

REPUBLIC OF THE PHILIPPINES
GOVERNMENT PROCUREMENT POLICY BOARD
Technical Support Office
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NPM No. 061-2004

May 4, 2004

MR. RUBEN C. ITABAG
Administrative Officer V
West Visayas State University
La Paz, Iloilo City

Re : Acquisition of a Condominium Unit

Dear Mr. Itabag:

This refers to your letter dated April 14, 2004, requesting clarification on whether the purchase of one (1) unit of condominium unit is covered by Republic Act 9184 ("R.A. 9184") and its Implementing Rules and Regulations Part A ("IRR-A"). The sole issue therefore is as follows:

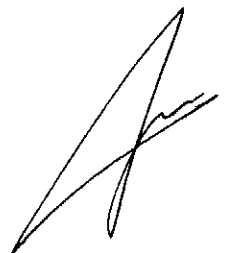
Whether or not the acquisition of a condominium unit for office space is governed by the provisions of the IRR-A of R.A. 9184.

Purchase of Condominium Unit for Office Space

Among the exemptions provided under the IRR-A of R.A. 9184 from its application is the acquisition of real property as provided under Section 1(a) thereof, as follows:

Acquisition of real property which shall be governed by Republic Act No. 8974 (R.A. 8974), entitled "An Act to Facilitate the Acquisition of Right-of-Way Site or Location for National Government Infrastructure Projects and for Other Purposes," and other applicable laws;

However, the purchase or lease of office space, although clearly an acquisition of real property, is governed by the provisions of R.A. 9184 and its IRR-A as it is considered an analogous or related service under Section 5(k) of the IRR-A of R.A. 9184, to wit:



Refer to all items, supplies, materials and general support services, except consulting services and infrastructure projects, which may be needed in the transaction of public businesses or in the pursuit of any government undertaking, project or activity, whether in the nature of equipment, furniture, stationery, materials for construction, or personal property of any kind, including non-personal or contractual services such as the repair and maintenance of equipment and furniture, as well as trucking, hauling, janitorial, security, and related or analogous services, as well as procurement of materials and supplies provided by the procuring entity for such services. **The term "related" or "analogous services" shall include, but not be limited to, lease or purchase of office space, media advertisements, health maintenance services, and other services essential to the operation of the procuring entity. (Emphasis supplied)**

For this reason, the purchase of office space is considered an exemption to the exemption and should therefore be strictly interpreted as limited only to purchase of real property for purposes of being used as an office space.

In this regard, the acquisition of a condominium unit intended to be used as an office space should be governed by the provisions of R.A. 9184 and its IRR-A on the procurement of goods. It should be noted that, being covered by R.A. 9184 and its IRR-A, alternative methods of procurement may be resorted in case situations mentioned therein are present in the said acquisition.

This opinion is being rendered on the basis of the facts and particular circumstances as represented. It may not necessarily be applicable upon a different set of facts and circumstances.

We trust that this clarifies matters.

Very truly yours,



JOSE MARTIN C. SYQUIA
Executive Director