

ADVANCE TerraFund REIT

MONTHLY NEWSLETTER – October 2008

INVESTMENT ACTIVITY

Advance TerraFund REIT owns land for about BGN 106 million (**EUR 54.2 million**).

As of October 31, 2008 Advance TerraFund REIT owns in total **25 990 ha** of agricultural land and **13.8 ha** of urban land. The average acquisition price for farmland for this month is 3 500 BGN/ha (**1790 EUR/ha**), and the **average acquisition price** since launch date is 2 350 BGN/ha (**1 202 EUR/ha**).

Date	Paid ha	Average monthly price	Average portfolio price
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
Feb-08	21 700	1380	1110
Jan-08	21 700	1380	1110

Concentration of farmland in the territory of one village – average 20 ha

Number of hectares	Village
over 300 ha	1
200-300 ha	3
100-200 ha	28
50-100 ha	84
20-50 ha	249
up to 20 ha	925

LEASED AGRICULTURAL LAND

In October started the signing of the rent contracts for the new agricultural year 2008-2009. Advance TerraFund REIT has signed **rental contracts** for 13 300 ha of agricultural land.

For the year 2007-2008 there have been collected revenues from rentals for BGN 1 256 000 (EUR 642 183).

MARKET STATISTICS FOR OCTOBER 2008

	Price in BGN	Date
Start price	1.754	01.10.2008
Last price	1.151	31.10.2008
Highest (max) price	1.80	01.10.2008
Lowest (min) price	1.07	30.10.2008
Average for the month	1.30	
Value change	-0.603	
Change in %	-34.38%	

Number of trade sessions	23
Number of trades	336
Total number of shares traded	1 601 314
Average number of shares traded daily	69 622
Monthly volume in BGN	2 081 029
Monthly volume in EUR	1 064 013
Average daily volume in BGN	90 480
Average daily volume in EUR	46 261

The share price is more stable with 62% than the index SOFIX*



<http://www.bloomberg.com/apps/quote?ticker=6A6%3ABU>

*The Bulgaria Stock Exchange Sofix Index is a free float market capitalization weighted index representing the most liquid companies listed on the exchange.