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Številka: 2017-20

Preliminary information on the real-estate investment project »Quarter of low-rise buildings in the historic centre of Minsk City«

How the project came to live

Large cities in the Republic of Belarus have a relatively small historical center regarding to their size. The reasons for this we have to search at the tragic devastation during the Second World War that reached its peak in the territory of Belarus. After the Second World War, except for rare exceptions and sacral objects of major importance, the Soviet Union did not support the restoration of old urban "bourgeois" areas, but focused on the construction of colossal residential and official palaces, which did not give cities any cosiness and attractiveness, as we know from old town centers in Europe.

The city of Minsk, with 1.9 million inhabitants, therefore has a relatively small historical city center, which comprises three districts. On the east coast of the Svislach River are the so-called Troickoje Predmestje or Trinity hill, and on the western coast of the river there is the famous entertainment part above the street Zybickaja and the part called Rakovskoje Predmestje. The reconstructed historical works of the Troickoe Suburbs in Zybicka Vulica are fully occupied and visited, while the Rakovsko Predmestje is waiting for its renaissance, since in the past it has been partly transformed into an entrepreneurial zone (bakery, marmalade factory, etc.).

The city authorities have decided to inhabit the third part of the old city center with the project "A quarter of low-rise buildings in the historical city center of Minsk" or "Historical town district of Minsk", thus extending an exceptionally good part of the city. Representatives of our company PANONICA INVEST d.o.o. in Belarus, so they succeeded in proposing to restore the lease to private investors, while providing appropriate guarantees from the cities of Minsk in the Republic of Belarus.

About the project

According to the above facts, PANONICA INVEST d.o.o. offers the possibility of investing in the project "Historical town district of Minsk". The investor-partner can finance the project in whole or in part on individual buildings.

The estimated value of the project is around EUR 20 million.

The investor-partner has the possibility of exclusive investment in the project (in such a case Minsk City guarantees with a state guarantee supported in the budget of the Republic of Belarus) as well as the possibility of partial or complete purchase of real estate being renewed.

The investor-partner does not acquire real estate in an auction (as other interested parties), but at a predetermined price ranging between \$ 900 and \$ 1100 per square meter. For comparison in the before mentioned part of the old core of Vulic Zybicka, the prices range from USD 2800 to USD 3500 per m2. This opportunity is reserved only for the investor-partner of PANONICA INVEST d.o.o.

The investor-partner has the opportunity to determine the purpose of an individual object, namely, choosing between:

- Business premises
- Hotel
- Aparthotel

The investor-partner can determine the type of delivery of the missing public infrastructure (public lighting, etc.) in the framework of an investment contract with the transfer to public infrastructure after the repayment of equipment by Minsk City.

PANONICA INVEST d.o.o. is therefore offering to investor-partners:

- to be first in line
- to choose the form of investment (financial investment or purchase)
- to choose or determine the purpose and internal form of individual buildings
- to make all this prior to an official auction

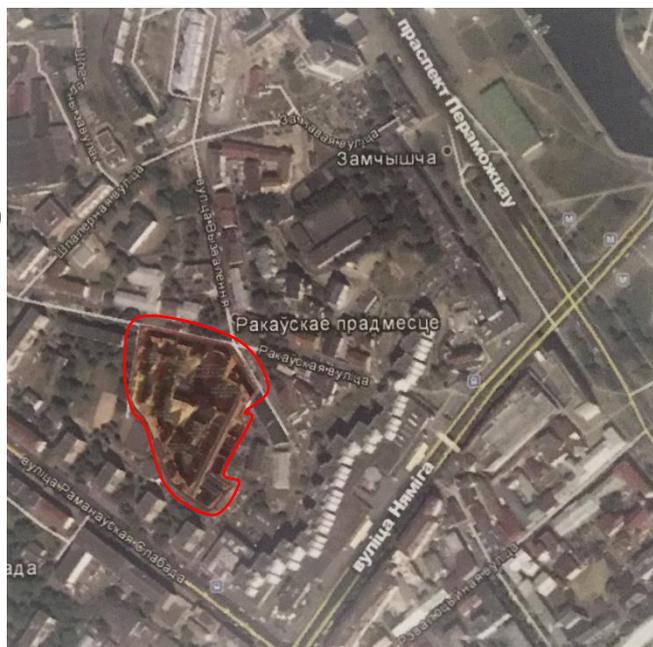
Location

Republic Belarus, Minsk

Address: Rakovskaya street 25, Minsk

City part: Centralni district/Central district
(Pobeditiley ave., Nemiga, Romanovskaya Sloboda)

Underground station: Nemiga,
Frunsenskaya (linija Zavodskaya)



General description

The development quarter is a modern multifunctional tourist complex with a presentation of national color and originality, located on the territory of the former bakery (picture below). Accommodation complex in the central historical part of Minsk (Rakovskoe suburb) within the boundaries of Rakovskaya - Nemiga - Romanovskaya Sloboda streets determined its external appearance. These 2-3-storeyed houses are in the historic style. The first, second floors: objects of trade, public catering, exhibition, physical culture and health, educational facilities; third floors: premises for rendering services, administrative premises. The territory of the quarter is designed pedestrian, in the central part there is a festival area with a podium and trade rows.

Technical specification

The area of the quarter is 2,0 hectares, the total area of buildings and facilities is 26,000 square meters, the area of individual objects is 30-1500 square meters, underground parking for 64 cars.

Construction period: 2017-2019 years.

The customer for the implementation of the project is the state enterprise "Minskaya spadchina"



Former bakery

The legal basis for the implementation of the project

By the Decree of the President of the Republic of Belarus no. 306 of 06.07.2015 "On the implementation of a project in the suburb of Rakovsky suburb in the city of Minsk", legal entities and natural persons are granted the right to finance the construction of buildings in the district, with the subsequent registration of their proprietary rights.

The sale of real estate in a quarter that is not part of the property financed by the Investor-Partner of PANONICA INVEST d.o.o. is carried out on the basis of the results of the auctions. The auction is organized by the municipal single company "Minsk City Real Estate Center". The procedure for conducting the auctions is set out in an instruction confirmed by the decision of the Minsk City Executive Committee of 18 February 2016 no. 401 (registered in the State Register of the Republic of Belarus of 07.04.2016 No. 9/75787).



Summary table of technical and economic indicators of the construction of the quarter.

No.	Title	Stories number	Building area m ²	Total area m ²
1	Cultural and entertainment complex (Children's educational and entertainment center, catering and retail facilities with elements of the reconstruction of the first bakeries, confectioneries and bakeries, a school of masters with trade objects).	2-4	1805	5239
2	Complex of exhibition halls with a cafe and bar.	6	350	1823
3	The thematic multiplex café with the "Karavai" cafeshop, shop "Rakovsky bread".	3	528	1326
5	Catering and trade objects.	3	340	780
6,7	Children's educational and entertainment complex, family leisure center, trade and catering facilities ("Marmalade Factory" with a demonstration exposition for the manufacture and tasting of marmalade), ateliers, shops-offices.	3	1050	3473
8	Branded goods stores of Belarusian production.	3	430	1023
9,10	Spectacular exhibition and shopping complex with an underground parking lot.	3	2168	8039
11	Sports and health center with a cafe and a shop.	3	513	811
12	A thematic cafe and a restaurant of national cuisine.	3	224	518
13	Objects of retail trade, public catering, workshops for serving the population.	3	247	543
14	Objects of retail trade, public catering, workshops for serving the population.	3	191	428
15	Objects of retail trade, public catering, workshops for serving the population.	3	245	582
16	Objects of retail trade, public catering, workshops for serving the population.	3	248	564
17	Complex of trading, public catering, public services.	3	724	1722

