

According to Article 96 of the Law on Planning and Construction („Official Gazette of the Republic of Serbia“, no. 72/09), The Directorate for Property and Inspection of the City of Niš advertises

A PUBLIC AUCTION

FOR THE LEASEHOLDING OF AN UNCONSTRUCTED AND PUBLICLY OWNED CONSTRUCTION SITE

1. Location “Lozni Kalem” – designated for the construction of a recreation centre in accordance with the Plan on Detailed Regulation of Recreation Centers “Lozni Kalem” in Niška Banja (“Official Gazette of the City of Niš, no. 48/2009) which includes:

1. Block A (an area of altogether 7ha 96a), which is divided into:

A1 has an area of 2ha 84a

A2 has an area of 2ha 82a

A3 has an area of 1ha 60a

A4 has an area of 70a

2. Part of Block B (an area of altogether 5ha79a), which is divided into:

B2 has an area of 2ha 3a

B3 has an area of 3ha 76a

2. Location “Skopljanska”- designated for the construction of a hotel with additional contents in accordance with the General Plan of Niš 1995-2010 (“Official Gazette of the City of Niš, no. 13/95, 2/2002 and 51/2007) on:

- cadastral plot numbers: 1703/1 with an area of 1797m², 1592 with an area of 757m², 1597 with an area of 280m², 1695/1 with an area of 271m² and 1695/2 with an area of 256m² KO Niš-Crveni Krst, which altogether form a 3351 m² construction plot.

I – GENERAL CONDITIONS, METHOD AND DEADLINE FOR SUBMITTING APPLICATIONS

All local and foreign legal and physical persons have the right to participate in the public auction.

The investor who offers the highest bid at the public auction has the right to leasehold this particular construction plot.

The starting bid for leaseholding the above mentioned construction site is as follows:

a) for clause 1. - 10 Euro per 1m² in Serbian dinars according to the medium exchange rate of the National Bank of the Republic of Serbia on the day the public auction is held; the bidding step is determined at 500,00 dinars.

b) for clause 2. – 250 Euro per 1m² in Serbian dinars according to the medium exchange rate of National Bank of the Republic of Serbia on the day the public auction is held; the bidding step is determined at 2.000,00 dinars.

Applications for participating at the public auction are submitted to **DIRECTORATE FOR PROPERTY AND INSPECTION OF THE CITY OF NIŠ (UPRAVA ZA IMOVINU I INSPEKCIJSKE POSLOVE GRADA NIŠA)**, stating “**The Committee for Construction Site Lease holding**” (“**Komisija za davanje u zakup građevinskog zemljišta**”) no later than 30 days after the auction is advertised.

The participant of the auction is obliged to submit proof of deposit payment when submitting the application:

- **for clause 1.** – in the amount of 170.000 Euro in Serbian dinars according to the medium exchange rate of the National Bank of the Republic of Serbia on the day the application is submitted.

- **for clause 2.** – in the amount of 84.000 Euro in Serbian dinars according to the medium exchange rate of the National Bank of the Republic of Serbia on the day the application is submitted.

Payment of the deposit is made to the running account of the City of Niš Budget: 840-742143843-93, with reference to the number 97-87-521 – **Prihodi od zakupnine za gradjevinsko zemljište u korist nivoa gradova**, with reference to which location the deposit is intended.

The deposit for the participant of the public auction who acquires the tenancy rights is calculated into the final price, while all other participants will upon request have their deposits reimbursed in nominal value without interest rate in a period of 8 days after the auction is closed.

The application for physical persons participating at the public auction should include:

1. Reference to the plot the participant wishes to lease hold
2. Name and surname
3. Address, personal identification number and signature (applied to foreign physical persons)
4. A statement that the participant accepts all conditions in the advertisement
5. Proof of paying a deposit
6. Account number where the deposit should be reimbursed

The application for legal persons participating at the public auction includes:

1. Reference to the plot the participant wishes to lease hold
2. Firm and personal identification number
3. Name and surname of director/ authorized person and his signature
4. A verified photocopy of a brief from the registry of the Agency for Business Registries
5. A certified photocopy of authorization for representation at auctions
6. A verified statement made by the authorized person accepting all conditions stipulated in the advertisement
7. Proof of paying a deposit
8. Account number where the deposit should be reimbursed

**if the person who submits the application for participating at the public auction is a foreign legal person who has a registered commercial association or branch in his ownership in Serbia, he/she must submit all of the above documentation. Otherwise, a foreign legal person is among others also obliged to submit evidence of his/her status in accordance with regulations from his homeland (verified brief from a judicial register or similar)*

A person who fails to submit an application in the designated period or submits a uncomplete application cannot be granted the right to participate at the public auction.

The particular plot is offered for lease holding for a period of 99 years to the person who offers the highest bid.

The lease holder may pay out the compensation for lease holding the particular plot in the following manner:

- Location under clause 1. may be paid out completely in a period of 15 days after the lease holding agreement is concluded or in 6 equal monthly installments,
- Location under clause 2. must be paid out completely in a period of 15 days after the lease holding agreement is concluded.

In case payment is carried out through installments, the lease holder is obliged to submit bank guaranties for securing the payment.

The deadline for constructing on this location is as follows:

- Under clause 1. construction must be concluded in a period not shorter than 2 years and not longer than 5.
- Under clause 2. that period is 2 years.

Deadlines for constructing are calculated from the day the deal is concluded and the agreement on lease holding is verified in a court.

II – USE OF THE LAND:

1. Location “Lozni Kalem” has a total area of 22ha54a. 5ha30a is covered with roads, parking space and other public infrastructure. It is divided into two blocks:

Block A – recreation and sports content (divided into A1 – recreational and sports pitches intended for small in and outdoor sports with additional contents, A2 – indoor and outdoor aqua park, A3 – terrain for expanding the contents of the aqua park and A4 – public structures intended for business).

Rules for construction of Block A

- 1. Use of the land:** Recreation and sports
- 2. Regime of construction:** Zone intended for new constructions
- 3. Construction height:** for construction in subdivisions A1, A2 и A3 the maximum number of floors for structure is GR (with an increased floor height) and the maximum height is 12.0 meters; for construction in subdivision A4 the maximum number of floors is GR+1, while the maximum height of structures is 10,0 m
- 4. Allowed level of plot exploitation:**
Building coefficient: 1,0
Building occupancy: 50%
- 5. Dividing land plots:** the division is carried out according to the defined blocks and subdivisions. The investor has the duty to create a construction plot prior to the beginning of construction works.

Block B – health, tourist and commercial contents (with subdivision B1– not a subject of the public advertisement, B2 – spa and wellness center with additional contents, B3 – hotel complex with lodgings and possible artificial lake intended for health tourism and B4– not a subject of the public advertisement).

Rules for constructing Block B

- 1. Use of the land:** Health, tourism and commercial contents
- 2. Regime of construction:** Zone intended for new construction
- 3. Structure’s height:** maximum floors should be GR+3, maximum height of structure 16,0 m.
- 4. Allowed level of plot exploitation**
Building coefficient: 1,6
Building occupancy: 50%
- 5. Dividing land plots:** the division is carried out according to the defined blocks and subdivisions. The investor has the duty to establish a construction plot prior to the beginning of construction works.

The location is equipped with primary communal infrastructure.

2. Location “Skopljanska”– it’s function is determined through the General Plan of Niš 1995-2010 ("Official Gazette of the City of Niš, no. 13/95, 2/2002 и 51/2007) – city center (bruto population density from 250 to 450 people per hectare), intended for the construction of structures for city central and general functions, as well as hotels with additional content.

Rules of construction

- 1. Use of the land:** hotel complex with additional contents

2. Regime of construction: Zone intended for new construction

3. Allowed level of plot exploitation:

Building coefficient: 4,2

Building occupancy: 90%

4. Dividing land plots: carried out. A construction plot has been established. The location is equipped with complete communal infrastructure.

- *More detailed information on urban indexes can be obtained at the web site www.zurbanis.rs, page **važeci planovi (valid plans)**,*
- *In regards to both locations, if necessary, and in accordance with the Law on Planning and Construction, the investor is obliged to finance the drafting of urban-technical documents for carrying out the planning documentation.*

III – LAND AGENCY FEE

The investor is obliged to pay land agency fee for both locations under clauses 1. and 2. prior to his/her acquisition of a construction permit.

This is to be done in accordance to an agreement that is concluded with the City according to the Decision on Criteria for Agreeing on and Establishing Land Agency Fee, which is valid as soon as the agreement is concluded.

IV – OBLIGATIONS IN REGARDS TO SITE PREPARATION

Lessor – CITY OF NIŠ:

- To enable the connection to waterworks and sewage networks, as well as traffic infrastructure to the boundaries of the investor's construction plot,
- To cover the costs for changing the use of the land plot under clause 1. from agricultural to construction.

Lesee - Investor:

- To obtain a construction permit for building structures,
- To build feed-in connection infrastructure and arrange the terrain around the structure.

The Public Auction will be held on 18.11.2009, at 11,00 a.m., in the large hall of The Parliament of the City of Niš, Nikola Pašića Street no. 24.

Details on the results of the advertisement will be sent to all participants and will be posted on the notice board in the building of the Parliament of the City of Niš and the web site www.ni.rs, no more than 8 days after the adoption of the enactment on leasing out the land plot.

As soon as the the document on leasing out the construction plot is legally binding, the investor is obliged to enter into the Public Land Lease Agreement.

Those investors who turn back from concluding the Public Land Lease Agreement, as well as those who are to be blamed for the termination of the agreement, lose the right to be reimbursed with their deposit.

Due to the necessity of dividing the construction plot at "Lozni Kalem" in order to split the area intended for public use (currently underway), there may be deviations in terms of the size of construction plot that is being advertised for lease holding. The number of cadastral plots and precise plot sizes that are being leased out will be determined through an Agreement on Leasing out Construction Plots in Public Ownership.

All further information concerning this particular construction plots can be acquired in the DIRECTORATE FOR PROPERTY AND INSPECTION OF THE CITY OF NIŠ, Nikola Pašića Street no. 24, in office no. 27-a, every day, and on the web address of the City of Niš: www.ni.rs , as well as the web site: www.colliers.com .