

ADVANCE TerraFund REIT (ATERA BU)

MONTHLY NEWSLETTER – January 2008

INVESTMENT ACTIVITY

Advance TerraFund REIT owns land for BGN 67m (or EUR 34.26m), in which value the revaluation of the assets for 2007 is not included. In the total portfolio of the company 83% of the investments are for agricultural land and 17% are for urban land.

The company invests mainly in the most fertile farmland – 99% 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. The allocation of the acquired agricultural land is: Northeastern region – 44%, North Central region – 30%, Northwestern region - 15%, South Central region – 8% and Southeastern region – 3%.

As of January 31, 2007 Advance TerraFund REIT owns in total 21 700 ha of agricultural land. The average acquisition price for the month is 2 680 BGN/ha or 1 370 EUR/ha. The average acquisition price since launch date now is 2 170 BGN/ha or 1 110 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
Oct-07	21 050	1355	1099
Nov-07	21 700	1380	1110
Dec-07	21 700	1380	1110
Jan-08	21 700	1380	1110

RENTING OUT AGRICULTURAL LAND

As of Jan 31, 2007 **the revenues received for the agricultural year 2006-2007** so far are BGN 527 680 (or EUR 269 798). For the upcoming year 2007-2008 the rent payments have been insured by the Bulgarian Export Insurance Agency (BEIA).

For the first four months of the agricultural year 2007-2008 (October, November, December 2007 and January 2008), Advance TerraFund REIT has signed **rental contracts** for 6 947 ha of agricultural land, which represents 32% of the land bought so far.

MARKET STATISTICS FOR JANUARY 2008

	Price in BGN	Date
Start price	2.030	02.01.2008
Last price	1.965	31.01.2008
Highest (max) price	2.209	07.01.2008
Lowest (min) price	1.850	22.01.2008
Average for the month	2.009	
Value change	-0.065	
Change in %	-3.202%	

Market Cap in BGN	86 570 154	31.01.2008
Market Cap in EUR	44 262 617	31.01.2008

Number of trade sessions	22
Number of trades	475
Total number of shares traded	1 260 562
Average number of shares traded daily	57 298
Monthly volume in BGN	2 531 914
Monthly volume in EUR	1 294 547
Average daily volume in BGN	115 087
Average daily volume in EUR	58 843