

According to Article 96 of Law on Planning and Construction (Official Gazette of Republic of Serbia No. 72/09 and 81/09), Administration for Real Estate and Inspection of City of Nis announces

PUBLIC AUCTION RELATED TO LEASE OF UNDEVELOPED CONSTRUCTION LAND IN PUBLIC OWNERSHIP

I – For the purpose of real estate development in accordance with planned use –city center (gross population density index 250 to 450 inhabitants per hectare), with planned real estate development of city center general purpose, namely: bank, post office, hotel, establishments of culture, supply, commerce, hospitality and services, as well as commercial-residential property, located at Skopljanska Street in Nis, pursuant to General Plan of Nis 1995-2010 (Official Gazette of City of Nis No. 13/95, 2/02 and 51/07):

- Cadastral Parcels No: 1703/1 with 1797 sqm, 1592 with 757 sqm, 1597 with 280 sqm, 1695/1 with 271 sqm and 1695/2 with 256 sqm, KO Nis – Crveni Krst, comprising construction parcel totaling **3361 sqm**.

Initial rent amount for the lease of construction land as per Para I equals to 25.000,00 RSD per sqm, bid increment equals to 2.000,00 RSD.

II – For the purpose of construction of multifamily residential building, located in southwestern part of Block B7a, pursuant to Plan of Detail Regulation of Northern Part of Settlement “Duvaniste III” in Nis (Official Gazette of City of Nis No. **104/2004**) in residential zone, namely:

- Cadastral Parcels No: 1254/1 with 190 sqm, 1254/37 with 841 sqm, 1254/39 with 10 sqm, 1255/1 with 1831 sqm, 1255/41 with 15 sqm, 1256/8 with 137 sqm, 1255/40 with 758 sqm, 1256/1 with 304 sqm, 1255/2 with 187 sqm and 1255/32 with 16 sqm (**totaling 4289 sqm**), KO Nis-Pantelej.

Initial rent amount for the lease of construction land as per Para II equals to 8.000,00 RSD per sqm, bid increment equals to 500,00 RSD.

III - For the purpose of construction of commercial property, P+2 floors (ground and two floors), located at Vizantijski bulevar Street (former Bulevar Sretena Mladenovica) in Nis, pursuant to Regulation Plan for Portion of Nisava Area between Bulevar Medijana and Proleterska Street in Nis (Official Gazette of City of Nis No. 19/2002) and Decision on Implementation of Urban Plans Brought before Coming into Force of Law on Planning and Construction (Official Gazette of City of Nis No. 28/2003 and 53/2003), namely:

- Cadastral Parcels No: 1294/4 with 53 sqm, 1294/5 with 104 sqm, 1288/1 with 243 sqm, 1287/1 with 231 sqm, 1284/4 with 216 sqm and 1283/6 with 34 sqm, KO Nis-Pantelej (**totaling 881 sqm**).

IV - For the purpose of construction of commercial property, P+1 floors (ground and one floor), located at Vizantijski bulevar Street (former Bulevar Sretena Mladenovica) in Nis, pursuant to Regulation Plan for Portion of Nisava Area between Bulevar Medijana and Proleterska Street in Nis (Official Gazette of City of Nis No. 19/2002) and Decision on Implementation of Urban Plans Brought before Coming into Force of Law on Planning and Construction (Official Gazette of City of Nis No. 28/2003 and 53/2003), namely:

- Cadastral Parcels No: 1348/6 with 485 sqm and 1349/3 with 132 sqm, KO Nis-Pantelej (**totaling 617 sqm**).

Initial rent amount for the lease of construction land as per Para III and IV equals to 8.000,00 RSD per sqm, bid increment equals to 500,00 RSD.

V - For the purpose of construction of manufacturing and warehouse property, pursuant to Regulation Plan of Small and Medium Enterprises in Working Zone "SEVER" in Nis (Official Gazette of City of Nis No. 12/02), namely:

- Cadastral Parcels No: 8938/20 with 1104 sqm and 8938/35 with 118 sqm, KO Nis–Crveni Krst (**totaling 1222 sqm**).

Initial rent amount for the lease of construction land as per Para V equals to 4.000,00 RSD per sqm, bid increment equals to 500,00 RSD.

CONSTRUCTION RULES

a) for the construction land described in Para I:

1. Planned use of land: city center (gross population density index 250 to 450 inhabitants per hectare), with planned real estate development of city center general purpose, namely: bank, post office, hotel, establishments of culture, supply, commerce, hospitality and services, as well as commercial-residential property, located at Skopljanska Street in Nis, pursuant to General Plan of Nis 1995-2010.

2. Allowed Land Use Index:

Construction Coefficient: 4,2

Occupancy Index: 90%

3. Construction Regime: Zone of new construction

4. Parcellation: Done, construction parcel formed

5. Obligations regarding construction land development

City of Nis: To provide connection to water and sewage system, as well as traffic infrastructure towards investor's construction parcel border.

Investor is obliged to:

- prior to obtaining of construction permit, pay the fee for construction land development for respective location, pursuant to an agreement concluded with JP "Development Agency of City of Nis", based on Decision on Criteria for Contracting and Determining of Fee for Construction Land Development, valid on the date of conclusion of agreement.

- order the rendering of respective urban documentation, finance the rendering of urban and technical documents for implementation of plan documents, and obtain location and construction permit.

- build the infrastructure within the construction parcel, and develop the land surrounding the structure.

- participate in building of power and telephone system, in accordance with conditions of respective utility companies.

b) for the construction land described in Para II:

Construction rules, which are a part of Plan of Detail Regulation of Northern Part of Settlement "Duvaniste III" in Nis (Official Gazette of City of Nis No. **104/2004**) represent mandatory urban parameters for the entire Block B7a (maximum floors: P+6+Pk, maximum dimension of the ground floor is ranging between 0.1 and 1.2 meters; maximum height of cornice above the ground level: 25m², maximum height of the elements above the filed level-32,00 meters, number of business premises:0).

1. Planned use of land: Multifamily Residential

2. Allowed Land Use Index:

Construction Coefficient: 2,32

Occupancy Index: 29,12%

Obligations regarding construction land development

City of Nis: To provide connection to water and sewage system, as well as traffic infrastructure towards investor's structure.

Investor is obliged to:

- prior to obtaining of construction permit, pay the fee for construction land development for respective location, pursuant to an agreement concluded with JP "Development Agency of City of Nis", based on Decision on Criteria for Contracting and Determining of Fee for Construction Land Development, valid on the date of conclusion of agreement.

- order the rendering of respective urban documentation, finance the rendering of urban and technical documents for implementation of plan documents, and obtain location and construction permit.

- build the infrastructure within the construction parcel, and develop the land surrounding the structure.

- participate in building of power and telephone system, in accordance with conditions of respective utility companies.

c) for the construction land described in Para III and IV

Planned use of land: Commercial Space

1. For the commercial property described in Para III: construction line should be positioned 1,0 meter from regulation line; allowed depth up to 25 meters, dimension of the ground floor 0.15 meters from the sidewalk, pitched roof covered with metal plates, cornice height 9.90M - 10.00M, official access from the north eastern side with parking area developed on both sides.

2. For the commercial property described in Para IV: construction line should be positioned 1,0 meter from regulation line, allowed depth up to 25 meters, dimension of the ground floor 0.15 meters from the sidewalk pitched roof covered with metal plates, cornice height 6.80M - 7.00M, official access from the north eastern side with parking area developed on both sides.

3. Utility land development

The utility infrastructure facilities need to be developed and then connected to existing infrastructure in Vizantijski bulevar Street (former Bulevar Sretena Mladenovica) in Nis.

4.1. Water system:

This lot is located in the first zone of water supply. The water system is developed in Vizantijski bulevar Street (former Bulevar Sretena Mladenovica), and the extension 110 meters long needs to be developed.

4.2. Sewage system:

Sewage for both systems (waste and atmospheric waters) is constructed in Vizantijski bulevar Street (former Bulevar Sretena Mladenovica) in Nis. Abovementioned Regulation Plan and Plan on Detail Regulation envisage the connection of the respective structure to sewage systems on northeast side of the structure by newly planned access road.

4.3. power networks

The power supply of the structure will be carried out through transformer on the north side of Vizantijski bulevar Street. The connection of structure to 04 KW network will be carried out through existing and future transformers, which will be regulated by urban documentation, development projects and "Elektrodistribucija" requirements.

4.4.Phone lines

Connection to phone lines will be carried out by digging of new cables from projected switching degree „Duvanište“ to users.

4.5.Common traffic areas:

The lot has an access from planned access road.

4.6.Heating system:

The complex that encompasses the respective structure is a part of consuming area of heating facility „Krivi Vir“. The heating energy supply will be carried out by magistral heating system in Vizantijski bulevar Street (former Bulevar Sretna Mladenovica).

5. Obligations regarding construction land development

City of Nis: To allow for investor to connect to water and sewage systems, as well as traffic infrastructure towards investor's structure, in accordance with I.11.B1 of Program for Construction Land Development for Year 2010 (Official Gazette of City of Nis No 91/09).

Investor is obliged to:

- prior to obtaining of construction permit, pay the fee for construction land development for respective location, pursuant to an agreement concluded with JP "Development Agency of City of Nis", based on Decision on Criteria for Contracting and Determining of Fee for Construction Land Development, valid on the date of conclusion of agreement.

- order the rendering of respective urban documentation, and obtain location and construction permit.

- build the infrastructure within the construction parcel, and develop the land surrounding the structure.

- participate in building of power and telephone systems, in accordance with conditions of respective utility companies.

d) for the construction land described in Para V:

1. Planned use of land: manufacturing and warehouse property, maximum floors: P+1+Pk, maximum height up to 9.00 meters.

2. Allowed Land Use Index:

Construction Coefficient: 2,1

Occupancy Index: 70%

3. Utility land development

The lot is equipped with necessary utility infrastructure, which allows for connection of secondary block network.

3.1.water supply

The water supply of complex will be carried out through secondary waterworks which will be connected to existing waterwork in main line in RZ „SEVER“.

3.2.evacuation of waste waters

Evacuation of waste waters will be done by connecting of complex sewage system to existing sewage system towards railroads.

3.3.evacuation of atmospheric waters

Evacuation of atmospheric waters will be done by connecting of system to existing atmospheric sewage.

3.4. Power networks

The power supply is regulated by investor himself, in accordance with requirements of „Elektrodistribucija“ Nis, upon Investor’s request

3.5. Phone lines

Investor is responsible to obtain sufficient number of phone lines, in accordance with requirements of „Telekom Srbija“ AD.

3.6. Common traffic areas

Traffic organization of the area has been planned in a manner in which it will provide free and safe traffic for the property complex. The main road is a “road” to the airport and access road to RZ “SEVER”.

Still traffic will be solved by investor within the lot, with technical documentation.

3.7. gas network

Investor will solely be responsible for connection to gas network with gas utility company.

4. Obligations regarding construction land development

City of Nis: The lot is equipped with necessary utility infrastructure, which allows for connection of secondary block network.

Investor is obliged to:

- prior to obtaining of construction permit, pay the fee for construction land development for respective location, pursuant to an agreement concluded with JP “Development Agency of City of Nis”, based on Decision on Criteria for Contracting and Determining of Fee for Construction Land Development, valid on the date of conclusion of agreement.
- order the rendering of respective urban documentation, and obtain location and construction permit.
- build the infrastructure within the construction lot, parking and block development.
- In case that during the construction of structure causes relocation of existing infrastructure, he is obliged to relocate it at his own expenses and make it functional.
- participate in building of power, telephone and gas systems, in accordance with conditions of respective utility companies.

More information on urban parameters for all locations may be found at: www.zurbnis.rs (webpage-Existing Plans).

APPLICATION TERMS AND CONDITIONS

All interested natural persons and legal entities are entitled to participate in the public auction.

The respective construction land is offered for 99-year lease period.

Regarding construction land described in Para II, City of Nis is obliged to allow participant who leased the respective land to enter into possession of respective property not later than 8 days from the day of final lawful registration with land registry of transfer from previous user to City of Nis.

The deadline for putting to intended use construction land described in Para I, II, III, IV and V is 3 years, as of the date of court verification of lease agreement regarding offered construction land.

An investor who offers the highest rent amount for the lease of construction land is entitled to obtain respective construction land.

The rent amount for the respective construction land is to be paid in full, not later than 15 days as of the date of signing of lease agreement.

Applications for participation in public auction shall be submitted to **Administration for Real Estate and Inspection of City of Nis, indicating "COMMISSION FOR TRANSFER AND LEASE OF CONSTRUCTION LAND IN PUBLIC OWNERSHIP"**.

Applications are to be submitted indicating the participation in public auction for respective location, not later than 30 days from the date of public announcement (the deadline for application for public auction and payment of deposit is 16 March, 2010, at 3 PM).

Applicant who submitted late and incomplete application cannot get the status of participant in public auction.

Along with application, participant in public auction is obliged to submit an evidence of paid deposit:

- for construction land described in Para I in the amount of **8.402.500,00 RSD**, paid to Finance Administration deposit account number: 840-564804-15, with reference number 191/2010-01;

- for construction land described in Para II in the amount of **3.431.200,00 RSD** for participation in public auction for lease of construction land, paid to Finance Administration deposit account number: 840-564804-15, with reference number 361/2010-01;

- for construction land described in Para III in the amount of **704.800,00 RSD** and for construction land described in Para IV in the amount of **493.600,00 RSD**, paid to Finance Administration deposit account number: 840-564804-15, with reference number 189/2010 – 01;

- for construction land described in Para V in the amount of **488.800,00 RSD** paid to Finance Administration deposit account number: 840-564804-15, with reference number 190/2010 – 01;

The deposit will be applied toward the final price for the participant who is granted the lease of respective land, and deposit will be returned to other participants upon conclusion of public auction and upon their request, within 8 days in nominal amount, with no right to any interest.

Information on auction package may be found at web site of City of Nis: www.ni.rs.

The public auction will take place on 19 March 2010 at 11 AM, in the main hall of the City Assembly, on the first floor of Administration of City of Nis, 24 Nikole Pasica Street.

Notification on the results will be delivered to participants and will be posted on bulletin board of City of Nis administration and on the website of City of Nis: www.ni.rs, not later than 8 days from the date of executing of deed granting construction land lease.

Upon final validity of deed granting construction land lease, and not later than 30 days as of this day, investor is obliged to enter into construction land lease agreement.

Investor who fails to enter into construction land lease agreement, as well as the investor who signed lease agreement, but the agreement is terminated due to his default, is not entitled to reimbursement of paid deposit.

More detailed information related to respective construction land may be obtained at **Administration for Real Estate and Inspection of City of Nis, 24 Nikole Pasica Street, Office number 27-a, during working hours, at website of City of Nis: www.ni.rs and at website: www.colliers.com .**