

Here is a project finance opportunity. Please read through below details and revert back to me if it is possible to arrange project finance on precise terms as listed here.

1. The Employer in this project is the Housing Development Corporation, Republic Of Maldives.

2. The synopsis of the project is as below:

We have framed the proposal by keeping the following composition of 1 Bedroom and 2 Bedroom units of unit area 400 Sqft. & 550 Sqft. each respectively, as follows:-

- | | |
|---------------------------------|---|
| 1. No. of 14 storeyed towers: | 8 |
| 2. Ground floor: | Stilt |
| 3. 1 Bedroom units from: | 1 st to 4 th floor |
| 4. 2 Bedroom units from: | 5 th to 14 th Floor |
| 5. Area of Stilt in each tower: | 12136 Sqft. (Approx.) |
| 6. Time for Construction: | 24 months |

The proposed construction is for 768 units of 1 Bedroom apartments and 1296 units of 2 Bedroom apartments, totaling 2064 units in 14 storied/8 no. towers.

The proposed cost of the 1-Bedroom units is US\$38,000/= per unit each, and of the 2-Bedroom units is US\$52,000/= per unit each. Employer proposes to pay @ 900 MVR per Sqft. (US\$58/) of stilt area (ground floor) separately.

The scope of work shall be as per requirements of the HDC projected in the tender documents. The total cost of 2064 units works out to be US\$102207136.00 and is summarized as below:

Type of Unit	Unit Area (Sqft.)	No. of units per floor	No. of unit per tower	No. of Towers	Total no. of units	Cost of each unit (US\$)	Total cost (US\$)
1-BR unit (1F to 4F)	400	24	96	8	768	38000	29184000
2-BR unit (5F to 14F)	550	18	162	8	1296	52000	67392000
Total cost of Stilt (12136 x 8 x 58)							5631136
Total Cost							102207136

3. Land would be allocated by the Employer (HDC) Free of Cost to the Developer.

4. Design and Specifications:

The design has to be done by the Developer, and shall be as per the guidelines given by the Employer and the construction should be conforming to British Standard Specifications.

5. Type of Contract and Agreement:

The contract will be a priced as **Lump sum** contract and the agreement will be based on the Conditions of Contract for EPC/Turnkey Projects, First Edition 1999 published by the *Fédération Internationale Des Ingénieurs-Conseils* (FIDIC).

6. Method of Implementation :

The Developer will design the Works and the Developer shall execute the Works in accordance to the Approved Drawings, Technical Specifications, Conditions of Contract and compliance with requirements of relevant authorities. The work progress and quality of work will be inspected by the Employer throughout the Construction Stage, to check whether the Works confirm with the above mentioned documents.

7. Customs Duties and Taxes :

The Employer will facilitate to obtain exemption for Customs duties for imports of materials, machinery and equipment related to the contract of this Project. However, Taxes applicable under local regulations will be applicable throughout the Project.

8. Funding:

The Developer may source and secure financing in accordance with the type of financing as categorised below:

- **Category 1- Developer assisted finance:**

The Employer shall provide equity finance of 15% (fifteen percent) of the total cost of construction, provided that: -

- **The Developer has sourced the finance and finalised the Loan Agreement terms (to be signed between the Employer and the Lender) for 85% (Eighty-Five percent) of the Total Cost of Construction as acceptable to the Employer; and**
- **The Developer has sourced of all security, and terms of all Security Agreements as required by the Lender, are negotiated and agreed upon by the Lender and the Provider/s of the security**

9. Employer's Proposed Terms for Finance are as follows:

- **If interest rate is based on LIBOR, the interest rate (including Margin) shall not be more than 6 month LIBOR plus a margin of 3.3% (including all fee and charges)**
- **If interest rate is not based on LIBOR, the effective interest rate (including all fees, costs and charges) shall not be more than 4%**
- **Repayment period shall not be less than 10 years excluding a grace period of 2 years.**

10. The Employer will arrange a Sovereign Guarantee of the Republic Of Maldives for the Proposed Project Finance.

11. The Developer is my client and is willing to pay a Success Fee not exceeding a maximum of 0.75% of the total project finance amount upon receiving the 15% mobilization advance (see point 8) from the Employer post successful disbursement of funds to the employer (borrower)