

ADVANCE TerraFund REIT (ATERA BU)

MONTHLY NEWSLETTER – MAY 2007

ADVANCE TERRAFUND REIT HAS RENTED OUT 50% OF ITS LAND

INVESTMENT ACTIVITY

Since the beginning of 2007 the company has invested in agricultural land BGN 10 985 000 (or EUR 5.6m). The **average acquisition price** since launch date now is 2 100 BGN/ha or 1 074 EUR/ha.

As of May 31, 2007 Advance TerraFund REIT **owns in total** 17 113 ha of agricultural land. The average acquisition land price for the month is 2500 BGN/ha or 1278 EUR/ha.

The average size of one land plot of the company has been enlarged to 2 ha, which is 54% more than it was at the end of 2006 and more than three times bigger than the average plot size for the country – 0.6 ha. This is due to either acquisition of bigger single plots, or to consolidation through purchase of adjacent plots or to land swaps.

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

During the month the company acquired 1.1 ha of agricultural land in the territory of City of Vratza (north-western Bulgaria). The property has 46m face on the ring-road of Vratza E79 and borders to a railroad. The price is 5 Euro/m² which means that the total investment is BGN 110 000 or EUR 56 242.

RENTING OUT AGRICULTURAL LAND

As of May 31, 2007 the Fund has signed **rental contracts** for 6165 ha of agricultural land, which represents 50% of the total land bought as 2006-end.

The Fund's **average rent payment** so far is 114 BGN/ha or 57 Euro/ha. The **expected revenues** from rental contracts signed so far are BGN 687 000 or Euro 351 257.

MARKET STATISTICS FOR MAY 2007

	Price in BGN	Date
Start price	1.597	02.05.2007
Last price	1.665	31.05.2007
Highest (max) price	1.680	23.05.2007
Lowest (min) price	1.582	15.05.2007
Average for the month	1.616	
Value change	0.068	
Change in %	4.25%	

Market Cap in BGN	73 353 337	31.05.2007
Market Cap in EUR	37 504 965	31.05.2007

Number of trade sessions	20
Number of trades	195
Total number of shares traded	1 421 719
Average number of shares traded daily	71 086

Monthly volume in BGN	2 297 310
Monthly volume in EUR	1 174 596

Average daily volume in BGN	114 866
Average daily volume in EUR	58 730