

TEMPORARY LEASE

Allocation Process and General Terms

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1. Objective

The objective of temporary lease is to accommodate immediate needs of the businesses. Allocations will be made from the lands which are reserved for future development until the developments arises. This will support potential businesses in need of a temporary land, a Container Space or a Built space for an allowable usage by HDC.

2. Temporary Allocation Methods

2.1. Allocation through Temporary Lease Application

Once a temporary land, a Container Space or a Built space is identified by HDC, HDC will publish an Announcement on HDC's corporate website and MyHulhumale properties website to submit application.

Interested and Eligible parties are required to submit application for Temporary Lease with required documents and shall fill all required section of the application form. Incomplete application form and application submitted without the required documents will be rejected.

Note: Allocations for applicants will be carried out depending on the availability, on first come first serve basis.

2.2. Special Requests

Temporary lease allocation for urgent and special requirements will be made through special requests. Allocations for special requests will be carried out based on the availability, required purpose / usage and the urgency. With the receipt of request, HDC shall evaluate the request based on the availability, purpose/usage and immediate need, and it shall be at the sole discretion of HDC to treat the request as a special request and to grant the allocations.

Allocations for the special requests can be submitted through a Letter of Interest and temporary lease allocation will be made from Thilafushi only, based on the availability.

Interested and Eligible parties that requires a temporary land, a Container Space or a Built space shall submit a letter of Interest.

Letter shall include:

- Purpose or usage for Temporary Lease
- Lease term (In months) and
- Preferred area (In sqft)
- Copy of Business Registration
- SME Registration Copy (If applicable)

3. Allocation for Government Institute(s) or State-Owned Enterprises (SOEs)

Temporary Lease Allocations for Government Institute(s) or State-Owned Enterprises (SOEs) will be carried out depending on the availability and urgency. HDC shall evaluate the request, it shall be at the sole discretion of HDC to grant the allocations.

4. Eligibility Criteria

Businesses registered in Ministry of Economic development shall be eligible to apply for temporary lease.

Applicants shall not have any due payment to HDC or Shall not have any past history with regard to non-payment of rent.

Applicants who do not have complied with any court verdicts in relation to an agreement made with HDC or whose agreement has been terminated due to non-performance shall be ineligible.

5. Rent

The tenant shall pay 1 (one) month's rent, in advance, prior to the Handover of the premises and shall pay the rent by no later than the 10th (tenth) day of each calendar month.

The Lease rate per square feet per month for temporary lease is fixed as below:

	Rent Rate (MVR) for Hulhumale' (Per Sqft / Per Month)	Rent Rate (MVR) for Gulhifalhu and Thilafushi (Per Sqft / Per Month)
Temporary Bare Land Plot	MVR 15.00	MVR 5.00
Container Space	MVR 25.00	MVR 25.00
	For SMEs: MVR 20	For SMEs: MVR 20
Temporary Built Space	MVR 30.00	MVR 15.00

6. Security Deposit

Applicants who are requesting for a lease term less than 2 months shall furnish 1 months' rent as a security deposit upon signing the agreement. And for the applicants who requests for a lease term more than 2 months shall furnish 2 months' rent as a security deposit upon signing the agreement.

Security Deposit is to be held by HDC throughout the Term of the lease period as a security against the Tenant's failure to pay rent, non-performance of its leasehold obligations laid down in this Terms and Conditions including, but not limited to any breach by the Tenant of its obligations as to the clearing of the temporary leased bare land/container.

After relevant deductions, if any, the security deposit will be returned to the Tenant (without interest) within 10 (Ten) calendar days of the expiration of the lease period or following permitted termination of the temporary lease pursuant to this Terms and Conditions, and the vacation of the temporary leased bare land/container.

7. Terms and Conditions

7.1. Duties and Obligation of Lessee

- 7.1.1. The Tenant is not authorized to conduct any activity other than the allowed usage on the allocated bare land /container space.
- 7.1.2. The Tenant shall not store any flammable liquids, corrosive materials and/or gas cylinders at the leased space (temporary bare land /container space).
- 7.1.3. The Tenant shall not store any unlawful material or substances (whether in direct or indirect contravention of the laws of the Republic of Maldives) on the Property and shall adhere to the rules and regulations enforced by the Government Authorities.
- 7.1.4. The Tenant shall not, either intentionally or unintentionally cause any damage to the property or any other neighboring property or violate any rules and regulations pertained by HDC. Such damage includes, but is not limited, to dumping garbage, pollution, unlawful entry, and waste disposal.
- 7.1.5. The loading and unloading processes shall not cause any disturbances or congestions to any third party.
- 7.1.6. The Tenant shall not be allowed to make any alteration, changes, replacements, improvements or additions (any of which is an alteration) in and to the temporary bare land / container space at any time, unless approved by HDC.
- 7.1.7. Tenant shall not be authorized under any circumstances whatsoever to assign, sublet, charge or part with or share possession or otherwise dispose of the premises.
- 7.1.8. This terms and conditions shall be governed by, construed and enforced in accordance with the laws of the Republic of Maldives and any action or proceeding that may arise out of or in connection with terms and conditions shall submit to the Maldivian Courts of Law.
- 7.1.9. All prices defined in this Terms and Conditions are subject to change without any prior notice. However, HDC shall not imply the amended prices to the submitted forms.

7.2. Fine Charges

- 7.2.1. A fine will be levied, if the Tenant fails to remove the goods and materials from the leased plot after the expiration of the lease period. The fine will be calculated at 2% (two percent) per day of the initial amount signed in the agreement and shall be applied for the first 20 days that Tenant fails to remove the goods and materials from the plot. After the 20th day if the Tenant fails to remove the goods and materials, then an increased fine of 5% (five percent) per day of the initial amount signed in the agreement shall apply for each day that the Tenant fails to remove the goods and material from the plot. For the avoidance of doubt, the fine shall be levied in addition to the rent charges for the period.

7.3. Renewal

- 7.3.1. The Tenant shall be given the first option to renew or extend the lease period at the end of the term, unless or otherwise:
 - 7.3.1.1. HDC does not require the temporary bare land / container space for any development purpose.
 - 7.3.1.2. If the Tenant has a valid reason to utilize the temporary bare land /container space for an additional period.
 - 7.3.1.3. If the total lease period does not exceed more than 1 year.
- 7.3.2. If Tenant wishes to renew or extend the lease period, it shall be exercised as stated below:
 - 7.3.2.1. If the lease period is less than 3 months, the Tenant shall submit the "Requisition for Renewal of Temporary Lease" form to HDC, one (1) week prior to the expiration of existing lease period.
 - 7.3.2.2. If the lease period is more than three (3) months, the Tenant shall submit the "Requisition for Renewal of Temporary Lease" form to HDC, one (1) month prior to the expiration of Lease period.
- 7.3.3. If the initial lease period is less than 2 months and if the Tenants wishes to extend the total lease period for more than 2 months, the Tenant shall be obliged to pay additional 1 (one) month's rent amount as security deposit.
- 7.3.4. After the expiration of the total 1 (one) year temporary lease period (applicable to temporary bare land), HDC shall not renew or extend the lease if there is/are demand(s) from any other customer to acquire a land plot for temporary lease and/or if HDC does not require the temporary bare land plot for any development. If there is no such demand as aforementioned, it shall be at the discretion of HDC to extend the lease period for not more than one (1) calendar year.
- 7.3.5. After the expiration of 1-year term, HDC shall have right to increase rent up to 15% to the initial rent rate. However, below factors shall be considered and applied:
 - 7.3.5.1. If the new rent rate amended by HDC is lower than the initial rent rate applied during the signing of the hand over document, than the rent rate applied shall be the initial rent rate + 15%.
 - 7.3.5.2. If the new rent rate amended by HDC is higher than the initial rent rate+15%, than the new rent rate shall be applied to the extended period.

7.4. Termination

- 7.4.1. In case of breach of any of the Contractual obligations by the Proponent, HDC shall have the right to terminate the contract with prior notice
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