

## **TERMS OF REFERENCE**

### **Procurement of Consulting Services for the valuation of Four (4) Lots of BCDA properties located at Camp John Hay, Baguio City**

#### **INTRODUCTION:**

The John Hay Management Corporation (JHMC), a subsidiary of the Bases Conversion and Development Authority (BCDA), is availing of the services of an independent property appraiser who is a qualified consultant under applicable provisions of the revised Government Procurement Reform Act of 2016 and its implementing rules and regulations.

#### **OBJECTIVES:**

To determine the market value, market rent, and valuation of lease interest using generally accepted valuation principles provided in this Terms of Reference (TOR).

#### **SCOPE OF CONSULTING SERVICES:**

1. Conduct an ocular inspection of the properties including improvements introduced thereat.
2. Determine present local market conditions and the current use and alternative appropriate uses of the properties. Supporting documents shall be submitted by the consultant for verification purposes.
3. Determine the Market Value (including the Highest and Best Use) and other applicable valuation approaches stated hereunder:
  - 3.1. Sales Comparison Approach;
  - 3.2. Income Approach; and/or
  - 3.3. Cost Approach.
4. Determine the valuation of lease interest stated hereunder:
  - 4.1. Ground Lease;
  - 4.2. Lease;
  - 4.3. Leasehold; and
  - 4.4. Market Rent.
5. The valuation of the property shall consider the present condition of the property at the time of the appraisal and will consider future developments or the completion of ongoing developments.
6. Indicate the current zonal value and market and assessed values issued by the Baguio City Assessor's Office with supporting documents.

All valuation reports should make clear the purpose and intended use of the valuation.

1. Valuation Report shall:
  - a) clearly and accurately set forth the conclusions of the valuation in a manner that is not misleading;
  - b) identify the client, the intended use of the valuation, and relevant dates;
  - c) the date as of which the value estimate applies, the date of the report, and the date of the inspection;
  - d) specify the basis of the valuation, including type and definition of value;
  - e) When any component of the valuation is valued on more than one basis of value, a clear distinction must be made between the bases.
  - f) identify and describe the property rights or interests to be valued, physical and legal characteristics of the property, and classes of property included in the valuation other than the primary property category;
  - g) describe the scope/extent of the work used to develop the valuation;
  - h) specify all assumptions and limiting conditions upon which the value conclusion is contingent;
  - i) identify special, unusual, or extraordinary assumptions and address the probability that such conditions will occur;
  - j) include a description of the information and data examined, the market analysis performed, the valuation approaches and procedures followed, and the reasoning that supports the analyses, opinions, and conclusions in the report;
  - k) contain a clause specifically prohibiting the publication of the report in whole or in part, or any reference thereto, or to the valuation figures contained therein, or to the names and professional affiliation of the Valuers, without the written approval of the Valuer;
  - l) include a Compliance Statement that the valuation has been performed in accordance with International Valuation Standards (IVSs), disclose any departure from the specific requirements of the IVSs, and provide an explanation for such departure in accordance with the IVS Code of Conduct;
  - m) include the name, professional qualifications, and signature of the Valuer.

**DESCRIPTION OF THE PROPERTIES:**

- a. Lot 8, Ccs-131102-00030 (Area=39,352 Square Meters)

The property is one of the **unregistered** parcels of land transferred to BCDA through R.A. 7227 series of 1992 and Presidential Proclamation 198 series of 1993 declaring it for tourism, human resource development center, and multiple use forest watershed reservation purposes.

For this consulting services, only one (1) lot shall be subjected to land valuation as described hereunder:

| Lot Number & Survey No.<br>Ccs-131102-00030 | Approx. Area (Square Meters) | Location                        | Intended use                             |
|---|------------------------------|---------------------------------|--|
| Lot 8-A                                     | 285                          | Loakan Road, Greenwater Village | For lease to the adjacent property owner |

- b. Titled Properties Located at Barangay Scout Barrio.

The properties described hereunder are among the several titled properties of BCDA situated in a predominantly residential area.

| Block No.- Lot No. | Transfer Certificate of Title (TCT) No. | Area (sq. meters) | Location     | Intended use                 | No. of Structures within                             |
|--------------------|---|-------------------|--------------|------------------------------|--|
| 6                  | 83415                                   | 9,689             | Scout Barrio | Multi-Dwelling Units         | One (1) building of an informal settler              |
| 12                 | 83524                                   | 6,390             | Scout Barrio | Institutional/Recreational   | One (1) school building                              |
| 13                 | 83525                                   | 3,089             | Scout Barrio | Lease to the actual occupant | Church and Rectory, Barangay Hall, and Health Center |

**QUALIFICATIONS OF THE CONSULTING FIRM AND TEAM LEADER:**

1. The consulting firm shall have at least three (3) years of existence in the real estate appraisal business as of 2022.
2. The Team Leader to be assigned to the project shall be a Licensed Real Estate Appraiser with at least three (3) years of experience in appraisal works as of 2022.

**MODE OF PROCUREMENT AND EVALUATION CRITERIA OF PROPOSALS:**

The mode of procurement shall be Small Value Procurement (SVP) and proposals shall be evaluated by JHMC's Bids and Awards Committee (BAC) using the Quality Cost Based Evaluation (QCBE) procedure.

**DOCUMENTARY REQUIREMENTS:**

1. Company Profile with a list of Government and/or Private Contracts for the past three (3) years as of CY 2022;
2. Curriculum Vitae of Team Leader;
3. Valid Philgeps Registration Certificate or Mayor's Permit and PhilGEPS Registration Number;
4. Omnibus Sworn Statement. The form may be downloaded from the GPPB website; and
5. Bid/Proposal. Proposals shall include all applicable taxes.

Evaluation Criteria:

|                    | <b>Evaluation Criteria</b>   | <b>Weight</b> |
|--------------------|--|---------------|
| Technical Proposal |  | 60%           |
|                    | Existence of the Consulting Firm in the industry – Maximum of 60 points <ul style="list-style-type: none"><li>• 3 - 5 years = 40 points</li><li>• 6- 8 years = 45 points</li><li>• 9-10 years = 50 points</li><li>• 11-12 years = 55 points</li><li>• above 12 years = 60 points</li></ul> |               |
|                    | Experience of Team Leader – Maximum of 40 points <ul style="list-style-type: none"><li>• 3-5 Years = 25 points</li><li>• 6-10 Years= 35 points</li><li>• Above 10 years = 40 points</li></ul>  |               |
| Financial Proposal |  | 40%           |
| <b>TOTAL</b>       |  | <b>100%</b>   |

The consultant obtaining the highest total score shall be declared as the bidder with the HRB. The passing rate shall be 70 percent.

**RESPONSIBILITY OF THE PROCURING ENTITY:**

1. Grant access to the properties that are subject to the appraisal; and
2. Provide a photocopy of survey plans and Certificates of Title or other proof of ownership.

**TIMELINE IN THE SUBMISSION OF REPORTS:**

The winning Consultant shall submit their Appraisal Report in the following manner:

1. The draft appraisal report shall be submitted to JHMC within Thirty (30) calendar days from receipt of the Notice to Proceed (NTP).
2. Should there be comments from JHMC on the draft report, the final appraisal report shall be submitted within ten (10) calendar days from receipt of JHMC's comments on the draft report.
3. The final report shall be submitted in three (3) original copies and an electronic copy of the final report in Portable Document Format (PDF) which includes all supporting documents.

**SCHEDULE AND MANNER OF PAYMENT:**

1. Payment of the contract cost shall be made within 30 days upon acceptance of the Final Appraisal Report.
2. The contract cost shall be at a fixed price. A penalty equivalent to one-tenth (1/10) of one (1%) of the contract price shall be imposed for every day of delay in the submission of the appraisal report.
3. Any extension of the contract shall not involve any additional cost.

**APPROVED BUDGET FOR THE CONTRACT:**

The ABC for this procurement is Ninety Thousand Pesos (Php 90,000.00) inclusive of all applicable taxes. Bidders with proposals higher than the ABC shall be automatically disqualified.