

EOI DOCUMENT

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Pakistan Post

SUBJECT:- REQUEST FOR EXPRESSION OF INTEREST

Pakistan Post office, an attached department of Ministry of Communications, invites Expression of Interest (EOI) from consultant (company, firm or individual) who are on Active Tax payers List of FBR for commercially efficient execution of property (ies) approved to be leased in accordance with lease and Tenancy Policy of Pakistan Post. Method of selection will be quality and cost based selection.

Expression of Interest document, containing detailed terms and conditions etc are available at Development Branch of Directorate General Pakistan Post Office G-8/4 Islamabad during office hours. Price of EOI documents is Rs. 2000/-. EOI documents can also be downloaded from the website <https://pakpost.gov.pk/> of Pakistan Post Office free of cost.

Expression of interest, prepared in accordance with instructions of EOI documents must reach at office of undersigned during office hours on or before 17-11-2021 at 11:00 am. The expression will be opened on same day at 11:30 am. The advertisement is also available on PPRA website.

(Faisal Tehseen)
Director (Development)
o/o Director General
Pakistan Post Office Department
G-8/4 Islamabad
Ph. No. 051-9261937

Pakistan Post intends to maximize its productivity through earning revenue by leasing the immovable properties to private parties. This step would result in increasing the revenue, safeguarding the assets of the department against encroachments. It would also decrease maintenance cost of its assets.

SCOPE

The ultimate objective of assignment is to assist the Lease Committee in efficient commercial execution of the properties of Pakistan Post Office Department which are approved for leasing. The Consultant (company / firm, individual) will perform the task according to the Lease and Tenancy Policy. Consultant/transaction advisor will assist the lease committee in handling the project from start to its end ensuring smooth flow of activities in a co ordinated manner.

INSTRUCTIONS

EOI in sealed envelops shall reach Director Development % Directorate General Pakistan Post Office G-8/4 Islamabad during office hours on or before 17-11-2021 at 11:00 am. The envelope shall clearly be marked as, “EOI for consultant” in red ink on the addressee side.

2. The method of selection will be quality and cost based under procurement of Consultancy Services Regulations 2010.
3. EOI submitted after due date and time shall not be accepted.
4. EOI shall be opened on due date and time in the presence of applicant or their authorized representatives who wish to be present.
5. The EOI shall clearly mention the name and address and contact No of consultant (company / firm, individual).

TERMS AND CONDITIONS

1. The EOI form is required to be filled by the interested applicant (s).
2. Detailed profile of the consultant including qualification is required to be attached. In case of company/firm, detail of partners, members ,employees etc. along with their qualifications shall also be provided.

3. The consultant (company / firm, individual) should possess experience of providing consultancy services in the real estate sector for the last five years. The detail of clientele is to be provided with EOI.
4. Proof of carrying out projects of similar nature during last five years including specific role of the consultant (company / firm, individual) in transaction advisory, feasibility study, project design and management, marketing, addressing financial and legal aspects, handling project from start to end etc shall also be annexed with the EOI.
5. The consultant (company / firm, individual) shall not be black listed by any government organization ,semi government organization, autonomous body and must provide affidavit on stamp paper of Rs. 100/-.

CRITERIA FOR SHORTLISTING

Short listing will be done on the basis of qualification, experience, as well as terms & conditions mentioned in EOI Advertisement, EOI document and lease and tenancy policy (Part-I).

AWARD OF MARKS

Marks will be awarded by the committee according to the below mentioned format.

S. NO	Factor (Category)	Total Marks	Marks awarded by the committee
1	Qualification	20	
2	Experience	20	
3	Project of similar nature carried out during last 5 years	20	

MINIMUM THRESHOLD

In order to meet the minimum threshold, interested applicant/ party has to attain cumulative score of 50% or more of the total marks as well as 50% or more of the marks assigned for each category.

EOI FORM

Name

Office address

Contact No.

Email ID

Authorized representative name

NTN No annex-....

CNIC No annex-....

Whether on ATL or otherwise..... annex...

Proof of qualification. annex....

Proof of last five years' experience annex-

Proof of projects in last 5 years annex-....

Detail of clientele annex-....

Affidavit annex....

Any other information shall also be annexed with the expression

Certificate

It is certified that I have read the EOI advertisement, EOI document and Lease and Tenancy Policy thoroughly and all required documents have been annexed with the expression.

Signature

Name Address

Properties Identified by Islamabad					
S. #	Particulars of Vacant Plot	Area	Location	Title Deed	Possession
1	<u>I-9 Markaz</u>	15.88 Marla	I-9 Markaz, Islamabad	Available	Yes
2	<u>I-10 Markaz</u>	19.5 Marla	I-10 Markaz, Islamabad	Available	Yes
3	<u>Bhimber AJ&K</u>	01 Kanal 03 Marla	Plot No. 1, Mian Muhammad Road, Bhimber	Available	Yes
Property Identified by PMG Baluchistan Circle, Quetta					
4	<u>Sahabz Town, Quetta</u>	02 Kanal 19 Marla	Shahbaz Town, Quetta	Available	Yes
Properties Identified by PMG Central Punjab Lahore					
5	Lahore GPO	02 Kanal 2.5 Marla	Nabha Road, Lahore	Available	Yes
6	Canal Bank Rd	01 Kanal, 10 Marla	Adjacent Civil Services Academy, Canal bank Road Lahore	Available	Yes
7	Khushab	08 Kanal	Jauharabad Road, Khushab	Available	Yes
Properties Identified by PMG FC and Northern Punjab Circle Rawalpindi					
8	Mianwali GPO	03 Kanal	Ballo Khel Road near Thal Canal, Mianwali	Available	Yes
9	<u>Bhakkhar GPO</u>	08 Kanal	Railway Road Bhakkar	Available	Yes
10	Golra Morr Rawalpindi	120 Kanal	Peshawar Road, Golra Morr	Available	Yes
Properties Identified by PMG Metropolitan Circle Karachi					
11	<u>Plot No. ST-33/A, Block 5-D</u>	1005.77 Sq yards	Block 5 D, North Karachi	Available	Yes
12	<u>Plot No. ST-1/A</u>	1004Sq yards	Block 5-B/3, North Karachi	Available	Yes
13	I.I Chandigarh Road	19096 Sq yards	CTO Compound, I.I. Chundrigarh Road, Karachi	Available	yes
14	N-Block, North Nazimabad	2911 Sq yards	Block N , North Nazim Abad, Karachi	Available	Yes

Properties Identified by PMG Northern Sindh Circle Hyderabad					
15	<u>PMG Office, Hyderabad</u>	2555 Sq yards	142/1-A,DHA, Thandi Sarak, Hyderabad	Available	Yes
Properties Identified by PMG Khyber Pakhtunkhwa Circle, Peshawar					
16	<u>GPO Peshawar</u>	16 Kanal	Saddar, Cantt Peshawar	Available	Yes
17	<u>Lorry Ada, Tank</u>	10 Kanal	TMA, Tank	Available	Yes
18	<u>Sheikh Maltoon</u>	01 Kanal	Sheikh Maltoon, Mardan	Available	Yes
Property Identified by PMG Southern Circle, Multan					
19	<u>Mumtazabad Multan</u>	3-Kanal, 9-marla	Plot NO. 110, Satellite Town, Scheme No. 01, Mumtazabad, Multan	Available	Yes
20	GPO Multan	50 Kanal	Hasan Parwana Road, Multan	Available	Yes
21	Ghala Mandi, Multan	2.6 Marla	Main Gala Mandi, Multan	Available	Yes

List continued

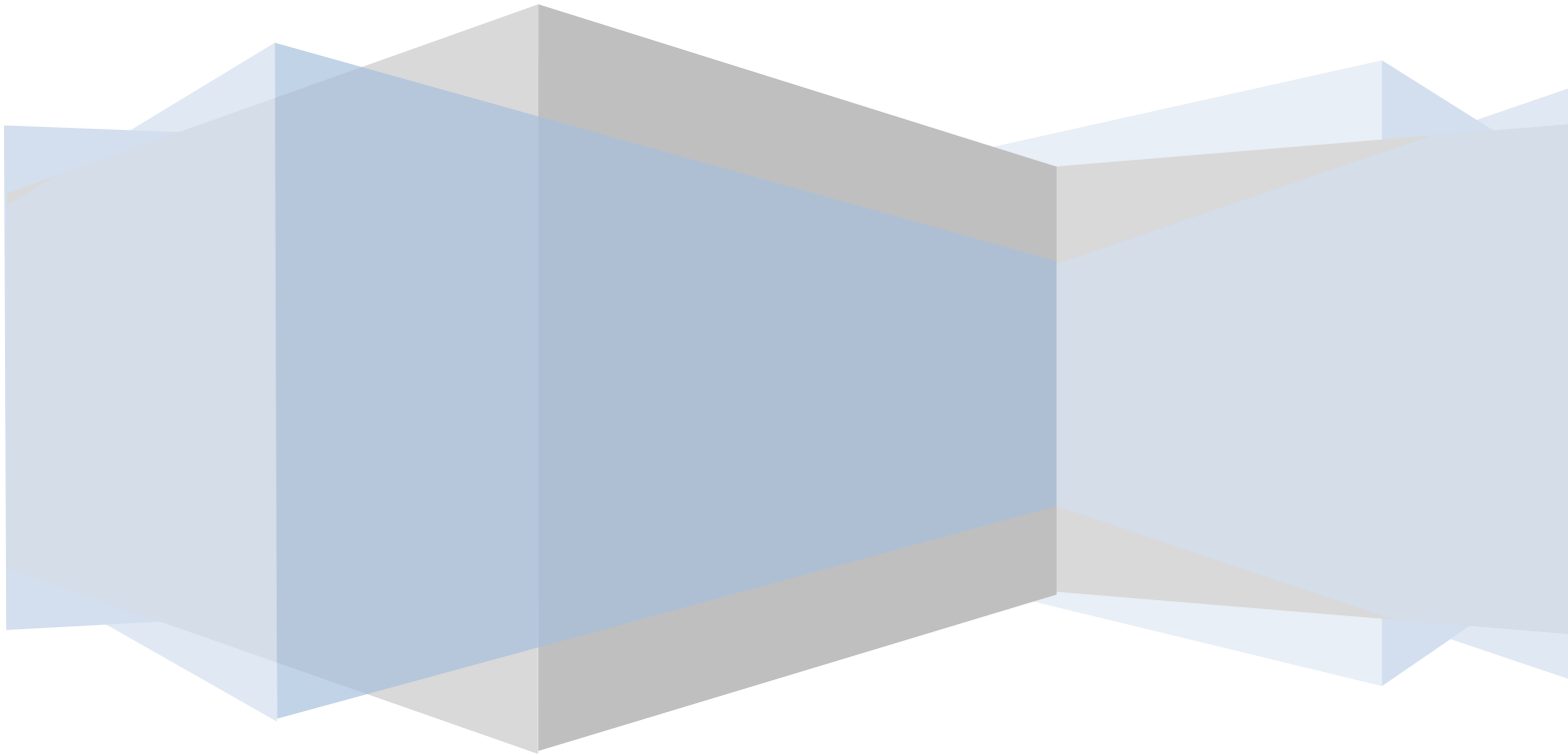
S. #	Particulars of Inspection Quarters	Location	Title Deed	Possession
22	Gulshan e Iqbal, Karachi	Nipa Chorangi, Gulshan e Iqbal	Available	Yes
23	Kashmir Road, Karachi	Kashmir Road, Karachi	Available	Yes
24	Ayubia	Main Road, Ayubia	Available	Yes
25	Lahore Cantt	Chawinda Lane, Sarfraz Rafiqui Road, Lahore Cantt	Available	Yes
26	Shadman Lahore	Shadman Market, Lahore	Available	Yes
27	Nathia Gali	Main Road Nathia Gali	In Process	Yes
28	Peshawar	PMG Office, Mall Road, Sadar	Available	Yes
29	Saidu Shareef	GPO, Saidu Shareef	Available	Yes

Note:- Exact number of properties will be determined at the time of RFP.



Annexure-A

**LEASE AND TENANCY POLICY
OF
PAKISTAN POST – 2020**



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PART- 1: LEASE POLICY

CHAPTER-1

1. DEFINITIONS

- a) **Agreement** means a contract between Pakistan Post and a private party for the implementation of a lease agreement entered into in pursuance of this Policy.
- b) **Bid documents** mean tender documents, Request for Qualification/Request for Proposal (RFQ/RFP), pre-qualification documents, and project proposals issued by Pakistan Post.
- c) **Board** means the Pakistan Postal Services Management Board (PPSMB) as established under section 3 of the Pakistan Postal Services Management Board Ordinance, 2002
- d) **Consultant** means any company/firm or individual having specific experience in the fields of (but not limited to) real estate management and administration, valuation, costing, advertising/marketing, finance, audit and transaction advisory hired by Pakistan Post in compliance with PPRA Rules, 2004 for purpose(s) of this Policy.
- e) **Database** means the list of immovable assets of Pakistan Post identified for leasing purposes.
- f) **Director General** means the Director General of the Pakistan Post.
- g) **Lease Committee** means the Committee **constituted** by the Director General for execution/implementation of leasing **process and** operations.
- h) **Reserve Value** means value of the land included in the Database by Pakistan Post as evaluated on the basis of the rates available from Deputy Commissioner, Federal Board of Revenue, State Bank Evaluator and open market.
- i) **Lessor** means Pakistan Post in this policy.
- j) **Lessee** means an individual / corporate entity / association of persons (AOP) / registered firm etc. **with whom** Pakistan Post **has executed the lease agreement.**
- k) **Lease** means an arrangement where Pakistan Post **hands over** possession of an immovable property to a private party who commits to pay to Pakistan Post:
 - a. an upfront premium amount **10% to** 25% of the total **successful bid** price of the property and
 - b. a regular periodic stream of payments till the expiry of the lease term.
- l) **Pakistan Post** means the Pakistan Post Office Department established under the Post Office Act, 1898.
- m) **Public Procurement Rules (PPR)** means Public Procurement Regulatory Authority Rules 2004, as amended from time to time.

- n) **Premium** means an amount paid by Lessee to Lessor **in advance from 10% to 25%** of the **successful bid price** of the immovable property in lump sum.
- o) **Property Classification** means assigning a grade to the property after assessment of its Reserve Value for the purposes of assigning a Premium to the property.
- p) **Sublease** means the agreement of the Lessee with a third party subject to the approval of Pakistan Post.
- q) **Sub-Lessee** means a person or entity to which a sublease is given by a Lessee on payment subject to the approval of Pakistan Post.
- r) **Outsourcing** includes any contractual arrangement for transfer of management, control or possession on the basis of lease or other competitive methods of letting out for a specific term of Ten years **which may or may not be extendable for another term**.
- s) **Inspection Quarters** means all Pakistan Post buildings, bearing the character of rest house managed by any Circle Head.

CHAPTER –2

2. VISION OF THE POLICY

2.1. Increase in revenue by leasing under-utilized postal properties / assets

Pakistan Post intends to maximize its productivity through increasing revenue generation by leasing its immovable properties to private parties. This includes leasing of the under-utilized space of its buildings, leasing of its vacant plots and Inspection Quarters in accordance with section 17 of the PPSMB Ordinance, 2002. To tap full potential of Pakistan Post assets, the department needs a well-defined and a comprehensive Lease Policy based on transparent procedures, best practices and international standards.

2.2. Benefits to Pakistan Post

It is envisaged that this Policy will yield the following benefits to Pakistan Post:

2.1.1 Increase in revenue which results in sustainability of Pakistan Post.

2.1.2 Safeguard the assets of Pakistan Post against encroachments.

2.1.3 Decrease maintenance costs of buildings.

2.3. Pakistan Postal Services Fund

All receipts from the lease and rent of the immovable properties of Pakistan Post under this Policy shall be deposited in the Pakistan Postal Services Fund established under section 21 of the PPSMB Ordinance, 2002; with the prior approval of the Federal Government, to manage, maintain and operate the Pakistan Post.

2.4. Mission of the Policy

The mission of this Policy shall be to promote and regulate the leasing of assets belonging to Pakistan Post. This Policy will be so aligned to ensure Pakistan Post's sound commercial and economic future by maintaining financial self-sufficiency through revenue generation from immovable property.

2.5. Scope of Policy

This Policy shall encompass all immovable properties of Pakistan Post across Pakistan identified for leasing purposes but will not include any such agreement consisting of transferring ownership rights of the property to the Lessee in long or short tenure of Lease or Sublease.

CHAPTER – 3

3. FRAMEWORK OF POLICY:

3.1. Authority to approve property to be leased

“The PPSMB shall have the authority to accord approval for leasing of assets of Pakistan Post in a transparent manner. The approval of Federal Govt as envisaged in Section 17 of PPSMB Ordinance, 2002 regarding leasing of assets of Pakistan Post, is deemed to be vested with the PPSMB through this policy”.

3.2. Identification of property

Property to be leased shall be identified and will be sent to PPSMB through Director General by the concerned Postmaster General or any other authorized officer.

3.3. Lease operation

Once the proposal is approved by the PPSMB, the Director General shall enter into lease operations.

3.4. Lease committee

The Director General, with prior approval of PPSMB, will constitute a Lease Committee to be chaired by concerned Addl. Director General and comprising of (but not limited to) concerned Circle/Formation Head (or any officer nominated by him) and Members from Finance, Operations, Administrations and Engineering Wings of Directorate General.

3.5. Cancellation of process

The Director General, if after due diligence is dissatisfied with any component of the lease process, may refer the matter for consideration of PPSMB.

3.6. Assistance by lease committee

The Director General, shall be facilitated by the ‘Lease Committee’ which shall assist in:

3.6.1 Procurement of services of a Valuation Company (enlisted with SBP as Valuator) for assessment of Reserve Value of the property (ies) approved to be leased.

3.6.2 Procurement of services of a Consultant (if required for larger projects or as decided by DG, Pakistan Post) for commercially efficient execution of the property (ies) approved to be leased.

3.6.3 Ensuring transparency and merit of processes undertaken.

3.6.4 Selection of proposals as recommended by the Valuation Company/Consultant as the case may be.

3.6.5 approving the classification of the properties to be leased into three different grades as following:

- GRADE-A
- GRADE-B
- GRADE-C

The criteria for the above classification is explained in **Annexure-A**.

3.6.6 recommendation of assigned value of Premium to classification of property:

- GRADE-A : up to 25%
- GRADE-B : up to 20%
- GRADE-C : 10%

3.6.7 assessment of value of immovable property on basis of updated rates fixed by:

- a) Deputy Commissioner;
- b) Federal Board of Revenue (if any);
- c) Open market value, which shall be assessed on the basis of a recent parallel case; (if available) &
- d) State Bank's enlisted valuator

3.7. Highest reserve value

On basis of data collected under paragraph 3.6.7, Reserve Value shall be the highest of all values received.

3.8. Constitution of sub-committees

The Lease Committee may form sub-committee(s) for various purposes or tasks.

CHAPTER-4

4. **Procuring Services of Valuation Company or Consultant**

4.1. Engagement of services of a valuation company

For immovable property selected for leasing, Lease Committee shall engage services of a Valuation Company enlisted with State Bank of Pakistan to assist the Lease Committee in accordance with the spirit of Public Procurement Rules, 2004 as amended from time to time.

4.2. Hiring of consultant/transaction advisor for leasing of larger projects

For Leasing of Larger Projects Lease Committee may engage services of a well-established Consultant/Transaction Advisor to assist the Lease Committee in accordance with the spirit of Public Procurement Rules, 2004 as amended from time to time with prior approval of DG, Pakistan Post.

4.3. Hiring of consultant/transaction advisor for leasing of inspection quarters

For Leasing of Inspection Quarters Lease Committee may engage services of a well-established Consultant/Transaction Advisor to assist the Lease Committee in accordance with the spirit of Public Procurement Rules, 2004 as amended from time to time with prior approval of DG, Pakistan Post.

CHAPTER – 5

5. Types of Lease Arrangements

5.1. Mode and duration of lease arrangements for vacant land / buildings

Mode of lease arrangement with their respective durations maybe kept as following:

Sr. No.	Mode of Arrangement	Asset kind	Duration of Lease Arrangement	Lease Extension
	Operating Lease	Vacant land/ Buildings	Up to 30 Years	10 Years

5.2. Preservation of ownership of land/plots/constructed buildings

For vacant lands/plots/constructed buildings the option of operating lease agreements may be used wherein, the Lessee agrees to pay an upfront premium and regular, periodic rental to Pakistan Post (Lessor). Pakistan Post shall retain ownership of the land and any construction(s) made on the land at the end of the lease term or at the end of any extension which may be granted.

5.3. Mode and duration of lease arrangements for inspection quarters

For Pakistan Post Inspection Quarters Lease arrangements will be of outsourcing type where “outsourcing” includes any contractual arrangement for transfer of management, control or possession on the basis of lease, cost plus management contracts or other competitive methods of letting out for ten years (10) which may or may not be extendable for another term.

5.4. Restriction on lease models

This Policy does not restrict any model with any lucrative revenue generation, provided that it does not involve transfer of land ownership rights and is not in conflict with any Federal, Provincial or local government laws.

5.5. Extension in lease

For any extension in Lease term, Lessee shall submit written request to the Director General one year prior to the expiry of the term of lease agreement, whereupon, the lease may be extended on approval of PPSMB.

CHAPTER – 6

6. Tendering & Awarding Contract for Lease of an Immovable Property

6.1. Tendering Process

6.1.1 Lease Committee upon finalizing recommendation by Valuation Company or Consultant (as the case may be) shall start tendering process in accordance with Public Procurement Rules, 2004 after approval by DG, Pakistan Post.

6.1.2 Lease Committee will present evaluation report of tendering process along with its recommendations to DG who then will seek final approval of PPSMB before entering into Lease Agreement.

6.2. Award of Lease Agreement

Lease agreement shall be finalized by the Director General or his authorized officer and awarded after vetting by Ministry of Law and Justice.

CHAPTER – 7

7. Miscellaneous

7.1. Maintenance of Record

The record of the leased property shall be entered and updated against its unique ID into the ‘Immovable Property Database (Annexure-C) of Pakistan Post’.

The Lease Committee shall ensure that: -

7.1.1 Every leased asset and its cash flows are treated as a separate account to ensure sustained profitability in every venture.

7.1.2 Leased assets are visited and inspected by concerned Postmaster General periodically to document contractual violations (if any) and take corrective measures accordingly and that the Director General is apprised of such eventualities.

7.1.3 Transactional data is maintained in both hard and soft form and protected as may be prescribed.

7.2. Unsolicited proposals

Unsolicited proposals may also be considered under this Policy and will be dealt with under section 2.1.(k)ka of Public Procurement Rules 2004.

7.3. Indemnity

No suit, prosecution or other legal proceedings shall lie against Pakistan Postal Services Management Board (PPSMB) and Pakistan Post, in respect of anything which is done in good faith under this Policy.

7.4. Penalty

Suitable penalty, proposed by DG PPOD and approved by PPSMB, may be imposed upon the lessee who is found guilty of default in payments, violating the agreement provisions or abusing the property of Pakistan Post.

7.5. Addition alteration in plan, infrastructure and status of property

No addition/alteration/modification shall be allowed in the basic plan, infrastructure and status of the immovable property without the approval from the PPSMB.

7.6. Termination of Lease:

The PPSMB, on the recommendations by DG, PPOD may approve termination of lease agreement with a lessee if circumstances and evidence lead to the conclusion that the lease agreement is being violated or the subject

property is being used for purposes detrimental to the interests of Pakistan Post.

SCHEDULE-I: GRADATION OF PROPERTIES

1. The properties will be graded/classified into three categories i.e.
 - i) GRADE-A
 - ii) GRADE-B
 - iii) GRADE-C

2. The Grading system will comprise of (but not limited to) following essential information described in numerical formats as follows:

Sr. #	Description	Total Numbers	Assigned by Consultant	Assigned by SBP Reg. Evaluators	Average
i.	DC Value	30			
ii.	Urban/Rural	30			
iii.	Commercial/ Non-Commercial	40			

3. Yard Stick:

- i. DC Value: if the area where property is situated has highest DC value it will be marked in bracket of 70% to 100%.
- ii. For Urban it will be rated 100%
- iii. For commercial it will be rated 100% and for others it will be rated 50%.

4. Grades: Categories with respect to scoring will be as follows:

- i. **GRADE-A:** Average Marks above 75%
- ii. **GRADE-B:** Average Marks 50% to 75%
- iii. **GRADE-C:** Average Marks 25% to 50%

SCHEDULE-II: IMMOVABLE PROPERTY DATABASE (IPD)

1. Establishing IPD for Pakistan Post:

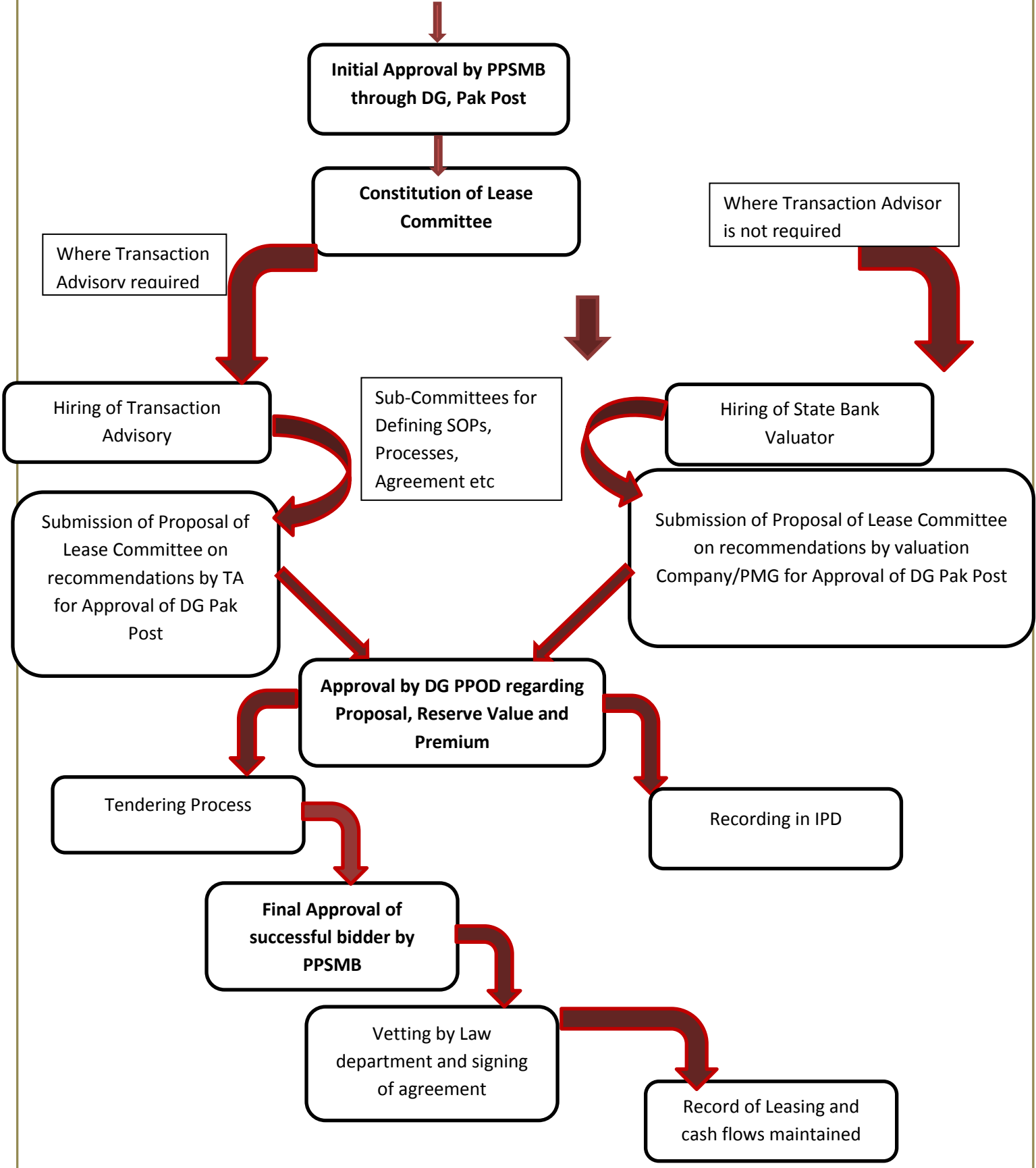
All Heads of Circles / Offices shall take following measures regarding immovable properties: -

- A. Identification of properties and geo-tagging for a unique ID issued by the Directorate General.
- B. Completion of ownership documents and removal of deficiencies, if any.
- C. Inspections (along with record notes of every inspection) at regular intervals;
 - I. With special care for protection of right of way and for not letting any activity in surroundings that may deteriorate commercial value of land (This may include taking action in collaboration with local administration for prevention of encroachment or other illegal use of land).
 - II. To periodically update status of land/building with detailed site plan (location, boundaries, existing structures, fixtures (if any), adjacent buildings or elements, main roads and streets).
- D. Remarks of the PMG indicating an objective opinion of the business potential of property.
- E. Respective PMsG would have the data of immovable property (ies) in their jurisdiction updated in central database quarterly, or earlier if need arises.

2. All the data relating to immovable properties shall be collected, compiled and preserved circle wise by respective Post Masters General. The DG Pakistan Post shall be the overall custodian of all the subject data to be maintained in the form of Departmental Archives.

SCHEDULE-III: FLOW CHART

Identification of property to be leased by completing record of properties by PMG (IPD)



SCHEDULE-IV: STANDARD FORMAT FOR DATABASE OF POSTAL PROPERTIES (LAND/BUILDINGS/PLOTS)

CIRCLE / OFFICE

S. #	Name of City	Land Area of Plot (Sq.ft)	Location/ Address	Detail/ Particulars of each Building Constructed on that Plot/Land	Type of Each building(PO/ Residential/ Admn.Office/Shop/Masjid/ Rest House / any other	Covered area of each building (Sq.ft)	Year of Construction	Ownership Document Type	Copy of Ownership Document Annexed At	Google map Annexed At	Type of Drawings Available	Drawings Annexed At	Any other Info
1													
2													
3													
4													
5													
6													
7													
8													
9													
10													

Prepared and Certified By:

Counter Signed by:

Assistant Engineer (Civil)

Postmaster General

Signature / Stamp (on each page)

Signature / Stamp (on each page)

PART-2: TENANCY POLICY

CHAPTER-1

1. DEFINITIONS

1.1 This Policy may be called as “PPOD Tenancy Policy”.

1.2 In this Policy, unless the context otherwise requires;

- a) **‘Department’** means Pakistan Post Office Department (PPOD).
- b) **‘Capacity Report’** defines departmental properties / part of properties available for rent with physical details.
- c) **‘Free Market Survey Assessment’** a basic assessment of rent of the intended property, on the basis of information gathered from local property dealers and rental gazette of ministry of housing and works.
- d) **‘Premises’** means any building / open space (walled / un-walled) or part of a building / open space (walled / un-walled) which is, or is intended to be, rented out separately for the purpose of office or commercial or educational use.
- e) **‘Property Manager’** means an officer/official or a private person hired individually by the concerned departmental authority, for management of the property.
- f) **‘Property Inspector’** means an officer/official appointed by concerned departmental authority responsible for checking of rented buildings periodically.
- g) **‘Tenant’ or ‘Lessee’** means a person or a company or an organization by whom the rent of any property is payable.
- h) **‘Rent Payable’** in relation to any property means the rent as per clauses 5.1 and 5.4;
- i) **‘Tenancy Operation Cell’ (TOC)** means an officer or a team of officers appointed by the Director General to work as a focal entity at the Directorate General level, for overseeing and coordinating all aspects concerning renting out departmental properties.
- j) **Property Agents** means a person or company enlisted and assigned by PPOD for its operations related to rented buildings.

CHAPTER-2

2. POLICY OBJECTIVE

Pakistan post office department with a vision of increasing revenue by optimum utilization of resources and reducing overhead costs, has decided to tap potential of its vacant buildings and lands. The policy provides basic guidelines to create a transparent procedure for renting out the premises in an organized manner. Non-existence of policy is restricting the growth of rental segment and hampering the department from renting out its vacant premises.

2.1. Prohibitions

2.1.1. Exception

The official residences will not be rented out.

2.1.2. Ineligibility

An applicant will be deemed ineligible for tenancy under this Policy if he is,

- i) Bankrupt;
- ii) Declared black listed by PPOD or any Govt. organization;
- iii) Member/ office holder of any political party/ sectarian organization/ some specific or racial group member;
- iv) Departmental employee;
- v) Known media/ social media harasser/ abuser.

2.1.3. Prohibited Uses of Buildings for Rent

The Buildings cannot be rented for use of following purposes:

- i. For any activity against Pakistan, Islam, govt organizations and departments;
- ii. Any sect, race, ethnicity or specific purpose group i.e., which may disturb social harmony in any manner;
- iii. Office of any religious or political party;
- iv. Education system of any specific ideology (madrassas etc.);
- v. Any NGO except that of known good fame with NOC from concerned government agencies;
- vi. Any business which is competitor of PPOD in any manner;
- vii. For Industrial use;
- viii. Any other ground deemed appropriate by the DG PPOD.

CHAPTER-3

3. TENANCY PROCEDURE

Procedure for renting out departmental properties will be as follows;

3.1. Establishment of Tenancy Operation Cell (TOC)

DG PPOD will establish TOC comprising of officers/officials from Administration and Engineering branch.

3.2. Capacity Report and Free Market Survey Report

3.2.1. Responsibility of CR Submission

The concerned postal circle will submit 'capacity report' and 'free market survey assessment' to TOC for obtaining approval of the Director General (DG) for renting out of the said properties.

3.2.2. Analysis and Approval of CR

TOC will analyze the reports and submit its recommendations to DG for approval and convey to the concerned postal circle.

3.3. Advertisement/Invitation/Selection of Potential Tenants

3.3.1. Advertisement Process

After obtaining approval, the postal circle will advertise its selected properties for rent, in main stream print and electronic media in accordance with PPRA Rules-2004.

3.3.2. Short Listing of Tenants

On the basis of proposals/bids received, potential tenants will be short listed on or above the rent described in clause 4.1.

3.3.3. Agreement with Tenant

All selected tenants alongwith their agreements will be submitted to TOC for approval of the DG.

3.3.4. Approval of Agreement

Upon approval from DG, the Agreement with the selected tenants will be signed by the officer authorized by head of respective postal circle.

3.4. Enlistment of Real Estate Entrepreneurs

3.4.1. Territory-wise Agents' Selection

DG-PPOD may authorize TOC to enlist area specific and nationwide agents from private sectors for marketing of Departmental Properties and finding suitable tenants.

3.4.2. Process for Agents' Enlistment

For enlistment a transparent and accountable process may be devised based upon following, but not limited to,

- i) Financial strength;
- ii) Reputation;
- iii) Volume of business in market (evaluation based upon number of agreements managed per year, bank statement, NTN etc.);
- iv) Character certificate from concerned Police;
- v) Any litigation record;
- vi) Any black listing record;
- vii) Payment of a specific security fee;
- viii) Indemnity bond;
- ix) Eligibility criteria as deemed feasible by DG (as abolishing religious/ political sectarian party workers, public office holders, conflict of interest, any departmental employee or his relatives).

3.4.3. Payment to Agents

Services of these agents can be paid in %age of rent they have managed with any tenant and that fee can be part of overhead expenses and paid from the budget allocated to TOC.

3.5. Special Provisions

3.5.1. Overhead Costs in Case of Rented Buildings via Agents

If in an area a real estate agent is specified then agreement should be of the type that all overheads regarding rent collection, inspection of property, checking visits for maintenance etc., will be on Agents' part and overhead costs be saved for department.

3.5.2. Periodic Information System

TOC should make a periodic information system to ensure that the Agent is Performing its duties well

3.5.3. Security by Agents

Security fees deposited by the agent shall be confiscated if the agent fails to perform his contractual obligations.

CHAPTER-4

4. TENANCY TERMS AND CONDITIONS

4.1. **Payable Rent of Departmental Property**

The rent payable in relation to a departmental property shall be the rent agreed between the department and the tenant, as per terms of the tenancy agreement, provided that;

4.1.1. It is evaluated on the basis of 'free market survey assessment' of the respective area prepared by the postal Circle.

4.1.2. It is in accordance with the relevant policy of the Ministry of Housing and Works.

4.1.3. In case clauses 5.1.1 and 5.1.2 differ, the higher rate will prevail.

4.2. **Revision of Rent**

4.2.1. **Annual Revision**

Revision of the rent, between the department and the tenant, will be on yearly basis @ 10% per year or as per the latest notification in this regard of the Ministry of Housing and Works.

4.2.2. **Notice for Revision**

The department will give a notice in writing to the tenant, three months, before the revised rent is due.

4.2.3. **Notice validity**

If a tenant, who has been issued notice of increase in rent under clause 4.2.2 above, fails to respond that notice, shall be deemed to have accepted the increase in rent mentioned in that notice.

4.3. **Sublet or Assign the Property for Rent**

No tenant, directly or indirectly, shall sublet or assign, whole or part of the property for rent.

4.4. **Rent Payment**

Every tenant shall pay rent and other charges payable within the period stipulated in the Agreement

4.5. Application of Increase in Rent during Tenancy

After the commencement of tenancy, if the department in agreement with tenant incurs expenditure for improvement, addition or structural alteration in the premises occupied by the tenant, not included in 'schedule of repairs', the department may increase rent of the premises in the Agreement with the tenant. Such increase in rent shall become effective one month after the completion of work.

4.6. Security Deposit

4.6.1. Minimum Security Deposit

The minimum-security deposit to be paid by the tenant in advance shall be not less than six (6) months rent.

4.6.2. Refund of Security Deposit

The security deposit shall be refunded to the tenant at the time of taking over possession of vacant premises, after deduction of any liability against the tenant.

4.7. Repair and Maintenance

4.7.1. Property Inspector Visits

Department or the Property Inspector may visit the premises after written/electronic communication specifying purpose, date and time, under the following circumstances:

- i. For repair and maintenance work in the premises.
- ii. to carry out an inspection to determine whether the premises is maintained in accordance with terms of the Agreement

4.7.2. Property Inspector Duties Regarding Tenants' Responsibilities

Property inspector will ensure that the tenant keeps the premises in good condition and fulfills his obligations as per schedule of repair & maintenance of this Policy which will be made part of tenancy agreement.

4.7.3. Common Facilities Sharing

In case of common facilities shared among the tenants or with the Department the respective responsibilities of tenant and Department shall be governed by the terms of Tenancy Agreement.

- i. In the event of tenant's refusal to carry out scheduled or agreed repair(s), the Department will get the repair(s) done and deduct the amount from the Security Deposit.

- ii. Provided that if the cost for the scheduled or agreed repair(s) exceeds the security deposit, the tenant shall be liable to pay the same to the Department within a period of one month from the issuance of notice to tenant by the Department.

4.7.4. Damage to Property

During the tenancy, the tenant shall,

- i. not intentionally or negligently damage the premises or permit such damage;
- ii. notify the Department of any damage, within 15 days.

CHAPTER-5

5. RE-POSSESSION OF THE PREMISES BY THE DEPARTMENT

5.1. **Eviction of Tenant**

A tenant shall not be evicted during the period of tenancy agreement, except in accordance with the provisions of clause 5.2 of this Policy.

5.2. **Recovery of Possession of the Premises**

The department will make an order for the recovery of possession of the premises on one or more of the following grounds;

5.2.1. **Failure in Rent Payment**

The tenant has failed to pay the due rent or arrears/ other charges for two months.

5.2.2. **Relief Limitation in Rent**

This relief shall not be available twice a year.

5.2.3. **Agreement Completion**

The tenant has after the commencement of his Agreement, parted with the possession of whole or any part of the premises without obtaining the written consent of the Department.

5.2.4. **Misuse of Premises**

If the tenant has misused the premises even after receipt of notice from the Department to stop such misuse.

Explanation – For the purpose of this clause, “misuse of premises” means non-conforming use;

5.2.5. **Departmental Requirement for Building**

The premises or any part thereof are required by the department for its own use or some government agency for public use or carrying out repairs or rebuilding or addition, alteration or demolition, which cannot be carried out without the premises being vacated.

5.2.6. **Re-entry after Repair of Building**

The re-entry of the tenant after such repairs, rebuilding, addition, alteration etc., will be allowed after it has been mutually agreed between the department and the tenant and a new tenancy agreement has been made.

5.2.7. Tenant Refuses to Vacate the Premises

The tenant has been given written notice to vacate the premises and in consequence of that notice the department has decided to sell/lease/sublease etc.

5.3. Non-Vacation of Premises by Tenant after Expiry/Termination of Tenancy

The department will be entitled to get double of the monthly rent for two months, and four times of the monthly rent thereafter, for the use and occupation of a premises by a tenant who does not vacate the premises after the tenancy has expired or terminated in accordance with clause 5.2 of this policy.

5.4. Right of Recovery of Possession

Where department exercises right of recovery of possession, it will return to the tenant the amount received in advance on any account after deducting the amount due against the tenant on any account.

SCHEDULE OF REPAIR AND MAINTENANCE

1. Respective Responsibilities regarding Repair and Maintenance

As per the Policy, the department shall be responsible for repairs relating to matters falling under Part-A and tenant shall be responsible for matters falling under Part-B.

PART-A

1.1. Responsibilities of the department

- i. Structural repairs except those necessitated by damage caused by the tenant;
- ii. Changing of plumbing pipes when necessary;
- iii. Internal and external electrical wiring and related maintenance when necessary

PART-B

1.2. Periodic repairs to be got done by the tenant

- i. Changing of tap-washers and taps;
- ii. Drain cleaning;
- iii. Water closet repairs;
- iv. Wash basin repairs;
- v. Bath tub repairs;
- vi. Geyser repairs;
- vii. Circuit breaker repairs;
- viii. Switches and socket repairs;
- ix. Repairs and replacement of electrical equipment except major internal and external wiring changes;
- x. Kitchen fixtures repairs;
- xi. Replacement of knobs and locks of doors, cupboard, windows etc.;
- xii. Replacement of fly-nets;
- xiii. Replacement of glass panels in windows, doors etc.;
- xiv. Maintenance of gardens and open spaces let out to or used by the tenant.

SAMPLE TENANCY INFORMATION FORM

To,

The Director General

(Address)

- i. Name & Address of the departmental representative, including email ID and details;
- ii. Name & Address of the property manager (if any), including email ID and address;
- iii. Name(s) & Address of the Tenant including email ID and Details;
- iv. Description of previous tenancy, if any;
- v. Description of premises to be rented out to the tenant including appurtenant land, if any;
- vi. Date from which possession is given to the tenant;
- vii. Rent payable as in clause 4.1;
- viii. Furniture and other equipment provided to the tenant;
- ix. Other charges payable (taxes/duties etc.);
- x. Other charges payable (services):
 - a. Electricity;
 - b. Water.
- xi. Extra furnishing, fittings and fixtures;
- xii. Other services Attached. rent/lease agreement, if any;
- xiii. Duration of tenancy (Period for which rented);
- xiv. CNIC number of departmental representative;
- xv. CNIC number of tenant/tenant representative.
- xvi. CNIC number of two (02) witnesses.

ANNEXURE-III

SAMPLE RENT AGREEMENT

This Agreement of case is made on _____ day of _____ between the President of the Islamic Republic of Pakistan represented through Pakistan Post Office Department, Ministry of Communication. Government of Pakistan (hereinafter called the LESSOR) which expression shall include the successors in-interest executors administrator and assignees of the FIRST PARTY.

AND

M/s. _____ (hereinafter called the LESSEE) which expression shall include successors-in-interest executors. Administrator and permitted assignees) of the SECOND PARTY.

1. WHEREAS the Lessor is the Owner of the following buildings and has agreed to give on lease the area specified below and the Lessee has agreed to take the space on lease for the period and commencing from the dates indicated above i.e. _____

Building	Lease Period	Area in Sq. it.	Rate per Sq. ft.	Rent assessment per month
TOTAL				

2. The Lessor and Lessee agree as follows:

- i) The rent shall be at the rate and with effect from the dates as indicated above and shall be payable on monthly / yearly basis;
- ii) The Lessee may vacate the premises by giving a notice in writing two months; before vacation. The Lessee shall ensure clearance of all utilities bill other dues of local Government. If any bills for repair etc.;
- iii) The Lessee shall be responsible for maintaining the premises and keep it in good shape tidy and clean;
- iv) The Lessee shall use the premises in such a manner that it does not cause nuisance or hindrance in the use of other lessees of the premises;
- v) The Lessee shall be exclusively responsible for all claims for damages etc., of whatever nature concerning the use of the Leased premises. The Lessee shall itself defend litigation and pay the damages;

- vi) Lessor may terminate the Agreement and get the premises vacated if the Lessee:
 - i) breaches any of its obligations under the Agreement;
 - ii) misuses the premises;
 - iii) sublets the premises;
 - iv) makes any structural changes without prior approval in writing from the Lessor; and
 - v) causes damage to the property.
- vii) The Lessor may also terminate the Agreement and get the premises vacated if the premises are required by it for its own personal use;
- viii) The Lessor will arrange the three-phase electric connection on the said premises at the time of possession and pay the security fee;
- ix) The Lessor shall pay all rates taxes and assessment including urban property taxes etc. as assessed and levied on the premises by the Government or Municipal Authority or any other local Provincial or Federal Authorities;
- x) Wherever the premises or any essential part thereof is destroyed. or damaged by fire, earthquake, water, civil disturbance or any other natural calamity or due to faulty construction so as to make it impossible for further tenancy the lease shall stand terminated at once;
- xi) The Lessee as well as the Lessor do hereby irrevocable commits themselves not to dispute or raise any objection to the agreed amount of rent and to the terms and condition throughout the lease period except as hereby agreed;
- xii) The Parties may extend this Agreement through mutual consent for further period (s) as agreed;
- xiii) This Agreement shall be governed by the **RENTAL POLICY OF PAKISTAN POST**, laws of Pakistan and the Civil Courts of Pakistan shall have exclusive jurisdiction concerning all matters pertaining to or arising from the Agreement.

IN WITNESSES WHEREOF the Lessor and the Lessee have executed this Agreement through their authorized representatives at the place and date fist above written.

LESSOR

LESSEEE