

**Expression of Interest for
JOINT VENTURE**

The FGE Housing Foundation is a public sector organization working under the control of Federal Government through M/o Housing and Works. Its objective is to launch, implement and execute Housing Schemes for Government employees on ownership and self finance basis without involving funds from Government exchequer. The Housing Foundation has, since its inception in 1989, successfully completed many projects in Islamabad, Karachi and Peshawar.

HF intends to launch new housing / apartment schemes under the Prime Minister's Housing Program in Provincial Capitals & major cities of Pakistan and invites Expression of Interest for the joint venture from well reputed national or international (in collaboration with national companies) Housing Developers / Investment Companies / Firms / Individuals. Interested party (ies) with vast experience in the relevant area and excellent internal resources who agrees to the terms and conditions given in MOU uploaded on FGEHF/PPRA website may apply with business plan as per given parameters.

1. Key parameters of Joint Venture area as under:-

- a) Land being offered should be in a compact piece and free from all encumbrances.
- b) Land should be located preferably on main road or having easy access from main road.
- c) Offered price of raw land be indicated in proposals alongwith the terms of JV offer.
- d) Only real owners or holding valid power of attorney of land are eligible.
- e) Authentic ownership documents by the revenue authorities should have been issued in the past three months.

- f) Status of utility services (like electricity, gas, water etc) at site be substantiated with evidence, availability of water at site shall be substantiated by proof.
- g) Interested parties shall be responsible for NOC from all concerned departments, designing/planning and financing of the project.

2. Following details may also be provided with proposals where applicable:-

- a) Full name of the individual/firm/company/consortium and permanent address with evidence of incorporation and structure of consortium, if applicable.
- b) Detailed status of the firm (sole ownership or limited company) certified by the registrar of concerned authority.
- c) Complete information regarding Bio-Data / Qualification / Experience of key personnel.
- d) Following details of Housing and infra-structural projects completed over in the last 5 years with photographs/brochures and documentary proof are also required:-
 - i. Name of Projects, place and client.
 - ii. Scope of work.
 - iii. Details of projects (multi stories, high rise or detached housing, whether residential or commercial) along with total covered area and cost of project, date of start and completion.
- e) Certified proof of financial soundness (from the bank).
- f) Copy of NTN certificate.
- g) Audited balance sheet / income statement for the last 3 years along with annual turnover of the company for the last 5 year.
- h) Undertaking that the firm has never been blacklisted by any govt. / semi govt. / attached department / autonomous body.
- i) Proposed land/ site is free from any litigation.

- j) Performance certificates from the clients for whom similar services have been rendered if any.
3. All the information should be supported by relevant documents, letters and certificates etc. Any information provided without required documents shall not be considered for evaluation.
4. Housing Foundation has the right to reject any or all the proposals at any time.
5. Applications must reach the undersigned within 60 days from the date of publication of this advertisement, which is also available at website of PPRA www.ppra.org.pk and the Housing Foundation (www.fgehf.gov.pk).

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Project Director (JVPs)

Ministry of Housing & Works

Federal Government Employees Housing Foundation, Islamabad

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www.fgehf.gov.pk

MEMORANDUM OF UNDERSTANDING (MOU)

Between

FEDERAL GOVERNMENT EMPLOYEES HOUSING FOUNDATION HAVING ITS HEAD OFFICE AT 10-MAUVE AREA, G-10/4, ISLAMABAD, THROUGH ITS COMPANY SECRETARY, MR. MUHAMMAD IQBAL KHAN DURRANI (HEREIN AFTER CALLED AS THE "PARTY A")

And

("PARTY B")

WHEREAS THE PARTIES ARE DESIROUS OF JOINING HANDS FOR THE PROVISION OF DEVELOPED RESIDENTIAL PLOTS TO PARTY A AGAINST CONSIDERATIONS SECURED FOR "PARTY B" IT HAS BEEN MUTUALLY DECIDED TO REDUCE INTO WRITING THE TERMS AND CONDITION OF THE MOU.

Now this deed of MOU is agreed as follows:

1. PURPOSE:-

Whereas, Party 'A' undertakes that it has its registered members. The Party A itself and its members possess all mandatory requirements in terms of eligibility to purchase developed residential plots from Party B.

And

Party 'B' undertakes to deliver peaceful possession of developed residential/commercial plots to members of Party 'A' on fulfillment of all financial, legal, technical and other related codal formalities required for housing scheme, as mutually agreed between the Parties.

2. LOCATION AND ACCESS:

That the land is located at prime location situated at _____ Main access to the project site through _____. Moreover another access to the project site shall be through _____.

3. TITLE OF RAW LAND:

That Party 'B' has a total land measuring _____ (approximately) of raw land in its exclusive dominion in _____ of which _____ kanals is ready for immediate transfer in a compact piece, whereas rest shall be transferable to Party 'A' within a period of ____ months or earlier, as decided by both the Parties depending upon the booking of residential plots. Ultimately title of entire raw land shall rest with Party "A".

4. POSSESSION OF DEVELOPED RESIDENTIAL PLOTS:

Party 'B' shall be responsible to handover the possession of developed residential plots both to the members of Party 'A' as well as to the General Public with the mutually agreed time not exceeding 36 months on agreed price.

5. COMMERCIAL PLOTS:

There shall be 10% share of Party A, in Commercial Plots/Area. Rest of Commercial plots shall be handed over to the Party "B" by the Party "A".

6. AMENITY PLOTS:

Amenity plots i.e. Parks, Play Grounds, Schools/Colleges; Hospitals & Community Centers shall be shared between Party "A" and Party "B" on parity basis. Ownership shall remain with Party A. However, 50% plots shall be allotted to Party B.

7. QUOTAS OF RESIDENTIAL PLOTS:

a. Federal Government Employees Housing Foundation Quota

It has been agreed that upto maximum of 75% quota of residential plots shall be reserved for members of Party 'A', depending upon the response/booking by the registered members/prospective allottees.

b. General Public Quota

Rest of the 25% quota of residential plots shall rest with Party "B".

8. ELIGIBILITY FOR FGEHF QUOTA

Plots shall be offered on "First Come First Serve basis" contingent upon payment of 15% down payment alongwith application form according to the schedule duly advertised in the widely circulated Newspapers.

9. FIDUCIARY ARRANGEMENTS:

There shall be two joint accounts i.e collection account & project/expense account for the purpose.

a. PROJECT COLLECTION ACCOUNT:

The project collection account shall operated by two persons, one each appointed / nominated by Party A and Party B. All proceeds received from the prospective allottees (General Public & members of FGEHF) shall be deposited in the collection account.

b. PROJECT/EXPENSE ACCOUNT:

The project/expense account shall be operated by two persons(s) nominated by the Board of Directors one each from Party A and Party B.

- Funds collected from allottees in project collection account, against the General Public quota shall be transferred forthwith to Party B in their own designated account in lieu of transfer of title of equivalent raw land in the name of Party A.
- Funds collected from allottees in project collection account, against the Party A, quota shall be disbursed to Party "B" in the following manner:
 - a. 50% amount received in project collection account, will be released to Party B in their designated account, in lieu of transfer of double quantum

of raw land, whose price shall be mutually agreed before execution of commercial agreement.

- b. 40% received amount in project collection account, will be released to Party B in project Expense Account in lieu of development expenditures, subject to consultant's satisfactory infrastructure development report.
- c. 7% received in project collection account, amount will be released to Party B in their designated account, in lieu of Marketing Expenditures.
- d. 3% received amount in project collection account, will be released to Party B in Project Expense Account, in lieu of miscellaneous expenditures.

10. RATES OF DEVELOPED RESIDENTIAL PLOTS:

- (1) That rate of the developed residential plots for the Federal Government Employees shall be on "no profit no loss basis".
- (2) For the Federal Government Employees, tentative size and rates of developed residential plots shall be as under subject to final approval of Executive Committee.

S.#	Plots Sizes	Square Yards	Tentative Rates for F.G. employees with 10% increase/decrease in price	Categories
1	100x90	1000		Cat-I
2	50x90	500		Cat-I & Cat-II
3	40x80	356		Cat-II & Cat-III
4	35x70	272		Cat-III & Cat-IV
5	30x60	200		Cat-IV & Cat-V

- (3) That Party 'B' shall reserve the right to decide the rates of the General Quota (25% developed plots). Tentative rates are as under:

S.#	Plots Sizes	Square Yards	Tentative Rates for General Public
1	100x90	1000	
2	50x90	500	
3	40x80	356	
4	35x70	272	
5	30x60	200	

11. SCHEDULE OF PAYMENT FROM PROSPECTIVE ALLOTTEES:

- (1) That schedule of payment for developed residential plots from Party A quota shall be decided by Party "A". Tentative schedule is as under:

S. No.	Description	Amount	Time of Payment
1.	Enlistment Fee (adjustable towards cost of developed plots)	Rs.5,000/-	At time of registration
2.	Down Payment	15% of the total price of developed plots	Payable in advance at the time of registration
3.	Rest Amount	85% of the total price of developed plots	Payable in 7 equal quarterly instalments

- (2) Tentative schedule of payment of General Public as under:

S. No.	Description	Amount	Time of Payment
1.	Registration Fee (adjustable towards cost of developed	Rs.10,000/-	At time of registration

	plots)		
2.	Down Payment	20% of the total price of land	Payable in advance at the time of registration
3.	Rest Amount	80% of the total price of land	Payable in 18 equal monthly instalments

12. NOC's:

That party 'B' shall cause issuance of requisite NOC'S for starting/completion of the housing scheme from the following authorities;

- (i) The Civil Aviation Authority;
- (ii) The Environment Protection Agency;
- (iii) Concerned Municipal Authority;
- (IV) Any other relevant authority if applicable.

However, Party 'A' shall cooperate with Party 'B' in this regard in applications and pursuing of NOCs.

13. INFRASTRUCTURE DEVELOPMENT:

That Party 'B' shall undertake infrastructure development of the housing scheme according to local/municipal bye laws and standards.

The duration of the completion of the project shall be two years and shall not be exceeded beyond three years. The Parties agree that time shall be essence from the signing of the Commercial Agreement between the Parties subject to smooth operations of joint accounts and disbursement of money to Party "B".

14. UTILITIES:

That Party 'B' shall certify to availability of utilities/amenities i.e. electricity, gas, water, sewerage, access to housing scheme. Technical and PD wings of Party A shall examine the pre-feasibilities before actual launch of the project.

15. PLANNING AND QUALITY CONTROL OF INFRASTRUCTURE WORK:

For purposes of planning/ design, top supervision/ quality control and EIA, services of a well reputed Firm / consultant shall be engaged under Public Procurement Regulatory Authority Rules, 2002. Consultant shall verify bills as per Agreement and tender documents. Party A shall be obligated to authenticate and clear the bill within a week positively, subject to satisfactory report of consultant. That the charges of the consultant firm shall be borne by the project/expense account. Relevant standards of PEC & PCATP shall be strictly adhered.

16. ALLOTMENTS/TRANSFERS ESTATE WING OF FGEHF

Party 'A' shall issue the allotment letters of residential/commercial plots in the name of members of both quotas as per its policy.

The Party 'A' shall process transfer of residential/commercial plots both for general quota as well as for Federal Government Employees quota.

17. ISSUANCE OF POSSESSION LETTERS AND APPROVALS OF RESIDENTIAL AND COMMERCIAL BUILDING PLANS:

The Party "A" shall be responsible for issuance of possession letters of developed residential/commercial plots of housing scheme of both the quota's. Technical wing of Party "A" shall process/approve the building plans of residential/commercial plots as per its policy subject to all applicable Rules and Regulations.

18. PROJECT SUPERVISION:

That a project supervisory committee comprising of 6 members (3 selected from both sides) shall be formulated under the supervision of Director General (FGEHF) for policy level intervention, Director (Technical) and Director (Finance) shall be the

permanent members on behalf of the Party A. PD (JVPs) shall be overall custodian of the relevant record of the housing scheme.

The CEO of "Party B" shall be responsible for day-to-day operations of the housing scheme.

Project Supervisory Committee can be convened at 24 hours' notice at the instance of either DG (FGEHF) or CEO of "Party B".

19. MARKETING:

That the Party "B" shall be fully authorized to advertise/market the said project by using different strategies/tools of marketing i.e. print media or electronic media and also shall be authorized to use the name or logo of the Party "A". Similarly the Party "B" shall also authorized to engage the services of any suitable marketing company for the publicity/marketing of the said housing scheme.

The sub-committee under the CEO of "Party B" shall devise the marketing strategy which shall have to be ratified by the Project Supervisory Committee.

20. COORDINATION & COOPERATION:

In recognition of the Purpose and Standards of the relationship arising out of the M.O.U. in hand, the Parties hereto agree to:

- a. exchange and share relevant information;
- b. provide mutual support in areas of common interest;
- c. establish a close working relationship on an equal basis through regular formal and informal communications and activities; and
- d. assist each other in matters related to and arising out of this MOU.

21. TRANSPARENCY AND ETHICAL CONSIDERATIONS:

That the Parties shall put all their energy and efforts to facilitate provision of maximum benefits to the members. No malpractice or any sort of corruption shall be

permitted. Party 'B' shall furnish adequate security to Party 'A' as agreed by the Parties. That the Parties shall ensure that the project, its funds and resources shall be used only for the purposes agreed upon and not for political or other purposes which may damage the society.

22. PERIOD:

Validity period of the MOU shall be three months extendable with mutual consent of both parties, for reasons to be recorded.

23. SECURITIES:

All decisions shall be subject to final approval of Executive Committee of Party 'A'. The Parties are honour bound to follow this MOU and shall not back out from this housing scheme. Regarding securities, both the Parties shall mutually decide and make it the part of the Agreement. The Parties shall put all their energy and efforts with extreme zeal to facilitate provision of maximum benefits to the members. Adequate safeguards shall be provided in the Commercial Agreement to be negotiated between party A and B pursuant to MOU ibid, within **30** days, to ensure protection of Party A against failure of Party B to discharge any of its contractual obligation and vice versa. It is further to be ensured that logo / brand / name of FGEHF shall not be used by Party B, for the adjoining land which is not part of this MOU.

24. DISPUTE SETTLEMENT MECHANISM:

Every dispute or difference arising between the parties as to the interpretation, operation, or effect of any clause in the MOU which cannot be mutually resolved, shall be referred to the Executive Committee of Party A. If not resolved than the same shall be referred to sole Arbitrator, which shall be nominated by mutual consent of the parties. The decision of the sole Arbitrator shall be binding on the Parties. The Arbitration Act, 1940 and rules made there under shall be applied to the arbitration proceedings under this clause.

In witness whereof the Parties hereto have reduced in writing the MOU and put their respective hands thereupon on this _____ day of _____ 2015.

Signature: _____ Signature _____

Party 'A'

Party 'B'

In the presence of:

Witness 1

Witness 2
