

ERG CAPITAL-3 ADSIP signed with a well-established institutional investor a preliminary agreement for the sale of its real estate located in Stara Zagora, 50 Patriarh Evtimii Str. (Stara Zagora Project). **The execution of a final agreement depends on a number of pre-conditions, including notification of the lessees of the real estate for the transaction, successful due diligence by the buyer and etc.**

The price for the Stara Zagora Project is EUR 11,000,000 net of VAT. Transaction costs are to be assumed by the buyer.

The most important condition for the execution of a final agreement is the successful due diligence of the property by the buyer. The term for the due diligence is not later than December 10, 2010. The seller shall transfer the title of the property by executing a notary deed not later than 2 (two) months from the date of receiving a written confirmation letter from the buyer that the due diligence has been completed and the buyer agrees to purchase the property. If all pre-conditions are met the rest of the sale price shall be deposited into an escrow account opened on the name of a bank, mutually agreed by both parties (which bank will act as an escrow agent), not later than 1 (one) day before the date agreed for execution of the final agreement.

We draw investors' attention to the fact that the preliminary agreement was executed with certain conditions that if not met will cause the preliminary agreement to be terminated and the parties shall owe each other no compensation.