



### Tender notice

#### The President of the City of Krakow

announces an open oral tender for the sale of properties (lands) owned by the Urban Municipality of Krakow, located in section 1, cadastral unit Śródmieście, covered with Land and Mortgage Register KW KR1P/00181812/2; plot No. 255, area: 0.0312 ha, with a residential and commercial building on it, at Mały Rynek 5, and plot No. 256, area: 0.0478 ha, with a residential and commercial building on it, at Mały Rynek 6.

The starting price for the property with a building at Mały Rynek 5 is PLN 10,766,000.00, the bid security deposit is PLN 540,000.00.

The starting price for the property with a building at Mały Rynek 6 is PLN 15,649,000.00, the bid security deposit is PLN 738,000.00.

Both of the above properties are entered into the register of historical monuments. The price of the property determined by means of the tender will therefore be reduced by 5%.

The properties are located in the urban arrangement of the Krakow Old Town entered into the register of historical monuments under No. A-1. Due to exceptional historical values, the arrangement was classified as a Monument of History under the Ordinance of the President of the Republic of Poland of 8 September 1994. Each individual action intended to develop or adapt the structures in this area requires approval from the voivodeship historical monuments conservator prior to obtaining a conservator's permission. The Urban Municipality of Krakow reserves the right of pre-emption as regards the above properties.

In conservator's permissions No. 7/11 of 1 June 2011 and No. 8/11 of 31 May 2011, the Małopolska Voivodeship Historical Monuments Conservator permitted the Urban Municipality of Krakow to sell the above properties.

The area above the properties is covered by the local zoning plan for the 'Old Town' area, which locates them in a zone of multi-family residential housing and services, marked on the plan map as MW/U.20. Detailed information on the provisions of the local zoning plan may be obtained from the Biuro Planowania Przestrzennego (Zoning Office), ul. Sarego 4, or at <http://planowanie.um.krakow.pl>. The town house at Mały Rynek 5 comprises a street-facing, four-storey building with a basement and a usable attic, and a two-storey annexe with a basement. The total area is 824.80 m<sup>2</sup>, the usable area is 606.80 m<sup>2</sup>. The town house comprises:

- 7 residential premises: 6 in the street-facing building, 1 in the annexe,
- 3 commercial premises on the ground floor: 2 in the street-facing building, 1 in the annexe,
- 2 commercial premises in the basement: 1 in the street-facing building, 1 in the annexe,
- 2 commercial premises in the attic.

The town house at Mały Rynek 6 comprises a street-facing, three-storey building with a basement and a residential attic, and a two-storey annexe with a basement. The total area is 1,231.90 m<sup>2</sup>, the usable area of the residential and commercial premises is 910.40 m<sup>2</sup>. The town house comprises:

- 6 residential premises in the street-facing building,
- 4 commercial premises: 1 in the street-facing building and the annexe, 2 in the basement and 1 (two-storey) in the attic.

In 1965–1975, the buildings were thoroughly renovated: all ceilings and floorings above the ground floor, systems and connections, and the roofing were replaced. New staircase constructions were installed and new cement floorings were placed in basements. In 2007–2009, conservation and renovation works were carried out in order to meet the requirements of new regulations. The works covered mainly systems and connections; new doors and windows were installed and bars and lighting were renovated, as well. Currently, the buildings are not in use.

In a part of the property marked with plot No. 255, section 1, Land and Mortgage Register KW KR1P/00181812/2, cadastral unit Śródmieście, an easement consisting in the right of passage through the entrance hall of the building located at Mały Rynek 5 and then through the backyard to the basement of the building located below the annexe of the building located at Mały Rynek 6 will be established for the benefit of any current owner of the property marked with plot No. 256, located in section 1, cadastral unit Śródmieście, covered with Land and Mortgage Register KW KR1P/00181812/2. The acquirer of the property marked with plot No. 256, located in section 1, cadastral unit Śródmieście, Land and Mortgage Register KW KR1P/00181812/2, with a building at Mały Rynek 6 on it, determined by means of the open oral tender, will be obligated to pay a one-time fee to the Urban Municipality of Krakow on account of establishing the real easement, in the amount of PLN 110,275.65, including a 23% VAT, payable at the latest before the signing, in the form of a notarial deed, of the agreement on the sale of the property and the establishment of the easement. The obligation to participate in the maintenance of the above passage rests with the owners of the dominant property.

The buildings have no energy performance certificates.

Section III of Land and Mortgage Register KW KR1P/00181812/2 contains an entry stating the property covered with this Land and Mortgage Register is entered into the register of historical monuments of the city of Krakow. Section IV of this Land and Mortgage Register contains no entries. The buildings are available for viewing on 16 September 2011 and 14 October 2011 between 2pm and 3pm.

Other dates for viewing can be agreed on with the administrator of the Biuro Obsługi Mieszkańców (Residents Service Office) No. 6 – pl. Na Groblach 7, telephone: 12 421-18-40.

The tender will be held on 20 October 2011 in the conference room of the Krakow City Hall building, ul. Kasprowicza 29, at 9am.

The tender may be attended by natural and legal persons that have paid, in money, a bid security deposit in the amount quoted above, designating the property:

- By transfer or payment to the bank account of the City of Krakow, Wydział Finansowy Urzędu Miasta Krakowa (Financial Department of the Krakow City Council), pl. Wszystkich Świętych 3/4, kept by PEKAO S.A., No. 27 1240 4722 1111 0000 4856 4667, in a manner ensuring that the deposit has been credited to the bank account of the City of Krakow on 17 October 2011 at the latest.

Prior to opening the tender, participants thereto should submit to the tender committee a proof of bid security payment and a document confirming their identity. If the participant is a legal person, the person authorised to represent the participant should submit for inspection the current extract from the National Court Register; a person running economic activity should submit a certificate on the entry to the register of economic activity. If the participant is represented by a plenipotentiary, it is necessary to submit the original of the power of attorney authorising the plenipotentiary to act at every stage of the tender proceedings.

The bid security deposit paid by the winning participant will be counted towards the property purchase price. The bid security deposit will be forfeited if the winning participant refuses to sign the agreement in the form of a notarial deed. The other participants will have their deposits returned

immediately, within 3 days from cancelling, closing, invalidating or ending the tender with a negative effect, in a manner corresponding to the manner in which the deposit had been paid.

The tender will be valid regardless of the number of participants as long as at least one participant offers at least one bid over the starting price. The bid increment will be determined by tender participants, but cannot be less than 1% of the starting price, rounded up to full tens of złoty.

The sale of the properties is exempt from the VAT pursuant to Article 43.1.10 of the Polish Act of 11 March 2004 on the tax on goods and services. The property purchase price and the remuneration on account of establishment the easement of driving and passing through, together with the applicable VAT, are one-time payments, payable prior to concluding the agreement in the form of a notarial deed.

On the day of signing the agreement in the form of a notarial deed, the money should have already been credited to the bank account of the City of Krakow. The date of concluding the agreement in the form of a notarial deed will be notified to the acquirer within 21 days from the day of selecting the winning bid. If the acquirer of the property does not conclude the agreement in the place and on the day given in the notification without justification, the organiser of the tender may rescind from concluding the agreement, and the paid deposit will not be returned. The acquirer covers the costs of drawing up the agreement in the form of a notarial deed and the costs of making entries in the Land and Mortgage Register.

If the acquirer of the property is a foreigner within the meaning of the Polish Act of 24 March 1920 on the purchase of property by foreigners (consolidated text in Dz. U. [Journal of Laws] of 2004, No. 167, item 1758, as amended), he should, on concluding the agreement in the form of a notarial deed, present a relevant permission if obtaining such a permission is required under the above Act.

Detailed information on the properties for sale is available at the Wydział Skarbu Miasta, Referat Przetargów i Zamian [City Treasury Department, Tenders and Exchanges Division] of the Krakow City Hall, ul. Kasprowicza 29, room 413, telephone: 012 616-9808, during the City Hall working hours.

The tender notice has been published on the website of the Biuletyn Informacji Publicznej (Public Information Bulletin, [www.bip.krakow.pl](http://www.bip.krakow.pl)): Finanse i Mienie (Finance and Property) / Nieruchomości Miasta Krakowa (City of Krakow Properties) / Przetargi na Nieruchomości (Property Tenders).

The President of the City of Krakow reserves the right to cancel the tender for important reasons.