

AKTIV PROPERTIES /REIT/
“АКТИВ ПРОПЪРТИС” АД СИЦ

SUMMARY OF THE PROSPECTUS

Part I of the Prospectus for Public Offering of Shares
(for the Initial Increase of Capital)

Initial Public Offering

150 000 Ordinary Shares

Investing in the ordinary shares offered herein is related to certain risks. See: *Risk Factors*, page 7 and the following pages of the Registration Document (Part II of the Prospectus), as well as *Risk Factors*, page 6 and the following pages of the Shares Document (Part III of the Prospectus).

	<u>Per Share</u>	<u>Total</u>
Issue Value / Par Value	BGN 1,000.00	BGN 150,000.00
Remuneration of the Investment Intermediary.....	BGN 0.007	BGN 1,050.00
Total Expenses for the Public Offering	BGN 0.0205	BGN 3,080.00
Company's Net Revenues from the Public Offering	BGN 0.979	BGN 146,920.00

Investment Intermediary for This Issue

Karol Financial House PLC: 57 Hristo Botev Blvd., Ent.1, Floor 3, Vazrazhdane Quarter, Sofia, Bulgaria

This Summary shall be read as an Introduction to the Prospectus. The Summary focus on information which is also contained in the other parts of the Prospectus: the Registration Document and the Shares Document. The Summary may not include the complete information which might be important to you. It is of interest to the potential investors before taking the decision to invest in ordinary shares of the Company to read thoroughly the entire Prospectus, i.e. the Registration Document and the Shares Document, together with the Attachments thereto, as well as the respective documents they refer to, wherever applicable.

The Financial Supervision Commission has approved by its Decision No. 272 of 20/04/2005 the Prospectus for the Offered Securities which includes this Summary, the Company's Registration Document and the Offered Securities (Shares) Document, but this should not be considered an approval or disapproval for investment in the offered shares. The Commission for Financial Supervision shall not bear any responsibility for the truthfulness and completeness of the information contained in this Prospectus.

The members of the Board of Directors of AKTIV PROPERTIES REIT are jointly liable for any damages caused by untrue, misleading or partial data in this Prospectus. The Investment Intermediary - Karol FH PLC is jointly liable, together with the Members of the Board of Directors, for damages caused by untrue, misleading or partial information contained in the Offered Shares Document. The persons who have prepared the Company's annual financial report are jointly liable, together with the persons indicated in the previous sentences, for damages caused by untrue, misleading or partial data contained in the Company's financial reports.

9 March 2005

You shall rely solely on the information, which is included in the Prospectus, i.e. in this Summary, the Registration Document and the Offered Shares Document. AKTIV PROPERTIES REIT never authorized any person to present you any information other than the information contained herein. In addition, you shall bear in mind that the data included in this Prospectus are current as of the date stated on the cover page of each respective document constituting the Prospectus.

The Company's Board of Directors consists of the following members:

- PT Holding PLC, represented by Mr. Rashko Kirilov RADOMIROV, Chairman of the Board of Directors;
- Mr. Dilian Peichev PANEV, Executive Director;
- Mr. Stoyan Stefanov LILOV, Deputy Chairman of the Board of Directors.

The **Bank** which hosts the fund-raising account designated for deposit of the issue value of the subscribed Company's shares is *Raiffeisenbank (Bulgaria) PLC.*, with registered office and business address: 18-20 Gogol Street, Sofia, Bulgaria. *Raiffeisenbank (Bulgaria) PLC.* is the Company's depository bank.

The **investment intermediary** servicing the initial increase of the Company's capital is *Karol FH PLC.*, with registered office and business address: 57 Hristo Botev Blvd., Entrance 1, Floor 3, Vazrazhdane Quarter, Sofia, Bulgaria.

The **legal advisor** for the foundation and licensing of the Company, and for the initial increase of the Company's capital is *Dimitrov, Chompalov & Todorova Ltd.*, with registered office and business address: 74a Buzludzha Street, Sofia, Bulgaria.

Auditor: AKTIV PROPERTIES REIT was registered in January, 2005 and does not have yet annual financial reports nor auditor has been selected so far. At its first session the General meeting of the Shareholders shall select and appoint an auditor.

The person responsible for the preparation of this Summary of the Prospectus is *Mr. Dilian Peichev PANEV*, the Company's Executive Manager. As regards the responsibility for the information contained in this Prospectus, see also: Summary's cover page.

Summarized Financial Information

The selected financial data presented below were excerpted from the Company's Financial Report as of 28/02/2005. Because of the Company's short history and the fact that as of the present day it has not started yet active operation, no data are presented herein on the incomes from the Company's main activity, its financial results (profit/loss), neither on the profit/dividend per share. The Company's complete financial report as of February 28, 2005 is attached to the Registration Document.

Long-term assets, of which:	1 120 000
real estate	1 120 000
cash funds	29 000
taxes subject to refund	199 000
Net assets	500 000
Share capital	500 000
Number of shares	500 000

Capitalization and Indebtedness

The table below shows the capitalization and indebtedness of the Company as of February 28, 2005:

Capitalization and Indebtedness of AKTIV PROPERTIES REIT as of 28/02/2005 (in thousand Bulgarian Levs)

Fixed Capital	500
Subscribed Capital	500
Reserves	0
Financial Result	0
Long Term Assets	24

Reasons for Undertaking the Initial Public Offering and the Methods for the Allocation of the Raised Funds

The current ("initial") increase of the Company's capital through a public offering of shares was undertaken pursuant to the requirements of Art.5, Paragraph 3 and Art.13 of the Law on Special Purpose Investment Companies and following the decision by the Company's Constituent Assembly. Through the initial increase of the capital the Company aims at achievement of a public investment company status, as provided for by the Law, and to generate financial resources for performance of its subject of activity in securitizing real estate.

The expected net income from the public offering of shares is 146 920 Bulgarian Levs. These revenues will be used for the implementation of the Company's investment strategy (acquisition of real estate property with the purpose of its management by means of rent/lease, new construction and sale of real estate). See: Registration Document, "Investment Goals and Restrictive Regulations".

The incomes from this public offering would not be used for:

- direct or indirect purchase of assets not conforming to the main activity of the Company;
- financing of acquisitions by other companies;
- payment of obligations;
- acquisition of assets by the Company's subsidiaries; as of the date of preparation of this document, the Company has no subsidiaries or affiliates.

Risk Factors

The main hazards specific both for the Company and the industry of operation, as well as the risks related to the offered shares, are described in the Registration Document and the Offered Shares Document. Among them are the following risk factors:

- the real estate market prices may change unfavorably for the Company;
- there is a risk of delayed payment or non-payment of contracted rental installments;
- problems or delays may emerge with respect to renewal of the rental contracts;
- the Company has no history and experience in the field of real estate property;
- investments in real estate have low liquidity;
- certain potential losses might not be covered by the insurance;
- the Company will be dependant on the availability of credits and on the interest rates levels;
- leaving of Company's key executives may put at risk the Company's operation;
- there is a risk of losses due to foreign exchange rates;
- higher inflation rates may result in devaluation of assets;
- political changes may adversely affect the business environment.

Information about the Company

The Company's denomination is **AKTIV PROPERTIES REIT** (with an equivalent in Bulgarian language: "Актив Пропъртис" АДСИЦ). The Company was established in Bulgaria with the registered office in the city of Plovdiv and business address: 37 Nestor Abadzhiev Street, Floor 2, Plovdiv, Bulgaria; phone: +359 32 604 700; fax: +359 32 63 25 13.

The Company was established on December 23, 2004 and filed with the Register of the Plovdiv District Court of Justice by Ruling No. 468 of 20 January 2005 of the Plovdiv District Court of Justice, Volume 3, Page 2, File No. 1 under Corporate case No. 202 of 2005.

The Company is assigned a universal identification code number with the BULSTAT National Statistics Register: 115869689 and fiscal identification number with the National Tax Register: 4160011934.

The Company is established sine die.

AKTIV PROPERTIES REIT is a joint stock company with special investment purpose of securitization of real estate in the meaning of the Law on Special Purpose Investment Companies. The Company operates as a collective investment scheme for investing in real estate. ‘Securitization of real estate’ means that the Company purchases real estate properties with funds raised from investors by means of issue of securities (shares, bonds).

As of today the Company has acquired property rights on self-contained individual properties constituting parts of a newly constructed multifunctional administrative building (roughly finished – with coated inside walls and completed joinery work), consisting of a two-storey low section with retail shops and a restaurant, and an eight-storey high section with business offices, with an overall floorage of 13 008 sq. m., constructed in a court yard lot, located at: 101 Tzarigradsko Shosse Blvd. in the city of Sofia, Bulgaria, constituting a regulated real estate (plot) V-317 in Quarter Section 13 on the layout of Sofia, ‘BAN - 4th km’ City District, with an area of 3 030 sq. m. The aforementioned properties incorporate:

- **SHOP (RETAIL PREMISES) No. 3** (three), situated in the low section, on the ground floor, facing Tzarigradsko Shosse Blvd. and Academician Georgi Bonchev Street, with an overall floorage of 254,60 sq. m. (two hundred and fifty four square meters), and consisting of hall, tea-room and WC facilities, with neighbours: to the south-west – Academician Georgi Bonchev Street; to the north-east – covered out-door passage leading to the building and the entrance lobby; to the north-west – covered out-door passage and entrance lobby; to the south-west – off-side lane of Tzarigradsko Shosse Boulevard; TOGETHER with three and one hundred and forty five thousandths percent (3,145%) of the intangible shares of the common parts of the building, and together with the same percentage – three and one hundred and forty five thousandths percent (3,145%) of the intangible parts of the above described court yard lot;
- **PARKING LOT No. 33** (thirty three), situated on the basement level floor, at level minus two and fifty hundredths (–2,50) meters, with an area of 18.90 sq. m., and with borders: to the south-east – parking lot No. 32 (thirty two); to the north-east – passage; to the north-west – parking lot No. 34 (thirty four); to the south-west – parking lot No. 27 (twenty seven); TOGETHER with point one hundred and eighty thousandths percent (0,180%) of the intangible shares of the common parts of the building, and together with the same percentage: point one hundred and eighty thousandths percent (0,180%) of the intangible shares of the above described court yard lot;
- **PARKING LOT No. 34** (thirty four), situated on the basement level floor, at level minus two and fifty hundredths (–2,50) meters, with an area of 37.17 sq. m., and with borders: to the south-east – parking lot No. 33 (thirty three); to the north-east – passage; to the north-west – service premises belonging to the restaurant, together with the elevator gear room; to the south-west – parking lot No. 26 (twenty six); TOGETHER with point three hundred and fifty three thousandths percent (0,353%) of the intangible shares of the common parts of the building, and together with the same percentage: point three hundred and fifty three thousandths percent (0,353%) of the intangible shares of the above described court yard lot.

The real estate properties purchased by the Company are described in details on page 14 of the Registration Document. *AKTIV PROPERTIES REIT* will start active operation upon obtaining license by the Financial Supervision Commission.

Investment Goals and Restrictive Regulations

The Company will invest in real estate property and real rights on real estate, construction projects, refurbishment and improvement works with the purpose of giving them for management, letting them on rent, lease or concession, or their sale.

The Company intends to create a well balanced portfolio of real estate properties which it shall manage dynamically according to specific economic conditions and whenever grounds emerge. The acquisition of new real estate property may be performed by means of funding through issue of Company's securities or by bank loans in conformance with the applicable legal restrictions.

The investment policy of our Company does not provide for any restrictions with respect to the type of real estate for securitization. With respect to the declared objective of dynamic management of its portfolio, the Company will invest in income producing investment grade real estate with potential for capital growth in accordance with the criteria adopted by the Company. In compliance with the Law on Special Purpose Investment Companies, the Company may invest neither in real estate property situated outside the territory of the Republic of Bulgaria, nor in real estate property which is a subject of legal dispute. The Company may not proceed to any business transactions other than those covered by Art. 4, Paragraph 1 of the Law on Special Purpose Investment Companies.

Liquidity and Capital Resources

In order to maximize returns for its shareholders the Company will use external (loan) funding. In compliance with the current legislation such funds may be raised in either of the two following ways:

- by means of bank loans;
- through issues of securities registered for trade on an official market.

The choice of the specific form of fund raising will be made based on the market of the interest rates in the country.

The Company may also use short-term bank credits for up to 12 months designated to meet its financial obligations for interest payments, and amounting to up to 20% of the Company's assets value.

The Company plans to observe the general restriction of a maximum ratio of 5:1 between external funds and own funds.

Basic Trends

The Company's activities depend directly on the macroeconomic environment in Bulgaria in general.

Following the financial crisis of 1996-97 the macroeconomic situation in the country became stable. Inflation was brought under control, industrial output increased, most major industrial enterprises and banks were privatized, social security and health insurance reforms were launched, the amount of foreign debt as a percentage of GDP decreased significantly as a result of the agreements on its restructuring, and accession date for Bulgaria's EU membership was set for 2007 and the country became a member of NATO. Despite financial and political crises in various parts of the world, Bulgaria succeeded in achieving steady economic growth, low budget deficit, and the country's financial system managed to recover from the crisis and started to perform its function of a financial intermediary.

In view of the expected acceleration of the structural reforms process and the current legislation changes aiming at liberalization of the business environment and boosting foreign investments both at the expense of various EU funds and on the part of private business, it could be expected that the growth of the economy would continue with at least the same rate with maintained macroeconomic stability.

Bulgaria remains one of the most dynamically developing markets of real estate property in Europe, according to research results based on comparison between the registered increase in prices in the EU zone and that in Bulgaria in the course of 2004. The expected accession of Bulgaria to the EU and its NATO membership status generate positive image of the country among the international investment community. Higher level of trust for the country on the part of the investors is also based on the achieved

macroeconomic stability, steady long-term GDP growth, low inflation rates, confidence in the country's monetary system.

Estimated Data on the Company's Activities for the Period 2005-2006

Estimated Balance Sheet for the Company's Activities over the Period 2005 – 2006

	Amount (Bulgarian Levs)	
	2005	2006
LONG TERM TANGIBLE ASSETS, INCLUDING:	4 276 780	4 102 329
Lands (Grounds)		
Buildings and structures	4 276 780	4 102 329
Other long-term tangible assets		
Expenses for acquisition and liquidation of long-term tangible assets		
SHORT TERM ASSETS	251 213	43 427
Short-term accounts receivable		
Cash funds	251 213	43 427
AMOUNT OF ASSETS	4 527 993	4 145 757
FIXED CAPITAL	2 201 102	2 630 921
Subscribed capital	2 150 000	2 150 000
Financial result, including:	51 102	480 921
Retained earnings	0	5 110
Current profit (loss)	51 102	475 810
LONG TERM LIABILITIES	1 760 891	1 514 836
including liabilities to banks	1 760 891	1 514 836
SHORT TERM LIABILITIES	566 000	
TOTAL LIABILITIES	4 527 993	4 145 757

Estimated Profit and Loss Account for the Company's Activities over the Period 2005 – 2006

	Amount (Bulgarian Leva)	
	2005	2006
NET INCOMES FROM SALES	393 040	943 560
1. Incomes from rental of real estate	393 040	943 560
2. Incomes from sales of real estate	0	0
OPERATION EXPENSES		
Wages	42 440	42 440
Social security	7 018	7 018
Depreciation	84 485	174 451
Other expenses	27 600	33 470
Expenses for external services, including:	30 000	47 100
1. Remuneration of the depository bank	500	500
2. Remuneration for real estate agencies	0	0
3. Remuneration for real estate maintenance companies	18 000	43 600
4. Remuneration for assessors of assets	2 000	0
5. Remuneration for auditors	3 000	3 000
6. Remuneration for legal services	6 500	0
Expenses for fees and commissions	25 550	8 420
1. Financial Supervision Commission fees	4 200	1 800
2. Investment intermediary's fees	15 000	0
3. Fees in favor of Bulgarian Stock Exchange – Sofia	500	500
4. Central Securities Depository fees	2 950	300
5. Insurance premiums	2 840	6 540
TAXES	100 692	20 256
1. Tax on buildings	10 000	10 000
2. Garbage collection tax	10 692	10 256

3. Property acquisition tax	80 000	-
EXPENSES FOR INTERESTS, INCLUDING:	24 213	133 875
Expenses for interests on long-term loans	24 213	133 875
TOTAL EXPENSES	341 938	467 750
PRETAX PROFIT	51 102	475 810

In the development of the financial model for the conventional period of 2005-2006 certain simplifying assumptions were applied, the use of which is justified in view of the relatively long forecast period. All data in the financial model are given in BGN (Bulgarian Levs), the assumptions made therein include payment of the due dividend before the end of the year of taking the decision by the General Meeting of Shareholders, settlement of accounts receivable from clients in the year following the year when they appeared, stable sales and invariable operation expenses, non-accounting of the increase in value of the assets acquired by the Company by their adjustment according to the market prices. With respect to revenues the assumption was made that Bulgaria will continue to keep to the conditions of a monetary board, with a fixed exchange rate of EUR 1=BGN 1.95583. Certain other values were also disregarded, such as brokers' commissions in the process of conclusion of lease/rent agreements. However, because of the complexity of the forecasting model and the long duration of the considered period, as well as due to inclusion of extra costs and additional expenses, we deem that such assumptions would not significantly alter the applied model.

During the first two years of the Company's existence its activities will be focused on acquisition of investment grade real estate with a profitability rate between 10 and 20% on annual basis. The properties currently purchased by the Company and described in details in item 3.4 of the Registration Document meet the set parameters, and in the future the so indicated profitability rates will continue to be among the leading evaluation criteria with respect of new investment projects' choice.

The above model presumes that the Company will not sell any of the acquired real estate property, i.e. under this model there will be no realized capital gains from the increased value of the real estate property.

Members of the Board of Directors. Shareholders with Significant Participation

- **PT Holding PLC.**

PT Holding PLC., with registered office and business address: 37 Nestor Abadzhiev Street, Plovdiv, Bulgaria; registered under Corporate case No. 7897/94, Volume 4, Page 146, Batch 48 in the Register of the Plovdiv District Court of Justice; *BULSTAT* National Statistics Number: 825319654 IO; Fiscal Number: 1166040791 – is the Chairman of the Board of Directors of the Company and its founder.

PT Holding PLC. is a company established in 1994 with the purpose of acquisition, management, evaluation and sale of stakes and shares in Bulgarian and foreign companies; acquisition, management and sale of bonds; acquisition, evaluation and sale of patent and copyrights; concession of licenses for patent companies in which the holding company is a stakeholder; financing of companies in which the holding company is a stakeholder; research, development, introduction, manufacture of and trade in peripheral, organizing, electronic and household machines & equipment, agricultural products, machines & equipment, industrial and household machines & equipment, agricultural products and machines, electronic products for industrial application; software products; research, engineering and investor control in construction industry sector; construction and assembly works, maintenance, repair and refurbishment of buildings and structures; rent/lease of premises, movable and immovable property. Making of deals related to financially bound or operational lease and rent contracts and agreements, financial, legal and accounting consulting services, staff training; agent activities in the field of providing information and hire of workforce for employment abroad.

PT Holding PLC. is represented in the Board of Directors of *ACTIV PROPETRIES REIT* by **Mr. Rashko Kirillov RADOMIROV** (born 1950). He is a graduate of the Higher Institute of Machine and Electrical

Engineering – Sofia, Master in Engineering, Major in Automation & Telemechanics. Since 1997 Mr. Radomirov is the Executive Director of *Periferna Technika (Peripheral Machines & Equipment) – Holding PLC*. From 1988 till 1995 Mr. RADOMIROV held the position of the Director for Joint-Ventures in *PT-COMMERCE*, Plovdiv, and from 1973 till 1988 he worked consecutively as design engineer, Head of Engineering Team and Leading Design Engineer at *ZZU Plant for Information Storage Devices, Plovdiv*. In 1990 he received additional professional qualifications by completing a series of training courses in management and marketing organized by the Universities of Oklahoma, Delaware and Michigan. At present Mr. Rashko Kirillov RADOMIROV is the Executive Director and Member of the Board of Directors of *PT Holding PLC.*, Manager of *Vex Ltd.*, Member and Chairman of the Board of Directors of *Zora MD PLC.*, Manager of *Karatour Ltd.*, Executive Director and Member of the Board of Directors of *Periferna Technika (Peripheral Machines & Equipment) RMD PLC*.

- **Dilian Peichev PANEV**

Mr. Dilian Peichev PANEV (born 1973) is the Executive Director of the Company and its founder. He graduated in 1996 the University of National and World Economy (Sofia, Bulgaria), Master in Economy, Major in Finance. Certified securities broker under Certificate No. 202 – Б/04/05/1999 and certified investment consultant under Certificate No. 026 – ИК/11.11.2002 issued by the Financial Supervision Commission. Mr. Dilian Peichev PANEV is a member of the Board of Directors of *Balkan Investment Company IP PLC*. He worked as a securities broker at *Market South IP PLC*. (1998-2003) and a procurator, securities broker and financial consultant for *FAR IP PLC*. (2003). Administrative Director and financial consultant at *Periferna Technika (Peripheral Machines & Equipment) Holding PLC*. (December, 2003 – January, 2005).

- **Stoyan Stefanov LILOV**

Mr. Stoyan Stefanov LILOV (born 1969) is an independent member of the Board of Directors. He graduated the University of National and World Economy (Sofia, Bulgaria) in 1994 with a degree of MA in International Relation. Since January 17, 2005 he holds the position of Insurance and Risk Manager at *Bulgarian Telecommunication Company PLC*. In the period from 2000 until December, 2004 Mr. LILOV worked as the Deputy Country Manager for *Marsh* and was in charge of relations with large corporate clients. From 1998 until 1999 he worked as the Head of Assets Management Department in *Bulgaria Invest Commercial Bank PLC*. and was in charge of over EUR 30 million in assets of a number of life insurance companies, social security funds and general insurance companies. He also held various other job positions, including Deputy General Manager of *Bulgaria Insurance and Re-insurance Company PLC*. over the period 1993-1998.

As of the moment of preparation of this Prospectus, all shares with voting rights are owned by the Company's founders. The shareholders with over 5% of the Company's capital are:

- **PT Holding PLC.** **65,50%**
with registered office and business address: 37 Nestor Arabadzhiev Street, Plovdiv, Bulgaria.
- **Advance Invest ED PLC.** **30,00%**
with registered office and business address: 57 Hristo Botev Blvd., Vazrazhdane Quarter, Sofia, Bulgaria.

As of this moment the Company has acquired ownership rights on a number of self-contained individual properties, described in details on page 14 and the following pages of the Registration Document. The real estate deal struck by *ACTIV PROPERTIEV REIT* involved participation of related parties. The seller of the real estate property was *PT Holding PLC*. – a stakeholder in the Company, owning 65,50% of the Company's capital, and a Member of the Board of Directors. The acquisition included several self-contained properties – parts of a multifunctional administrative building, located in the city of Sofia at: 101 Tzarigradsko Shosse Blvd., namely: - **SHOP (RETAIL PREMISES) No. 3**, situated at the low section of the building, on the ground floor, with a constructed area of 254,60 sq. m. for a selling price of

EUR 545 400, exclusive of VAT; **PARKING SPACE No. 33** for a selling price of EUR 3 000, exclusive of VAT; **PARKING SPACE No. 33** for a selling price of EUR 6 000, exclusive of VAT.

The Company has not granted so far any loans, and neither has made guarantees of any kind for the benefit of 'related parties', nor has entered into any other deals with such parties.

Financial Reports

The Company was established in January, 2005 and up to now no annual financial reports had been drawn up.

The Registration Document is supported by an interim financial report as at February 28, 2005 (not audited).

Information on the Initial Public Offering (Subscription)

Offered securities 150 000 ordinary shares for subscription of the new issue for the initial increase of the Company's capital. Par value and issue value of each share: BGN 1 (one Bulgarian Lev). Each ordinary share entitles its holder to the right of one vote at the General Assembly of Shareholders, right to dividend and liquidation quota proportionate to the nominal value of the share.

Stock-exchange trade Upon the closure of the subscription, entering of the capital increase into the Commercial Register and filing of the new issue of shares with the Central Securities Depository, the Company's ordinary shares will be offered for trade (secondary public offering) on the Bulgarian Stock Exchange.

Terms and conditions of the subscription One Right to subscribe is issued for every share of the new issue of shares. A Right is a security which can be exercised by subscription of shares. In exchange of each one Right one share of the new issue of the Company's shares can be subscribed.

Any person who would like to subscribe for Company's shares of the new issue shall first purchase Right on the stock exchange from the investment intermediary. Each person may subscribe for minimum one (1) new share of BGN 1 (one Bulgarian Lev) par value and maximum the number of new shares equal to the number of Rights he holds.

The subscription for shares is deemed completed upon the deposition of the issue value of the shares subscribed into the fund-raising account with *Raiffeisenbank (Bulgaria) PLC*. before the expiry of the deadline for the subscription of shares (see: below).

Subscription deadline The sale on the stock exchange and subscription for shares starts on the first business day following the expiry of 7 days from the date of publication of the Announcement of Public Offering in The Gazette and its publication in one national daily newspaper.

The sale of Rights on the stock exchange ends on the business day following the expiry of 14 days from the initial date (see: the above paragraph).

Pursuant to Art.13, Paragraph 7 of the Law on Special Purpose Investment Companies and Art.112b, Paragraph 5 of the Law on Public Offerings of Securities the subscription of shares by holders of Rights ends on the first business day following the expiry of fifteen (15) business days from the Rights transfer deadline date (see: the above paragraph).

Addressees of the Public OfferingAll investors have the opportunity to participate on equal basis in the Company’s capital increase through buying Rights within the period designated for their transfer/trade, and to exercise Rights by subscribing one (1) new share with a nominal value of BGN 1 (one Bulgarian Lev) in exchange of each (1) Right purchased.

There are no reasons for any privileged offering of shares to certain groups of investors (including present investors, members of the issuer’s Board of Directors, current or former employees of the issuer or his subsidiaries).

Insofar as the Issuer, AKTIV PROPERTIES REIT is informed, no members of the Company’s Board of Directors intend to purchase any of the offered shares for the capital increase. AKTIV PROPERTIES REIT does not possess any information on whether any person intends to purchase more than 5 per cent of the offered shares.

Expenses for the Public OfferingThe table below represents the basic expenses related to the public offering of shares by type of expenses. All the costs are at the expense of the Company.

	<i>in BGN</i>
Financial Supervision Commission’s fee for issuing a written confirmation of the Prospectus.....	600.00
Publication of the Announcement of the Public Offering (<i>estimated</i>)	1 000.00
Remuneration of the investment intermediary (<i>estimated</i>).....	1 050.00
Entry of the capital increase in the Commercial Register and publication	80.00
Depositing the Rights in the Central Securities Depository (up to 187 500 rights)	150.00
Depositing the shares in the Central Securities Depository (up to 187 500 shares)	150.00
Issue of a certificate for free market listing on the Bulgarian Stock Exchange – Sofia PLC. by Central Securities Depository PLC.	50.00
Total expenses	3080.00

Additional Information

Share Capital. The data indicated below refer to the first (founding) issue of shares of the Company’s capital and are current as of the date of the publication of this Prospectus.

Amount of Share Capital (Fixed Capital)	BGN 500 000
Par Value	BGN 1
Issued and Fully Paid-up Shares	500 000 shares

The Company’s shares are owned by its founders and, as of today, are not listed for trade on the stock exchange.

Foundation of the Company. Information on the Company's Statute. The Company was established at the Constituent Meeting held on December 23, 2004. At the Constituent Meeting the shareholders adopted the Company's Statute, decided on the amount of the Company's capital, appointed the Board of Directors and made the decision on the initial increase of the capital, the shares thereunder being the subject of this initial public offering (subscription).

In accordance with the approved Statute the Company issues only freely transferable dematerialized shares. The dematerialized shares are entered in the Central Securities Depository Register placed in accounts under the shareholders' names. The issue and allotment (transfer) of the dematerialized shares are made by the means of registration in the Central Securities Depository.

The Company issues ordinary shares. Following the mandatory initial capital increase, the Company may issue privileged shares which could bear various rights: extra or guaranteed dividends, extra or guaranteed liquidation quota, redeem privilege. The privileged shares may be issued without voting rights.

For the appointment and release of the members of the Board of Directors the Company's Statute provides for a two-thirds majority of the shares represented at the General Meeting.

Decisions on the capital increase shall be taken by the General Meeting of Shareholders. Pursuant to Art.196, Paragraph 1 and Art.204, Paragraph 3 of the Commercial Law and according to Art. 43 and 44 of the Company's Statute, the Board of Directors is entitled within a period of 5 years from the date of Company's entry with the Commercial Register to take decisions on the increase of the capital up to BGN 100 000 000 (one hundred million Bulgarian Levs) by issuing new shares, as well as on the issuance of bonds (including, convertible bonds) with an overall amount of the bond loan of up to BGN 100 000 000 (one hundred million Bulgarian Levs).

The Company's term of existence is not limited to any specific period. The Company may be wound up by a decision of the General Assembly, and on general grounds under the Commercial Law. The permission by the Financial Supervision Commission is required for the winding up of the Company, and the individuals appointed to act as liquidators or syndics shall be approved by the Commission.

Sources of Additional Information

The investors may receive additional information about the Company and the publicly offered securities including, acquaint themselves with the Registration Document and the complete set of materials included in the Company's Prospectus from:

- *AKTIV PROPERTIES REIT* at: 2 Nestor Abadzhiev Street, Floor 2, Plovdiv, Bulgaria; phone number +359 32 604 700; contact persons: Mr. Yordan VELCHEV – Director, Relations with Investors and Mr. Dilian PANEV, Executive Director at phone number + 359 887 59 30 25; between 10:00 AM and 5:00 PM on every business day;
- *Karol FH PLC* at: 57 Hristo Botev Blvd., Entrance 1, Floor 3, Vazrazhdane Municipality, Sofia 1303, Bulgaria; phone number: +359 2 981 13 81; contact person: Mr. Nikolay MARTINOV; between 10:00 AM and 4:00 PM on every business day.

During the period of the initial public offering of the shares the documents indicated above will be available at the bank participating in the initial public offering (see: page 4 of the Offered Shares Document).

Following the listing of the Company's shares for trade on the stock exchange the above indicated documents would be also available from *Bulgarian Stock Exchange – Sofia PLC*.

The Summary of the Prospectus was prepared by:

Dilian Peichev PANEV

The undersigned person, in his capacity of a representative of the Company, declares by his signature laid down on 09 March 2005 that the Summary of the Prospectus meets the requirements of the Law.

Dilian Peichev PANEV

The undersigned person, in his capacity of a representative of the Investment Intermediary *Karol FH PLC.*, declares by his signature laid down on 09 March 2005 that the Summary of the Prospectus meets the requirements of the Law.

/ Nikolay MARTINOV /