REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

Certificate of Tax Exemption No:
BOI - LEH - 385 - 2022

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **KAIA HOMES, INC.** is exempt from income tax and creditable withholding tax on its income received directly in connection with its economic and low-cost housing project, **Kaia Homes Naic Phase 1**, consisting of **723** house and lot units located at Brgys. Palangue 2 and 3, Naic, Cavite, a project duly registered with the Board of Investments (BOI) under Certificate of Registration No. [illegible] dated August 13, 2021, for a period of **four (4) years** beginning from **September 2021** 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 (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[1] with selling price of not more than P3,199,200.00.[2]

However, the sale of house and lot units in excess of the **723** house and lot units registered with the BOI, if any, including those units used for commercial purposes such as leasing, retail stores, offices, etc., shall be subject to the applicable 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 (CTE) supersedes CTE No. BOI-LEH-629-2020 and 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 SEP 09 2022.

LILIA CATRIS GUILLERMO
Commissioner of Internal Revenue

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[1] Sale of lot only, regardless of the price, shall be subject to VAT starting January 01, 2021 pursuant to RA No. 10963.
[2] As adjusted using the 2010 Consumer Price Index values per RR No. 8-2021 dated June 11, 2021.