

## Response to Queries

<b>Announcement Number:</b>	HDC (161)-EM/IU/2020/170
<b>Announcement Title:</b>	Development and Sale of Mixed Residential Buildings in Hulhumalé
<b>Document Issued Date:</b>	13 <sup>th</sup> September 2020
<b>Proposal Submission Deadline and Venue:</b>	30 <sup>th</sup> September 2020, 13:00hrs to 14:00hrs HDC Building, Exhibition Center (Ground Floor)

Below please find the answers to the queries raised for the subjected proposal.

#	Queries	Response
1	The document states that Registration has to be done before August 13th 2020, and those companies who has registered within this time limit can only be invited and eligible for proposal submission.	Proposal Submission and Opening of this RFP will be conducted physically and no registration is required to participate in this proposal submission. Please refer to Announcement no: HDC(161)-EM/IU/2020/169 (Addendum-4)
2	I would like to inquire for joint venture with a foreign company, can their local partner register their companies before 13th August 2020 and submit the proposals as a Joint Venture before 24th of September 2020.	If the Joint venture company is not formed at the time of application, a board resolution of the Joint Venture partner indicating the intention to form a Joint Venture with the proponent in case of award of the project shall be submitted, along with the signed Joint Venture agreement stating the shareholding structure and any other relevant details. Should the project be awarded to a Joint Venture Company which was not registered at the time of proposal submission, the Joint Venture Company shall be registered and a copy of the Joint Venture Registration Certificate shall be submitted within the given timeframe in the conditional award letter, prior to signing the agreement.
3	I couldn't see on RFP, when the land price should be pay, So could you please let me know when the land price have to be paid?	The Land cost payment shall be settled to HDC in terms of completed 'Price Capped Housing Units' inclusive of the proportionate car parking area. (Please refer to RFP Section III, Point 5) The developer shall handover completed units from the 'Price Capped Housing Units' for the proportionate Land Cost value In case the total value cannot be settled based on the total allocated units to HDC, the balance amount should be settled to HDC in Cash.



4	How much is the minimum "paid in capital" required when establish a local company registration? I mean if should join with local company by 70: 30 portion. Please tell me how much the minimum capital of the JV company should be paid initially.	Please refer to the guidelines and requirements of Ministry of Economic Development for registering Businesses.
5	Did HDC enter into contract and resolve any legal issues with financial institutions to facilitate the financing of these apartments ?	No such arrangements were made with any financial institution. Also, it is the responsibility of the developer to work with banks for end user finance for their customers
6	Given the Covid-19 and loan moratorium, are Maldivian financial institutions are able to finance the purchase of these apartments?	It is the responsibility of the developer to work with banks for end user finance for their customers
7	Land rent has to be paid in advance upon signing the contract to HDC ?	The Land cost payment shall be settled to HDC in terms of completed 'Price Capped Housing Units' inclusive of the proportionate car parking area. (Please refer to RFP Section III, Point 5) The developer shall handover completed units from the 'Price Capped Housing Units' for the proportionate Land Cost value In case the total value cannot be settled based on the total allocated units to HDC, the balance amount should be settled to HDC in Cash.
8	Each plot , 40% is used for fixed rate of MVR 1'000 or less (excluding GST) and balance 60% of the land can be used for Open Rate per sq feet?	Minimum of 60% of the saleable area shall be sold at the proposed 'Residential Sale Rate'. The maximum acceptable 'Residential Sale Rate' per square feet of the saleable area of a completed housing unit is MVR 2,400 (exclusive of GST) Maximum of 40% of the saleable area can be sold at open market price Please refer to RFP, Section III (Evaluation and Qualification Criteria), clause 1.1, 1.3 and Section III. Product Details & Qualification, Clause 2.5, 2.6
9	Parking has to be 40% for Fixed Rate apartments and 60% for Open Rate apartments?	Motorbike parking has to be given to each apartment as per the guidelines and remaining can be sold to customers linked to their apartment - Car parking also has to be allocated to the units to be transferred to HDC at cost and balance can be sold to customers link to apartment sale - Parking cannot be leased and sold without linking to a unit sale Please refer to clause 4 of Section iii: Product Details and Qualification and clause 1.6.6 of 'Development Guidelines'



10	Similar to Renaatus and Amin buildings, from 3rd floor the building has to be offset backwards creating bigger balconies for 3rd floor apartments ?	The offset is applicable to plot: D10-3B as per the development guidelines. However, the setback is optional for the remaining plots and it's up to the developer/ designer to give an offset. Please refer to the Annex 01 'Drawings (Location map/ Plot map)' of the RFP.										
11	What is the period given for construction ?	The Construction and Development period for the project shall be 24 calendar months from the date of approval of Detailed Drawings, if the Development and Sales Mortgage rights is granted. If the developer is opting for other financing models instead of obtaining mortgage rights, the Construction and Development period shall be 36 calendar months from the date of approval on Detailed Drawings. Please refer to RFP Section III. Product Details & Qualification, Clause 8.12										
12	<p>Marks:</p> <table border="0"> <tr> <td>Residential Sale Rate</td> <td>40%</td> </tr> <tr> <td>Experience</td> <td>30%</td> </tr> <tr> <td>Commercial Sale Rate</td> <td>20%</td> </tr> <tr> <td>Local Shares</td> <td>10%</td> </tr> <tr> <td></td> <td>100%</td> </tr> </table> <p>Within Residential Range is the Mid-Range and Premium-Range or is Premium Range within Commercial Sale Rate? - Premium Range there is no maximum range. - Mid-Range is maximum MVR 1,000</p>	Residential Sale Rate	40%	Experience	30%	Commercial Sale Rate	20%	Local Shares	10%		100%	60% of residential salable area has to be sold under the price cap and 40% can be sold on open market price - commercial area is referred to the commercial space provided on ground and first floor which will be taken back to HDC at the rate to proposed by the proponent, which shall be maximum of MVR 1000 per sqft Please refer to RFP Section II. Evaluation and Qualification Criteria
Residential Sale Rate	40%											
Experience	30%											
Commercial Sale Rate	20%											
Local Shares	10%											
	100%											
13	Should the registration to be made under Joint Venture, if the RFP is submitting as a Joint Venture?	The proponent can register under either names of both companies. If the Joint venture company is not formed at the time of application, a board resolution of the Joint Venture partner indicating the intention to form a Joint Venture with the proponent in case of award of the project shall be submitted, along with the signed Joint Venture agreement stating the shareholding structure and any other relevant details.										



14	Do you require a local Joint-venture partnerships to be registered under company law?	If the Joint venture company is not formed at the time of application, a board resolution of the Joint Venture partner indicating the intention to form a Joint Venture with the proponent in case of award of the project shall be submitted, along with the signed Joint Venture agreement stating the shareholding structure and any other relevant details. Should the project be awarded to a Joint Venture Company which was not registered at the time of proposal submission, the Joint Venture Company shall be registered and a copy of the Joint Venture Registration Certificate shall be submitted within the given timeframe in the conditional award letter, prior to signing the agreement.
15	Clarify the meaning of "project value" mentioned in clause 3.8, Section I. Does it referring to the project construction value or sale value?	The project value is the Cost of the project not the revenue of the project
16	What is the form of document required and details of such document, refers as "PROOF OF FUNDING" mentioned in clause 3.8, Section I.	The proof of fund should be provided as a Bank Comfort Letter, provided in the format in Annex 07 of the RFP
17	If the funding comes from local Director's personal bank account, what kind of documents are required?	Should provide proof of having the fund and also commitment letter from directors that the fund will be used only for this project
18	How would you consider the experience in evaluation?	Based on the value of projects undertaken in the past
19	Experience in Project management of Real estate project?	No
20	Experience of contractor in real estate projects?	Yes
21	Experience as a developer in Real estate projects?	Yes
22	Do you provide a site for material storage and Labor accommodation?	Temporary site will be provided subject to the availability of land
23	Do you consider GFA for land value calculation?	Our pricing framework takes GFA under consideration however the price is charged only on the land plot area
24	How do you justify the price capping amount for middle income buyers?	The Price cap is based on the affordability of the buyers and also considering the project viability for the developers





25	How do you evaluate 20% completion of the project?	The 20% completion of the civil works will be verified based on the submitted progress reports from the developer and the inspections carried out by HDC on the development land.
26	Would you consider the amount spend for preconstruction, such as mobilization cost and payment of acquisition in this 20% completion amount?	No - the 20 % has to be the physical civil work of the project
27	Renewal of Performance guarantee can be renewed for a required month as per progress of work, rather than annual renewal?	The Performance Guarantee shall be valid until the completion of the construction and development, and for an additional 2 months after completion of construction and development. Furthermore, if the initially submitted Performance Guarantee has a validity shorter than the construction and development period plus an additional 2 months, the Performance Guarantee shall have at least a validity period of 1 year, and the developer shall renew the Performance Guarantee at least 2 months prior to the expiry date of the Performance Guarantee, and shall be renewed annually and maintain the validity of the Performance Guarantee until completion of the construction and development plus additional 2 months.
28	Does the basement area counted under the GFA or the price capped criteria?	Basement parking area is not calculated in the allowed GFA. The price cap area is calculated only on the Salable Floor area of the residential units not on the total GFA
29	Can we consider to extend parking into the offset area?	No. The setback can be utilized if the basement cover slab top level is the same with the Ground level (C Curb level) or below, doing so the basement should have a clear setback of 1m from plot boundary from all sides. Other than the mentioned instance, usage of the setback area is not allowed for parking.
30	How could the maximum selling rate capped at Rf. 2,400.00 justified for a middle income citizens when the rates recently discussed in People's Majlis for social housing construction cost rate was above 2,000.00 per sqft.	This project is not under Social Housing, and the price cap is only for 60% of the salable area, balance 40% is free to sell at open market prices. The price cap is based on two factors which is the buyers affordability and project viability for developers



31	How would you define the Residential GFA and the saleable area?	The residential Salable area is area of apartment which include 50% of the sharing wall and 100% of the front and rear (unsharring wall) except any voids in this area. The residential GFA includes the common areas and any other area related to residential apartments except Commercial areas and areas associated with commercial areas.
32	Why the selling area limited to carpet area of a residential unit, since the registration required is more than carpet area of the same residential unit as per condominium regulation? Also Section II, Clause 1.4, refers to "completed housing unit" which supposed to be more than the carpet area in its outline for registration.	According to the Condominium regulation the sellable area is not carpet area and will include 50% of the sharing wall and 100% of the front and rear (unsharring wall) and will exclude all the voids in this enclosed area. In the registration process that sellable area will be accounted for the unit registration while common corridors, areas and lobbies will be sharing spaces of the condominium society.
33	What is the difference between the 60% of "total residential GFA" Section II, clause 1 and 60% of saleable area mentioned in Section III, clause 2.5	The correct way is the 60% of Salable area as Section III, clause 2.5
34	Finishing schedule in "Design Guidance Document" stated in Annex II, clause 2.6.14 is missing.	Please refer to 2.11 of "Design Guidance Document" uploaded with announcement no: HDC(161)-EM/IU/2020/169 (Addendum-4)
35	Define completed residential unit?	Completion as per the Development Guidelines, Design guidance documents and Agreement
36	Define completed commercial unit?	Completion as per the Development Guidelines, Design guidance documents and Agreement
37	How do the HDC define the standard for "Basic Fishing" for capped residential and commercial units?	Please refer to 2.11 of "Design Guidance Document" uploaded with announcement no: HDC(161)-EM/IU/2020/169 (Addendum-4)
38	Define when the construction starting period will be deemed as the starting point of the project (based on the previous experience) ?	Please Refer to Section III, sub-clause 8.8 and 8.10 of the RFP, which states that HDC shall handover the development land within 7 working days upon approval of the detailed drawings, and within 30 calendar days from the date of land handover the developer shall mobilize the development land. Additionally, referring to sub-clause 8.12 of the RFP, the construction and development shall be 24 calendar months from the date of approval of detailed drawings if development and sale mortgage right is granted to the developer. And, if the developer opts for other financing models, the construction and development period shall be 36 calendar months from the date of approval of the



		detailed drawings. Hence, the construction and development period shall be commenced from the date of approval of detailed drawing, and the physical mobilization of the development site shall commence within 30 calendar days after handing over of the development land by HDC.
39	Can acquisition fees be offset against the land cost?	No. Acquisition fee is a separate fee
40	Shall the independent consultants hired by the developer be a party approved by HDC specifically?	The Independent Consultant shall be a licensed Independent Consultant approved by a regulatory body Please refer to 2.0 of "Submission and Quality Management" document uploaded with Announcement no: HDC(161)-EM/IU/2020/169 (Addendum-4)
41	Will the HDC revise price caption rates in the vent that there will be a charge in Dollar exchange rate? If so what amount shall the dollar exchange rate should have to increase for HDC to consider a price revision?	HDC may only consider in case the central bank revises the exchange rate or any changes are brought in the government policy
42	Requesting for paying the acquisition fee in 3 months installment.	The Acquisition fee shall be settled to HDC within 30 calendar days from the Notification of Conditional Award. Please refer to RFP Section I. Instruction to Proponents (ITP), Clause 31.1
43	For D10-3B plot a construction period of 24 months is fine, for other plots kindly provide 30 months as a construction period.	The Construction and Development period for the project shall be 24 calendar months from the date of approval of Detailed Drawings, if the Development and Sales Mortgage rights is granted. If the developer is opting for other financing models instead of obtaining mortgage rights, the Construction and Development period shall be 36 calendar months from the date of approval on Detailed Drawings. Please refer to RFP Section III. Product Details & Qualification, Clause 8.12
44	Page50, Ref1.2.3 Confirm that the 3-5% PWD of the unit required for HDC	Yes 3-5% of the units should be allocated and design for PWD and as according to the Maldives Disability Act



45	<p>Page17, Ref 4.6 Provide confirmation for selling the car parking space to Open market apartments on a priority basis.</p> <ul style="list-style-type: none"> <li>• After allocating the car parking to the Open market apartments and visitors, the balance will be provided for the capped price apartments.</li> <li>• The car parking shall be sold at the same price for open market units, price capped units and HDC allotted units.</li> </ul>	<p>Motorbike parking has to be given to each apartment as per the guidelines and remaining can be sold to customers linked to their apartment</p> <ul style="list-style-type: none"> <li>- Car parking also has to be allocated to the units to be transferred to HDC at cost and balance can be sold to customers link to apartment sale</li> <li>- Parking cannot be leased and sold without linking to a unit sale</li> </ul> <p>Please refer to clause 4 of Section iii: Product Details and Qualification and clause 1.6.6 of 'Development Guidelines'</p>
46	<p>Page18, Ref5.2 Confirm that the HDC allotted price capped apartments will purchase car parking at the same rate sold to others.</p>	<p>Developer must allow HDC to buy car parking equivalent to the proportion mentioned in guidelines at cost</p>
47	<ol style="list-style-type: none"> <li>1. Page18, Ref5.3 Confirm that the developer will have the free hand in picking the locations and floors for providing the Open market apartments.</li> <li>2. Provide minimum finishes requirement for the price capped apartments</li> <li>3. Provide a complete finishing schedule for the commercial area.</li> <li>4. While constructing the basement floor the ground floor slab will be elevated by a minimum of 1.2m. Shall we extend the basement cover slab (1.2m height) in the setback areas for providing enough parking and services in the basement.</li> </ol>	<ol style="list-style-type: none"> <li>1. Developer can choose the apartments for 40% free sale category provided that 60% is spread out to various floors</li> <li>2&amp;3. Please refer to 2.11 of "Design Guidance Document" uploaded with Announcement no: HDC(161)-EM/IU/2020/169 (Addendum-4) uploaded with Addendum-4 of the announcement</li> <li>4. The setback can be utilized if the basement cover slab top level is the same with the Ground level (C Curb level) or below, doing so the basement should have a clear setback of 1m from plot boundary from all sides. However if the basement is a half basement with the cover slab having a level higher than the Ground level, the setback cannot be utilized in this instant</li> </ol>
48	<p>While constructing the basement floor the ground floor slab will be elevated by a minimum of 1.2m. Shall we extend the basement cover slab ( 1.2m height ) in the setback areas for providing enough parking and services in the basement</p>	<p>The setback can be utilized if the basement cover slab top level is the same with the Ground level (C Curb level) or below, doing so the basement should have a clear setback of 1m from plot boundary from all sides. However if the basement is a half basement with the cover slab having a level higher than the Ground level, the setback cannot be utilized in this instant</p>





49	After the addendum 3, in section 1, Clause 3.3(e), a proponent can submit a proposal for more than one plot. However, in section 1, Clause 3.11 says a proponent cannot submit more than one proposal and Clause 3.12 says a proponent shall not submit a proposal for more than one plot. Can you please clarify whether if the proponent is submitting a proposal for more than one plot, is it in one single proposal or in separate proposal for each plot? And would they need bid security and proof of funds for each plot?	A proponent can submit proposal for more than one plot in the RFP. Proposals submitted for separate plots by same proponent shall be in separate envelopes as separate proposals and should comprise of all the documents as per proposal submission requirement. In case a proponent submits more than one proposal, the bid security shall be issued as follows: <ul style="list-style-type: none"> <li>▪ One bid security can be submitted for all the proposals submitted by the same proponent.</li> <li>▪ The original bid security must be submitted separately in a sealed envelope.</li> <li>▪ All the proposals must include a copy of the bid security.</li> </ul> Please refer to Announcement no: HDC(161)-EM/IU/2020/169 (Addendum-4)
50	Section 1, Clause 15.1 says 1 original but does not say how many copies while reference has been made to copies throughout Clause 15. How many copies do we need to submit?	Only one proposal set including all the required documents (Price Proposal Form as in Annex 08, Bid Security as in Annex 06, Legal Documents, Financial Documents, Experience proving documents, Shareholding Structure, and RFP Document Checklist) according to Section IV of the RFP, shall be submitted.
51	What do you consider as HDC Units, is it all commercial units and 'price capped housing units'?	Yes and also the parking linked to these units
52	Section 2, Clause 1.2 - What do you mean by settle, can you elaborate with an example showing what a land value means and how it can be settled, also is it the same land value that Section 2, Clause 3.2 says can be offset with the cost of commercial area?	The land Cost will be first settled with commercial area cost, and the balance amount has to be settled via residential units, in this way there will be no cash payment to HDC - example the total land cost is 10,000,000. and the cost of commercial area is 7,000,000. first it will be settled against commercial units, the balance 3,000,000 will be settled in residential units equivalent to the amount any little variance be settled in cash
53	REF3.12 Can the Proponents submit for each plot?	A proponent can submit proposal for more than one plot in the RFP. Proposals submitted for separate plots by same proponent shall be in separate envelopes as separate proposals and should comprise of all the documents as per proposal submission requirement of the RFP.





54	REF16.1 Can the Proponents submit 4 separate Proposals in 4 separate labelled envelopes	A proponent can submit proposal for more than one plot in the RFP. Proposals submitted for separate plots by same proponent shall be in separate envelopes as separate proposals and should comprise of all the documents as per proposal submission requirement of the RFP.
55	REF31. 1) Can the Acquisition Fee be paid within the construction period with equal monthly installments? 2) Is this acquisition fee, part of Land sale and be offset?	The Acquisition fee shall be settled to HDC within 30 calendar days from the Notification of Conditional Award. Please refer to RFP Section I. Instruction to Proponents (ITP), Clause 31.1
56	With the basement, the ground floor shall be elevated 1.5 to 2m and with this, the lift hoist height may go beyond 47m. Will this increase in height be approved?	Yes. It will exceed the given height, hence cannot be allowed. If the basement need to be raised from ground level the developer may opt to cut down 0.5m from Ground and first (Total 1m) and can utilize this 1m for basement. However the total building height shall remain the same (47m)
57	Section II EVALUATION CRITERIA REF2.2 For full points for experience, full point for reaching completed projects to 150% of this projects value. 1) What is the lowest completed project values to be considered? 2) What is the range used for calculations? Lowest to highest?	There is no lowest specified, points will be given pro rata basis for any amount below 150%
58	Section II EVALUATION CRITERIA REF2.32 For the JVs with a foreign company, how is the % taken? 15% maximum for what percentage of projects completion as per this project's value For the JVs how do you evaluate? A combined scoring or separate evaluation for each party?	for foreign parties, their experience in foreign countries can only score a maximum of 15%, a party can only score full with experience in undertaking projects locally
59	Section III Detail & Qualification REF2.3 Can the proponent propose with 1 room apartment and 3+1	Should not be included within the 60% price capped units, however if developer wants to can include within the 40% open market category
60	Section III Detail & Qualification REF4.3 &4.5 Can the proponent keep the unsold parking slots till the retention period to be sold (if those not sold, at the time of units handover.	any parking spots not sold at the point of residential sale completion shall be transferred to the condominium society as common facilities



61	Section III Detail & Qualification REF5.1 Is GST levied on Land sale ?	The price given is exclusive of GST, yes GST is levied on land sale
62	Section III Detail & Qualification REF6.7 Can the proponents ask for higher booking fee from open market units	The booking fee shall be limited to a maximum of MVR 50,000 (Maldivian Rufiyaa Fifty Thousand) per Residential unit for all the apartment units sold old under the project.
63	Section III Detail & Qualification REF7.1 Independent Consultant – the consultant be approved by HDC and the party to monitor the project quality/standard or HDC to monitor the project quality/standard via HDC assigned Team?	Please refer to Annex 03 – Submission & Quality Management Criteria document uploaded with Addendum - 4 of the announcement
64	Section III Detail & Qualification REF8.12 24months for the finance via mortgage option and 36months for finance via other option: As per #8.11, EIA also to be forwards in 30 days from the Detailed drawing approval time and completion time frame for 24months form detailed drawing as per #8.12? Furthermore, as the construction industry and supply chain in a slow pace due to #Covid19, 24months is very unrealistic tie frame considering the current status worldwide. Hence can proponents request for 36months for the construction time frame?	Extensions are not encouraged, however we understand force majeure events under such circumstances extension may be allowed based on the performance
65	Section III Detail & Qualification REF10.2 Please provide details of the mortgage Policy of HDC	Only the development rights can be mortgaged, bare land cannot be mortgaged
66	Annex 2 REF1.3.5 Can the proponent forward the design with two Tower's distance less than 10m?	The minimum distance between two building blocks/towers in a single plot must not be less than 10m
67	Annex 2 REF2.5.12 Do Proponents need to provide Transformers, if each Tower's power requirement don't reach the level to have separate Transformer as per Stelco's guideline	As per the Development guidelines clause 1.7.3 and 2.5.12, the developer should have the spaces allocated for services in the development





68	Design Guidance Document – Some Documents missing in the uploaded RFP REF2.9 Sustainability - missing REF2.10 Sick building Syndrome -missing REF2.11 Finishing Schedule – missing REF3.1 – 3.6 Building Services – All documents missing REF4.1 – 4.3 Electrical service requirements – All documents missing	Please refer to "Design Guidance Document" uploaded with Announcement no: HDC(161)-EM/IU/2020/169 (Addendum-4)
69	Import Duty Option - Is this project an Import Duty Free Project? Recent changes to Import Duty have made some materials like. Granites, ceramic tiling, Air-conditions ++ as ZERO Duty items, but still items like electric cabling, fixers, putty, doors, paints are with import duty and as this project is targeted for mid-range housing units, can the proponent request for Import Duty Free option for this project?	No this project is not under such a scheme
70	Working Site - Can the proponents request for a working & storage site, near the proposed building site? What are the available sizes of land as a working site?	Temporary site will be provided subject to the availability of land and at the rate of MVR 5 per sqft per month
71	Working Time - As these locations are in occupied neighborhoods, what's the approved working time to carry construction work JVs - For the local JVs, how do you evaluate, for local JVs is it a combined evaluation or does each party need to meet specific criteria?	Working hours as per municipal guidelines. Evaluation will be done on a Combined format

