

# ADVANCE TerraFund REIT

## MONTHLY NEWSLETTER – February 2009

### Investment activity

Advance TerraFund REIT **owns land** for above BGN 110 million (**EUR 56.2 million**). Here the land revaluation for 2008 is still not included. The revaluation will be reflected in the audited annual financial statement.

As of February 31, 2009 Advance TerraFund REIT owns around **26 400 ha** of agricultural land and **13.8 ha** of urban land.

Date	Paid ha	Average monthly price	Average portfolio price
Feb-09	26 387	-	1217
Jan-09	26 387	-	1217
Dec-08	26 387	1641	1217
Nov-08	26 300	1646	1212
Oct-08	25 990	1790	1202
Sep-08	25 680	1882	1196

Region	Share of the acquired farm land in %
Northeastern	45.7%
North Central	29.8%
Northwestern	13.5%
Southeastern	7.6%
South Central	3.4%
Total	100%

### Leased agricultural land

As of the end of February 2009 Advance TerraFund REIT has signed **rental contracts** for 17 478 ha or 66% of all the lands, out of which the new contracts in 2008 are at an average rental of about 20 BGN/dca (102 EUR/ha), and all contracts, along with those concluded in the previous years, are at an average rental of 17.16 BGN/dca (87.74 EUR/ha). The lease contract signing campaign is still in progress.

For the agricultural year 2007-2008 there have been collected revenues from rentals for BGN 1 794 000 (EUR 917 258), which represents 85% of the expected rental revenues. The collection of the

receivables was finished and the overdue payments were claimed for compensation according to the insurance policy with the insurer BAEI.

## Land consolidation project in the village of Katunets

Upon an initiative of Advance TerraFund REIT in the end of 2008 was established a local committee of farmland owners in the village of Katunets, municipality Ugartchin, for realization of a land consolidation project and then was sent a request to the Ministry of Agriculture and Food (MAF) to approve a consolidation plan for 700 ha of farmland. In January 2009 the Minister of MAF signed an order for preparation of land consolidation plan in the village. The consultants of the project The Dutch Service for Water and Land Management had two visits in Sofia and Katunets in January and in February to co-ordinate the project activities with the MAF and the local committee. On March 21, 2009 is organized a meeting in the village-hall of Katunets where all farmland owners in the village are invited to take part voluntarily in the project. Every project participant will take the opportunity to consolidate its own farmlands in order to achieve higher return for his/her own plots, either in the form of higher rentals or in the form of higher sale price, after the consolidation is done.

### MARKET STATISTICS FOR FEBRUARY 2009

	Price in BGN	Date
Start price	1.00	02.02.2009
Last price	1.00	28.02.2009
Highest (max) price	1.048	04.02.2009
Lowest (min) price	0.94	25.02.2009
Average for the month	1.006	
Value change	0.00	
Change in %	0.00%	

Number of trade sessions	20
Monthly volume in BGN	250 163
Monthly volume in EUR	127 906
Average daily volume in BGN	12 508
Average daily volume in EUR	6 395