

ADVANCE TerraFund REIT

MONTHLY NEWSLETTER – November 2008

The first in Bulgaria private project for consolidation of agricultural land gets off the ground, initiated by Advance Terrafund REIT

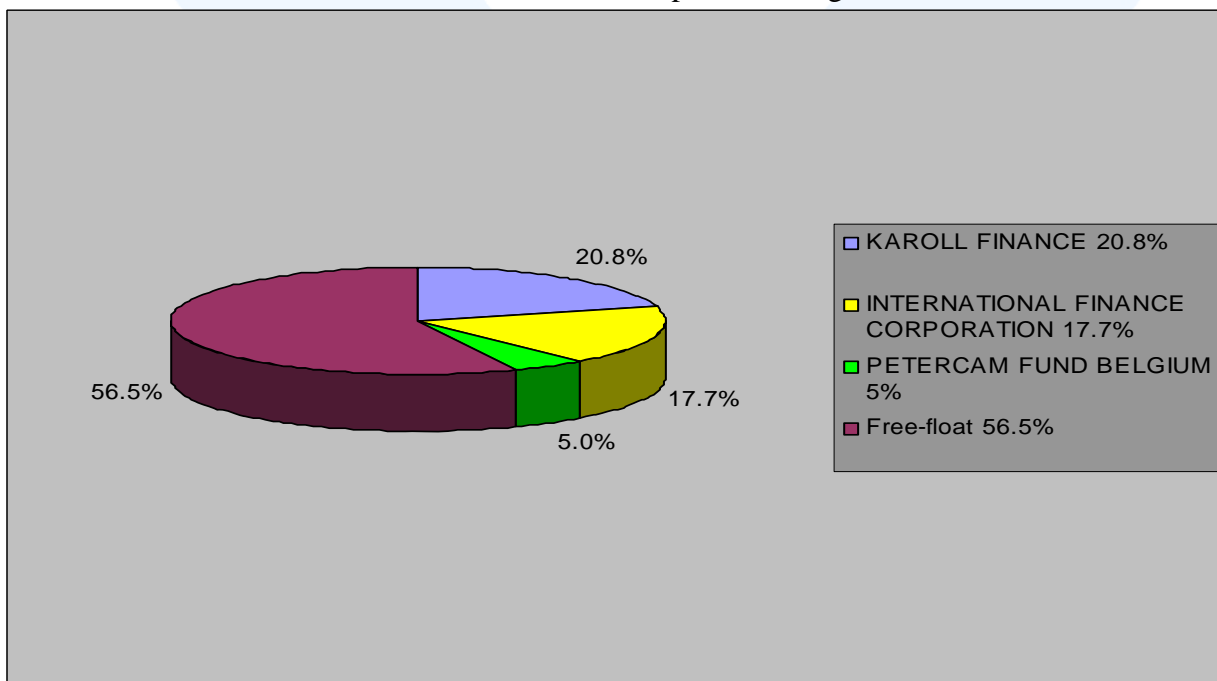
The first in Bulgaria consolidation project of Advance Terrafund REIT will be realized on the territory of the village of Katunets, district Lovetch, on an area of 7000 ha agriland. The project will be carried out under an agreement between all interested private landowners in that territory. On behalf of the Bulgarian government, a partner in the project will be the Ministry of Agriculture and Food, which will lend its experts' support. The final goal of the project is with the fulfillment of the consolidation plan to form attractive big plots for more effective and contemporary agribusiness. For more information you can look at

http://www.karoll.net/bg/?section=investirane_v_advance&id=50&nid=221.

Investment activity

On November 25 2008 the Financial Supervision Commission entered the new Advance Terrafund REIT's emission of 41 054 033 shares in the registry of the public companies and as a result of the fundraising the company's capital becomes 85 110 091 number of shares with nominal value of 1 BGN.

Shareholders with more than 5% of the capital after registration of the new shares



Source: Shareholders' book as of December 10 2008.

Advance TerraFund REIT **owns land** for about BGN 107 million (**EUR 54.7 million**).

As of November 30, 2008 Advance TerraFund REIT owns in total **26 300 ha** of agricultural land and **13.8 ha** of urban land. The average acquisition price for farmland for this month is 3 220 BGN/ha (**1646 EUR/ha**), and the **average acquisition price** since launch date is 2 370 BGN/ha (**1 212 EUR/ha**).

Date	Paid ha	Average monthly price	Average portfolio price
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
Feb-08	21 700	1380	1110
Jan-08	21 700	1380	1110
Dec-07	21 700	1380	1110
Nov-07	21 700	1380	1110
Oct-07	21 050	1355	1099

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. As of the end of November 2008 Advance TerraFund REIT has signed **rental contracts** for 14 450 ha of agricultural land, out of which the new contracts in 2008 are at an average rental of 19.32 BGN/dca (98.78 EUR/ha), and all contracts, along with those concluded in the previous years, are at an average rental of 16.83 BGN/dca (86.05 EUR/ha).

For the year 2007-2008 there have been collected revenues from rentals for BGN 1 470 000 (EUR 751 599).

MARKET STATISTICS FOR NOVEMBER 2008

	Price in BGN	Date
Start price	1.108	04.11.2008
Last price	1.008	28.11.2008
Highest (max) price	1.177	01.11.2008
Lowest (min) price	0.96	30.11.2008
Average for the month	1.061	
Value change	-0.10	
Change in %	-9.03%	

Number of trade sessions	17
Number of trades	108
Total number of shares traded	420 701
Average number of shares traded daily	24 747
Monthly volume in BGN	446 469
Monthly volume in EUR	228 276
Average daily volume in BGN	26 263
Average daily volume in EUR	13 428