



No. SO Estate (LG) 2-8/2008 (Attock)
Government of the Punjab
Local Govt. & Community Development
Department

Dated Lahore, the 10th June, 2015

To

1. All the Administrators
Tehsil / Town Municipal Administrations
In the Punjab
2. All the Tehsil / Town Municipal Officers
Tehsil / Town Municipal Administrations
In the Punjab

Subject: **AFFAIRS OF PRIVATE HOUSING SCHEMES. ACTION AGAINST
ILLEGAL HOUSING SCHEMS**

The undersigned is directed to refer to the subject and to state that affairs of the private housing schemes / land sub divisions are governed under the Punjab Private Housing Scheme & Land Sub Division Rules, 2010. A procedure has been laid down for processing the applications for the establishment of private housing schemes and approval thereof. It has been observed with great concern that these Rules are not observed in letter and spirit. Numerous illegal housing schemes have been established and developers are making advertisement of these schemes on electronic as well as print media to attract the public and fleece them. No timely action has been taken against these illegal activities by the TMAs which tantamounts to misconduct on the part of TMAs.

2. To curb this menace / malpractices of the developers, Government has notified and circulated the ibid Rules for strict compliance. Relevant extract of the Rules is reproduced below:-

Pre-requisites for issuance of sanction of a scheme. A Town Municipal Administration, a Tehsil Municipal Administration or a Development Authority shall, prior to issuance of sanction for scheme, require a developer to:

- (a) submit a transparency of approved layout plan indicating also the plots proposed to be mortgaged;
- (b) submit a soft copy of approved layout plan geo-referenced with the coordinate system of survey of Pakistan plan;
- (c) deposit scheme approval fee;
- (d) deposit the land use conversion fee, if applicable;
- (e) submit a transfer deed in accordance with form B for free of cost transfer to a Town Municipal Administration, a Tehsil Municipal Administration or a Development Authority:
 - (i) area reserved for road, open space, park and graveyard, solid waste management; arid
 - (ii) one percent of scheme area for public buildings, excluding the area of mosque:
- (f) submit in the name of a Town Municipal Administration, a Tehsil Municipal Administration or a Development Authority:

- (i) a mortgage deed, in accordance with form C, twenty percent for housing scheme and ten percent for farm housing scheme of saleable area as security for completion of development works; or
 - (ii) a performance bond, in accordance with form D and D1, consisting of a performance agreement and a bank guarantee respectively and the amount of bank guarantee shall be equivalent to total cost of development works:
- (g) submit a no objection certificate from the Environmental Protection Department.

Contents of an advertisement.— (1) A developer shall not advertise sale of plots or housing units in print or electronic media without a prior no objection certificate from the competent authority.

(2) The competent authority may grant no objection certification to a development under sub-rule (1) within fifteen days after fulfillment of conditions prescribed for this purpose.

(3) The advertisement shall contain the following contents:

- (a) total area of the scheme with location plan;
- (b) aggregate of residential and commercial plots;
- (c) detail of mortgaged plots;
- (d) period for completion of development works;
- (e) name of competent authority and sanction number;
- (f) procedure of allotment of plots through balloting or otherwise; and
- (g) detail of plots to be sold.

(4) An information regarding allotment and sale of plots shall be provided periodically by a developer to the competent authority and update it on his website, if required by the competent authority."

Execution of agreement:- At the time of booking of plots through installments, the developer shall execute an agreement with the purchaser stipulating that on payment of full installment, the developer shall execute the sale deed in favour of the purchaser."

Development of a sanctioned scheme.— A developer shall:

(a) execution of all development works within following stipulated time period :

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| (i) | in case of land sub-division; | 2 years. |
| (ii) | in case of housing scheme having an area from 100 kanals to 300 kanals: | 3 years. |
| (iii) | scheme having an area above 300 kanals: | 5 years. |

(b) undertake development works after issuance of approval of design and specifications by the concerned agencies; and

(c) in case of water supply, sewerage and drainage works, intimate name and address of pipe manufacturing factory to Water and Sanitation Agency, which approved design and specification of water supply, sewerage and drainage.

Modification of scheme. – (1) No modification in a sanctioned scheme shall be made without observing the procedure specified for the sanction of a scheme.

(2) In case of modification of sanctioned scheme, the public amenity sites like open spaces, public buildings shall not be changed in the revised lay out plan but the site reserved for un-utilized graveyard even if transferred in the name of the Development Authority or the Tehsil

Municipal Administration may be substituted with some other equal land in the revised lay out plan and the developer shall incur the cost on transfer on of such land.

(3) In case the development period of a sanctioned scheme has already expired and a developer submits the revised plan, it shall not be entertained until the developer is granted extension under clause (c) or rule 35.

(4) In case the developer submits the revised plan within the stipulated time period, only the remaining time period shall be allowed for completion of the development works of the scheme."

3. You are, therefore, requested to observe these rules in letter & spirit and take action against all unauthorized / un-approved housing schemes under your jurisdiction and send a compliance report.

4. In case of failure, you will be held responsible and disciplinary action shall be taken against the responsible officers/officials.



SECTION OFFICER (ESTATE)

PC:

1. All Divisional Commissioners in the Punjab.
2. All the District Coordination Officers in the Punjab.