

NOTIFICATION

From
"BULGARIAN REAL ESTATE FUND"
REIT, registered in the Commercial
Register under UIC 131350366, represented
by the Executive Director Nikolay Skarlatov

regarding: inside information under Art. 4 of
Law on Measures against Market Abuse
with Financial Instruments

DEAR LADIES AND GENTLEMEN,

On the basis of Art. 40, p. 3 with reference to Art. 27, p. 2 and Art. 28 from Ordinance №. 2 of September 17, 2003 on the prospectuses to be published when securities are offered to the public or admitted to trading on a regulated market and on disclosure of information by the public companies and the other issuers of securities we inform you the following:

"BULGARIAN REAL ESTATE FUND" REIT signed a Preliminary purchase and sale agreement for real estate for the sale of Kambanite Business Center (KBC) which is situated next to the ring Road of Sofia against Business Park Sofia. The total sale price for Kambanite Business Center (KBC) is EUR 23,000,000 (twenty-three million euro) without VAT. The deal is expected to be closed before the end of the 2011 financial year.

Kambanite Business Center (KBC) is next to the ring Road of Sofia against Business Park Sofia. The offered office areas are of the highest class with good architecture and technical specifications and can meet the requirements of the most demanding tenants. In April 2009 the construction works on the building were completed and it was granted with a permission of use.