INVITATION TO BID

APPROVED RULES FOR THE PUBLIC AUCTION OF FEDERAL GOVERNMENT HOUSES IN THE FCT TO THE GENERAL PUBLIC (INCLUDING POLITICAL OFFICE HOLDERS AND CAREER PUBLIC SERVANTS NOT ENTITLED RIGHT OF REFUSAL)

IN ACCORDANCE WITH PUBLISHED GUIDELINES NO. 2 AS APPROVED BY THE FEDERAL EXECUTIVE COUNCIL (FEC), THE FEDERAL CAPITAL TERRITORY ADMINISTRATION (FCTA) HEREBY INVITES THE GENERAL PUBLIC (INCLUDING POLITICAL OFFICE HOLDERS AND CAREER PUBLIC SERVANTS NOT ENTITLED TO FIRST RIGHT OF REFUSAL) TO BID FOR THE FOLLOWING HOUSING UNITS IN ACCORDANCE WITH THESE APPROVED RULES.

Preamble
In line with the cardinal principles of its Monetization Policy, the Federal Government of Nigeria (FGN), through the FEC, mandated the FCTA to implement the immediate sale of ALL RESIDENTIAL FACILITIES hitherto owned by the FGN and ALL its ministries, departments and agencies in Abuja, FCT and designated as non-essential.
Towards this end, Mortgage Financing (at competitive rates and tenors) has been arranged through the Federal Mortgage Bank of Nigeria for the acquisition of all properties to be sold. All interested purchasers are advised to contact their Bankers and/or any Private Mortgage Institution for additional information.

The public Auction of non-essential Federal Government Houses in the FCT will proceed as follows:

A. **Application Process:**

1. The application process starts when the payment terms and submission conditions, as listed below, are complied with.

   i. All political office holders must complete Application Forms with receipt of proof of payment of N10,000 in favour of the Federal Capital Territory Administration, along with the following:
      - Letter of Appointment into public office OR Certificate of Election,
      - Letter of Allocation of quarters by an Appropriate Authority, and
      - 4no. high resolution colour Passport Photographs

   ii. All other bidders that are not political office holders must complete Application Forms with receipt of proof of payment of N10,000 in favour of the Federal Capital Territory Administration, along with the following:
      - Tax Clearance Certificate for last three years.
      - Certificate of Incorporation, Memorandum and Articles of Association for Companies, and
      - 4No. high resolution passport photographs for individual applicants.

2. Duly completed Application Forms must be submitted to:
3. The submitted form shall be promptly acknowledged and issued with a control number, and a copy of such acknowledgment is returned to Applicant.

4. Sale of houses as herein advertised is OPEN TO ALL NIGERIAN CITIZENS AND INCORPORATED ASSOCIATIONS and application fees of N10,000.00 {Ten thousand Naira only} must accompany each FREE application form, payable at any of the designated banks.

5. Each and every member of the public shall be entitled to purchase only one residential unit, whilst any and all allocated or occupying government houses in Lagos (or anywhere else in the country) are specifically excluded from purchasing houses in the Federal Capital Territory.

B. Bidding Process:

6. The bidding process will be conducted strictly in conformity with the following procedure:

   i. All houses occupied by political office holders will be sold in an Open Auction whereby all Nigerian citizens shall be given equal opportunity. A simple Auction System by way of competitive bidding shall be employed. All bids must be submitted with a bid bond by way of bank...
draft from a first class (as will be periodically determined by the FCTA) bank, equal to ten percent of bid value. All bids without a bid bond stand disqualified. The highest bidder shall be automatically declared the preferred bidder, along with the second highest bidder as the reserve bidder; with the bid bond being retained and treated as non-refundable 10% deposit. All other bid bonds shall be returned (uncashed) to unsuccessful bidder(s).

ii. The highest bid price will then be offered to the political office holder in occupation to exercise the first right of refusal by effecting 10% non-refundable deposit within fourteen days. If the political office holder fails to exercise the first right of refusal, the preferred bidder will be allowed to complete the transaction as envisaged.

7. Within 30 (thirty) days of the date of this publication, a copy of the previously processed Application Form, with the acknowledgment stamp and control number clearly visible, is to be used by interested bidders to submit their bids in the public Auction, and MUST include the following information to be considered valid:

i. **Under General Information**
   Line 4 (to be retrieved from the list of available non-essential FGN houses in Abuja as herein advertised)

ii. **Under Financial Information**
   Line 4 (to be accompanied by a bid bond in the amount of 10% of the expressed bid value in the form of a bank draft from a first class bank)

iii. **Under Attestation**
8. The bid (consisting of a duly completed, signed, and processed general Application Form AND 10% bid bond by way of bank draft) must be enclosed in a sealed envelope and submitted to the address specified above not later than 12:00 noon on November 7, 2005; being the expiration date of the stipulated thirty (30) days from the date of this publication.

C. Auction Process:
9. All bids on each housing unit will be opened in public on the same day beginning at 3:00 pm, at a venue to be announced in advance.

10. No housing unit will be sold below its established reserve price; being the Open Market Value of the property as determined by the FCTA and/or its Professional Valuers, and approved by the FEC.

11. The preferred bidder will be determined by a simple evaluation of the highest bid submitted (provided that it is above the reserve price) and the bid bond will immediately become a 10% non-refundable deposit towards the purchase of the property.

12. The second highest bidder will become the reserve bidder, provided that the submitted bid is above the reserve price.

13. Political office holders will be given the right to match (within fourteen days) the winning bid on their currently occupied housing units, by effecting a non-refundable deposit equal to 10% of the winning bid value.

14. Thereafter, a winning bidder will be declared.
15. Bid bonds of all unsuccessful bids will be returned.

D. Auction Residuals: Payment Terms and Conditions

16. Payment of 25% of purchase price (including 10% non-refundable deposit), must be made to the Federal Government of Nigeria within 90 days of being declared winner.

17. Balance of 75% must be paid by all purchasers within an additional 90 days; thus, all purchasers must effect full payment within 180 days of contract.

18. Each purchaser will be given custody of the original C-of-O issued by the FCT with his/her picture or RC Number scanned thereon, unless paragraph 19 below applies.

19. Lender(s) will have immediate custody of original C of O with Minister’s consent and legal mortgage executed in their favour by the FCT Administration.

20. All transaction charges shall be for the account of the purchaser.

21. In the event that a purchaser fails to comply with the payment terms, the non-refundable deposit (being 10% of the purchase price) will be forfeited to the Federal Government, the contract of sale shall be rendered null and void, and the house declared unsold. Any payment in excess of the non-refundable deposit shall be refundable, less any administrative costs.

22. In the case of houses offered to political office holders in occupation, failure to accept offer and/or comply with the payment terms will lead to immediate eviction and the forfeiture of deposit {if applicable}. 
23. In the case of unsold houses offered for open auction, and where the highest bidder fails to comply with the terms of sale, the bid bond of highest bidder will be forfeited, and the second highest bidder (“reserve bidder”) shall be invited to complete the transaction. The reserve bidder’s deposit shall be refunded with interest at Treasury Bill Rate + 1% if highest bidder completes transaction.

24. If the reserve bidder fails to comply with the terms of sale, the bid bond shall also be forfeited and paragraph 6 (i and ii) above shall apply thereafter.

25. Subject to the implementation of the subsequent payment terms and conditions as specified in paragraphs 16-24 above, the winning bidder will take possession of their property immediately upon completion of full payment – being 100% of the bid offer amount.

26. In order to ensure transparency and accountability, at each point in the process, the particulars of the Auction, including the names of the winning, preferred, and reserve bidders will be published. Detailed property descriptions and relevant information will also be widely accessible, both in print and electronic media, as well as on the Internet. The FCTA, at its sole and absolute discretion, reserves the right to withdraw any and all properties hereby advertised as follows.

[SEE LIST OF HOUSING UNITS FOR SALE]