



REPUBLIC OF CROATIA

HOTEL AND SKI RESORT, Orahovica

LOCATION DESCRIPTION

Orahovica is an old town in the middle of Croatian north-east region, settled on the banks of the river Vučica. The town is located on the slopes of mountains Krndija and Papuk, and is opened to the lowlands.

The place is suitable for sports, cultural and congress tourism, but there are not enough accommodation facilities, despite the fact that the town has a century-old tradition as one of the most attractive tourist destinations of Virovitica-Podravina County.



There are numerous attractions (remains of medieval city walls of Ružica Grad and Stari Grad, the artificial lake Orahovačko jezero, a traditional cultural event “Spring in Orahovica” with a variety of theater performances, exhibitions, sports events, folklore festival, rock concerts and gastronomic events). The central event is the “Flower Parade”, held on the first Sunday in June. Owing to beautiful nature and continental climate with cold and snowy winters, the location is known as “little Switzerland”, and offers numerous possibilities for winter sports including skiing.



PROJECT DESCRIPTION

The location of the project that includes construction of a hotel and ski facilities is in the Nature Park Papuk, only 1.5 km away from the centre of Orahovica. According to the Detailed Development Plan, the area of the project is a part of the zone envisaged as a large sports and recreation complex with several projects such as the Education centre “School in Nature”, adventure park and water park on the lake.

The potential of the zone has been recognized by the Ministry of Regional Development and EU Funds, which provided technical assistance and co-financed 6 main projects.

The potential investor may develop the project as a complex which includes construction of a hotel and ski facilities, or it can be developed separately.

Currently on the land lot envisaged for the hotel is an old devastated construction from the 1970s, which should be removed.

In accordance with the physical plans, it is possible to build a hotel with 150 beds on four floors, with additional facilities such as a wellness centre, swimming pool, fitness suite, small shops, multi-purpose smaller halls and playgrounds on the area of 9,851.60 m².

The ski facilities (150 m away from the hotel) are planned to be constructed in three phases: (1) ski slopes, lifts and snow cannons, (2) info centre and (3) souvenir shop with a viewpoint on the total area of 86,192.84 m².

ESTIMATED VALUE

Estimated value: Hotel: approximately 5.6 mil EUR, Ski resort: approximately 7.2 mil EUR.

TRANSACTION MODEL

Based on lease and right to build models, the Town of Orahovica is looking for a strategic partner who will be selected on the public tender.

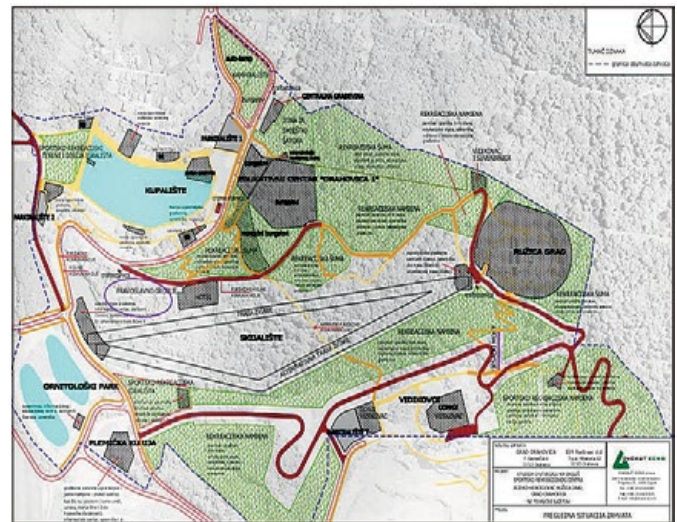
This project, under the conditions stipulated by the Law on Investment Promotion (OG 102/15) can qualify for investment incentives. For more information, please refer to Section 5: Incentive Measures for Investments Projects.

PROJECT STATUS

The Detailed Development Plan for this area has been adopted, and the next steps are the preparation of preliminary and main projects for the location and building permit.

As the most of the land envisaged for the skiing capacities is in the ownership of the Republic of Croatia (more than 99%), the project holder, the Town of Orahovica, has to settle the issue of land property in accordance with the Act on Forests (Official Gazette No. 140/05, 82/06, 129/08, 80/10, 124/10, 25/12, 68/12, 148/13, 94/14) and the Act on the State Property Management of the Republic of Croatia (NN 94/13, 18/16).

The Town has already commenced the procedure for purchasing the land parcels in the scope of the project which are currently owned by private persons.



VIROVITICA-PODRAVINA COUNTY

Population (2011): **84,836**

GDP per capita (2014): **5,655 EUR**

Unemployment rate (2016): **32.7%**

Average gross monthly salary: **824 EUR**

Average gross monthly salary (tourism): **607 EUR**

Virovitica-Podravina County is located in northeastern Croatia, and covers the area of Slavonia and Podravina. It is bordered by Bilogora, Papuk and Krndija from the South, whose slopes are gradually merging with the Pannonian Plain. The County's northern border is the River Drava which also makes a natural border with Hungary in the largest part of its hundred kilometre long course.

The City of Virovitica is an administrative, economic, cultural and educational centre, in which tourism is developed through a variety of traditional and contemporary forms with numerous cultural, historical, theatrical and sporting events, exhibitions and concerts.

Fruit growing, horticulture and cattle breeding has a long tradition due to the wealth of natural resources. While corn and wheat, medicinal herbs, tobacco and sugar beet of the highest quality are grown on fertile Slavonia and Podravina fields, the slopes of Bilogora and Papuk are covered with vineyards.

The county also has a high energy potential in biomass and geothermal energy. Because of numerous farms (crop and livestock) in this area, there is a significant potential for the construction of biogas plants that would also ensure the adequate disposal of biodegradable agricultural waste.

Since the county is located in the Pannonian Plain region, characterized by high values of the heat flux density and high geothermal gradient, the geothermal potential is vast, but still not exploited enough.

CONTACT

Town of Orahovica, www.orahovica.hr

Ms Irela Strabić, Deputy Head of Single Administrative Department

e-mail: irela.strabic@orahovica.hr, phone: +385 33 674 673, +385 99 7823 971