



REPUBLIC OF CROATIA

HOTEL SPORT Delnice

LOCATION DESCRIPTION

Located in famous Croatian forest region, the town of Delnice is situated on 720 meters above sea level and is surrounded by mountains above 1,000 m. The highway is 2.5 km away from the project location and connects Croatian capital of Zagreb (122 km) with the main cities on the north part of Adriatic coast which is the most developed tourist area in Croatia (Rijeka 45 km, Opatija 59 km, Pula 152 km and Rijeka airport on island Krk 52 km). The project location is also 1.5 km away from the rail road.

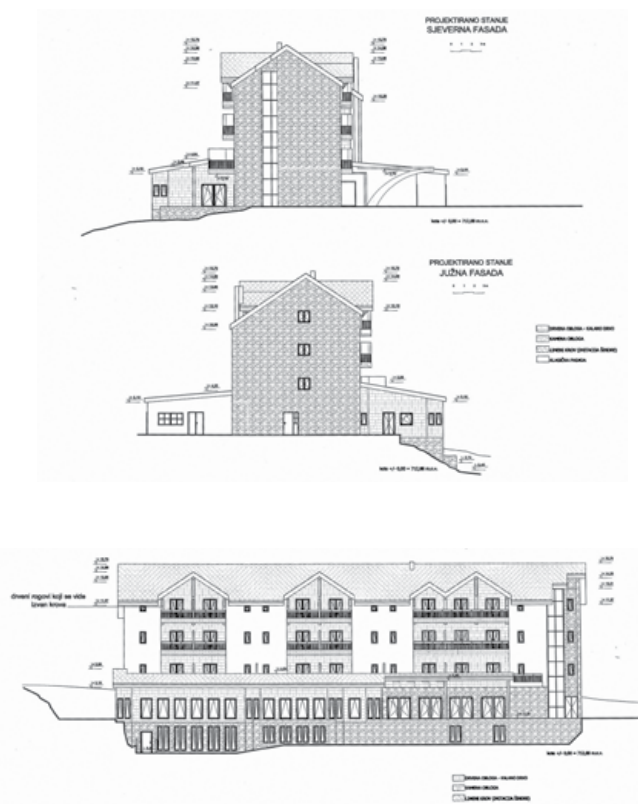
The area is ideal for athletes, especially for training during the winter time as well as for recreational sports whole year round. The attraction of future hotel location is also reflected in the vicinity of multifunctional hall which serves as a skating rink during the winter, as well as a football stadium. On the location there are also available facilities for outdoor sports: basketball court, bowling alley, tennis courts, auxiliary football field along with the ski diving board, bike trails and slalom runs which offer the possibility for night skiing.



PROJECT DESCRIPTION

The project involves the reconstruction of the building, an old non-operating health centre, walking distance from the centre of Delnice, and its conversion to the 4 stars hotel. The land area of the project is 3,728 m² with maximum net usable area of the building on four floors of approximately 1,950 m².

Planned accommodation capacity of the hotel is 39 rooms (89 beds) with additional facilities such as pool, sauna and fitness area, restaurant etc. The building lot is located on the attractive part of the city, and due to the existing sports infrastructure is especially suitable for the training of various sports teams.



ESTIMATED VALUE

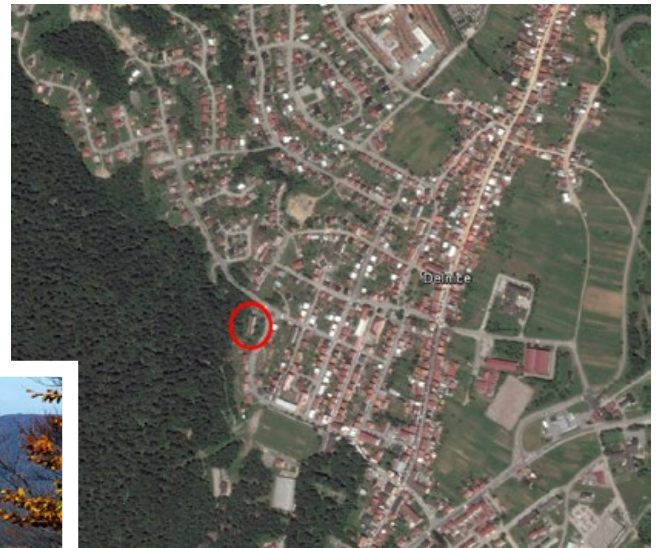
Total estimated value is approximately 3.2 mil EUR.

TRANSACTION MODEL

The Town of Delnice, as the project holder, is looking for a strategic partner, who should be selected through the public tender.

Acceptable transaction models are land sale (17 EUR/m²) or right to build (0,15 EUR/m²) granted for at least for 20 years. 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 project is in accordance with county's and town's physical plans. All necessary permits have been obtained, including the building permit. Upon the selection of the partner, Town of Delnice is prepared to offer various forms of incentives, such a reduction of the municipal contributions for 50%.

PRIMORJE-GORSKI KOTAR COUNTY

Population (2011): **296,195**

GDP per capita (2014): **12,548 EUR**

Unemployment rate (2016): **13.0%**

Average gross salary: **1,030 EUR**

Average gross salary in the sector (tourism): **949 EUR**

Primorje-Gorski Kotar County is situated between Slovenia in the north and the Adriatic in the south. It is comprised of woodland mountains, the sea coast and islands.

A very favorable position at the junction of important road and sea routes were the reasons why inhabitants have focused on maritime affairs and other sea-related economic and tourism activities. As a consequence, the area, and especially the county seat of Rijeka, has developed into a strong transport and maritime center. While Gorski Kotar has remained a traditional forestry and wood processing area, it has also recently developed into a strong tourism region.

Primorje-Gorski Kotar County is considered the birthplace of Croatian tourism, especially Opatija and Lovran, which

previously served as holiday destinations for the Habsburg emperors. These towns have now been high-end and health tourism destinations for more than a century.

The county's education policies mirror its historical ties with tourism, especially nautical tourism. The Faculty of Tourism and Hospitality Management in Opatija is the only Croatian university fully dedicated to the education of a specialized tourism workforce. In addition, there are two secondary education institutions dedicated to tourism or hospitality education.

The county is also especially attractive for nautical tourism. According to the Ministry of Tourism, there are 11 marinas with a total of 2,747 berths.

The county is well connected with continental Croatia and the neighboring countries. Rijeka is a major ferry port with regular connections to the nearby islands and the southern Adriatic. There are several airports within a 200 km radius (Pula, Rijeka, Zadar, Zagreb, Split, Trieste, Venice, and Ljubljana).

CONTACT

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