

ADVANCE TERRAFUND REIT

MONTHLY NEWSLETTER – September 2011

Investment activity

As of the end of September 2011 Advance Terrafund REIT owns 29 662 ha of agricultural land and 13.9 ha of urban land. In September 2011 were acquired 159.6 ha, but when the sold 323.8 ha for the month are deducted, the final amount of the Company's farmland becomes 29 662 ha.

Date	Land in ha	Average monthly price EUR/ha	Average portfolio price EUR/ha
Sep-11	29 662	2204	1386
Aug-11	29 826	2158	1375
July-11	30 105	2183	1355
June-11	30 361	2209	1355
May-11	31 444	1994	1319
Apr-11	32 045	2091	1319
Mar-11	32 386	2086	1319
Feb-11	33 306	-	1316
Jan-11	33 568	-	1316
Dec-10	33 622	1749	1316
Nov-10	33 536	1662	1310
Oct-10	33 358	-	1310
Sep-10	33 358	1611	1310

Sale of agricultural land

All land sales for this year had been negotiated till the end of April 2011 and for all the deals the Company had signed preliminary contracts. Every month in the newsletter are reported the finalized deals. In September 2011 were finalized sales for new 323.8 ha. From the beginning of 2011 there had been sold in total 5085.2 ha at the average price of 592 BGN/dca (3027 EUR/ha). The return realized from sales of these lands is 126%.

Year	Sold ha	Average sale price in €/ha	Sales revenue in €	Annual change in %
Sept 2011	5085.2	3 025	15 384 608	1113%
2010	462.7	2 741	1 268 041	471%
2009	79.7	2 783	221 902	-

Leased agricultural land

From October 1, 2011 started the new agricultural 2011-2012 year. As of the moment there are signed lease contracts for 23 067 ha or 77.8% of all the lands and the average rental for all contracts, along with those concluded in the previous years, is 140.40 EUR/ha. The expected rental revenues for 2011-2012 are EUR 3 238 596. On September 30, 2011 started the rent collection for 2010-2011. Till now there are EUR 1 768 559 collected or 59.50%. In the table below is shown by years the dynamics of the land leasing and the rentals' collection.

Agricultural year	Leased land in ha	Leased land as a % of the total land	Average rent in €/ha	Annual change in %	Revenues from lease contracts in €	Annual change in %	Collected receivables from rents in €	Collected receivables in %	Annual change in %
2011-2012	23 067	77.8%	140.40	16.6%	3 238 596	9%			
2010-2011	24 688	83.2%	120.45	14.8%	2 973 674	12%	1 768 559	59.5%	-
2009-2010	25 217	79.7%	104.95	19.3%	2 646 461	48%	2 526 600	95.5%	44%
2008-2009	20 648	78.3%	87.99	21.2%	1 793 101	68%	1 755 383	97.9%	68%
2007-2008	14 724	67.9%	72.60	27.0%	1 068 958	204%	1 046 266	97.9%	201%
2006-2007	6 153	49.4%	57.16	-	351 375	-	347 772	99.0%	-

Market Statistics for September 2010

	Price in BGN	Date
Start price	1.38	01.09.2011
Last price	1.350	30.09.2011
Highest (max) price	1.420	16.09.2011
Lowest (min) price	1.350	21.09.2011
Average for the month	1.380	
Value change	-0.030	
Change in %	-2.17%	
Number of trade sessions		18
Monthly volume in EUR		283 424
Average daily volume in EUR		15 746
Market capitalization as of month-end in EUR		58 746 733

The Management of Advance Terrafund REIT is pleased to invite the Shareholders of the Company to state their willingness to hold individual conference calls to discuss the results of the Company for 2011, to provide information on the current trends in the land market and on the plans for the development of the Company. The dates for the conference calls will be within the period of November

7th-18th, 2011 and can be coordinated with Atanas Dimitrov, Investor Relations Director, at tel. +35924008332 or e-mail: adimitrov@karoll.bg.

Please, feel free till November 4th, 2011 to suggest dates and times for the conference calls.

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