***Development Agreement***

AGREEMENT is made at……………this………..day of………between (the Owner)hereinafter referred to as "The Owner" of the One Part, AND Shri……hereinafter referred to as "The Developer" of the Other Part;

*WHEREAS* -

1. The Owner is absolutely seized and possessed of a piece of land and premises situate at……………and which is more particularly described in the Schedule hereunder written.

2. The Developer has requested the Owner to allow him to develop the said land described in the Schedule hereunder written.

3. The said land proposed to be developed is shown on a plan hereto annexed by red colour boundary line and marked A.

4. The Owner has agreed to authorise the Developer to develop the said land described in the Schedule hereunder written, by demolishing the existing buildings or structures thereon if any and constructing new buildings thereon on Flat Ownership basis and the Owner is agreeable to directly convey the said land with the new buildings thereon and other structures to any Co-operative Housing Society or other body that will be formed by the Purchasers of flats and other premises in such building, on the following terms and conditions agreed to between the parties hereto:

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS -

1. With a view to develop the said land described in the Schedule hereunder written (hereinafter referred to as "the said property") as may be permitted by all concerned authorities, the Owner hereby agrees to entrust and hand over to the Developer the work and right of Development of the said property described in the Schedule hereunder written on the terms hereinafter contained.

2. The Developer hereby agrees to develop and/or cause to be developed the said property on the terms mentioned herein and as permitted by the concerned authorities by constructing one or more buildings thereon on flat and other premises on ownership basis. The Developer agrees that he will obtain whatever permissions are required to develop the properly at his own costs and on his own responsibility but in the name of the Owner.

3. In consideration of the Owner having agreed to entrust to the Developer the development of the said property described in the Schedule hereunder written and to confer upon the Developer the rights, powers, privileges and benefits as mentioned herein, the Developer agrees to pay to the Owner a sum of $……../- in the manner following. The Developer will pay to the Owner a sum of $………as earnest or deposit and in part payment of the said amount on execution of these presents and the balance of $………..will be paid in the manner following:-

Provided that, if any F. S. I. in addition to the existing available F. S. I. in respect of the said property becomes available hereafter the Developer shall pay an additional sum calculated at the rate of $……….per sq. foot to the Owner on such additional F. S. I. being sanctioned by the Municipal Corporation.

4. This Agreement will not be treated as a partnership between the Owner and the Developer or an Agreement for Sale of the said Plot by the Owner to the Developer. The Developer is given only a right to develop the said plot as aforesaid.

5. The Developer is satisfied that the Owner is the full owner of the said property and that the properly is not subject to any mortgage, charge or any other encumbrance.

6. The Developer shall not start any work of development on the said property unless the building plans are sanctioned by the Municipal Corporation and the I. O. D. & Commencement Certificate are issued in favour of the Owner.

7. The development of the said property by construction of building or buildings thereon shall be at the entire costs, expenses and risk and on the entire account of the Developer. All buildings to be constructed on the said property and all dwelling units thereon will be in accordance with the scheme of the Competent Authority/State Government and other relevant Acts and also in accordance with the Development Rules and Regulations for the time being in force. The Developer shall be at liberty to make necessary applications for the purpose to the authorities concerned at his own cost and expenses in the name of the Owner and the Owner shall join, in such applications but the responsibility of obtaining such permissions will be on the Developer and at his costs.

8. The Owner gives licence and permission to the Developer to enter upon the said property described in the Schedule hereunder written or any part thereof as aforesaid with full right and authority to commence, carry on and complete development thereof in accordance with the permissions herein mentioned. However, if the Developer or his agents commit any breach of any term or conditions of this Agreement then the Owner shall be entitled to terminate this Agreement and to forfeit all moneys paid under this Agreement and on such termination the licence and permission given to the Developer as aforesaid shall stand revoked. The said licence to develop the said property will be personal to the Developer and under no circumstance the Developer will assign his right, title and interest to any other party without the consent of the Owner provided that, if with such consent the Developer shall have in his turn entered into an Agreement with a third party (of which the Developer shall have given notice to the Owner) under which the Developer has granted right to such third party to develop the said property or any part or parts thereof then the Owner shall not exercise his aforesaid right under this Agreement to terminate the same unless the Owner shall first give notice in writing to such third party specifying the breach or breaches of the terms and conditions of this Agreement stated to have been committed by the Developer or such third party and in respect of which the Owner intends to exercise his right of termination of this Agreement and such third party shall have failed to remedy or rectify such breach for a period of ninety days from receipt of such notice from the Owner.

9. If the Developer will make default in payment of any instalment of the balance amount on the due date thereof as aforesaid then and in that event the Owner shall become entitled to terminate this Agreement and to forfeit all moneys paid hereunder and on such termination the licence to develop the property given to the Developer shall stand revoked and the Developer shall take away and remove within 3 months of such termination all buildings, structures and materials brought on the said property and in default thereof the same shall belong to and vest in the Owner absolutely and the Developer shall not be entitled to any compensation or damages in respect thereof. Without prejudice to his rights, the Owner may, at his option, condone such default on payment by the Developer and extend the time for payment if the Developer pays interest at the rate of 21% on the defaulted instalment provided that, the Owner shall before terminating this Agreement as aforesaid make a demand in writing for payment of the said sum on the Developer or on the third party (if any as referred to in Clause 8 above] to whom the Developer may have granted right to develop the said property or any part or parts thereof and if the Developer or such third party shall have paid the amount due to the Owner within thirty days of the receipt of such demand, then the Owner shall not be entitled to terminate this Agreement under this Clause.

10. The Owner shall at the request and costs of the Developer sign and execute from time to time the plans and other applications for layouts, sub­ division, construction of the building and structures on the said property for being sanctioned and approved by the Municipal Corporation or other authorities provided that,all costs, charges and expenses including Architect's fees in this connection shall be borne and paid by the Developer alone and the Developer shall indemnify and keep indemnified the Owner from and against all actions, suits, proceedings fines, penalties. Architects' fees and all costs, charges, expenses and damages incurred or suffered by the Owner. The Owner shall, if required by the Developer execute a power of attorney in favour of the Developer or his delegate giving all necessary powers required to carry out the work of development in all respect as contemplated by these presents.

11. The Developer shall be entitled to carry out at his own costs, charges and expenses in all respects all or any items of work for development of the said property including laying of drainage, cables, water pipes and other connections and lighting of roads and other items as per the terms and conditions imposed by the Municipal Corporation while sanctioning the layout scheme and the said plans and also other items of works as may be required to carry out for the purpose of making the said property fit for construction of buildings and structures therein. All finances for completion of the said items of works shall be provided and borne and paid by the Developer alone. The Owner hereby agrees to render all assistance and co-operation that may be required by the Developer from time to time to carry out the Development work in respect of the said property and construction and completion of buildings and structures thereon in accordance with the terms and conditions as may be stipulated by the concerned authorities and in respect of any other matters relating to or arising therefrom provided that, the Owner shall not be liable to incur any financial obligations in that behalf.

The Developer shall be at liberty to sell and/or allot the dwelling units or flats and/or any other tenements and/or rights in the buildings and structures to be constructed on the said property and/or to enter into any package deal or arrangement for allotment of buildings and structures to be constructed on the said property at such price and on such terms and  
conditions and provisions as the Developer may think fit, and any terms which may be imposed by any authority or authorities, provided always that the Developer shall not be released or discharged from his liabilities and obligations hereunder to the Owner. All such allotments shall, however, be made by the Developer at his own costs and account and at his risk, the intention being that the Developer shall alone be liable and responsible to such party or parties in connection with all dealings between the Developer and such party or parties. The Developer will be entitled to permit any of the premises to be occupied by any of the allottees of dwelling units or flats or buildings erected on the said property by the Developer only after the instalments due and payable by the Developer to the Owner in respect thereof and the full consideration is paid to the Owner or the payment is otherwise secured to the Owner by a Bank Guarantee as may be agreed upon between the parties hereto.

The Developer shall be entitled to put up and permit to be put up advertisement boards upon the said property, but without involving the name of the Owner in any manner, and which the Owner will be entitled to remove forthwith if the Developer has committed any breach of this Agreement.

14. Upon payment to the Owner of the full consideration amount mentioned in Clause 3 hereinabove, or the payment thereof or any part thereof remaining unpaid being secured to the Owner as may be agreed upon between the parties hereto as aforesaid and upon the full development being carried out by construction of buildings and sale of flats, the Developer shall hand over the property formally to the owner and then the Owner shall directly execute and deliver any one or more Deeds of Convey-ance in favour of one or more Co-operative Society or Societies or Compa­nies or Condominium of the Purchasers of flats, tenements and premises in the new buildings to be erected by the Developer. The Developer hereby agrees to join in such Deed as confirming party if required. Such Deed or Deeds of Conveyance shall be prepared by the Advocates for the Owner and approved by the Advocates for the Developer or the flat purchaser.

The Developer shall consume or utilise the full F.S.I, available in respect of the said property to be developed and shall not utilise any F.S.I, available in respect of any other property.

The Owner shall sign all applications or papers for the necessary permission and sanctions of the Competent Authority or State Government under the provisions of the Urban Land (Ceiling & Regulations) Act for the development of the said property described in the Schedule hereunder written. However, it shall be the responsibility of the Developer to file applications with the concerned authorities and pursue the said applica­tions and obtain the said permission of the State Government /Competent Authority at his own costs and expenses.

It. is agreed that after the date of this Agreement the Developer shall pay and discharge all taxes and outgoings including Municipal Taxes, and all other charges, rates, cess, taxes that may be levied by any Public Body or authorities in respect of the said property and which would be payable by the Owner as owner. The Developer shall indemnify and keep indemni­fied the Owner from and against nonpayment thereof. In the event of the Developer paying any refundable deposits to the Municipal Corporation and other concerned authorities in the course of the development of the said property in the name of the Owner, the Developer shall be entitled to the refund of such deposit in his own name. To enable the Developer to obtain the refund the Owner shall sign or execute all such writings as may be required by the Developer in that behalf, without raising any objection or requisition in that behalf.

The Owner declares that no notice from the Government or any local Body or authority including the Municipal Corporation has been received by or served upon the Owner or any person interested in the said property.

19. The Owner declares That the Owner is entitled to enter into this Agreement with the Developer and he has full right and authority to sign and execute the same.

That the Owner has not agreed, committed or contracted or entered into any Agreement for sale or lease of the said property or any part thereof to any persons or person other than the  
Developer and that he has not created any mortgage charge or any other encumbrances on the said property as mentioned herein.

That the Owner has not done any act, deed, matter or thing whereby or by reason whereof, the development of the said property may be prevented or affected in any manner whatso­ever.

The Developer declares that he has entered into this Agreement after fully satisfying about the title of the owner.

All out-of-pocket expenses of and incidental to this Agreement and the transactions in pursuance thereof including the Deed/Deeds of Conveyance and other assurance in respect thereof including stamp duty and registration charges shall be arranged to be paid by the Developer so that the Owner will not be required to pay the same. The Owner and the Developer shall pay their respective Advocates' fees.

The Developer shall indemnify and keep indemnified the Owner against all losses, damages, costs, charges expenses that will be incurred or suffered by the Owner on account of or arising out of any breach of any of these terms or any law, rules or regulations or due to accident or any mishap during construction or due to any claim made by any third party in respect of such construction or otherwise howsoever.

23 The Developer shall be entitled to enter into separate contracts in his own name with building contracter, architects and others for carrying out the said development at his risk and costs.

IN WITNESS WHEREOF the parties have put their hands the day and year first hereinabove written.

THE SCHEDULE ABOVE REFERRED TO  
xx x x

Signed by the withinnamed

Owner…………………….

in the presence of………………….

Signed by the withinnamed

Developer

in the presence of.