



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 OF**

**TWO PROPERTIES IN AFANTOU, RHODES**

**Athens, May 23<sup>rd</sup>, 2014**

## A. Introduction

The Hellenic Republic Asset Development Fund SA (**HRADF**) currently runs two separate and independent international tender processes for the exploitation of the “**Golf Afantou**” and the “**Afantou South**” property respectively, as further specified in the relevant request for proposal issued by HRADF on 11.03.2014 (the **Request for Proposal**).

According to the Request for Proposal, HRADF shall:

1. incorporate
  - an SPV (the **Golf Afantou SPV**) by contributing (a) full ownership on the parts of the Golf Afantou property designated by the ESCHADA for both “holiday – tourist village” and “tourism – leisure” land uses and (b) the surface right (articles 18 et. seq. of law 3986/2011) with a 50-year duration on the parts of the Golf Afantou property designated by the ESCHADA for “tourism - leisure” land use but do not allow for development (e.g. golf, forestry, archaeology, wetland etc); and
  - another SPV (the **South Afantou SPV**) by contributing full ownership on the parts of the South Afantou Property designated by the ESCHADA for both “holiday – tourist village” and “tourism – leisure” land uses; and
2. transfer
  - to the selected bidder of the tender process for the Golf Afantou property the 100% of the share capital of the Golf Afantou SPV; and
  - to the selected bidder of the tender process for the South Afantou SPV the 100% of the share capital of the South Afantou SPV.

According to article 6.2 of law 3986/2011, as currently in force, any assets of HRADF should prior to their exploitation be evaluated by an independent valuer (the **Valuer**), who is appointed in accordance with HRADF’s procurement regulation (recently amended and codified by Decision 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 herein (the **Invitation**).

## **B. Scope of Work**

The Valuer is expected to deliver an independent opinion on the value of the Golf Afantou and the South Afantou properties.

The Valuer is expected to deliver a separate valuation for each property. Each 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 each property;
- comprehensive supply-demand analysis of the market in which the development of each property is expected to compete;
- detailed presentation of the valuation method(s) applied, including relevant inputs, assumptions and calculations; and
- estimation of the objective value of each property and reasoning of potential difference between objective value and estimated valuation.

The valuation reports 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 each property within a period of eight (8) months from the initial valuation date.

The Valuer must complete and properly deliver its work to HRADF within twenty (20) days from the date that HRADF delivers to the Valuer the relevant documentation. If needed and according to HRADF's regulation, an extension may be agreed.

The maximum available amount to be paid by HRADF to the Valuer for the assignment described herein is EUR 20,000.00 (plus value added tax). The above amount includes any and all expenses for the completion of the assignment.

### **C. Qualification Criteria**

It is clarified that, due to the particularities of the scope of work, it is possible for interested entities or persons to participate in the Tender (as described below) as members of a joint venture or consortium.

The Valuer must satisfy the following qualification criteria:

- Track record for the last five (5) years providing sufficient evidence of experience in the valuation of similar, as per type and size, properties.
- 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 or TEGOVA standards. Also the signatory or one of the co-signatories of the valuation must be a certified valuer as described above. Finally, at least one leading member of the Valuer's Team as well as the signatory or one of the cosignatories of the valuation must also be registered in the List of Certified Valuers held by the Ministry of Finance.
- 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 in writing.
- Professional indemnity insurance of an annual minimum of EUR 2 million per incident. The professional indemnity insurance certificate should also be provided.

### **D. Required Proposal Content**

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 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 above.
- Proposed fees and fee structure.

#### **E. Selection Process**

The tender process for the award of the assignment described herein (the **Tender**) is governed by article 2.3 of HRADF’s aforementioned procurement regulation and shall broadly take place as follows:

- Interested valuers must submit their proposal to HRADF, together with any other necessary documentation, via e-mail, to [info@hraf.gr](mailto:info@hraf.gr), marked **“INDEPENDENT VALUER FOR PROPERTIES IN AFANTOU, RHODES.”**
- Additionally, a hard copy of such offer may also, at the discretion of the interested valuers, be submitted, in a sealed envelope, at the offices of HRADF (1 Kolokotroni & Stadiou Str., 7th Floor, 105 62 Athens, Greece). Offers must be submitted no later than the May 30, 17:00, Athens time, irrespective of the way of submission.
- 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.

- Interested valuers that do not comply with any of the criteria set forth herein will not be allowed to participate in the process.
- HRADF reserves the right to enter into discussions and negotiations with the interested valuers for the improvement of the bids received.

#### **F. Evaluation of proposals**

HRADF shall assess the duly submitted proposals from interested valuers against the qualification criteria and their financial offer. Upon penalty of disqualification, the professional indemnity insurance certificate should be provided, as well as proof of certification of the interested valuers according to RICS or TEGOVA standards and declaration of no conflict of interest.

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

- Criterion 1: Relevant experience (grading 1-4, 4 points being the highest).
- Criterion 2: Team composition (grading 1-4, 4 points being the highest).
- Criterion 3: Approach to the assignment, methodology, critical issues, timeline (grading 1-4, 4 points being the highest).
- Criterion 4: Financial offer (points awarded as per the formula  $4 \times \frac{1 - ([\text{offer}] - [\text{lowest offer}])}{[\text{lowest offer}]}$ ), 4 points being the highest, 0 points being the lowest).

The Total Score will be calculated as per the following formula:

Total Score = 25%xCriterion1 + 25%xCriterion2 + 25%xCriterion3 + 25%xCriterion4.

The independent valuation will be awarded on the basis of the highest Total Score.

#### **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 constitutes full and unconditional acceptance of the terms and conditions of the Invitation and the Tender.

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 fulfillment 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 fulfillment 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.