

Pursuant to the Article 35, Subsection 2, of the Law of Property (Croatian Government Gazette *NN*, No. 91/96, 68/98, 137/99, 73/00, 114/01, 79/06, 141/06, 146/08 and 38/09), pursuant to the Article 48, Subsection 2 of the Law on Local and Regional Administration (Croatian Government Gazette *NN*, No. 33/01, 60/01, 129/05, 109/07, 125/08 and 36/09) and pursuant to the Article 23 of the Statute of the Town of Ogulin (County of Karlovac Gazette *GKŽ*, No. 25/09) the Town Council of the Town Ogulin on its session held on this 11 day of March 2010 has agreed to make a following

## **Decision on Sales and Price Conditions for Real Estate in the Business Park of Ogulin**

### **Article 1**

- (1) This Decision stipulates the sales and price conditions for the real estate within the area of the Business Park of Ogulin (hereinafter referred to as Business Park) which is currently the property of the Town of Ogulin.
- (2) The intended purposes, land-use planning and management and other town-planning conditions for the area of the Business Park have been defined by the Development and Town Planning Scheme of the Business-Industrial Park in Otok Oštarijski (County of Karlovac Gazette *GKŽ*, No. 44/06).

### **Article 2**

- (1) The real estate in the Business Park shall be offered for sale by means of Public Invitation to Tender for Real Estates as issued by the relevant Local Authorities in accordance to the provisions of relevant regulations on Local and Regional Administration.
- (2) The bid opening, consideration of tenders and decision proposal to relevant Local Authorities shall be conducted by a special Committee as chosen by the Mayor of the Town of Ogulin.

### **Article 3**

- (1) The real estate in the Business Park of Ogulin is offered for sale in its natural not built-up condition with appropriate access road leading up to the parcels boundaries and with the possibility of connection to electricity supply, water supply and telecommunication services.

### **Article 4**

- (1) The purchase price for the real estate in the Business Park is 8.00 euros for 1 sq meter of land converted into kunas according to the mean rate of exchange of the National Bank of Croatia on the payment day with the possibility of payment by instalments over the of period of up to 3 years with interest rate of 7 %.
- (2) If the relevant Local Authorities approve of the payment by instalments, the purchaser of the real estate in the Business Park shall submit a bank guarantee ensuring that the purchase price will be covered in full increased for the amount of the interest rate.

- (3) The Town of Ogulin as the seller of the real estate is entitled to condition the conclusion of the purchase contract in case of the payment by instalments upon the submission of the bank guarantee, by means of which the lending institution guarantees to cover the total amount of the purchase price plus the interest rate.
- (4) The purchaser (investor) of the real estate in the Business Park shall be entitled to the interest-free reimbursement of the part of the purchase price depending on the number of the employees he recruits as registered with the Croatian Employment Service, Branch Office of Ogulin, for an unlimited period of time in the area of the Business Park. The relation between the reimbursement and the number of the newly employed is shown in the chart below, which is the part of this Article of the Decision.

<b>NUMBER OF THE RECRUITED EMPLOYEES</b>	up to 30	31-50	51-100	more than 100
<b>PURCHASE PRICE FOR 1 sq meter of LAND</b>	8,00 euros	6,00 euros	3,00 euros	1,00 euro

- (5) In order for the purchaser in the Business Park to exercise his right on reimbursement of the part of the purchase price, he shall submit evidence to The Town of Ogulin of the number of the employees he recruited for an unlimited period of time in the area of the Business Park, who were registered as unemployed with Croatian Employment Service, Branch Office of Ogulin, within the time limit of three years upon the conclusion of the purchase contract.
- (6) In terms of this Article the following shall be accepted as evidence of the number of the recruited employees: the employment contracts for all the recruited employees concluded at least 6 months before the request for reimbursement has been submitted and the appropriate certification issued by the Croatian Pension Insurance Institute.
- (7) The stipulations of this Article entitle the Town of Ogulin as the seller of the real estate to demand from the purchaser of the real estate in the Business Park other proofs concerning employees recruited for an unlimited period of time in the area of the Business Park, who were registered as unemployed with the Croatian Employment Service, Branch Office of Ogulin.
- (8) The reimbursement of the part of the purchase price shall be approved of by a special decision of the Town of Ogulin.

#### **Article 5**

- (1) The purchaser (investor) of the real estate in the Business Park shall not be due to pay the fees to connect to local utilities.
- (2) The purchaser (investor) of the real estate in the Business Park shall enjoy the right to pay 75 % less charges for the use of local utilities in his first year of business, 50 % less in his second year of business and 25 % less in his third year of business.

## **Article 6**

- (1) The purchaser of the real estate in the Business Park should start with the intended construction works as proposed in his tender within a year upon the conclusion of the purchase contract.
- (2) Should the purchaser of the real estate in the Business Park not start with the intended construction works as proposed in his tender within a year upon the conclusion of the purchase contract, the Town of Ogulin as the seller of the real estate reserves the right of unilateral termination of the purchase contract without any obligation whatsoever to compensate for the possible damage to the purchaser and the right to purchase the same real estate back for the same price as stated in the Article 4 of this Decision, which will be increased for any improvements of the real estate if made in the meantime.
- (3) In case of payment by instalments the Town of Ogulin reserves the right to purchase the same real estate back under the same conditions as stated in the above Subsection of this Article for the amount of already paid in instalments, which will be increased for any improvements of the real estate if made in the meantime.

## **Article 7**

- (1) The purchaser of the real estate in the Business Park should start with the intended business activity as proposed in his tender within 2 years upon the conclusion of the purchase contract.
- (2) Should the purchaser of the real estate in the Business Park not start with the intended business activity as proposed in his tender within 2 years upon the conclusion of the purchase contract, the Town of Ogulin as the seller of the real estate reserves the right of unilateral termination of the purchase contract without any obligation whatsoever to compensate for the possible damage to the purchaser and the right to purchase the same real estate back for the same price as stated in the Article 4 of this Decision, which will be increased for any improvements of the real estate if made in the meantime.
- (3) In case of payment by instalments the Town of Ogulin reserves the right to purchase the same real estate back under the same conditions as stated in the above Subsection of this Article for the amount of already paid in instalments, which will be increased for any improvements of the real estate if made in the meantime.
- (4) The purchaser claims no right whatsoever to dispose of the real estate as long as the Town of Ogulin reserves the right to buy back the real estate as stipulated by this one and the above Article of this Decision.

## **Article 8**

- (1) The Town of Ogulin as the seller of the real estate in the Business Park reserves the right of first refusal for the 5 years upon the conclusion of the purchase contract.

### **Article 9**

- (1) Apart from his tender containing all the requested data, the purchaser of the real estate in the Business Park shall submit to the Town of Ogulin as to the seller of the real estate a detailed business plan concerning the intended purchase, which should include as follows:
- (a) Description of present business activities and description of intended business activities on the new location
  - (b) Structure and time schedule of investment
  - (c) Economic and financial indicators of performance including earnings, expenditures, profit and feasibility study
  - (d) Environmental sustainability analysis
  - (e) Number and professional structure of recruited employees
  - (f) Proofs as to acquisition of raw material, equipment and technology acquisition and merchandising of the product
  - (g) Concluding assessment of the project

### **Article 10**

- (1) From the moment of coming into effect of this Decision, the Decision of the Town Government of Ogulin made on 25 of March 2008, under Classification No.: 022-01/08-01/30, Reg. No.: 2133/02-02-08-11, ceases to be effective.

### **Article 11**

- (1) This Decision shall enter into force on this 11 day of March 2010.

Classification No.: 023-01/10-01/2

Reg. No.: 2133/02-02-10-1

In Ogulin on 11 day of March 2010

**TOWN COUNCIL OF THE TOWN OF OGULIN  
PRESIDENT OF THE TOWN COUNCIL**

**Milan Sabljak, M. Eng.**