

THE GOVERNMENT OF MONTENEGRO
THE PRIVATIZATION AND CAPITAL INVESTMENT
COUNCIL



The Tender Commission for Privatization announces:

PUBLIC INVITATION

For participation on a tender („Tender”) for sale and lease of

THE COMPLEX OF AHOTEL „PARK“, BIJELA -
HERCEG NOVI, MONTENEGRO

1. The Government of Montenegro hereby invites qualified local and international investors with financial capacity and experience in design, construction and management of a tourist facilities, to submit bids if interested in:

- i. Purchase of

- o The Hotel „Park“, including land and equipment, envisaged for reconstruction and/or demolition and construction of a new hotel, in accordance with terms of the Detailed Urbanity Plan "Blace - Jošica",

- o And, facilities in function of a hospitality and tourism, known as the "House of the family Djurkovic" including associated outbuildings and land; and

- ii. Lease of the park.

The Hotel „Park“, building of the „House of the family Djurkovic” with associated outbuildings and land, and the park are located in Bijela - Herceg Novi, Montenegro, and all together represent unique area called the Complex of the Hotel Park (hereunder **the „Complex”**), in accordance to the Detailed Urbanity Plan "Blace - Jošica" (hereunder the **„DUP”**). The Complex is asset owned by the State of Montenegro in 100%, with a total area of 9.711m².

2. Data of the Complex

The Hotel „Park“

Location of the Hotel „Park”(hereunder **the „Hotel“**) means the land, next to the sea, marked as cat.parc. 314/1, which includes the Hotel courtyard, in area of 4.787m², land under the facilities and building 1, of area 730m², with an additional facility - building 2, of area 115m² and land under garages and garages marked as cat.parc. 314/3, - additional facility 1, of area 120m², all together under the Cadastre Extract no.77, KO Jošica. The DUP envisage reconstruction of existing or construction of a new Hotel, which would, in addition to hotel accommodation units of a four-star category,

include contents of hospitality, recreation, wellness, shops, partly business and culture, as well as other facilities provided by the categorization. The allotment plan envisage urbanity parcel for the Hotel marked as UP 68 (of area 5.911m²), with use code of T1 - hotel. Planned gross area of a new facility is 12.000 m².

The „House of the family Djurkovic“

Within the Complex there are facilities that represent building of the „House of the family Djurkovic“ marked as cat.parc. 314/4, of area 862m², in the Cadastre Extract no. 77, KO Jošica, which includes garden and land under the building and building 1, of area 121m² and auxiliary buildings 2,3,4 and 5 of the total area 101m². The DUP for this facilities envisage the following: "In order to preserve the architectural and cultural heritage, on the specified buildings, there are not allowed any construction interventions which would change number of floors or horizontal dimensions of the facility. Only maintenance work has been allowed." The facility with the surrounding land has been marked by DUP as UP 69 (of area 862m²), with use code of PCH - protected cultural heritage.

The Park

Between the hotel „Park“ - UP 68 and facilities of the „House of the family Djurkovic“ - UP 69 has been situated park area, marked as cat.parc. 314/2, in the Cadastre Extract no. 77, KO Jošica, of area 3.102 m² characterized by presence of pines (*Pinus pinea*) cedars (*Cedrus libani*), kaki apples (*Diospyros kaki*), palms (*Washingtonia filifera*), feoja (*Feijoa sellowiana*). Scapes of pine trees are of exceptional size and can be observed from afar, as well as a sour tree (*Ailanthus altissima*). The DUP made this area as S - Square.

More detailed information regarding the Complex is provided in the Tender documents that will be available to the Tender participants upon signing the Confidentiality Statement and purchasing of the Tender Documents.

3. Participation on the Tender shall be allowed to the interested parties (including consortiums) who have purchased the Tender Documents and signed the Confidentiality Statement, in accordance with sections 6 and 7 of this Public Invitation (**“The Tender Participant”**).
4. The Tender Participant that purchased the Tender Documents, may form a consortium with other entities, and such consortium may submit a bid under the condition that the Consortium Agreement contain, inter alia, provisions that clearly and unequivocally stipulate and define unlimited joint and several liability of all members of the consortium for the obligations arising from the Bid, the Tender and the Sale, Purchase and Investment Agreement and Lease Agreement.
5. The Tender Participant is to submit its Bid in accordance with the regulations and procedures stipulated in the Instructions to Bidders that are contained in the Tender Documents.
6. The Tender Commission for the privatization (the **“Tender Commission”**), hereby invites interested parties to submit a written request to purchase the Tender Documents that should be clearly entitled **“The Request for Purchase of the Tender documents”** (the **„Request”**).
7. Upon receiving of the Request, the Secretary of the Tender Commission will provide interested parties with instructions for the payment of the fee for the tender documents (**“The Tender Documents Fee”**) in the amount of 7,000 EUR (seven thousand EUR) by

mail, e-mail or fax, as well as with the Confidentiality Statement. The Tender Participants shall, without delay, return duly signed Confidentiality Statement to the Secretary of the Tender Commission and pay the Tender Documents Fee.

Immediately upon receiving a duly signed Confidentiality Statement and confirmation from the Privatization and Capital Investment Council that the Tender Documents Fee has been paid, the Advisor shall provide the Tender Participants with the tender documents, by e-mail. The Tender participant is obliged to submit a written confirmation of a receipt of the Tender Documents to the Secretary of the Tender Commission.

8. The Tender Participant will be provided with the opportunity to visit the Complex between December 3,2014 and February 27,2015 upon agreement with the Advisor.
9. A Bid on the Tender must be submitted in accordance with the rules and procedure prescribed in the Tender Documents, and such Bid must arrive at the address of the Tender Commission not later than **February 27, 2015 at 12:00pm (local time)**.
10. Along with submission of its Bid, a Bidder must pay a Deposit or submit a Bid Bond in favor of the Privatization and Capital Investment Council, in the amount of EUR 200,000 (*two hundred thousand Euro*), in the form of an unconditional and on-demand bank guarantee, issued by a bank with at least BBB credit rating, according to the Standard and Poor's Agency, or by a bank approved by the Tender Commission in its sole discretion, upon previously submitted written request by the Tender Participant.
11. A Bidder with whom the Sale, Purchase and Investment Agreement and Lease Agreement will be signed shall be obliged to pay the amount of the purchase price and rent for the first 10 (*ten*) years in cash, within the deadline determined by the Sale, Purchase and Investment Agreement and Lease Agreement. Furthermore, the offered amount of lease shall not be less than 0.60 € (*sixty cents*) per square meter of a leased land, annually.
12. The Tender Commission reserves the right to amend the particular provisions from this Public Invitation including deadlines.
13. All inquiries relating to this Public Invitation, interested parties should address to the Tender Commission and the Advisor at the following addresses:

THE TENDER COMMISSION

**Branko VUJOVIĆ, President of the
Tender Commission for Privatization**

Moskovska 17/A, M/C1
81000 Podgorica, Crna Gora
tel: +382 20 235 565
fax: +382 20 513 503
Attn. Ivana ŠARANOVIĆ JOVIĆEVIĆ,
Secretary of the Tender Commission
e-mail: ivana.saranovic@ano.co.me

THE ADVISOR

**Dragan V. LIJEŠEVIĆ, Director
„Iv Consulting” DOO, Budva**

XVI. street, no. 5
85310 Budva, Crna Gora
Tel/fax. +382 33 46 55 98
e-mail: ivconsulting@t-com.me