



# Joint Development Checklist for Negotiation With Government Linked Companies

## Overview

Joint ventures are a very common way of successfully implementing property development projects.

This checklist is designed to help parties in the early stages of structuring a property development joint venture with government linked companies, by identifying key commercial terms that needs to be addressed.

## About ASCO Law | Akmal Saufi & Co

ASCO Law also known as Akmal Saufi & Co is a Malaysian legal firm that practices multi disciplinary area of law with its offices located in Kuala Lumpur, the capital city of Malaysia and Johor Bahru, the southern city of Malaysia that is connected to Singapore.

Located strategically in the two cities, our firm is positioned not only to serve clients in the biggest cities of Malaysia but also businesses that would like to be in the epicentre of ASEAN.

Over the course of the firm's years of establishment, we have completed and delivered many successful legal exercises. With ASCO Law's in-depth knowledge in law, local insights, and competent understanding of client businesses, the firm has proven itself to be able to deliver high value and time sensitive projects via its legal services to its clients.

Among notable key deliveries are the legal services rendered with regards to the development within the Pengerang area related to the Petronas Refinery and Petrochemical Integrated Development (RAPID) project which expected to contribute RM8.3 billion to Malaysia's Gross National Income in 2020. The legal services rendered are in relation to real estate project development, engineering contracts, water utilities & sewerage services and local council advisory work.

A strong proponent of technology usage in legal services, you can be assured you are in the best of hands where legal services value delivery are transparent, clear and swift.



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ITEMS	NOTES
<p><b>Stating the Condition Precedents</b></p> <ul style="list-style-type: none"> <li>● A condition precedent is a legal term describing a condition or event that must come to pass before a specific contract is considered in effect or any obligations are expected of either party.</li> <li>● Among items that should be considered are;               <ul style="list-style-type: none"> <li>○ Legal authority of parties successfully obtained</li> <li>○ Financial verification of the financier</li> <li>○ Land proprietorship to the project land by the land owner</li> <li>○ Related relevant licenses</li> <li>○ Undertaking by Holding Company or any other sister company for the purpose of security</li> </ul> </li> </ul>	
<p><b>Identify entitlement return to joint venture partner</b></p> <ul style="list-style-type: none"> <li>● The Landowner's Entitlement               <ul style="list-style-type: none"> <li>○ Usually either a fix amount or a percentage to the Gross Development Profit</li> </ul> </li> <li>● Deposit</li> <li>● Schedule of Payment</li> <li>● Payment in Kind option</li> <li>● Right to Review The Schedule of Payment</li> <li>● Late Payment Interest</li> <li>● The Developer's Entitlement</li> <li>● Developer Lost Undertaking</li> </ul>	



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<p><b>Parties' Obligations in Respect of the Project</b></p> <p><b>Developer's Obligations</b></p> <ul style="list-style-type: none"> <li>● Permissions / Consents / Approvals from Appropriate Authorities</li> <li>● Engagement of Consultants</li> <li>● Production of Plans</li> <li>● Infrastructure Works</li> <li>● Construction Works on the Land</li> <li>● Insurance</li> <li>● CCC</li> <li>● Strata Titles Act, 1965 (If Applicable)</li> <li>● Disposal of Parcels</li> <li>● Advertising Permit and Developer License (APDL)</li> <li>● Statutory Charges, Costs and Outgoings</li> <li>● Financing</li> <li>● Compliance with Relevant Laws</li> <li>● No Assignment / Change in Shareholding</li> <li>● Local Participation, Personnel, Material and Services</li> </ul> <p><b>Land Owner's Obligations</b></p> <ul style="list-style-type: none"> <li>● Land Physical Delivery to the Developer</li> <li>● Application for Approval to Appropriate Authorities</li> <li>● Issuance of Individual or Separate Document of Titles</li> <li>● Disposal of Parcels</li> <li>● Charging of Land</li> </ul>	
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<p><b>Land Matters</b></p> <ul style="list-style-type: none"> <li>● Delivery of Vacant Possession</li> <li>● Assumption of Risks</li> <li>● Compulsory Acquisition</li> <li>● Squatters and Illegal Occupants</li> <li>● Prior Inspection</li> <li>● Position and Area of the Land</li> <li>● Right to Inspect Land and Access by Land Owner</li> </ul>	
<p><b>Warranties and Representations</b></p> <ul style="list-style-type: none"> <li>● Land Owner's Warranty and Representation</li> <li>● The Developer's Warranty and Representation</li> </ul>	
<p><b>Limited Power of Attorney</b></p> <ul style="list-style-type: none"> <li>● Whether the Developer would require a Limited Power of Attorney for the purpose of Planning Approval and any other submission to relevant authority</li> </ul>	
<p><b>Development Programme</b></p> <ul style="list-style-type: none"> <li>● Development Programme</li> <li>● Commencement of Project</li> <li>● Compliance with Project Plans</li> <li>● Extension Period</li> </ul>	
<p><b>Project Management Committee</b></p> <ul style="list-style-type: none"> <li>● Membership to PMC</li> <li>● Chairmanship</li> <li>● Scope of PMC</li> <li>● Voting rights</li> <li>● Quorum</li> </ul>	



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<p><b>Default</b></p> <ul style="list-style-type: none"> <li>● Default by the Developer</li> <li>● Consequences of Termination by default of the Developer</li> <li>● Default Remedy Period</li> <li>● Default by Land Owner</li> </ul>	
<p><b>Land Matters</b></p> <ul style="list-style-type: none"> <li>● Delivery of Vacant Possession</li> <li>● Assumption of Risks</li> <li>● Compulsory Acquisition</li> <li>● Squatters and Illegal Occupants</li> <li>● Prior Inspection</li> <li>● Position and Area of the Land</li> <li>● Right to Inspect Land and Access by Land Owner</li> </ul>	
<p><b>Mutual Termination or Re-Negotiation of the Terms and Conditions</b></p>	
<p><b>Notices Delivery</b></p> <ul style="list-style-type: none"> <li>● Land Owner Notice Delivery Address</li> <li>● Developer Notice Delivery Address</li> </ul>	



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**Please let us know if you have any further questions or issues on this matter.**

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