



HELLENIC REPUBLIC ASSET
DEVELOPMENT FUND

HELLENIC REPUBLIC ASSET DEVELOPMENT FUND S.A.

1 Kolokotroni & Stadiou Str., 105 62, Athens, Greece

INVITATION TO SUBMIT A PROPOSAL FOR AN

INDEPENDENT VALUATION FOR

THE PROPERTY IN MODIANO MARKET,

THESSALONIKI

Athens, August 29th 2016

A. Introduction

The Hellenic Republic Asset Development Fund S.A. (**HRADF**) currently runs an international tender process for the sale of its 43.63% ownership stake in Modiano property in Thessaloniki (the **Property**), as further specified in the relevant request for proposal, issued by HRADF on 29.07.2016 (the **Request for Proposal**).

According to the Request for Proposal, the transaction will concern the sale of 100% of the share capital of a special purpose company (SPV), which will be established by HRADF and will hold the 43.63% of the ownership right on the Property to the highest bidder, under the terms and conditions of the Share Sale and Purchase Agreement.

According to article 6 par. 2 of Law 3986/2011, as currently in force, asset of HRADF prior to their exploitation should be evaluated by an independent valuer (the **Valuer**) who is appointed in accordance with HRADF's procurement regulation (amended and codified by Decision nr. 2/16128/0025 of the Minister of Finance, Government Gazette B/476/2014) (the **Regulation**).

In the above context, HRADF hereby invites experienced and specialized domestic and international valuers to submit a proposal in relation to the scope of work described below (the **Invitation**).

B. Scope of Work

The Valuer is expected to deliver an independent appraisal report on the market value of HRADF's stake at the Property, as described in the Request for Proposal.

The valuation report and the supporting documentation should be prepared in the Greek language, with an executive summary in English, and should include, but not be limited to the following:

- executive summary;
- full description of the Asset supported by photographic documentation;
- comprehensive supply-demand analysis of the market in which the development of the Property is expected to compete;
- detailed presentation of the valuation method(s) applied, including relevant inputs, assumptions and calculations;
- estimation of the objective and estimated market value of HRADF's stake at the Property and reasoning of potential difference between the two values (market value and objective value).

The valuation report shall be presented by the Valuer to the HRADF's Council of Experts and to its Board of Directors, as well as to any other person or entity as required by HRADF.

The assignment also includes the submission - upon a written request of HRADF - of a valuation update of the property [**within a period of ten (10) months**] from the initial valuation date, as well as co-operation with HRADF and HRADF's advisors at the stage of the establishment of the SPV by HRADF in accordance with par. 3.1 of the Request for Proposal, on issues related with the appraisal of HRADF's stake at the Property in accordance with Law 2190/1920.

The Valuer must complete and properly deliver its work to HRADF within **[twenty (20) calendar days]** from the date that HRADF allows for the Valuer to have access to the Virtual Data Room (VDR) with all relevant documentation. If needed and according to HRADF's regulation, an extension may be agreed, taking into account the deadline for the submission of offers according to the Request for Proposal.

The maximum available amount to be paid by HRADF to the Valuer as fee for the assignment described herein is **EUR 7,000.00 (plus value added tax)**. The above amount includes all related expenses for the completion of the assignment.

C. Qualification Criteria

The Valuer must satisfy the following qualification criteria:

- Track record for the last five [(5)] years of the legal entity (the Company) participating in the RfP providing sufficient evidence of experience in the valuation of similar, as per type and size, properties (or at least [10] years for the leading member of the team/representative of the legal entity and more than [7] years' experience of the second member of the team). In case that the company is operating less than 5 years, track record of 7 years of experience is required from at least 2 members of the signatories of the Valuer;
- At least one [(1)] leading member of the Valuer's team that will undertake the valuation must be a certified valuer by a Greek or other European Union member-state regulating body. The certification of the Valuer must be according to RICS, TEGOVA or other equivalent professional body standards. Also the signatory or one of the co-signatories of the valuation must be a certified valuer as described above. Finally, two members of the Valuers' Team (one being the signatory or the co-signatory of the valuation) must also be registered in the List of Certified Valuers held by the Ministry of Finance.
- Professional indemnity insurance certificate (**the PII Certificate**) of an annual minimum of **EUR [1] million** per incident. The body of the PII Certificate should also be provided (or a cover letter). By way of exemption candidates may submit a written commitment that this annual minimum cover shall be submitted prior to the award of the tender. Should the tender be awarded to a candidate who has submitted the above mentioned written commitment, upon penalty of disqualification, the PII Certificate should be provided to HRADF within 5 days from the announcement of the award.
- The Valuer and the members of its team that will perform the valuation must be independent in accordance with the provisions of Law 3986/2011. The Valuer and the members of its team that will perform the valuation must declare their independence and that they have no conflict of interest.

Interested legal entities or natural persons may participate as members of a group of entities or a consortium.

D. Required Content of the Proposals

All submitted proposals shall include the following:

- Presentation of the proposed approach to the assignment, critical issues and

methodologies, including a timeline.

- Brief description of the Valuer's organisational structure and activities in Greece and internationally.
- Composition of the team that will perform the valuation:
 - i. brief CV of each team member;
 - ii. description of each team member's relevant experience.
- A confirmation in the form of a declaration statement that neither the Valuer nor any members of its team that will perform the valuation have any conflict of interest with respect to the activities described in the scope of work and the qualification criteria above (such confirmation must also be delivered in case of a valuation update as per B - Scope of Work above).
- Initial list of documents the Valuer considers necessary to be provided for performing the valuation.
- Proof that the Valuer meets the qualification criteria set forth under paragraph C above.
- Proposed fees and fee structure (**Financial Offer**).

E. Selection Process

The tender process for the award of the assignment described herein (the **Tender**) is governed by article 2.3 of the Regulation and shall take place as follows:

- Candidates must submit their proposals to HRADF, together with any other necessary documentation, via e-mail, to info@hraf.gr marked "**INDEPENDENT VALUER FOR "MODIANO MARKET IN THESSALONIKI"**"
- Additionally, a hard copy of such proposal may also, at the discretion of the candidates, be submitted, in a sealed envelope, at the offices of HRADF (1 Kolokotroni & Stadiou Str., 7th Floor, 105 62 Athens, Greece). The sealed envelope should bear the following indication:

To: Hellenic Republic Asset Development Fund S.A.

Subject: "INDEPENDENT VALUER FOR MODIANO MARKET IN THESSALONIKI"

[Candidate's name / corporate name]

- Proposals via e-mail must be submitted no later than **September 8th 2016, [17:00], Athens time**. In case a candidate decides to additionally submit a proposal in a hard copy, then this submission should also take place before or on the abovementioned deadline.
- HRADF reserves the right to request additional documents and/or clarifications and/or information from the interested valuers in connection with any issues related to their proposals within a short deadline and taking into account the principles of equal treatment, non-discrimination and transparency.
- Proposals that do not comply with all the Qualification Criteria, under

paragraph C of the Invitation, will be disqualified.

- Prior to the award of the Tender, HRADF reserves the right, at its fullest discretion, to enter into discussions and negotiations with one or more candidates for the improvement of their Financial Offer.

F. Evaluation of proposals

HRADF shall assess the duly submitted proposals from candidates against the Qualification Criteria and their Financial Offer. In case a proposal does not meet the Qualification Criteria it will be automatically disqualified and the Financial Offer will not be taken under consideration, whereas, by way of exemption, HRADF reserves the right to request a candidate to submit additional or supplementary documents or information or to clarify, supplement or correct the documents contained in its offer within a short deadline, taking account of the principles of equal treatment, non-discrimination and transparency. Upon penalty of disqualification, the professional indemnity insurance certificate or the relevant commitment should be provided, as well as proof of certification of the candidates according to RICS, TEGOVA or other professional body certifications and declaration of no conflict of interest.

For the evaluation, the following criteria will be taken into account:

- Relevant experience in real estate valuations;
- Relevant experience in the valuation of similar assets similar to the requested property (2);
- Approach to the assignment, methodology applicable to this specific property, critical issues, timeline;
- Team composition and experience Proposed fees.

The assignment will be awarded in accordance with law 3986/2011, as currently in force and the provisions of the Procurement Regulation of HRADF approved by decision of the Minister of Finance No 2/16128/0025 (Government Gazette 476/B/26.02.2014).

HRADF will evaluate proposals according to the criteria set out in section F above as well as the fee proposal, according to the procedure mentioned in Section B, Paragraph 2.3 of HRADF's Procurement Regulation, and may require clarifications, additions or adjustments of the submitted offers as deemed necessary.

G. Disclaimers

HRADF reserves, at its absolute discretion, the right to repeat, cancel, suspend, amend or postpone without any prior notice the Invitation and/or the Tender, as well as to terminate any negotiations or discussions at any stage of the Tender, without incurring any liability whatsoever against any interested and/or participating valuer and/or any third party.

The submission of a proposal is proof that the interested valuer has read and fully understood the Invitation and the Tender, recognizes the legitimacy and

unreservedly and fully accepts the terms and conditions of the Invitation and the Tender and acknowledges that it is fully apprised of local conditions, and the regulations and contractual and organizational framework within which the Fund operates and of the requirements contained in the Invitation and the Tender. Any failure to comply with the terms of the Invitation and the Tender or any failure to provide the necessary information may be deemed by HRADF, at its discretion, as sufficient ground for rejecting a proposal.

No person acquires any right or claim for compensation or other against HRADF from the Invitation and/or its participation in the Tender, for any reason or cause whatsoever.

All proposals become property of HRADF after their submission. Participating valuers give HRADF the right to reproduce and disclose their proposals for any purpose in connection with the Invitation and/or the Tender and/or the fulfilment of HRADF's legal functions.

HRADF may be required to disclose certain information and/or documents relating to the proposals to the Greek Parliament, within the powers and privileges of the latter or within the statutory functions of its officials, to a court during legal proceedings or to any administrative authority or body in relation to the fulfilment of its statutory functions. HRADF may be required to disclose information acquired in response to requests for information, subject to any related exceptions.

Any disputes arising out of or in connection with the Invitation and/or the Tender shall be subject to the exclusive jurisdiction of the competent courts of Athens, Greece, and Greek law shall apply.