

CLARIFICATIONS OF E-AUCTION Q 29534-109742 R2
ABK 3396- Coastal plot 149,734 m² in Nea Irakleitsa, Prefecture of Kavala
latest update: 28.05.2021 (questions posed until 27.05.2021)

QUESTION: *In art. 4.4 of the General Terms it is mentioned that "It is clarified that the Opening Bid envelope will be enclosed in the Auction Participation Documents envelope". Furthermore, in the file titled "Clarifications", in response to a related question it is mentioned that "The exterior envelope must include the sender's details, the code of the property and the title "First Bid", see paragraph 4.3 of the General Auction Terms. It is not necessary, but neither is it prohibited, to have an interior envelope with the Participation Documents, since the exterior envelope is not opened by Protocol, but it is forwarded sealed, as submitted, to the competent Auction Committee". It follows from art. 4.4 that the separate sealed envelope of the Opening Bid is contained in the separate sealed envelope of the Auction Participation Documents; however, the opposite follows from the aforementioned response in the "Clarifications" file, namely that the separate sealed envelope of the Opening Bid is the outer envelope, inside of which the separate sealed envelope with the Auction Participation Documents may be contained. In view of the above and of the submission of the Bid, please clarify as soon as possible which sealed envelope may or should contain the other.*

RESPONSE: There is no contradiction, as the Interested Party has the following two options: either (a) to put in the external envelope the Auction Participation Documents and the internal sealed envelope with the Opening Bid, or (b) to put in the external envelope two internal envelopes, one containing the Auction Participation Documents and the other (mandatorily sealed) envelope containing the Opening Bid. It is reminded that the external envelope must indicate the details determined in par. 4.4 of the General Auction Terms and that the separate envelope containing the Opening Bid must be sealed.

QUESTION: *By virtue of the Kavala Prefect Decrees Nos 8808/18.10.1990, 12/8004/31.07.1997 and 12/4850/06.07.1998, half of the open spaces is allocated to communal use, preferably in the form of roads perpendicular to the country road, connecting it with the sea. The above provision is also mentioned in the topographical diagram T11/November 2020 of the Fund, signed by the agronomist topographer engineer Apostolos Zachariadis, as well as in the technical report that the Fund has made available to interested investors.*

In view of the particularly important impact that this above provision has on the development prospects of the auctioned and, consequently, of their significance in the proper valuation of the auctioned properties, we kindly ask that the following be clarified:

- a) How is the said open space defined?*
- b) What is the allocation to communal use and how is it realized? Does it entail the transfer of ownership over the corresponding area?*
- c) Which are the rights and obligations of the investor over the allocated area? Who bears the construction and maintenance of installations in the allocated area, as well as the payment of tax and other burdens over it?*
- d) Does the Fund plan to lobby for the abrogation of the above provision?*
- e) May the interested investors (or, at least, the Highest Bidder) propose terms to be included in the draft Contract to address this issue? If yes, what is the relevant procedure?*

RESPONSE: As follows from par. 2.9 and 7.8 of the General Auction Terms, each Asset is sold "as is, where is" and the assessment of its actual and legal status is made exclusively by each Interested Party and its independent advisors. The Fund does not engage in the interpretation of or provision of advice on the information provided in the Information Pack, does not prejudice decisions and actions by the competent administrative or judicial

authorities, and does not hinge the Transaction and the payment of the Agreed Price on any condition precedent which has not been expressly provided in the relevant Special Auction Terms. Having these in mind, it is noted that the city planning of the area of the Property, which provides for roads perpendicular to the seafront, has been realized following the aforementioned Decrees of the Kavala Prefect and that the assessment of the impact of said Decrees on the development prospects of the Property as being "particularly important" reflects the personal opinion of the Interested Party asking this question.

QUESTION: Please send me in an editable form the documents annexed to the General Auction Terms in the Greek and English languages, in order for me to be able to fill them in on behalf of my principals, who wish to participate in the Auction.

RESPONSE: The Fund does not provide editable forms of the Auction documents. You may seek PDF to DOC/DOC/ODF etc. software online or commercially. The conversion and the use of the Auction documents is done at the risk of the Interested Party.

QUESTIONS POSED UNTIL 21.05.2021

QUESTION: If we participate as Realtors on behalf of a principal, will we register with the details of our principal?

RESPONSE: You will register in the website using your own details and you will include in the Auction Participation Documents the solemn declaration described in par. 4.1(v) of the General Auction Terms. NOTE: The Auction Participation Documents described in paras. 4.1(i) to 4.1.(iv) of the General Auction Terms concern and refer to the Interested Party (principal), not the Realtor.

QUESTION: Is a notarized power-of-attorney necessary and, if yes, is there a particular template?

RESPONSE: No, the aforementioned solemn statement is sufficient.

QUESTION: It would be useful to have an overview of the procedure in the case we participate as Realtors.

RESPONSE: The procedure is described in the General Auction Terms, The Realtor submits the Auction Participation Documents (NOTE: The Auction Participation Documents described in paras. 4.1(i) to 4.1.(iv) of the General Auction Terms concern and refer to the Interested Party (principal), not the Realtor) and, if the Realtor proceeds to Phase B, s/he is provided with the right and the password to participate in the electronic auction. If the Interested Party (principal) submits (through the Realtor) the highest Bid, the Interested Party (principal) is invited to proceed to the further actions described in par. 6 of the General Auction Terms.

QUESTION: Par. 6 of the Open Invitation to Collaborate with Realtors state that the Terms and Conditions of Participation are an integral annex to it. Please provide them.

RESPONSE: The Terms and Conditions of Participation are deemed to be the General and Special Auction Terms of the present tender, which are freely accessible at the Property's webpage.

QUESTIONS POSED UNTIL 30.04.2021

QUESTION: *I have been registered in the website and clicked the button "I am interested in the Property", and I have received the relevant documents, but there is no "Request to participate in the Tender" button, as mentioned in the Frequently Asked Questions. Is this correct? Should I assume that the only thing remaining to be done by me is to send the Participation Documents by the deadline of 18.05.2021 and nothing more?*

RESPONSE: Correct. You do not need to do something more than duly and timely submitting the Participation Documents.

QUESTION: *I have been issued with a power-of-attorney but I am not a realtor, I am a lawyer and, therefore, I do not receive a commission but only legal fees. Must I provide a solemn statement regarding the details mentioned in the General Auction Terms – apart, of course, from the number of my written commission mandate?*

RESPONSE: If you act as an attorney of the Interested Party (i.e. if you sign a Participation Document in its name), you have to provide the relevant power-of-attorney document, which is sufficient. If you act merely as the legal counsel of the Interested Party, but not as its legal representative, no solemn declaration is required from your part.

QUESTION: *The documents will be in Greek and English, depending on the document, is that a problem?*

RESPONSE: No.

QUESTION: *Does the power-of-attorney document, based on which I shall represent a foreign legal entity, have to be a notarial act with the Apostille authentication?*

RESPONSE: No, a corporate act (resolution of the manager or the board of directors) is sufficient. If the language of the act is not Greek or English, an official translation is necessary (which can be made by a lawyer proficient in the language of the act).

QUESTIONS POSED UNTIL 19.03.2021

QUESTION: *In view of the local city plan, in which the Property for sale (Building Block 44) is labeled "tourist installations and permitted tourism - recreational uses (GG 166Δ/06-03-87)", the question is whether independent housing may be built (a category allowed under tourism-recreational uses, which could be sold later) or the current label "tourist installations" automatically limits options to constructing dedicated tourist installations (in the sense of compounds described in Law 4276/2014, GG A 155/30.07.2014"). In the case where no limitation is imposed by the city planning legislation, is there any limitation imposed by HRADF in the context of the purpose of the Tender? Is the dedicated tourist exploitation of the Asset by the Highest Bidder a prerequisite?*

RESPONSE: HRADF does not place any limitation in the use and exploitation of the Property by the Highest Bidder, apart from the legal constraints. The city planning status of the Property is described in the Technical Report and the notes of the engineer on the Topographical Diagram, documents which are included in the Information Pack. Beyond that, for interpretation of current regulations, Interested Parties should refer to the competent Authorities and their own consultants.

QUESTIONS POSED UNTIL 19.02.2021

QUESTION: *Please provide the following additional information:*

- a) Decision no. 65/2014 of the Multi-member Court of First Instance of Kavala;*
- b) Decision no. 23/2018 of the Multi-member Court of First Instance of Kavala;*
- c) Minutes No. 1009 of the Legal Council of State and its approval dated 18.03.2019 by the Deputy Minister of Finance;*
- d) Any waiver by the Greek State of any Court claim related to the properties for sale;*
- e) Information related to any relevant expert opinion carried out.*

RESPONSE: Any of the above documents that are available, will be added to the Property's Information Pack and the Interested Parties registered to that date will be notified about this addition via email.

QUESTION: *Term 6.4 of the General Tender Terms stipulates that the Highest Bidder will be able to request HRADF to conclude the Contract with a legal entity which is controlled by the Highest Bidder. In this case, under the same term, the substitution request is submitted to HRADF together with the documents of par. 6.3, which should concern both the Highest Bidder and the legal entity it indicates. The question is the following: In the case where the Highest Bidder indicates a legal entity, which it controls but which is not its subsidiary (e.g. a company whose share capital belongs to another company whose share capital belongs to the Highest Bidder), should the documents of par. 6.3 be submitted also for each intermediary company?*

RESPONSE: Yes. It is necessary to submit all the documents which indicate the direct or indirect control of the Highest Bidder on the legal entity, which will substitute the Highest Bidder in the Contract. If this control is exercised through a "chain" of intermediary legal entities, the documents must be submitted, which prove the successive control by the Highest Bidder on the intermediary legal entity(-ies) up to the legal entity which will conclude the Contract with HRADF.

QUESTION: *In page 2 of the Additional Frequently Asked Questions it is defined that a Highest Bidder which is a foreign resident must submit the documents of par. 6.3 both from the country of residence and from Greece. The question is the following: The clarification concerns all foreign residents or only Greeks who are domiciled abroad? Does the clarification apply also for foreign legal entities? How is a foreign resident defined?*

RESPONSE: This clarification concerns all foreign residents regardless of nationality as well as all foreign legal entities. A foreign resident means any natural person with permanent residence outside of Greece and any legal entity domiciled outside of Greece.

QUESTION: *Is there a draft of the Contract available? If not, when will it become available? Is an option provided for the Interested parties/Highest Bidder to comment on the Contract?*

RESPONSE: A draft of the Contract is provided only to the Highest Bidder after its selection. A limited scope consultation on this draft between the Highest Bidder and HRADF follows, always within the limits set out by the General and Special Terms of the Tender and the principles that govern it.

QUESTION: *What is the objective value of the Properties for sale?*

RESPONSE: HRADF does not provide this information. Contact a notary public or consultant of your choice for the calculation of the objective value, based on the adequate legal and technical data which are contained in the Property's Information Material.

QUESTION: ABK 3396 remains registered as a public estate? Will HRADF/HPPC undertake the removal of the property from the public properties' books?

RESPONSE: After the conclusion of the Contract, HRADF shall inform the competent Cadastral Office of the State to remove this Property from the relevant public property Registration Book.

ADDITIONAL FREQUENTLY ASKED QUESTIONS

PARTICIPATION

QUESTION: How can I participate in an auction for a Property I am interested in?

RESPONSE: First, you must sign up on website www.public-realestate.gr. Then, you must state your interest in one or more of the properties put up for Auction by clicking on the button “I am interested in the Property”, on the upper right part of the page of the respective Property. You should continue by carefully reading the General and the Special Terms of the Auction included in the lower part of the page of the Property you are interested in. The steps you must take to participate are described in detail there.

QUESTION: How can I gain access to the Information Pack of the Property I am interested in?

RESPONSE: After you sign up on www.e-publicrealestate.gr you must send (from the email you stated when signing up on the website) by email to admin@e-publicrealestate.gr, a request for receiving Additional Information by writing the code number of the Property you are interested in. Within a short time, you will receive a password and instructions in order to gain online free access to the Additional Information Pack (available legal and technical reports, as well as any other documents available for free about this Property). We note that it is up to you to independently check the legal, technical and actual status of the Property before you submit your Bid.

QUESTION: I read in the General Terms, that in order for someone to participate, they must select the property and select “Application for participation in the auction”. I cannot find such an option however. Do I need to select it or can I simply send the auction participation documents and participate regularly?

RESPONSE: You cannot simply send the Participation Documents to participate in the respective Auction - you must declare your interest in the specific Property and gain access to its Information Pack.

QUESTION: From the General Auction Terms I understand that together with the Auction Participation Documents I must submit an Opening Bid. Is there any form in order to submit it? Will the auction then start from the highest opening bid price?

RESPONSE:

The Opening Bid is submitted, in a sealed envelope, together with the Auction Participation Documents and must comply with Annex 4 of the General Auction Terms (see 4.3 of the General Auction Terms). Then, and after taking into consideration the independent valuation and the highest Opening Bid, according to term 5.1 Phase II, the starting price is disclosed and the Bid Increment of the e-auction where the interested participants may submit their improved Bid.

QUESTION: How can I visit a Property I am interested in?

RESPONSE: Please make a relevant request in writing to info@e-publicrealestate.gr or by phone at +30 210 333 9711.

QUESTION: Can the Participation Documents for an Auction be submitted online?

RESPONSE: No, the Participation Documents for an Auction (solemn statements, Participation Letter of Guarantee, etc.) shall be submitted in the original solely in person or by mail, according to the provisions of paragraph 4.4 of the General Auction Terms,

QUESTION: *Is a Bid that is lower than the Starting Price of the Auction acceptable?*

RESPONSE: No, the minimum acceptable Bid is equal to the Starting Price.

QUESTION: *As regards the certificates and auction participation documents you request when a party is declared the Final Highest Bidder, in the case of foreign residents, do you need them only from the country of residence of the final highest bidder, only from Greece or from both countries?*

RESPONSE: From both countries.

QUESTION: *I understand from the General Auction Terms, that for each Property for which I want to submit a bid, I must submit a closed enveloped for each one, which in turn will contain the respective participation Documents. Should the sender's details be written on the outside of the envelope or do you need only the details referred to in paragraph 4.1, and should the participation envelope essentially be placed inside a dispatch envelope?*

RESPONSE: The exterior envelope must include the sender's details, the code of the property and the title "First Bid", see paragraph 4.3 of the General Auction Terms. It is not necessary, but neither is it prohibited, to have an interior envelope with the Participation Documents, since the exterior envelope is not opened by Protocol, but it is forwarded sealed, as submitted, to the competent Auction Committee.

QUESTION: *Paragraph 6.3 of the General Terms: First Instance Court Certificates - should they have been issued before the date of submission of the Auction Participation Documents?*

RESPONSE: No. To facilitate Interested Parties, the Auction relies on solemn statements by Participants and only the Highest Bidder is called upon to submit the relevant certificates, which are issued after the award.

QUESTION: *Do Solemn Statements need attestation of the signature?*

RESPONSE: No.

QUESTION: *Where do I address any clarifying questions regarding participation in the auction?*

RESPONSE: At the email address info@e-publicrealestate.gr.

PROPERTY

QUESTION: *Is 100% of the full ownership of the Properties sold?*

RESPONSE: The rights to be transferred vary depending on the Property (sale, establishment of surface rights, lease). To find out the exact rights to be transferred carefully read the Special Terms of each property you are interested in after taking into account the relevant Information Pack.

QUESTION: *Are the Properties that are sold via the website www.e-publicrealestate.gr transferred free of any encumbrances (mortgages, mortgage notes, etc.)?*

RESPONSE: As a rule, the Properties for sale on the website www.public-realestate.gr are free of encumbrances. The legal status of the Property you are interested in is included in the relevant legal report included in the Information Pack. We remind that it is up to the Interested Parties to proceed with their own independent check of the legal, technical and actual status of the Property, because it is sold "as is and where located". In any case, the auction process per se via the website www.public-realestate.gr does not entail the automatic elimination of any encumbrances the Property.

QUESTION: What does it mean that the Property is sold “as is and where located”? Have any irregularities been arranged beforehand and has the legally required Certificate been obtained by the seller, in order for the Notary Public to draw up the Purchase and Sale Agreement?

RESPONSE: It means that the Property is sold in its current legal and actual status, in which it is at the time of the Auction (the ascertainment of which is up to the Participants through their own checks and advisors). More specific available information (Information Pack, see par. 2.7 of the General Terms) are disclosed to the Interested Parties after the expression of interest for the specific Property. As a rule, the Properties up for Auction are arranged as regards planning regulations, or their arrangement is under way, and in any case the documents necessary for the conclusion of the Contract will have been issued before its signing.

QUESTION: Who pays the expenses for the energy certificate and engineer certificate of no irregularities?

RESPONSE: The certificates required by Law for the conclusion of a property transfer contract by the seller (such as, e.g., energy certificate, certificate of no irregularities/arrangement, payment of property tax, etc.), are issued at the care and cost of HRADF.

QUESTION: Who bears any debts (e.g., to Public Utilities companies) and fines (e.g., planning or fines for late payment of utilities bills) created before the sale of the Property?

RESPONSE: Debts (e.g., to Utilities companies) and fines (e.g., planning or fines for late payment of utilities bills) created before the sale of the Property, shall not be borne by the Highest Bidder.

QUESTION: Which Notary undertakes the transfer?

RESPONSE: The transfer shall take place through a Notary chosen by HRADF.

GUARANTEES

QUESTION: At what point in time is the Participation Guarantee submitted?

RESPONSE: See paragraph 4.1 of the General Auction Terms,

QUESTION: What is the starting date of the minimum period of effect of the Participation Letter of Guarantee (in the example you request that this date be stated)? Is it the date of expiry for the submission of the Auction Participation Documents?

RESPONSE: Yes.

QUESTION: "If the Participation Guarantee is submitted by deposit of cash, the relevant deposit slip must be submitted and the Interested Party's bank account must be declared for the refund of the Guarantee according to these General Auction Terms". Can the deposit be made directly from a foreign bank? In what form should the bank account for the refund of the guarantee be declared?

RESPONSE: The Participation Guarantee can be deposited directly from a foreign bank, in which case the relevant remittance documents must be submitted. The bank account where the participation guarantee will be refunded is declared with the usual details of international inter-bank remittances (holder's name, name and registered address of bank, IBAN and SWIFT numbers, etc.).

QUESTION: When are the Participation Guarantees refunded to parties who were not awarded the Auction?

RESPONSE: See paragraph 2.6 of the General Auction Terms,

QUESTION: Can the Participation Guarantee be offset against the Transaction Guarantee and it, in turn, against the Purchase Price?

RESPONSE: Such offsetting is possible only if the Participation Guarantees and Transaction Guarantees after that are deposited in cash. If they are deposited in the form of letters of guarantee, such offsetting is not possible, since letters of guarantee have strict provisions as regards the reason of issue and forfeiture (which differs in the case of the two bonds).

QUESTION: What is the purpose of the Transaction Guarantee?

RESPONSE: The Transaction Guarantee, which corresponds to 10% of the financial consideration, serves as a commitment by the Highest Bidder not to renege from the purchase of the Property during the period between the award and the conclusion of the relevant Property transfer contract (Purchase and Sale Agreement).

QUESTION: Instead of a Transaction Letter of Guarantee, can cash be deposited, as in the case of the Participation Guarantee?

RESPONSE: Yes, see paragraph 6.2 of the General Auction Terms,

QUESTION: At what point in time is the Transaction Guarantee submitted?

RESPONSE: Within 10 working days from the award to the highest bidder, see paragraph 6.2 of the General Auction Terms,

QUESTION: When is the Transaction Letter of Guarantee returned?

RESPONSE: The Transaction Letter of Guarantee, if not forfeited according to the provisions of paragraph 6.2, will be returned to the Highest Bidder either at the signing of the Contract or, in case of cancellation of the Auction process, after said cancellation, The Transaction Advance Payment will be refunded to the Highest Bidder only in case of cancellation of the Auction Process, otherwise it will be offset (deducted) against the payable Agreed Price.

QUESTION: Is there provision for the case of failure of an Auction? When is it declared a failure? Clarify with precision the time and method of return of the Guarantees in the case of a failed Auction.

RESPONSE: See paragraph 7.1 & 2.6 of the General Terms of the Auction,

QUESTION: In the case where I am selected as Highest Bidder and together with the documents of paragraph 6.3 of the General Auction Terms, I also submit a substitution request, what will happen to the Transaction Letter of Guarantee I have already submitted? Do I need to submit a second Transaction Guarantee for the same amount to also cover the party indicated by me?

RESPONSE: According to paragraph 6.5 (ii) of the General Auction Terms and provided that the substitution request is accepted by the BoD of HRADF, you must replace the Transaction Letter of Guarantee you have already submitted, with a new one for an equal amount which covers both the Highest Bidder and the person indicated by them.

CONTRACT

QUESTION: If the Auction is completed, how long will it take for the Court of Auditors to decide on awarding the purchase to the Highest Bidder?

RESPONSE: In the cases where the Purchase Price exceeds €1.000.000,00, the Law requires the approval of the Court of Auditors before the conclusion of Contract. The approval, as a rule, takes 1-2 months, and cannot be precisely determined in each case. If the price is lower than €1.000.000,00 this procedure is not necessary.

QUESTION: How long after the completion of the Auction will the Purchase and Sale Agreement be signed?

RESPONSE: As a rule, the period required is 3-4 months from submission of the Highest Bidder's documents provided for in paragraph 6 of the General Auction Terms.

QUESTION: If the set payment method is 5 installments, can the Highest Bidder pay the total price as a lump sum?

RESPONSE: Yes.

QUESTION: What does four annual installments mean? Four quarterly payments or in four years? And based on what amount is the interest rate calculated? The outstanding amount?

RESPONSE: These are the installments that are due every year after the signing of the Contract. In the case of the four annual installments, the highest bidder pays 20% of the Price at the signing of the Contract, and 20% of the Price at the anniversary of each year after the signing, thus paying up within 5 years after the signing. It is noted that the Highest Bidder may request fewer than four annual installments or pay an amount higher than 20% of the Price at the signing of the Contract or pay up the outstanding amount of the instalments earlier. Interest is calculated on the remaining (credited) amount of the Price, which is reduced as the installments are decreased.

QUESTION: If a deposit is chosen for the Transaction Guarantee (and not a letter of guarantee), it has been clarified that it may be offset against the previous deposit for the Participation Guarantee. Can the deposit for the Transaction Guarantee be then offset against the purchase price or its first instalment?

RESPONSE: Yes.

If a party is the Highest Bidder for a Property, and has also participated in other auctions but not chosen as the highest bidder where it has made deposits as a Participation Guarantee (and not letters of guarantee), can the deposits for the Participation Guarantees in the auctions where such party was not selected as Highest Bidder be offset against the purchase price of the Property where it is the highest bidder?

RESPONSE: Yes.

QUESTION: Is the signing of the Purchase and Sale Agreement with you the same as signing the purchase contract?

RESPONSE: Yes.