

ADVANCE TerraFund REIT (ATERA BU)

MONTHLY NEWSLETTER – SEPTEMBER 2007

ADVANCE TERRAFUND OWNS 20 000 HA AGRICULTURAL LAND

INVESTMENT ACTIVITY

Since the beginning of 2007 Advance TerraFund REIT has invested over BGN 25m (or EUR 12.8m) for land acquisitions across the country. In the total portfolio of the company 83% of the investments are for agriland and 17% 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 agriland – 99.5% are with land category from 1 to 6 (out of 10 in total, where 1 is the best land), and respectively this is where the most developed farm companies are. For that reason the allocation of the acquired agriland is: Northeastern 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.

The company succeeded to consolidate 105 plots into 1 new plot with total size of 90 ha, by a swap in Haskovo district.

As of September 30, 2007 Advance TerraFund REIT **owns in total** 20 000 ha of agricultural land. The average acquisition price for the month is 2 500 BGN/ha or 1 278 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
Sep-07	20 000	1278	1084

Advance Terrafund REIT has signed a bank loan agreement for BGN 8m (EUR 4.06m) with ING Bank to acquire new land in pursuance of its investment strategy and prospectus.

RENTING OUT AGRICULTURAL LAND

In September Advance Terrafund REIT has started the campaign for renting out its agricultural land for the economic year 2007-2008. The company's forecast for the average rentals in the new rent contracts is for 72 EUR/ha.

MARKET STATISTICS FOR SEPTEMBER 2007

	Price in BGN	Date
Start price	2.243	03.09.2007
Last price	2.295	28.09.2007
Highest (max) price	2.300	28.09.2007
Lowest (min) price	2.120	19.09.2007
Average for the month	2.188	
Value change	0.052	
Change in %	2.318%	

Market Cap in BGN	101 108 653	28.09.2007
Market Cap in EUR	51 696 033	28.09.2007

Number of trade sessions	19
Number of trades	329
Total number of shares traded	285 206
Average number of shares traded daily	15 011

Monthly volume in BGN	624 072
Monthly volume in EUR	319 083

Average daily volume in BGN	32 846
Average daily volume in EUR	16 794