
OFFER TO LET

which constitutes an
AGREEMENT OF LEASE
when accepted

I/We, the undersigned, _____
Identity/Registration number _____
of (physical address) _____

(hereinafter referred to as "the Lessee")

hereby offer to let from:

Identity/Registration number _____
of (physical address) _____

(hereinafter referred to as "the Lessor")

the following premises, namely: _____

(hereinafter referred to as "the premises")

1. **ACCEPTANCE**

This offer shall become a final and binding agreement of lease upon acceptance hereof by both the parties and is irrevocable.

2. **COMMENCEMENT AND DURATION**

2.1 This lease shall commence on _____ ("the commencement date")

2.2 Notwithstanding 2.1, this lease shall not terminate after the initial period but shall continue to endure thereafter on a month to month basis, subject to the right of either party to terminate the lease on one calendar month's notice in writing to the other party.

2.3 Notwithstanding 2.1, should the premises not be available for occupation by the Lessee for any reason whatsoever on the commencement date, the Lessee shall be obliged to take occupation of the premises on the date on which the premises do so become available for occupation. This shall not constitute a breach of the lease nor entitle the Lessee to claim damages and the commencement date and the initial period of the lease shall be extended for a corresponding period.

3. **RENT**

- 3.1 The monthly rental payable by the Lessee to the Lessor shall be an amount of Nu. (..... only) per month, to be paid prior to the 10th day of the next month.
- 3.2 Failure to pay on a timely basis would lead to a penalty at the rate of 24% p.a. on the quoted price.
- 3.3 An initial deposit of three months to be made, as security deposits, which shall be adjusted accordingly towards the last three months of the contract.
- 3.4 Escalation of monthly rent shall be notified by the Lessor a month prior to effect.

4. **ADDITIONAL CHARGES**

- 4.1 The Lessee shall, in addition to the monthly rental payable by it to the Lessor, pay to the Lessor the following amounts: the cost of all electricity, water, gas, refuse removal, sewerage or other such services supplied to, or consumed on, the premises (if any); any increase in the rates and taxes levied in respect of the premises.
- 4.2 The amounts referred in 4.1 are payable on presentation of account, without deduction or set off for any reason whatsoever, into such account as the Lessor may nominate from time to time.

5. **LESSEE'S OBLIGATIONS**

- 5.1 The Lessee shall utilize the premises only for purposes as decided during the initial award.
- 5.2 The Lessee shall not utilize the premises improperly not in a manner calculated or likely to cause damage to the premises or to constitute a nuisance to, or an interference with, the use of neighboring premises or properties.
- 5.3 The Lessee shall comply strictly with, and shall not permit the contravention of:
- 5.3.1 the provisions of any statute, law, ordinance by-law or regulation (BAFRA);
- 5.3.2 employment of **ONLY Bhutanese** individuals at any point of time, if not available in the market, the same needs to be intimated to the Lessor in writing.

- 5.3.3 The Lessor has the right to terminate the contract at any time, if the Lessee fails to oblige with conditions met in the contract.
- 5.3.4 The lessee should maintain the cleanliness of the structure and should handle the surroundings accordingly.
- 5.3.5 The list of allotted vendors will be handed over to the lessee, who shall be responsible for informing the lessor if there be any other individual running the business apart from the one already allotted to.
- 5.4 The Lessee shall be obliged to:
 - 5.4.1 inspect the premises jointly with the Lessor prior to taking occupation thereof;
 - 5.4.2 notify the Lessor of any defects in the premises within fourteen (14) days of the commencement date, failing which the premises shall be deemed to have been in good order and condition as at the commencement date.
- 5.5 The Lessee shall not, without the Lessor's prior written consent, make any alterations, improvements or additions to the premises. Any alterations, improvements or additions made to the premises shall become the property of the Lessor and may not be removed from the premises upon the expiry or termination of the lease or at any other time, unless the Lessor so directs in writing, in which event the Lessee shall attend thereto at its cost. The Lessor shall not be obliged to pay any compensation to the Lessee for any alterations, improvements or additions made by the Lessee to the premises.
- 5.6 The Lessee shall not affix, nor permit to be affixed, any sign, advertisement or notice to the premises without the Lessor's prior written consent.
- 5.7 The Lessee is responsible for any minor maintenance and shall accordingly intimate the Lessor for any major damages.

6. **LESSOR'S RIGHTS**

- 6.1 The Lessor, and/or any person authorized by him to do so, shall be entitled to inspect the premises at any reasonable time, on reasonable notice to the Lessee.
- 6.2 The Lessor shall be entitled to terminate this lease in the event of the premises being sold or sublet.
- 6.3 Only the Lessor has the right to allocate the sheds as per the records and the first in first out basis of allocation.

7. **SUBLETTING**

The Lessee shall not cede, nor transfer, nor assign, the lease, nor sublet the premises or any part thereof, nor part with possession of nor permit any other person to occupy the premises, without the Lessor's prior written consent.

8. **BREACH**

8.1 The Lessor shall be entitled, without prejudice to its other or accrued rights, to cancel this lease forthwith in the event that:

8.1.1 The Lessee fails to pay the rental or any other amount due in terms of this lease on due date;

8.1.2 The Lessee breaches any of the other terms or conditions hereof, all of which are material, and fails to remedy same within seven (7) days from date of receipt of written notice calling upon it to rectify such breach;

8.1.3 The Lessee commits an act of insolvency.

8.2 In the event of this lease expiring or otherwise terminating and in the event of the Lessee failing to vacate the premises and to redeliver possession thereof to the Lessor thereupon, the Lessee shall be obliged, for so long as it remains in occupation, to continue to pay to the Lessor an amount equivalent to the rentals and other charges as would have been payable by the Lessee to the Lessor had the lease remained in existence, which amount shall be regarded as damages for holding over.

9. **CAPACITY OF PARTIES**

Should:

9.1 the Lessee hereby binds himself/themselves in favour of the Lessor as surety for, and co-principal debtor with, the Lessee for the due and proper discharge of all of the Lessee's obligations arising from this agreement.

10. **DOMICILIUM CITANDI ET EXECUTANDI**

10.1 The parties hereto respectively choose *domicilia citandi et executandi* at their respective addresses as set out in the preamble hereto for the delivery of all notices and the service of all process arising out of this agreement.

- 10.2 Any notice delivered by one party to the other at the addressee's *domicilium citandi et executandi*, shall be deemed to have been received by the addressee on the date of delivery.

11. **GENERAL**

- 11.1 This agreement constitutes the entire agreement between the parties and no variation, amendment or cancellation hereof shall be of any force or effect unless reduced to writing and signed by all parties.
- 11.2 Any latitude, relaxation, indulgence or extension of time which may be allowed by the Lessor in respect of any matter or thing that the Lessee is bound to perform or observe in terms of this lease, shall not under any circumstances be deemed to be a waiver of the Lessor's rights at any time. The Lessor is entitled, without notice, to require strict and punctual compliance with each and every provision or term herein.
- 11.3 In this agreement, words importing the singular shall include the plural and vice versa, words importing the masculine gender shall include the feminine gender and words importing business shall include corporate bodies.
- 11.4 The Lessee acknowledges that this offer to let and its consequences have been explained and that it is fully aware of all of the implications hereof.
- 11.5 The Lessor gives no warranty and makes no representations in regard to the premises nor does the Lessor warrant that the premises will be fit for any purpose and the Lessee acknowledges having inspected the premises prior to taking occupation thereof.
- 11.6 In the event that the Lessor takes legal action against the Lessee because of a breach by the Lessee of its obligations in terms of this lease, the Lessee shall be liable for all legal costs incurred by the Lessor on the scale as between attorney and Lessee including, without limitation, collection fees, tracing fees and fees of counsel as on brief.

12. **SPECIAL CONDITIONS (Auction)**

1. Eligibility

1.1 Only bonafied Bhutanese Nationals holding valid Trade License shall be eligible to participate in the auction of parking fees collection.

1.2 Participation by the following shall be rejected.

1.2 a. civil servants.

1.2 b. person who has been blacklisted in the past for commission of any offence in course of operating parking fees collections within Bhutan.

1.2 c. those person who have the record of Revenue outstanding with the Government.

2. Reserved Price for all the slots shall be determined by the Thromde in accordance with the number available for auction, which cannot be increased or changed.
3. Earnest money of Nu.50, 000.00 (Ngultrum Fifty thousand) only should be deposited in the Thromde Accounts Section to obtain token for participation (Refundable). A fixed sum of Nu.500.00 (non-refundable) shall be deposited as entry fee for the auction.
4. Contract shall be awarded to the highest bidder in case the higher bidder surrender the bid value during the auction. His/her earnest money will be forfeited by the auction committee. In such case contract shall be awarded to second highest bidder. In case the second highest bidder also withdraw then his/her earnest money shall also be forfeited and operation for parking fees collection shall be re-auctioned.
5. The highest bidder whose bid has been accepted by the auction committee shall be required to deposit 3 months installment within 5 working days from the date of auction. It shall be adjusted in the last 3 months installment.
6. Installment payment shall be made on monthly basis. Monthly installment should be deposited to Accounts Section. Thromde Office on or before 10th day of every following month during the working hours. There after 24% penalty per annum shall be imposed.
7. If the successful bidder fails to deposit installment for 2 consecutive months, then the advance deposit for 3 months shall be forfeited and the parking fees collection shall be re-auctioned.
8. Payments shall be accepted only in the form of cash, cash warrant or bank draft.

9. Rates for various structures are fixed as follows:

Shed Type	Rate	No. of Slots
Vegetable Counter	1000.00	160
Store	5000.00	9
Meat Shop	10000.00 (Per slot)	21 (2 Vendors in one Shop)
Parking	10.00 per 30 mins per slot	45 Nos
Milk Booth	4000.00	2
Platform	1000.00	52 Stalls

10. Contract period for collection of fees shall be for 1 (one) year with effect from 1st April 2019 to 31st March 2020.

11. Auction Committee reserves the right to accept or reject any bid and the decision of the committee shall be final and binding.

12. Any person aggrieved by the auction committee may submit his or her appeal to the Court of Law.

THUS DONE AND SIGNED BY THE **LESSEE** ON _____ DAY OF _____ 2019.

AS WITNESSES:

1. _____

 FOR AND ON BEHALF OF **LESSEE**

 FULL NAMES

 CAPACITY

THUS DONE AND ACCEPTED BY THE **LESSOR** ON _____ DAY OF _____ 2018.

AS WITNESSES:

1. _____

 FOR AND ON BEHALF OF **LESSOR**

 FULL NAMES

 CAPACITY