

# ADVANCE TerraFund REIT (ATERA BU)

## MONTHLY NEWSLETTER – AUGUST 2007

### **ADVANCE TERRAFUND PLANS A BANK LOAN CONTRACT FOR 8 000 000 BGN**

#### **INVESTMENT ACTIVITY**

Since the beginning of 2007 Advance TerraFund REIT has invested over BGN 23.4m (or EUR 12m) for land acquisitions across the country. In the total portfolio of the company 82% of the investments are for agricultural land and 18% are for urban land.

The **average acquisition price** since launch date now is 2 120 BGN/ha or 1 084 EUR/ha. The company invests mainly in the most fertile agricultural land – 99.5% are with land category from 1 to 6 (out of 10 in total, where 1 is the best land), and respectively there are the most developed farm companies. For that reason the allocation of the acquired agricultural land is: North-eastern region – 45%, North Central region – 29%, Northwestern region - 15%, South Central region – 8% and Southeastern region – 3%. This is the precondition for the high percentage (near 55%) of rented out land for the first year.

As of August 30, 2007 Advance TerraFund REIT **owns in total** 19 250 ha of agricultural land. The average acquisition price for the month is 2 490 BGN/ha or 1 273 EUR/ha.

Date	Paid ha	Average monthly price	Average portfolio price
Oct-05	600	840	840
Nov-05	1 100	872	854
Dec-05	2 100	851	859
Jan-06	2 500	869	864
Feb-06	3 200	898	869
Mar-06	4 500	925	890
Apr-06	5 700	1002	915
May-06	7 000	1023	941
Jun-06	8 400	1032	956
Jul-06	9 300	1094	977
Aug-06	10 300	1087	987
Sep-06	11 000	1068	992
Oct-06	11 500	1060	997
Nov-06	12 000	1117	1002
Dec-06	12 444	1077	1007
Jan-07	12 987	1213	1023
Feb-07	13 647	1169	1038
Mar-07	14 630	1252	1048
Apr-07	15 792	1268	1058
May-07	17 113	1278	1074
Jun-07	18 200	1278	1084

Jul-07	19 000	1273	1084
Aug-07	19 250	1273	1084

Advance TerraFund REIT holds negotiations to sign a bank loan contract for 8 000 000 BGN or 4 090 335 EUR .

## RENTING OUT AGRICULTURAL LAND

As of August 30, 2007 the Fund has signed **rental contracts** for 6 787,5 ha of agricultural land, which represents 54.73% of the total land bought as of 2006-end.

The Fund's **average rent payment** so far is 111.7 BGN/ha or 57.11 Euro/ha. The **expected revenues** from rental contracts signed so far are BGN 758 464 or Euro 387 796.

## MARKET STATISTICS FOR AUGUST 2007

	Price in BGN	Date
Start price	1.913	01.08.2007
Last price	2.255	30.08.2007
Highest (max) price	2.300	15.08.2007
Lowest (min) price	1.891	02.08.2007
Average for the month	2.100	
Value change	0.342	
Change in %	17.878%	

Market Cap in BGN	99 346 410	30.08.2007
Market Cap in EUR	50 795 013	30.08.2007

Number of trade sessions	22
Number of trades	381
Total number of shares traded	2 150 045
Average number of shares traded daily	97 729

Monthly volume in BGN	4 514 110
Monthly volume in EUR	2 308 028

Average daily volume in BGN	205 187
Average daily volume in EUR	104 910