



**INVITATION FOR SUBMISSION OF PROPOSALS TO ACT AS ADVISORS TO
THE HELLENIC REPUBLIC ASSET DEVELOPMENT FUND (HRADF) IN
RELATION TO THE MONETISATION OF CASHFLOW EXPECTED TO BE
GENERATED FROM THE PRIVATISATION OF REAL ESTATE ASSETS**

1. INTRODUCTION

The Hellenic Republic Asset Development Fund Société Anonyme (the "HRADF") is a société anonyme incorporated under Law 3986/2011 (Government Gazette Bulletin 152/A/1.7.2011), the entire share capital of which is owned and controlled by the Hellenic Republic (the "Hellenic Republic").

HRADF is entrusted, in the context of the Privatization Program under the "Medium-Term Fiscal Strategy Framework 2012-2015" (Law 3985/2011; Government Gazette Bulletin 151/A/1.7.2011), with the development (incl. sale or other transactions) of the assets of the Hellenic Republic as well as the assets of public law legal entities (bodies) or public companies, the share capital of which is fully owned, directly or indirectly, by the Hellenic Republic or public law legal entities.

HRADF is currently assessing different options to monetize the total cash flow stream that is expected to accrue in the coming years as a result of its on-going process of preparation, marketing and sale of its real estate asset portfolio. Within this context, HRADF aims to appoint one or more global Financial Institutions (the Advisor) to i) advise HRADF on options to accelerate the monetisation of its real estate portfolio and/or formulate different structures to facilitate the disposal of properties transferred to HRADF and ii) assist HRADF in the execution of the options selected and the completion of the monetization. As part of this process, the Advisor will coordinate the relevant advisory team required to execute the selected options and lead execution until completion.

The monetisation strategy should encompass a portfolio of about 1,000 assets to be transferred to HRADF (on-going process).

2. SCOPE OF WORK

The objective of the assignment is to assist HRADF in developing and implementing a real estate portfolio monetisation strategy and structure that will meet its strategic and financial objectives.

The selected Advisor will be tasked with delivering a robust strategy and transaction structure, which deliver timely, transparent and good value results through strong marketing and execution processes. The selected Advisor will also be responsible for the implementation of the selected structure/strategy assisting HRADF in the execution and completion of the monetization. The project is analysed in 2 phases.

Phase I: Options assessment (duration: up to 3 months)

The services provided in this Phase should include the following:



- Liaising and cooperating with the existing advisors of HRADF to identify suitable assets within the identified underlying portfolio and utilize the on-going preparatory work necessary to bring the assets to maturity (legal and technical audits, preliminary valuations etc.);
- Considering the relevant feasibility study already conducted by ESM and its advisory team, even though this study has a broader scope (not including the assets in the privatization pipeline);
- Developing a robust analysis of the criteria and drivers behind future cash flow projections underpinning the successful monetisation of these assets;
- Advising HRADF in identifying the most suitable characteristics for the creation of the entity(ies) through which the monetisation process can be transacted;
- Identifying appropriate financial instruments that may be available for monetisation purposes;
- Identifying type / pool of investors that might be interested in such a transaction or transactions;
- Conducting initial investor contacts to obtain preliminary feedback on the transaction structure (premarketing)
- Liaising with appropriate rating agencies and advisors to obtain detailed feedback on viability of potential proposals;
- Developing a process in relation to the monetisation including, advice on the most appropriate instruments to be issued, management structure, operational activities, corporate governance and estimates of future cash flows; and
- Providing an analysis of potential risks and mitigating factors for a successful transaction.
- Identifying possible needs to update or further develop the work conducted so far by HRADF and existing real-estate advisors and advising HRADF in determining the appropriate advisory team in relation to selected options, coordinating their work, liaising with all other involved parties (i.e. RE valuers, independent valuers, Rating Agencies, Approving/Listing Authorities etc.);

Phase II: Execution (duration: 4-12 months, depending on structure and number/size of transactions)

-
- Assisting / advising HRADF on structural considerations, on drawing a business plan (if required) and on monitoring the valuation exercise;
- Developing a marketing strategy guidance to target investors based on asset/portfolio characteristics and universe of possible investors;
- Coordinating/implementing the developed marketing strategy (i.e. preparation of road shows, investor meetings etc.)



- Assisting from a financial perspective, on the due diligence to be performed and on the terms included in legal/regulated documentation required for the Transaction (i.e. Information Memoranda etc.)
- Preparing and or assisting in the preparation of relevant marketing material, announcements, press releases etc.
- Co-ordinating and leading execution to completion, including but not limited to:
 - Advising on final offering structure(s) and size(s), regarding the financial instruments developed
 - Establishing/Organising/Coordinating the syndicate/selling group of the above financial instruments/securities
 - Managing, pricing, closing the securities/instruments offering,
 - Coordinating/Assisting on all required actions/tasks/deliverables for the execution and the successful closing of the transaction/offering/selling of securities/instruments

3. Selection - Qualification Criteria

Interested parties should demonstrate strong financial services capabilities, general and specific knowhow, as well as an experienced project team. More specifically, the selection will be based on the following criteria:

- a. Proof of comparable services in related real estate financial instruments (i.e. equity, asset-backed securities, mortgage-backed securities etc.);
- b. Documented specific experience in structuring and placing hybrid/complex deals involving real estate portfolios;
- c. Documented general experience in capital markets and financial services to governments, major credit institutions and institutional property clients, with reference to the range of clients to whom this type of service has been provided; and
- d. Exceptionally strong and diverse investor base;
- e. Senior and experienced project team suitably staffed to successfully undertake the assignment.

4. Selection Process

Interested parties must submit their offers in writing and should include at least the following:

- A. Description of projects and any other relevant information related to section 3 (i.e. advisory role, brief description of the financial instrument, value, period of structuring, execution and completion of the transaction, etc.).
- B. Proposed team composition (and its proposed structure) including relevant experience (section 3) of the senior members of the team during the last five (5) years and CV's of all team members.



- C. Presentation of understanding and draft plan on the assignment, requirements and deliverables, including an indicative timetable for its implementation.
- D. Proposed detailed fee level and structure (retainer and success fee) including a cap for fees and expenses for the term of the engagement. The estimated fees should include also an estimation of the cost of hiring additional advisors that may be deemed necessary. Retainers should be offsetable against the success fees.
- E. Declaration in writing that they do not have a conflict of interest for the specific engagement. Such restriction as to conflict of interest will remain in effect throughout the term of the engagement.

The assignment will be awarded in accordance with the provisions of the Procurement Regulation of HRADF (Government Gazette B' 1695/16.05.2012).

HRADF will evaluate proposals against the criteria and according to the information set out in articles 3 and 4, while it may request clarifications, additions or adjustments of the submitted offers that may be deemed necessary, or even invite candidates to present their offers before HRADF.

Candidates that do not comply with any of the qualification criteria set out in paragraph 3 above will be excluded from the selection process.

Based on this selection process, HRADF intends to select the Advisor, with the most economically advantageous offer, in terms of the stated herein selection criteria.

HRADF reserves, to the fullest extent possible and at its exclusive discretion, the right to cancel, suspend, amend or postpone at any time, this procedure, without any prior notice, as well as to terminate any negotiations or discussions at any stage of the process, without incurring any liability whatsoever to any participant and/or any third party.

5. Estimated duration of engagement and budget

Initial period up to 12 months followed by an extension, if necessary.

The retainer for the Advisor, as defined in paragraph 4.D, should not exceed EUR 600,000, excluding the cost of hiring additional advisors.

Interested parties must submit their offers together with all information set out above via e-mail, at the e-mail address [info@hraf.gr], marked (**"Invitation for submission of proposals to act as advisors to the Hellenic Republic Asset Development Fund in relation to the monetisation of cash flow expected to be generated from the privatisation of part of the real estate portfolio belonging to the Hellenic Republic"**).

Additionally, a hard copy of such offer may also, at the discretion of the interested party, be submitted, in a sealed envelope, at the offices of HRADF (1 Kolokotroni & Stadiou Street, 7th floor, 10562, Athens, Greece). Offers must be submitted no later than on July 29th at [19:00], Athens time, irrespectively of the way of submission.