

ADVANCE TerraFund REIT

MONTHLY NEWSLETTER – August 2008

INVESTMENT ACTIVITY

Advance TerraFund REIT **owns land** for BGN 102,6 million (**EUR 52.5 million**). In the total portfolio of the company after the revaluation 75% is agricultural land and 25% is urban land.

The company invests in **the most fertile farmland** – 99% is with land category from 1 to 6 (out of 10, where 1 represents the most fertile land), and respectively is in regions, where the most developed and productive farm companies work.

As of August 31, 2008 Advance TerraFund REIT owns in total **25 000 ha** of agricultural land. The average acquisition price for this month is 3 670 BGN/dca (**1876 EUR/ha**), and the **average acquisition price** since launch date is 2 340 BGN/ha (**1 196 EUR/ha**).

Date	Paid ha	Average monthly price	Average portfolio price
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
Sep-07	20 000	1278	1084
Aug-07	19 250	1273	1084
Jul-07	19 000	1273	1084
Jun-07	18 200	1278	1084
May-07	17 113	1278	1074
Apr-07	15 792	1268	1058
Mar-07	14 630	1252	1048
Feb-07	13 647	1169	1038
Jan-07	12 987	1213	1023
Dec-06	12 444	1077	1007
Nov-06	12 000	1117	1002
Oct-06	11 500	1060	997
Sep-06	11 000	1068	992
Aug-06	10 300	1087	987

LEASED AGRICULTURAL LAND

As of August 31, 2008 the revenues from rents received for the agricultural year 2007-2008 are BGN 388 507 (EUR 198 640).

For the agricultural year 2007-2008, Advance TerraFund REIT has signed rental contracts for 15 100 ha of agricultural land, which represents 70% of the land bought in 2007. The average rental payment is 14 BGN/dca (71.6 EUR/ha) and the total expected amount from rentals is BGN 2 100 000 (EUR 1 073 713). For the current year 2007-2008 the rent payments have been insured by the Bulgarian Export Insurance Agency (BEIA).

MARKET STATISTICS FOR AUGUST 2008

	Price in BGN	Date
Start price	1.88	01.08.2008
Last price	1.886	31.08.2008
Highest (max) price	1.90	01.08.2008
Lowest (min) price	1.80	31.08.2008
Average for the month	1.868	
Value change	0.006	
Change in %	0.319 %	

Number of trade sessions	21
Number of trades	169
Total number of shares traded	493 509
Average number of shares traded daily	23 500
Monthly volume in BGN	921 916
Monthly volume in EUR	471 368
Average daily volume in BGN	43 901
Average daily volume in EUR	22 446