

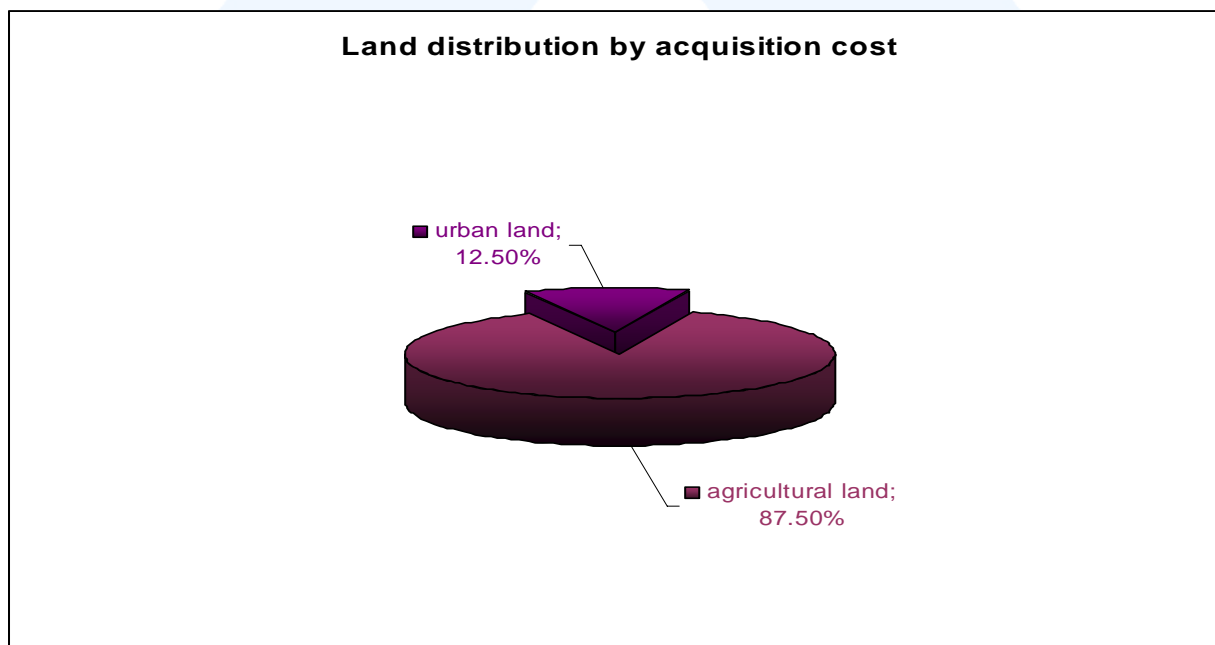
# ADVANCE TerraFund REIT

## MONTHLY NEWSLETTER – December 2008

### Investment activity

Advance TerraFund REIT **owns land** for above BGN 110 million (**EUR 56.2 million**). Here the land revaluation for 2008 is still not included. The revaluation will be reflected in the audited annual financial statement.

As of December 31, 2008 Advance TerraFund REIT owns around **26 400 ha** of agricultural land and **13.8 ha** of urban land.



The average acquisition price for farmland for this month is 3 210 BGN/ha (**1641 EUR/ha**), and the **average acquisition price** since launch date is 2 380 BGN/ha (**1 217 EUR/ha**).

Date	Paid ha	Average monthly price	Average portfolio price
Dec-08	26 387	1641	1217
Nov-08	26 300	1646	1212
Oct-08	25 990	1790	1202
Sep-08	25 680	1882	1196
Aug-08	25 000	1876	1196
Jul-08	24 300	1836	1176
Jun-08	23 720	1810	1150
May-08	23 300	1784	1135
Apr-08	22 500	1790	1135
Mar-08	21 700	1380	1110

Distribution of farm lands by land categories as of December 31, 2008:

Category	%
1	0.14%
2	2.49%
3	35.72%
4	34.04%
5	17.95%
6	7.58%
7	1.26%
8	0.31%
9	0.36%
10	0.16%
Total	100.00%

### Concentration of farmland in the territory of one village:

- in 39 villages the Company owns above 100 ha
- average 20 ha per village
- as a result of natural consolidation of land plots through land swaps and acquisitions of adjacent plots is reached average size of a cluster of 4.5 ha

Number of hectares	Village
over 300 ha	1
200-300 ha	3
100-200 ha	35
50-100 ha	89
20-50 ha	254
up to 20 ha	939

26 387	Total hectares (ha)
32037	Number of plots
1321	Number of villages
20	Average hectares per village
4.5	Average ha per cluster after consolidation
0.83	Average ha per one plot

### Leased Agricultural Land

As of the end of December 2008 Advance TerraFund REIT has signed **rental contracts** for 15 160 ha of agricultural land, out of which the new contracts in 2008 are at an average rental of about 20 BGN/dca (102 EUR/ha), and all contracts, along with those concluded in the previous years, are at an average rental of 17 BGN/dca (86.92 EUR/ha). The lease contract signing campaign is still in progress.

For the agricultural year 2007-2008 there have been collected revenues from rentals for BGN 1 670 000 (EUR 853 857), which represents 80% of the expected rental revenues. The collection of the receivables will last till the end of February 2009. Then the uncollected receivables will be paid off according to the insurance policy with the insurer BAEI.

## MARKET STATISTICS FOR DECEMBER 2008

	<b>Price in BGN</b>	<b>Date</b>
Start price	1.044	01.12.2008
Last price	1.110	23.12.2008
Highest (max) price	1.118	15.12.2008
Lowest (min) price	0.911	12.12.2008
Average for the month	0.999	
Value change	0.066	
Change in %	+6.322%	

Number of trade sessions	13
Number of trades	73
Total number of shares traded	1 146 011
Average number of shares traded daily	88 155
Monthly volume in BGN	1 144 926
Monthly volume in EUR	585 391
Average daily volume in BGN	88 071
Average daily volume in EUR	45 030