



**REPUBLIC OF CROATIA
VUKOVARSKO-SRIJEMSKA
COUNTY**

**Municipality of Gradiste
MUNICIPALITY COUNCIL**

**Class: 944-01/09-01/01
Reg.No: 2212/06-02-09-01
Gradiste, 30.09.2009**

In virtue of articles 30 of Gradiste Municipality Statutes (published in county bulletin «Službeni vjesnik» No. 12/2009) and 35 parag. 2, as well as article 391 of the Act on Property and Miscellaneous Tangible Rights (NN 91/96, 68/98, 137/99, 22/00, 73/00, 114/01 i 38/09), Gradiste Municipal Council has brought out, on its 4th session held on 30/09/2009 the following

**DECISION
on
INVITING TENDERS**

„Ambarine“ Gradište business zone

**Sale of building land, or granting construction rights with
buying and selling opportunity**

Article 1

INVITATION SUBJECT : Sale of building land in „Ambarine“ municipal business zone, registered in Gradiste cadastral municipality, as follows:

- Cadastral plots which are subject of this Invitation to bid:

No.	c.p.	area
1.	3454/1	108,152 m ²
2.	3454/5	3,363 m ²
2.	3454/10	16,991 m ²
3.	3454/12	12,555 m ²
4.	3455/1	116,333 m ²
5.	3455/2	77,692 m ²

In conformity to the bidders' needs it is possible to split the above areas into smaller plots except the cadastral unit 3454/5, and the new area cannot be smaller than 3,500 m². The procedure is done at the buyer's expense, whereby a prior pro-forma contract with the bidder is made, stipulating that 50 per cent of the price is to be paid in advance. The remaining amount is paid when the Decision of Construction Conditions has been obtained and the main contract has been signed.

The cadastral plots are intended for the following ecologically suitable entrepreneurial activities: industry and manufacturing, trades and crafts, services, storage and distribution, farming, sales shops and similar.

In case a contract on establishing construction rights is signed, the construction rights transferee is bound to pay an annual municipal fee of HRK 2.00/m². This fee is paid monthly to the Gradiste Municipality giro account no later than the 15th day of the month for the previous month, and against a delivered invoice.

Construction rights are assigned for a period of time no longer than 2 years, and are discontinued once the business facilities on the purchased cadastral plot have been made. The construction rights transferee who intends to contract a purchase before the given 2-year term expires can do so no earlier than upon obtention of a Decision on Construction Terms and after construction works have been initiated. Should the transferee of construction rights finish construction within a 12-month period upon signing this Contract, obtain a use permit and begin business activity, he is entitled to a 50 per cent discount on contract price.

Article 2

PRICE AND FEATURES OF THE BUILDING AREA:

Asking price:

- HRK **10 / m²** for manufacturing activities and those connected to farming (manufacturing, services and trade).
- HRK **20 kn/ m²** for services and trade,

The Municipal Council may allow for further negotiations on contract terms for each offer considered to be of special concern for the municipality.

All plots feature full communal infrastructure (i.e. water supply network, gas, electricity, telephone, sewage system, asphalt road, pavements and public lighting).

Article 3

DEPOSIT:

Bidders are required to pay a deposit in amount of 10 per cent of the plot asking price. The deposit is to be transferred to the giro account of Gradiste Municipality - 2340009-1813700001, with an indication of the corresponding reference number:

21	<i>7889-Registration Number (MB) for companies</i>
22	<i>7889-Owner's Personal Identification Number (JMBG), for trades&crafts</i>

Article 4

DURATION OF THE INVITATION:

This Invitation to Bid is open for an indefinite period of time – until all cadastral plots are sold – starting from the date it is published in the „Glas Slavonije“ newspaper.

Article 5

OPENING OF BIDS:

Opening of received bids is public, every Monday at 12:00h at the seller's premises. A decision on the choice of the best bidder will be made by the Municipal Council within 15 days, counting from the date when the bid was opened.

The bidder can be represented by a legal attorney or a proxy upon presentation of his or her authorization/affidavit.

Bidders or their representatives present at the public opening of bids are required to present evidence of deposit transfer.

Article 6

BIDDERS:

Both domestic and foreign companies, trades or crafts may act as bidders provided that they meet criteria for the acquisition of ownership rights as defined by Law.

Article 7

CONTENT OF BID:

The bidders are required to state the title of the company or trade, the address, the telephone number and other base information required for application documents, and

1. For companies:

- Company registration evidence (by Commercial Court)
- Financial reports (annual balance sheet, profit and loss account, capital flow statement) for the past 3 years.
- BON-1 and BON-2 solvency reports (not older than a month)
- Employment data (Tax Administration ID form)
- Tax Administration Report on settlement all contributions and taxes
- Business plan
- Evidence of deposit transfer
- The offered monthly construction rights fee in EUR and HRK or
- Offered purchase price in EUR and HRK,

2. For trades&crafts:

- Trade/craft registration evidence (Central trades/crafts registry)
- Financial reports (DOH forms for the past two years)
- BON-2 solvency report (not older than a month)
- list of fixed assets
- List of loans taken from banks or savings banks
- Employment data (Tax Administration ID form)
- Tax Administration Report on settlement all contributions and taxes
- Business plan
- Evidence of deposit transfer
- The offered monthly construction rights fee in EUR and HRK or
- Offered purchase price in EUR and HRK,

3. Entrepreneurs beginners (up to one year of running a business) cannot present financial reports as their activity was not in existence. However, they are required to submit the following:

- Business registration evidence (Central trades&crafts registry or Commercial Court)
- list of fixed assets
- List of loans taken from banks or savings banks
- Employment data (Tax Administration ID form)
- Tax Administration Report on settlement all contributions and taxes
- Business plan
- Evidence of deposit transfer
- The offered monthly construction rights fee in EUR and HRK or
- Offered purchase price in EUR and HRK,

Article 8

BENEFITS OFFERED BY THE SELLER:

Future users of the business zone will have the following municipal fixed monthly fees:

LOCAL CONTRIBUTION

- Production activities and those related to farming (manufacturing, services and trade) are exempt from payment, whereas services pay 50 per cent of the regular fee.

COMMUNAL FEE

- Production activities are exempt from paying communal fee in their first business year. Services and activities related to farming (manufacturing, services and trade) pay 50 per cent of the communal fee in the first business year.

From the second business year on, all manufacturing-related companies pay the regular communal fee, i.e. an amount of HRK 1.50/m². Services and activities related to farming, as well as all other mentioned activities, pay a HRK 2.00/m² fee.

Article 9

BUYER'S COMMITMENTS:

For the chosen bidder, the 10 per cent amount of the entire plot value (deposit) is withheld as an irrefundable security deposit, and is calculated into the purchase price.

The deposit is only refunded to unsuccessful bidders. When a plot is sold, it becomes private property of the chosen candidate when the purchase agreement is signed. As of the day of signing the agreement, the chosen candidate is required to transfer the full amount for the cadastral plot which was the subject of tender, and produce a payment slip as a proof. The chosen candidates are required to begin their activity in the business zone according to their Business Plan within 2 years, and begin construction works within one year as of the day that the agreement is signed.

Article 10

CRITERIA:

The best tender for individual plots will be considered one which satisfies all the criteria in terms of this invitation to bid.

In case there are several candidates meeting the criteria, advantage will be granted to the highest price per m² for individual cadastral plot.

Article 11

CONCLUDING AGREEMENT AND PAYMENT:

After the best bid has been chosen by the Municipal Council, the chosen candidates are required to sign a contract with the Municipality. There is a five-year ban on resale of the plots. In case of failure to act in accordance with the contract or contract breach, penalties are defined in the contract. Should the land owner intend to sell the land when the resale prohibition period expires, Gradište Municipality has pre-emptive buying rights. In case of non-adherence to the stated deadline or change of activity which is not in conformity with the terms of this invitation to bid, the Municipality is entitled to unilaterally terminate the agreement.

If the bidder or his authorized representative fails to show up for selection, it will be considered as cancellation, in which case the deposit will not be refunded. The bidder is required to sign a purchase agreement with the Municipality within 10 days as of the day of selecting the best tender. In the contrary case it will be considered that the bidder has cancelled participation in this invitation to bid.

It will be stipulated in the agreement that the land will be charged to the benefit of the seller. Should the best buyer withdraw, the next highest bid will be considered the most acceptable. This invitation to bid can be cancelled by the Municipal Council without further notice, or not accept any of the received offers and cannot be held responsible for any damages whatsoever that may be inflicted upon the bidders.

Article 12

SUPERVISION AND BUSINESS ASSESSMENT:

In order to ensure fulfillment of all contractual commitments, activities of all chosen candidates are followed up in the business zone.

Once a year business activity of each entrepreneur in the business zone will be looked into in order to assess their development..

Article 13

OTHER TERMS AND CONDITIONS:

The bidders are required to buy off the application documentation by paying a HRK 3.000.00 fee.

A tender offered by a bidder who failed to take over the above documentation will be considered unacceptable. Upon publication in „Glas Slavonije, written offers are to be submitted every Monday by 12.00 in person, or sent by mail in a sealed envelope with a note „OTVORENI NATJECAJ za prodaju gradjevinskog zemljišta u poslovnoj zoni „Ambarine“ općine Gradiste – NE OTVARATI“¹, with address Trg Hrvatskih Velikana 5, 32273 Općina Gradiste. In addition, number and area of the plot the bid refers to should be indicated on the envelope, along with a name and telephone number of the contact person.

Bidding for neighbouring plots is allowed, provided that a separate offer is given for each plot.

The bidder who involved neighbouring plots in his offers one of which was chosen as the best is required to declare acceptance to buy only one plot (within eight days as of the day of being invited by the mayor). In case the bidder fails to accept purchase the next best offer for that plot will be chosen.

Incomplete or late offers will not be considered. Bidders are required to attach a proof of

All information on this invitation to bid is available on workdays between 8-15 o'clock at:

Phone 032/841 – 270,

or at Trg Hrvatskih Velikana 5, Municipality of Gradiste.

**Municipal Council Chair:
Ivan Čolakovac**

¹ (OPEN INVITATION TO BID, building land sale in Gradiste Municipality „Ambarine“ business zone – DO NOT OPEN) (interpreter's note)