



BANGKO SENTRAL NG PILIPINAS

COMMITTEE ON DISPOSAL OF REAL PROPERTIES

INSTRUCTIONS TO BIDDERS AND TERMS AND CONDITIONS OF THE BIDDING

Revised as of 27 February 2023

I. GENERAL PROVISIONS

1. The property shall be sold on "As-Is, Where-Is" basis. It is, thus, incumbent upon the bidder to make the necessary investigation, inspection, and verification of the property for sale to ascertain its actual condition and the status of the title to the property as well as cases involving the same, if any, before making an offer.

The conditions covered under this provision include, but are not limited to the following:

- a. Presence of informal settlers;
 - b. Property is still inhabited by previous owner;
 - c. Property is landlocked;
 - d. Property is under dispute or with pending case;
 - e. Property is located in an area with risk of flooding, within earthquake fault zone and even seismic hazard zone; and
 - f. Existing easements.
2. The awardee shall be responsible at his own expense for the ejectment of squatters and/or occupants, if any, on the property subject of sale.
 3. Any and all claims and liens annotated on the title, assessments, liabilities and/or damages whatsoever arising from any claim, suit or litigation involving the property shall solely be assumed and borne by the buyer, accruing from the date of his receipt of the Notice of Award (NOA).
 4. The Bangko Sentral ng Pilipinas (BSP) does not warrant (implied, express or otherwise), that the property conforms precisely to the description indicated in the published Invitation to Bid.
 5. The BSP reserves the right to withdraw any or all of the properties offered for sale at any time before the deadline for submission of offers or to postpone or reset the date of opening of bids.
 6. For property with title/tax declaration (TD) that is not yet in the name of BSP, the awardee shall undertake all activities in order to cause the transfer of the title/TD from the registered owner and assume the payment of all taxes and other charges and expenses necessary or incidental in effecting the transfer of the title/TD in the name of the awardee.
 7. Offers to purchase BSP properties are subject to the approval of the Committee on Disposal of Real Properties (CDRP) or the Monetary Board (MB).

Signature of Bidder

II. SUBMISSION OF BIDS

1. **Qualified Bidders.** Any person, partnership or corporation complying with the prescribed rules and regulations may participate in the bidding.
2. **Bid Tender.** Any qualified bidder shall accomplish a Bid Tender Form, clearly indicating the following, among others:
 - a. Description of the items or lots with the corresponding bid offer clearly indicated in figures and words;
 - b. Name and signature of bidder;
 - b.1. For individual bidders, the bidder or his/her representative duly authorized in a Special Power of Attorney (SPA) executed by the bidder.
 - b.2. For duly registered single proprietorship, the proprietor or his/her designated representative duly authorized by the proprietor in a SPA executed for the purpose of bidding for the subject property.
 - b.3. For duly registered corporations, and other juridical entities, the person designated by the Board of Directors through a Board Resolution to act for and on behalf of the organization with full powers and authority to participate in the auction.
 - c. Business or residence address of the bidder; and
 - d. Terms and conditions of the bid offer;

All quotations shall be in Philippine currency. Erasures or interlineations should be avoided and duly initialed by the bidder, if any. Otherwise, the bid shall be considered defective.
3. **Bid Bond.** The bidder shall post, for each property bidded, a bid bond of at least 10% of the bid offer in the form of cash, manager's or cashier's check, or a combination thereof. The acceptance of the bid bond shall not bind the BSP to the offer until after receipt by the bidder of the BSP NOA.
4. **Buyer's Information Sheet** - The bidder shall also accomplish the Buyer's Information Sheet which shall be submitted attached to the Bid Tender Form together with the following documents enumerated therein:
 - a. For individual bidders -
 - a.1. Original copy of the Certificate of Employment and pay slip for the last three months or current employment contract and proof/s of other income or source of funds, if any;
 - a.2. Photocopy of any Government Issued ID & BIR TIN; and,
 - a.3. Special Power of Attorney (SPA) executed by the bidder if represented by another individual.

- b. For duly registered single proprietorship –
 - b.1. Photocopy of the Department of Trade and Industry registration;
 - b.2. Photocopy of Mayor’s Business Permit for the current year;
 - b.3. Photocopy of latest Income Tax Return;
 - b.4. Audited financial statements for the last two years and proof/s of other income or source of funds, if any; and,
 - b.5. SPA if the proprietor is represented by another individual.

- c. For duly registered corporations and other juridical entities –
 - c.1. Photocopy of the Securities & Exchange Commission registration;
 - c.2. Photocopy of Mayor’s Business Permit for the current year;
 - c.3. Photocopy of Articles of Partnership or Incorporation, as the case may be;
 - c.4. Photocopy of Latest Income/Corporate Tax Return;
 - c.5. Photocopy of Audited Financial Statements for the last two years and proof/s of other income or source of funds, if any;
 - c.6. Secretary’s Certificate or its equivalent on Authority to Purchase; and
 - c.7. Secretary’s Certificate or its equivalent on Authorized Signatory.

- d. If the property is subject of a pending court case, the bidder may be required to submit a notarized acknowledgment that he is fully aware of the pending court case/s and that he shall assume the risks/consequences attendant thereto.

5. Bid Envelope. The bid envelope shall contain the following:

- a. Duly accomplished Bid Tender Form with Buyer’s Information Sheet and other documentary requirements; and
- b. Bid bond enclosed in an envelope, sealed and marked as “bid bond”.

The bid envelope shall indicate on its face the title/TD number and location of the property to be bid. One bid envelope shall be submitted for each property. In case two or more properties shall be sold as one lot, the bid shall be submitted in one bid envelope.

6. Submission and Receipt of Bids.

- a. The bidder shall drop the bid envelope in the CDRP bid box in the presence of the AMD personnel.
- b. No bids shall be allowed to be modified once it has been dropped in the designated box.

7. Disqualification. Non-compliance with any of the requirements prescribed will constitute a ground for disqualification.

The following bids are considered defective:

- a. Bids not in the prescribed form;
- b. Unsigned bids;
- c. Bids with erasures or interlineations that are not initialed;
- d. Bids with incomplete documentations;
- e. Insufficient bid bond.

However, for lone bidders who met the minimum bid price but with deficient documentation, a curing period of not more than five working days from auction date shall be given to complete the required documents. Failure to submit the necessary documents within the prescribed period shall cause the forfeiture of the bid bond.

8. ***Withdrawal of Bids.*** A bidder may be allowed to withdraw a bid before the opening of bids without forfeiture of the bid bond. The bid envelope shall be returned, unopened. If the bidder, upon opening of the bid, withdraws his bid, or upon evaluation of his winning bid, refuses to accept the award, his bid bond shall be forfeited in favor of the BSP.

III. BIDDING PROCEDURES

1. ***Pre-opening of Bids.***

- a. Bidders/authorized representatives shall register with the CDRP secretariat prior to the opening of bids.
- b. Bid envelopes shall be arranged according to TCT numbers in the presence of the CDRP.

2. ***Opening of Bids.*** All bid envelopes shall be opened at the time, date, and place set in the Invitation to Bid under the direction of the Committee on Disposal of Real Properties (CDRP) and in the presence of the Commission on Audit (COA) representatives. Every bidder, or his authorized representative, shall have the right to witness the opening of the bids.

The BSP reserves the right to reject any or all bids, as well as to waive any defect or infirmity in the submitted Bid Tender Form, provided that in case of insufficient bid bond it must be at least 90% of the required bid bond, and to accept such bids as may be considered most advantageous to the BSP. Failure to comply with any of the terms and conditions mentioned may cause the rejection of the bid.

3. ***Announcement of Unsuccessful Bidding.*** Bidding may be declared unsuccessful in any of the following cases:
 - a. There is no bidding participant.
 - b. All bidders fail to comply with the terms and conditions prescribed in the Invitation to Bid.

IV. AWARDING OF BIDS

1. Announcement of bidding results shall be done after the evaluation of the bids by the CDRP.
2. If two or more bids are identical in amount, the CDRP shall resort to an open bidding (*viva voce*) on the same day to be participated in by the tied bidders only.
3. The bid bond of the winning bidder shall be paid to, and received by the Cash Department.
4. A NOA shall be issued to the winning bidder with the highest compliant winning bid offer.
5. A lone bidder afforded the 5-day curing period and declared the winning bidder shall be issued the NOA upon submission of documents to correct the deficiencies.

V. TERMS AND CONDITIONS

1. The bid bond shall be considered as deposit. The balance of the bid offer may be paid in cash or check within thirty (30) calendar days from the date of receipt of the NOA.
2. In case of awardee's failure to pay the balance of the bid offer within the prescribed period of 30 calendar days from receipt of the NOA, the following procedures shall be undertaken:
 - a. The award shall be cancelled and the bid bond shall be forfeited in favor of the BSP.
 - b. The next highest bidder who met the minimum bid price, if any, may be offered the property and required payment of the bid bond of at least 10% of the previously submitted bid offer within 15 calendar days from receipt of written advice.
 - c. The NOA shall be issued upon receipt of the bid bond, as follows:
 - i. after approval by the CDRP for bid offers below ₱50.0 million provided that the sale will not result in a loss of ₱5.0 million and above; or
 - ii. after approval by the MB for bid offers of ₱50.0 million and above or those that will result in a loss of ₱5.0 million and above.
 - d. The balance of the bid offer shall be payable within 15 calendar days from receipt of the NOA. Upon failure to pay the balance within the prescribed period, the award shall be cancelled and the bid bond shall be forfeited. The BSP shall move on to the next highest bidder until the last bidder who met the minimum bid price. If all the participating

Signature of Bidder

bidders failed to comply with the payment of balance within the prescribed period, the bidding shall be considered unsuccessful and the CDRP may dispose of the property through negotiation or the property may be re-auctioned as may be deemed appropriate by the CDRP or the MB.”

VI. DOCUMENTATION AND RELEASE OF TITLE

1. A Deed of Absolute Sale (DAS) shall be executed in favor of the awardee upon full payment of the purchase price.
2. The owner’s duplicate Certificate of Title/Tax Declaration shall thereafter be released to the awardee upon submission of a duly signed and notarized copy of the DAS to BSP and reimbursement of any advances made by the BSP.

VII. PAYMENT OF TAXES AND FEES

1. The payment of capital gains tax (CGT) shall be borne by BSP to the extent of 6% of the purchase price. Any excess assessment due on the difference between the zonal value/market value per TD and the purchase price, in case the zonal value/market value per TD is higher than the purchase price, will be for the account of the awardee. This should not, however, prevent the buyer and the BSP to have an agreement as to who will bear the burden of paying the CGT.
2. Upon execution of the DAS, the real property taxes, condominium or association dues and insurance premiums already paid by the BSP shall be assumed by the awardee on a pro rate basis; thus, entitling the BSP to reimbursement of the real property taxes, condominium/association dues and insurance premium paid for the remaining days of the year.
3. All other taxes and fees incidental and necessary to the sale and transfer of title to the awardee will be assumed by the awardee.

CONFORME:

Name of Bidder
(Signature over Printed Name)

() Individual () Partnership* () Corporation
*Authorization on the designation of representative attached.

Date: _____