5 and LTS No.	:	Calamba Park Place Phase 2	:	661 units
		Total			**1,390 units**

[3] Sale of lot only, regardless of the price, shall be subject to VAT starting January 01, 2021 pursuant to Republic Act (RA) No. 10963.

[4] As adjusted using the 2010 Consumer Price Index values pursuant to RR No. 8-2021 dated June 11, 2021.

BASIC HOUSING SOLUTIONS, INC.
(Calamba Park Place)

CTE No.: BOI - LEH - 311 - 2021
Date issued: AUG 24 2021

TERMS AND CONDITIONS
OF THE CERTIFICATE OF TAX EXEMPTION

1. The exemption from income and creditable withholding taxes covers only income directly attributable to the revenues generated from the project, **Calamba Park Place – Brgy. Makiling, Calamba City, Laguna,** consisting of **1,390** house and lot units used solely for family home or dwelling purposes, located at Brgy. Makiling, Calamba City, Laguna. Such exemption shall not cover revenues from units with selling price exceeding P3,000,000.00. Moreover, the **661** house and lot units covered by LTS No. 032200 shall not be sold for more than P1,700,000.00 per unit.

2. The Company is obligated to comply with the following sales revenues:

Year	Volume (No. of Units)	Value (P '000)
1	347	554,270
2	349	585,463
3	347	610,755
4	347	640,229
Total	**1,390**	**2,390,717**

3. In the computation of the project's ITH, interest income from in-house financing shall not be considered as part of the revenues generated from the registered housing project.

4. The Company's entitlement to ITH for its BOI-registered housing project is subject to the compliance with the provisions of the Specific Terms and Conditions of its BOI Registration.

5. Pursuant to Section 4 of Republic Act (RA) No. 10708[5], the Company is required to file its tax returns and pay its tax liabilities, on or before the deadline as provided under the Tax Code of 1997, as amended, using the electronic system for filing and payment of taxes of the BIR. It shall file with BOI a complete annual tax incentives report of its income-based tax incentives, VAT and duty exemptions, deductions, credits or exclusions from the tax base, as may be provided under EO No. 226, within the periods prescribed under RA No. 10708's Implementing Rules and Regulations and Joint Memorandum Circular No. 1-2016 dated September 1, 2016.

6. The Company shall be constituted as a withholding agent for the government if it acts as employer and any of its employees received compensation income subject to compensation withholding tax, or if it makes payments to individuals or corporations subject to the withholding taxes as source as required under Chapter XIII and Section 57 of the Tax Code of 1997, as amended, and implemented by RR No. 2-98, as amended.

7. The Company is required to file on or before the 15th day of the fourth month following the close of its accounting period of a Profit and Loss Statement and Balance Sheet with the Annual Information Return under oath, stating its gross income and expenses incurred during the taxable year.

8. Finally, the Company's books of accounts and other pertinent records shall be subject to periodic examination by revenue enforcement officers of this Bureau for the purpose of ascertaining whether it is complying with the conditions under which it has been granted tax exemption or tax incentives and its tax liability, if any, pursuant to Section 235 of the Tax Code of 1997, as amended.

... Tax Incentives Administered by Investment