

purposes;

building or apartment or to make advances or deposits for such apartment or inviting persons to purchase in any manner such plot, or real estate project, or offering for sale of a plot, building or publicity in any form, informing persons about a real estate property medium and includes any notice, circular or other documents or authorized agent described or issued as advertisement through any "Advertisement" means any document by the developer or his

(c)

"Appraisal or inquiry officer" means the inquiry officer appointed by the Authority or the Appellate Tribunal under this Act;

(b)

"Authority" means the Islamabad Real Estate Regulatory Authority established under this Act.

(a)

- 2. Definitions.** - (1) In this Act, unless the context otherwise requires, —
- (3) It shall come into force at once.
- (2) It extends to the Islamabad Capital Territory.
- (1) This Act may be called the Islamabad Real Estate (Regulation and Development) Act, 2020.
- 1. Short title, extent and commencement** (1) This Act may be called the

**CHAPTER I
PRELIMINARY**

incidental thereto follows: —

recommendations of the inquiry officer and for matters connected therewith or decisions, directions or orders of the Real Estate Regulatory Authority and the dispute redressed by establishing an Appellate Tribunal to hear appeals from the real estate sector by any developer and provide a mechanism for speedy agent is by an efficient and transparent manner and to regulate mega projects in buyer by a developer or owner holding title by himself or through a company or an apartment or building, as the case may be, or sale of real estate project, to the buyers in the real estate sector by ensuring that the sale and purchase of plot, for regulation and promotion of the real estate sector and to protect the interest of **WHEREAS** it is expedient to establish the Real Estate Regulatory Authority to establish the Real Estate Regulatory Authority for regulation and promotion of the real estate sector and for matters connected therewith

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[AS PASSED BY THE SENATE]

Passed on Monday 10th February 2020

- (d) "allottee" in relation to a real estate project or a real estate holding, means the person to whom a plot, apartment or building, as the case may be, has been sold (whether as freehold or leasehold which is not less than thirty three years) by way of a sale, transfer or otherwise or transferred by the developer having sale of real estate rights given to him by the owner of the real estate, and includes the person who subsequently acquires the said allotment but does not include a person to whom such plot, apartment or building, as the case may be, is given on rent;
- (e) "Agreement for sale" means an agreement entered into between the developer and the allottee to sell and to purchase the property respectively;
- (f) "apartment" whether called block, chamber, dwelling unit, flat, office, showroom, shop, godown, premises, suit, tenement, unit or by any other name, means a separate and self-contained part of any immovable property, including one or more rooms or enclosed spaces, located on one or more floors or any part thereof, in a building or on a plot of land, used or intended to be used for any residential or commercial use such as residence, office, shop, showroom or godown or for carrying on any business, occupation, profession or trade, or for any other type of use ancillary to the purpose specified;
- (g) "Appellate Tribunal" means the Real Estate Appellate Tribunal established under this Act;
- (h) "Government" means the Federal Government.
- (i) "architect" means a person registered as an architect under the provisions of the Pakistan Council of Architects and Town Planners Act 1983;
- (j) "building" includes any structure or erection or part of a structure or erection which is intended to be used for residential, commercial or for the purpose of any business, occupation, profession or trade, or for any other related purposes;

- (k) "carpet area" means the net usable floor area of an apartment, excluding the area covered by the external walls, areas under services shafts, exclusive balcony or verandah area and exclusive open terrace area, but includes the area covered by the internal partition walls of the apartment.
- (l) "exclusive balcony or verandah area" means the area of the balcony or verandah, as the case may be, which is appurtenant to the net usable floor area of an apartment, meant for the exclusive use of the allottee; and "exclusive open terrace area" means the area of open terrace which is appurtenant to the net usable floor area of an apartment, meant for the exclusive use of the allottee;
- (m) "Chairperson" means the Chairperson of the Real Estate Regulatory Authority appointed under this Act;
- (n) "commencement certificate" means the commencement certificate or the building permit or the construction permit, by whatever name called issued by the an authority empowered by law or the owner if so permitted by law to allow or permit the developer to begin development works on an immovable property, as per the sanctioned plan approved and issued an authority empowered by law;
- (i) "common areas" mean—
- (i) the entire land for the real estate project even when the project is developed in phases and registration under this Act is sought for only a phase out of the entire land;
- (ii) the cases, lifts, fire escapes, and common entrances and exits of buildings;
- (iii) the common basements, terraces, parks, play areas, open parking areas and common storage spaces;
- (iv) the premises for the lodging of persons employed for the management of the property including accommodation for the watch and ward staffs or for the lodging and offices of community service personnel;

(v) Installations of central services such as electricity, gas, water and sanitation, air-conditioning, system for water conservation and renewable energy and incinerating;

(vi) the water tanks, sumps, motors, fans, compressors, ducts and all apparatus connected with installations for common use;

(vii) all community and commercial facilities as provided in the real estate project;

(viii) all other portion of the project necessary or convenient for its maintenance, safety, etc., and in common use;

(o) "company" means a company incorporated and registered under the Companies Act, 2017 to develop and construct real estate projects.

(p) "corporation" means a corporation established by or under any Federal Act;

(q) "development authority" means any public authority established by the Government in this behalf under any law for the time being in force;

(r) "completion certificate" means the completion certificate, or such other certificate, by whatever name called, issued by the an authority empowered by law certifying that the real estate project has been developed according to the sanctioned plan, layout plan and specifications, as approved by the an authority empowered by law under the local laws;

(s) "day" means the working day, in the Federal territory, notified by the Federal Government from time to time;

(t) "Land owner " means any local authority or the Capital Development Authority created or established under any law for the time being in force by the Federal Government holding a land lawfully which can be sold to the public or a lawful owner of the land having authority over land under its jurisdiction to sell it, and has powers to give permission for development of such immovable property to a developer;

- (u) "development" with its grammatical variations and cognate expressions, means carrying out the development of immovable property, engineering or other operations in, on, over or under the land or the making of any material change in any immovable property or land and includes re-development;
- (v) "development works" means the external development works and internal development works on immovable property;
- (w) "engineer" means a person who is registered as an engineer with the Pakistan Engineering Council;
- (x) "estimated cost of real estate project" means the total cost involved in developing the real estate project and includes the land cost, taxes, development and other charges;
- (y) "external development works" includes roads and road systems landscaping, water supply, sewerage and drainage systems, electricity supply transformer, sub-station, solid waste management and disposal or any other work which may have to be executed in the periphery of, or outside, a project for its benefit, as may be provided under the local laws;
- (z) "family" includes husband, wife, minor son and unmarried daughter, father or mother wholly dependent on a person;
- (za) "garage" means a place within a project having a roof and walls on three sides for parking any vehicle, but does not include an unenclosed or uncovered parking space such as open parking areas;
- (zb) "immovable property" includes land, buildings, rights of ways, lights or any other benefit arising out of land and things attached to the earth or permanently fastened to anything which is attached to the earth, but not standing timber, standing crops or grass;
- (zc) "interest" means the rates of interest payable by the developer or the allottee, as the case may be;
- (i) **Explanation.**— For the purpose of this clause—
 the rate of interest chargeable from the allottee by the developer, in case of default in the payment scheme agreed upon in the agreement, shall be equal to the rate of interest which the developer shall be liable to pay the allottee, in case of default;

- (iii) a company;
- (ii) an undivided family;
- (i) an individual;
- (zj) "Person" includes,—
 - electricity available;
 - laws, which has the civic infrastructure such as water, sanitation and reasonably within the approved plan or layout as provided under local empowered by law permitting occupation of any building constructed certificate by whatever name called, issued by the an authority "occupancy certificate" means the occupancy certificate, or such other
 - (zi)
 - and the expression "notify shall be construed accordingly;
 - (zh) "notification" means a notification published in the Official Gazette
 - (zg) "Ministry" means the Ministry of Interior, Government of Pakistan.
 - (zf) "Member" means the member of the Real Estate Regulatory Authority appointed under this Act;
 - (ze) "local authority" means the Municipal Corporation or Municipality or Capital Development Authority or Panchayats or any other Local Body constituted under any law for the time being in force for providing municipal services or basic services, as the case may be, in respect of areas under its jurisdiction;
 - (zd) "internal development works" in relation to a real estate project means roads, footpaths, water supply, sewers, drains, parks, tree planting, street lighting, provision for community buildings and for treatment and disposal of sewage and silage water, solid waste management and disposal, water conservation, energy management, fire protection and fire safety requirements, social infrastructure such as educational, health and other public amenities or any other work in a project for its benefit, as per sanctioned plans;
 - (ii) the interest payable by the developer to the allottee shall be from the date the developer did not deliver the possession of the premises/ real estate project as per the agreement between the Seller developer and buyer allottee.;

- (iv) a firm under the Pakistani Partnership Act, 1932 or the Companies Act, 2017, as the case may be;
- (v) an authority established and empowered by law;
- (vi) an association of persons or a body of individuals whether incorporated or not;
- (vii) a co-operative society registered under any law relating to co-operative societies;
- (viii) any such other entity as the Federal Government may, by notification, specify in this behalf;
- (zk) "planning area" means a planning area or a development area or a local planning area or a regional development plan area, by whatever name called, or any other area specified as such by the Federal Government or any authority having such power under the law and includes any area designated by the Federal Government or any authority or an owner to be a planning area for future planned development, under the law relating to Town and Country Planning for the time being in force and as revised from time to time;
- (zl) "prescribed" means prescribed by the Rules made under this Act;
- (zm) "project" means the real estate project as defined under this Act;
- (zn) "developer" means,—
- (i) a person who constructs or causes to be constructed an independent building or a building consisting of apartments, or converts an existing building or a part thereof into apartments, for the purpose of selling all or some of the apartments to other persons himself or through his legally nominated and declared assignees; or
- (ii) a person who develops a land given to him by an land owner for conversion of the land into a real estate project, whether or not such person also constructs structures on any of the plots, for the purpose of selling to other persons all or some of the plots in the said project; or

(iii) any development authority or any other public body in respect of allottees of—

(a) buildings or apartments, as the case may be, constructed by such authority or body on lands owned by them or placed at their disposal by the Government for allotment or for selling out; or

(b) plots owned by such authority or body or placed at their disposal by the Government for the purpose of selling all or some of the apartments or plots for allotment or for selling out; or

(iv) a co-operative housing finance society and a primary co-operative housing society which holds a land lawfully and constructs apartments or buildings for its Members or in respect of the allottees of such apartments or buildings owned by it; or

(v) any other person who acts himself as a builder, coloniser, contractor, developer, estate developer or by any other name or claims to be acting as the holder of a power of attorney from the owner of the land on which the building or apartment is constructed or plot is developed for sale; or

(vi) such other person who constructs any building or apartment for sale to the general public.

Explanation.— For the purposes of this clause, where the person who constructs or converts a building into apartments or develops a plot for sale and the persons who sell apartments or plots are different persons, both of them shall be deemed to be the developers and shall be jointly liable as such for the functions and responsibilities specified, under this Act or the Rules and regulations made thereunder;

(zo) "prospectus" means any document described or issued as a prospectus or any notice, circular, or other document offering for sale or any real estate project or inviting any person to make advances or deposits for such purposes;

(zp) "real estate agent" means any person, who negotiates or acts on behalf of one person in a transaction of transfer of his plot, apartment or building, as the case may be, in a real estate project, by way of sale, with another person or transfer of plot, apartment or building, as the case may be, of any other person to him and receives remuneration or fees or any other charges for his services whether as commission or otherwise and includes a person who introduces, through any medium, prospective buyers and sellers to each other for negotiation for sale or purchase of plot, apartment or building, as the case may be, and includes property dealers, brokers, middlemen by whatever name called;

(zd) "real estate project" means the development of a plot into a building or a building consisting of apartments, or converting an existing building or a part thereof into apartments, or the development of land into plots for residential houses and commercial plots for commercial use or apartments in an apartment building or in a portion of a building, as the case may be, for the purpose of selling all or some of the said apartments or plots or building, as the case may be, and includes the common areas, the development works, all improvements and structures thereon, and all easement, rights and appurtenances belonging thereto;

(ze) "regulations" means the regulations made by the Authority under this Act;

(zf) "rule" means the rules made under this Act; and

(zg) "sanctioned plan" means the site plan, building plan, service plan, parking and circulation plan, landscape plan, layout plan, zoning plan and such other plan and includes structural designs, if applicable, permissions such as environment permission and such other permissions, which are approved by the an authority empowered by law prior to start of a real estate project shall continue at the pleasure of the Authority under this Act.

(z) The words and expressions used herein but not defined in this Act and defined in any law for the time being in force or in the municipal laws or such other relevant laws of the Federal Government shall have the same meanings respectively assigned to them in those laws.

