

Port City Oranjestad

Document A

Invitation and procedure market consultation

Version 1.2

Aruba, December 14, 2019

Dear Sir/Madam,

Aruba Ports Authority NV (referred to hereinafter as APA) has the pleasure to invite you to participate in the market consultation for the development of Port City Oranjestad.

APA exploits and manages the land of the former cargo port area in Oranjestad and is the area developer of the project named Port City Oranjestad. APA has developed a provisional Urban Development Plan for the designated area, which was approved by the Aruban government in the month of February 2019.

APA is responsible for the development of the public space as well as the issuing the building lots. For each individual lot, market participants are offered flexibility in developing a wide variety of buildings and semi-public space.

In the early stages of the planning process APA collected market information by means of market research and dialogues with various stakeholders and developers. With the aforementioned APA gained insight into the demands and commercial considerations of the market.

These insights formed the foundation for the assumptions in the financial model of the development and exploitation of Port City Oranjestad. It is the intention of APA by means of this market consultation to collect updated information from various market participants in a more formal, yet non-committal manner.

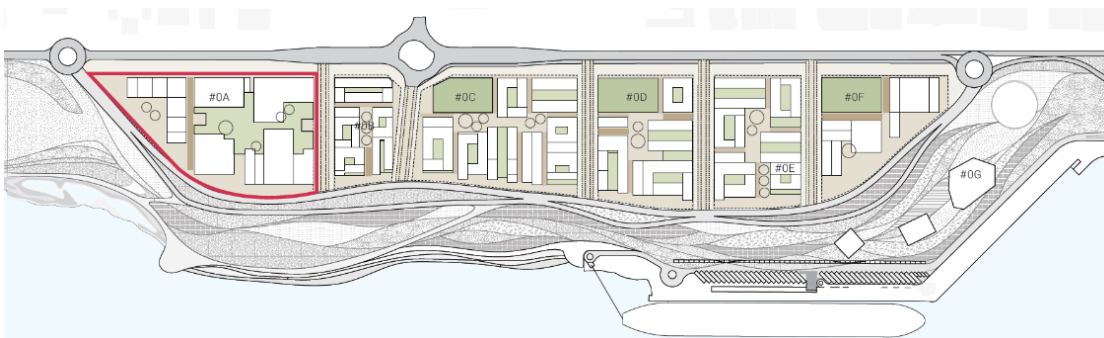
This market consultation will offer the market the opportunity to respond in broad terms to the entire plan, but the emphasis and depth of the market consultation will be sought in the most western part, where most likely the first lots are to be issued to a private developer. APA therefore explicitly (not exclusively) makes a call to market participants that are interested in this specific lot.

A separate document B offers a summarized description of the Port City Oranjestad master plan and after registration it can be downloaded from the APA website at: www.arubaports.com/portcityoranjestad

Purpose of market consultation

In order to define a clear Request for Proposal (RFP) and in preparation of the future invitation for tenders, APA wishes to consult the market. APA is curious about the interest and ideas of market participants that have experience in similar projects, from design to completion and operation. Additionally, APA wants to gain insight into the end users and the operators requirements, as it wants to ensure that the RFP is in line with market developments and needs.

The knowledge, skills and experience of the developers and the operators are very much appreciated in this regard. By starting an open dialogue, APA wishes to gauge the market interest, as well as the foreseen opportunities and threats. The current market consultation is focused on the master plan and more specifically on the first phase of the western side of Port City Oranjestad (lot OA, marked in red in the figure below).



Target group of the market consultation

The market consultation is focused on participants that have significant experience in the realization and development of large-scale real estate projects. This includes the profiles of developers and/or consortia, that have ample experience in joint financing and development as well as operation of projects alike.

At registration, the applicant is required to indicate on which interest and under which profile it wants to participate in the market consultation.

Development lot OA

This consultation is focused on the most western lot (OA), adjacent to Bushiri Beach. APA has the intention of dividing and issuing lot OA in two parts. The total surface area of this lot is approximately 19,500m². In the preferred scenario, a boutique hotel is to be developed on lot OA1 and a varied building platform, including offices, conference facilities, supporting F&B, as well as retail on lot OA2.

This market consultation also gives the opportunity for feedback on the broader provisional Urban Development Plan for the area as a whole.

The final plan or platform will be determined at a later stage in the definitive Urban Development Plan. The results of the market consultation will have a substantial impact on this definite plan. A specific questionnaire will be part of the consultation as well.



Aim of the market consultation

The market consultation should at least yield information from the perspective of both the developers and operators on the following subjects:

- An analysis of the opportunities and potential composition of the building platform and the specific functions/business activities of both lots OA1 and OA2;
- Insight into the specific requirements concerning the functions within their market segments;
- The functions that are essential within the master plan and specifically lots OA1 and OA2, approached with thinking in terms of quality, distinction and uniqueness;
- APA is looking for market participants that come up with surprising and creative Solutions for the building platform;
- The response of both the operators and developers and the desired parking approach and standards, how to deal with central parking facilities and the exploitation of these facilities;
- The way the (residual) land value calculation can be determined per function and per lot by considering the construction costs as well as revenues;
- Whether the market participants propose innovative sustainability concepts, the way sustainability can be developed and safe-guarded;
- Insight into the potential demand for utilities during the phases of construction and operation;
- Whether market participants are prepared to take development and operational risks;
- Possible contribution by market participants to high-quality public space and an attractive waterfront park.

Procedure and approach

For this market consultation APA uses an open procedure, allowing all interested market participants to register via the APA website at:

www.arubaports.com/portcityoranjestad

The required download and registration forms can be found on this web page of the Port City Oranjestad project.

Market participants that have registered before the 17th of January 2020 will be invited by APA to participate in the market consultation. This will be conducted by means of a questionnaire including individual presentations. APA reserves the right to choose the approach it deems the most efficient. This approach may vary per market segment. The subjects mentioned above will be central during the market consultation.

Participation in the market consultation is without any obligation and is of an advisory nature. No rights can be derived from participating in this market consultation.

Questions about the market consultation document

If anything is unclear or if a participant requires additional information, interested market participants can submit their questions by e-mail to portcity@arubaports.com.

The deadline for submittal of questions is the 13th of January 2020, as indicated in the tentative planning.

Summary report of market consultation results

APA will publish a report on the market consultation on its website in due time. The major conclusions of the market consultation will be included in the report and will be at the discretion of the project team in charge with the market consultation. The information provided in the report will be anonymized, any business sensitive information will not be included.

APA aims on the following tentative planning

1	Publishing of market consultation documents	16 Dec 2019
2	Deadline for submittal questions regarding the market consultation	13 Jan 2020
3	Publication of answers regarding the market consultation	15 Jan 2020
4	Deadline registration market consultation	17 Jan 2020
5	Providing questionnaires and additional information to participants	21 Jan 2020
6	Deadline submit response questionnaires and/or other information by the participants	Feb 11 2020
7	Meetings in which participants can present their ideas and plans	26 Feb - 18 Mar 2020
8	Publishing the market consultation results	31 Mar 2020

Interested market participants cannot derive any rights from the planning above. Every attempt will be made to maintain the planning as indicated. Invited market participants will be approached individually to establish a suitable date for the presentation.

Confidentiality

Information obtained from the market consultation will be treated carefully and confidentially by APA. APA will utilize the information provided, only in general terms to ensure that the Request for Proposal is in line with market developments and demand when drawing up the tender documents.

Other provisions

The market consultation is not part of a possible RFP and/or tender. APA does not award market consultation participants any compensation.

Information in this market consultation can deviate from information provided at a later stage (in the framework of a tender). No rights can be derived from the information provided within the scope of the market.

We thank you for your interest and time and look forward to your input and feedback on the Port City Oranjestad project.

Yours sincerely,

Aruba Ports Authority NV

Marc Figaroa

Managing Director/CEO

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CCO