

TERMS & CONDITIONS OF ALLOTMENT OF LAND TO HOUSE BUILDING SOCIETIES.

1. The Government are pleased to agree to the allotment of land to the Union or Unions of House Building Societies on the conditions mentioned hereafter.

- (1) The land will be granted on 99 years lease.
- (2) The Union or Unions of House Building Societies shall be responsible for all development of the land, building of houses and all costs appertenant thereto in respect of the area allotted to them.
- (3) Premium at the rate of Re. 1/- per sq. yd. of each plot allotted to individual members by the Union or by its member Societies shall be payable to the Government by the Union in 8 equal instalments beginning from the date of execution of the lease.
- (4) The Union or Unions shall pay annual ground rent at the rate of -/1/- per sq. yd. with effect from the date of the execution of the lease.
- (5) The development of the land shall be carried out by the Union or Unions in close co-operation with each other and under the supervision and direction of the Government.
- (6) Previous concurrence of the Government shall be necessary for all developments and house building plans.
- (7) All houses shall be completed and rendered habitable within a period to be fixed by Government, considering the availability of water and building materials.
- (8) The Union or Unions shall, at the time of applying for allotment of land, deposit security money at the rate of Rs. 250/- per acre of land applied for subject to a maximum of Rs. one lakh, in any Bank approved by the Registrar of Co-operative Societies in this regard.

(9) Contravention or non-observance of any of the above-mentioned conditions shall render the defaulting Union or Unions liable to forfeiture of the whole or such portion of the security deposit as may be decided by the Government in which event the unbuilt land shall also be liable to reversion to Government free of all encumbrances.

2. Security deposit, if not otherwise forfeited, shall be refundable on the conclusion of the project or in such earlier instalments as the Government may decide.

(3) Provision of the rate of Rs. 1/- per sq. ft. of each plot allotted to individual members by the Union or by a number of members shall be payable to the Government by the Union in 2 equal instalments beginning from the date of execution of the lease.

(4) The Union or Unions shall pay interest at the rate of 11% per annum with effect from the date of the execution of the lease.

(5) The development of the land shall be carried out by the Union or Unions in close co-operation with each other and under the supervision and direction of the Government.

(6) Provisions contained in the Government shall be necessary for all development and house building plans.

(7) All houses shall be completed and rendered habitable within a period to be fixed by Government, considering the availability of water and building materials.

(8) The Union or Unions shall, at the time of applying for allotment of land, deposit security money at the rate of Rs. 250/- per acre of land applied for subject to a maximum of Rs. one lakh in any bank approved by the Registrar of Co-operative Societies in this regard.

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Dear Sir,

The Government have allotted 1,240 acres of land to the Pakistan Employees Co-operative House Building Society. After allowing for roads, parks, etc. and such portions which cannot be built upon we are left with less than 600 acres for building purposes. It is proposed to erect 4000 houses, approximately 1500 of which will be bungalows and 2500 quarters. Roughly the quarters comprise from 100 to 400 sq. yds and the bungalows from 600 to 2,000 sq. yds.

2. A copy of the terms on which the land has been allotted by Government is enclosed.

3. It is unlikely that the Pakistan Employees Co-operative House Building Society will be in a position to render financial assistance to its members in constructing houses on the land allotted to Society by the Government. The members will, therefore, have to provide the entire cost of construction either from their own resources or by taking loan from Government or other bodies. Very roughly the cost of development which includes the providing of roads, sewage, water mains etc is likely to be Rs. 5/- per sq. yd. and of construction Rs 8/- per sq. ft. of covered area for single storey building. It must be understood clearly that these figures represent very rough estimate and will in no case be binding on the Society. The Society will make every attempt to get the work done at the cheapest rates compatible with good quality but it is not possible at this stage to say what these rates will be.

4. The Society is trying to persuade Government to

- (a) grant non-refundable loans from Provident Fund.
- (b) increase the period of refund from 6 years to 10 years and
- (c) to guarantee (development) house building loan to be floated by a bank,

So far as the Society succeeds in these efforts, financial assistance will be facilitated.

5. Will you kindly now intimate whether you are in a position to find the money required for building the house of your choice. If you can, will you kindly send immediately towards the cost of development a crossed cheque in favour of the Honorary Treasurer of the Society at Rs. 2/- per sq.yd. of the land you require. Those from whom this remittance is not received by the 31st of August, 1949 will be considered as unable or unwilling to proceed with the construction programme and will forfeit the right to share in the housing scheme of the Society. Further instalment or instalments will be payable within one month of call. It must be clearly understood that the Society is not bound to allot you the land according to your demand.

6. The development of the land must be carried out on a collective basis but this condition is not necessary for the construction of houses though they must be built according to plans, designs and dimensions approved by the Society. In case you do not wish to build the house through the agency of the Society, will you kindly indicate the maximum period within which you will be able to build it after the land has been placed at your disposal and your plan approved by the Society. It should be clearly understood that the house will have to be completed within the period specified by the Government or the Society.

7. In case you wish to employ the agency of the Society to build the house will you kindly indicate your requirements; a rough or a regular plan of the building required will be preferred and indicate whether you will be able to deposit $\frac{1}{2}$ the cost of the building within 3 months of the call and the remaining within the nine months following. If you wish to do so by instalments within the period specified in the previous sentence kindly indicate the number of instalments and the amount of each.

8. The development of the land and the construction of the houses thereon can proceed at the same time. It should, therefore, be possible to allot plots for building purposes as soon as the layout plan has been approved by the Managing Committee. The plots allotted to us are being surveyed and the contour survey map is expected to be ready within the next few weeks. Thereafter it is proposed to call for layout plans and this should not take long to be ready.

9. It is possible that some of the members were expecting the Society to provide nearly half the cost of erecting a house which would be recoverable in suitable instalments and this letter may cause them disappointment. It is usual for Co-operative Societies to advance half the cost of the house provided the other half is met by the member from his own resources without in any way encumbering his property with the Society. If our members can also meet half the cost from their own resources they will have a better alternative open to them in as much as they can obtain loan from Government on cheaper rates than the Society could offer. They will in addition enjoy the advantage of collective enterprise which would mean cheaper development and cheaper construction rates and would also have secured a plot for building purposes which Government is not allotting except through a Co-operative House Building Society.

10. Kindly fill in the enclosed form and send it as early as possible to Sayed Imam Ahmad, Honorary Secretary, at the address given above.

Yours faithfully,
YAQUB SHAH