



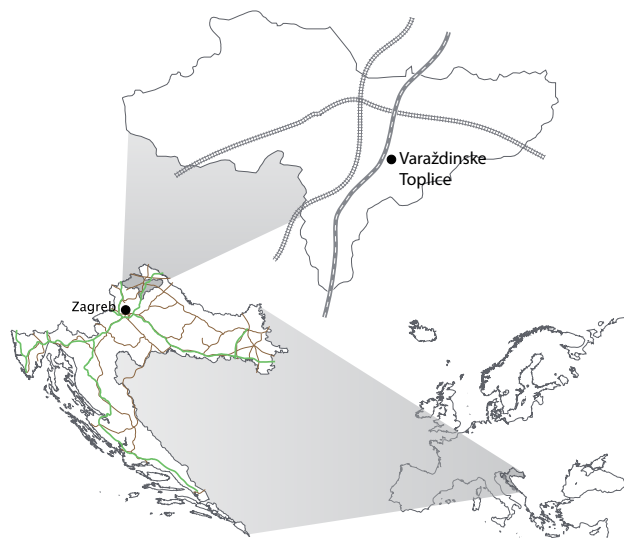
REPUBLIC OF CROATIA

WELLNES & SPA TOURIST ZONE VARAŽDINSKE TOPLICE, Varaždinske Toplice

PROJECT LOCATION

The Wellness & Spa Tourist Zone project is located in the Town of Varaždinske Toplice, the largest and the best known spa in Croatia with centuries of tradition in health tourism, based on a very rich and abundant thermal water sources (45-50 l/s, temperature 57.5°C and high concentration of sulfur), where archaeological excavations of the 2nd century thermal baths belonging to the period of the Roman emperor Constantine were found. The use of thermal water sources for health tourism dates back to the 12th century (1181). In addition, the surrounding area is famous for rich cultural-historic heritage from the middle-age, preserved environment and beautiful nature.

The town has a very good traffic position being close to the A4 Highway Zagreb – Goričan and is only 17 km away from the City of Varaždin, the administrative centre of Varaždin County, and 75 km from Croatian capital Zagreb.



PROJECT DESCRIPTION

Wellness & Spa Tourist Zone is the first phase and the most advanced part of a larger project - Hotel & Spa & Sport Resort- planned to be developed gradually in the future on an area of 210 ha which, according to the current Physical Plan of Varaždinske Toplice, apart from Wellness & Spa Tourist Zone, offers a possibility to build up a several zones for health, recreation and sport: Green, Sports and Recreation Zone, Golf Zone, Residential Zone and Pišćanovec Curia Zone. In addition the beautiful and preserved environment, the project is enriched with the protected area of the river Bednja which flows through the intended scope of the future Resort.

Total land size of the project area is 17.8 ha and in terms of capacities it envisages the construction of 4* hotel (350 beds), 4* apartment complex (225 beds), wellness and spa area (outdoor and indoor pools), entertainment centre, shops, park, parking and infrastructure facilities.

The Town of Varaždinske Toplice has concession rights to thermal water sources based on which development of the entire Hotel & Spa & Sport Resort project is planned. The project area of 17.8 ha majority (10.2 ha) is owned by Town of Varaždinske Toplice (7.68 ha) and company Forum Ltd., established and owned by the Town (2.52 ha). A construction land includes an area of 7.1 ha while remaining 10.7 ha is non-construction land envisaged as a green zone and partially still owned by private persons. Currently Town is in the process of acquisition of privately owned land parcels.

With project implementation, current accommodation, wellness and spa capacities will significantly increase and the quality and attractiveness of tourist offer in Varaždinske Toplice will be improved. The final aim of the integral project -Hotel & Spa & Sport Resort- is to turn Varaždinske Toplice into the highest quality health tourism destination, which will enable top positioning on the market as a prime destination in continental health tourism.



TRANSACTION MODEL

The Project holder is looking for a strategic partner, who will be selected through the public tender. Land sale is a preferred transaction model but land lease or strategic partnership are acceptable options as well (for construction land).

This project, under the conditions stipulated by the Law on Investment Promotion (OG 102/15) can qualify for investment incentives. For more information, please refer to Section 5: Incentive Measures for Investments Projects.

ESTIMATED VALUE

Estimated value: 22 million EUR with an open possibility for investors to alter the investment value according to their preferences.

CURRENT STATUS

The Wellness & Spa Tourist Zone Project is defined in physical plans of the County and the Town while the Urban Development Plan will be designed and adopted in coordination with future investor and his preferences.

PLANNED FACILITIES

FACILITY	NO. OF BEDS	TOTAL LAND AREA (m ²)	GROSS DEVELOPED AREA (m ²)	GROUND FLOOR AREA (m ²)	NUMBER OF LEVELS
4* Hotel	350	20,000	15,000	4,000	3
4* Apartment complex	225	10,000	4,000	2,000	2
Outdoor pool		1,500	900		
Indoor pool and SPA		3,000	2,000		
Entertainment center		3,000	800		
Shops		1,000	400		
Parks and green area		125,000			
Parking and additional infrastructure		14,500			

VARAŽDIN COUNTY

Population (2011): **175,951**

GDP per capita (2014): **8,448 EUR**

Unemployment rate (2016): **9.5%**

Average gross salary: **809 EUR**

Average gross salary in the sector (tourism): **719 EUR**

Varaždin County is located in Northwest Croatia and represents the central transportation corridor that connects the Central Danube to the Adriatic. It is at the heart of the Zagorje Route, which has traditionally linked Northwest Croatia to Slovenia and Hungary.

Beyond the strongest metal processing sector, the County's economy is based on agriculture, manufacturing and processing industries (milk production, meat processing, beverage production), textile and leather production. The County has a well developed ICT sector with over 120 different ICT companies.

The County has recently introduced a number of measurements and activities in order to stimulate investments and economy. The adoption of the City of Varaždin development strategy, improvement of business

climate, building necessary infrastructure and encouraging the development of new technologies resulted in recognition of Varaždin County as a highly desirable investment destination.

The County has a rich cultural heritage and sports offer. In addition to numerous biking and hiking routes, the regional tourist offer includes the baroque city of Varaždin, excursions to castles of Hrvatsko Zagorje and Centrum Mundi in Ludbreg.

The County considers education to be a very important aspect to economic development. Three Zagreb University faculties are located in Varaždin (Faculty of Organization and Informatics, Geotechnical Faculty and a Faculty of Textile Technology) as well as University North, which was recently formed through the merger of existing faculties in Varaždin and Koprivnica-Križevci counties. University North offers a number of study subjects (biomedical science, electrical and civil engineering), including the renowned High School of Nursing. In addition to the existing institutions of higher education in Varaždin, many students are studying at Zagreb University, due to greater choice of faculties and its proximity to Zagreb the major university center in Croatia.

CONTACTS

The Town of Varaždinske Toplice, www.varazdinske-toplice.hr, e-mail: info@varazdinske-toplice.hr

Agency for Investments and Competitiveness (AIK), www.aik-invest.hr, e-mail: info@aik-invest.hr