

Bucharest Residential Development Projects



Bucharest, June 2007

The new middle class projects are likely to be located in traditional residential neighbourhoods with a focus on greater levels of development in Western Bucharest.

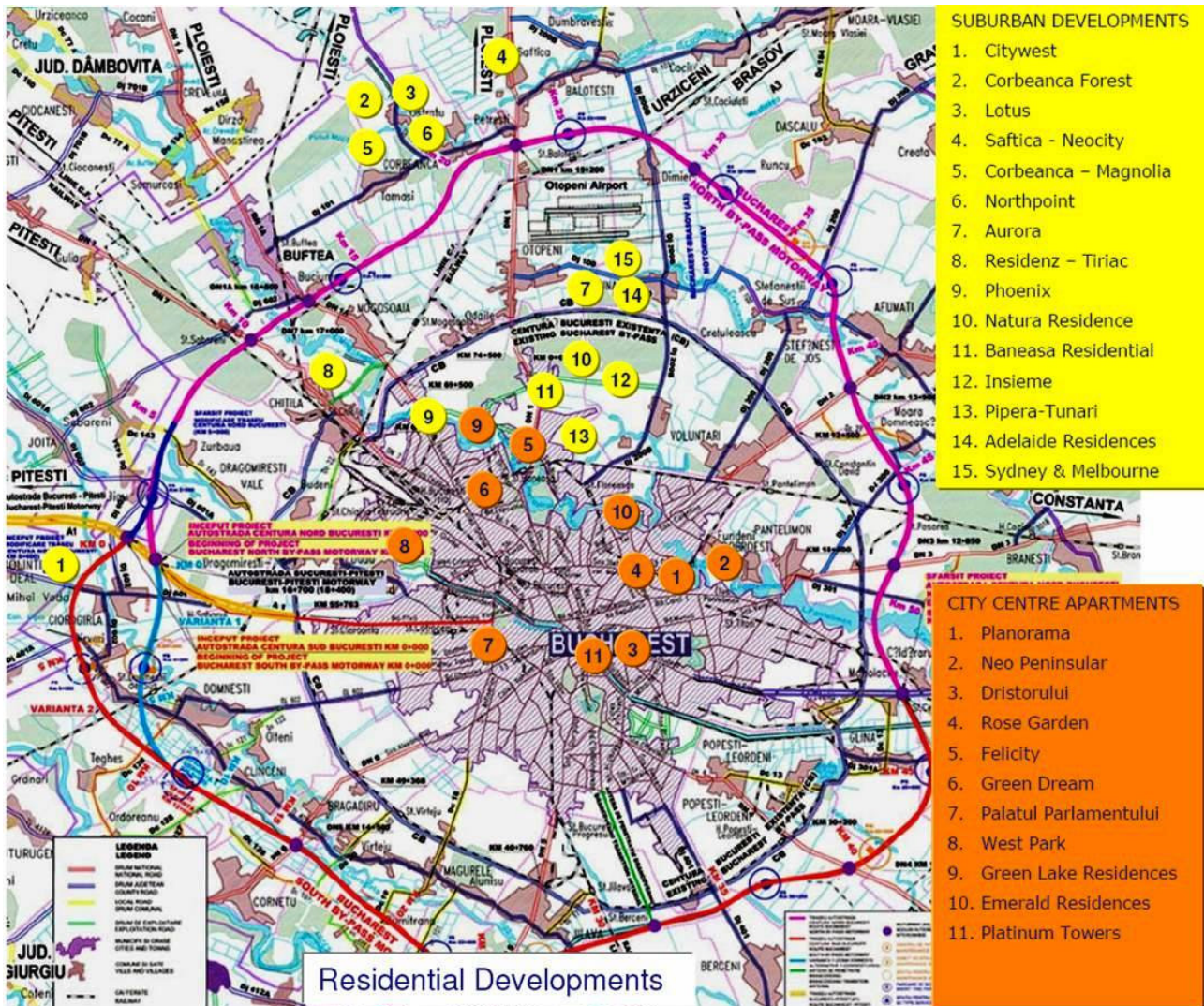
Demand will continue to grow and is anticipated to reach 10,000 units per year in the next 2½ years. This increase in demand is due to several factors:-

- The continued rise in real salary levels in Romania - expected to double by 2010
- The recent EU accession combined with increased levels of foreign investment
- An improved range of flexible mortgage products from the Banking & Finance sector

We expect that prices for residential property will continue to rise at a rate of 15% - 20% per year for the next 2-3 years.


Good quality projects will enjoy higher growth rates. The demand for luxury units will also grow along with the rapid growth of the Romanian moneyed class. As well as luxury accommodation in Bucharest, it is anticipated that there will be an increased demand for holiday homes by the sea or in the mountains.

Source – Colliers Romania Report 2007



APARTMENTS

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| 1. |  | <p>Planorama Planorama provides luxury apartments in a developing area in Bucharest. Close to the city centre, 1104 luxury apartments + 800 parking spaces. Each building has gardens, paved walkways, benches and trees. Facilities include a country club with indoor swimming pool, fitness centre, retail space. 24 hour security and a luxurious lobby area is provided in each building. A pedestrian zone increases the security and safety for children.</p> <p>Price: 52,000 - 175,000 Euro + TVA EUR</p> |
| 2. |  | <p>Neo Peninsula Compound Located on the East side of the Bucharest and bordered by the Colentina River and Fundeni Lake. The 1st phase of the project has 2 buildings: Ground Floor+14 floors and Ground Floor+ 16 floors. The complex has apartments with 1, 2, 3, and 4 rooms. Built area: 66sqm – 338sqm. Complex amenities: kindergarten, school, church, sport playground, cafe bar, commercial area, restaurant, private beach, aquatic club. Available: 4th quarter of 2008.</p> <p>Price: 69,000 - 308,000 Euro + TVA EUR</p> |
| 3. |  | <p>Str Dristorului Mivan is investing 85 million Euro in a ten-block residential project in SE Bucharest, close to Bucuresti Mall on 91, Str Dristorului.</p> <p>The first phase of New Town Residence will be ready in the first quarter of 2008. 4 blocks will have ground floor plus five upper levels. The remaining 6 will have ground floor plus 12 upper levels. There will also be two landscaped courtyards, 2-level underground parking, shops, a kindergarten & a fitness club, plus 24-hour security.</p> |
| 4. |  | <p>Rose Garden – GTC</p> <ul style="list-style-type: none"> • 85 000 square metres of residential space in 11 buildings • Location in Bucharest’s popular residential district • The complex will also have 3,000 sqm of shopping spaces and 1,110 parking lots. The first phase of 236 apartments is scheduled for completion in autumn 2008. |
| 5. |  | <p>Felicity - GTC</p> <ul style="list-style-type: none"> • Located in the Baneasa area in the north of Bucharest • Up to 130 000 sqm of residential space • Completion of phase I planned for 2008 |

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| 7. |  | <p>Jasmine Park - GTC</p> <ul style="list-style-type: none"> • Complex of apartment buildings with the total space of 30,000 square metres • Completion due 2009 |
| 8. |  | <p>Palatul Parlamentului</p> <p>Located in the highest area of Bucharest –Palatul Parlamentului – Marriot Hotel, at 5 minutes far from center of the city, the building has 2 Basements + Ground Floor + 6 Floors. The apartments have 2, 3 and 4 rooms with surfaces between 75 and 247 sqm.</p> <p>Price: pret mediu 1600 Euro/mp+ TVA EUR</p> |
| 9. |  | <p>West Park</p> <p>West Park is located 15 minutes from the city centre & benefits from access to the future motorway and city ring roads, nearby underground metro line. West Park comprises 19 buildings with 1370 apartments - facilities include: swimming pool, kindergarten, fitness and retail areas.</p> <p>Price: Average price – 1,600 Euro/mp+ TVA EUR</p> |
| 10. |  | <p>'Green Lake Residences' on Lacul Grivita comprises 545 houses & apartments in 17 styles, starting with 79 single family villas and ending with 466 apartments.</p> <p>Facilities will include a yacht club, tennis courts, fitness centre, shops, kindergarten and restaurant.</p> <p>The completion of the first phase is expected to be during the autumn of 2008 and will comprise 39 villas with areas between 262 sqm and 407 sqm and 118 apartments of surfaces ranging between 57 and 163 sqm.</p> |
| 11. |  | <p>Emerald Residences</p> <p>Located on Lacul Tei – Project comprises 279 apartments.</p> <p>There are 4 types of apartments from 52 sqm to 500 sqm, Facilities include: - Fitness, Squash.</p> <p>Underground garage available at 15000 Euros/unit (+ VAT), with a total of 357 units on 2 underground levels.</p> <p>Prices: from 2,100 sqm.</p> |
| 12. |  | <p>Platinum Towers – Vitan</p> <p>The Vitan Platinum Towers project includes one 12-floor, one 16-floor, and two 14-floor buildings.</p> <p>The complex will include 300 apartments, priced between EUR 50,000 – 150,000</p> |

The general trend amongst the developers is to target the middle class with affordable apartments, whilst creating a more comfortable environment in comparison with the old apartments currently available in various areas of the city.

Developers count on volume sales to maintain high profitability of these developments, whilst the payment schemes include down payments of between 5-20% upon signature of the contract, with an additional 20-40% upon establishment of the building foundation and the final payment upon erection of the building.

As to the contract terms and conditions, developers have allowed for considerable room to transfer most of the risk on to the client. This proves the current level of market immaturity and emphasises the lack of supply with great advantages for the developers.

VILLAS/ HOUSES

Between 2000-2005 much of the suburban developments have taken place to the North of the city without sufficient focus on supporting infrastructure. Increasingly worsening transport, a lack of mains sewage and an apparent absence of planning restrictions has severely blighted this suburban zone. Overdevelopment has prevailed, commuting times have increased up to 90 minutes for a distance of 3-5 kms.

Tiriac Imobiliare has ventured West of Bucharest to Chitila with a 408 unit development that is located close to the 600,000 sqm retail site - Colosseum Mall.

Other suburban developments are planned from Mogosoaia in the North West to Domnesti in the South West of the city.

Suburban Developments

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| 1 |  | <p>CITYWEST A residential project from Irish Developers – Citywest Residential – The project is for 865 units of Detached, Semi-detached, Terraced & Duplex houses together with Low rise apartments.</p> <p>The developer has plans for local retail and leisure facilities at the site, together with International quality Factory Outlet development selling International branded products.</p> <p>Price: 1050/mp constraint + TVA EUR</p> |
| 2 |  | <p>Corbeanca - Forest Residential compound with 18 coupled villas built in 2006, with GF+1, a built area of 180sqm and a land area of 300sqm for each villa. There are a living, dining, toilet, kitchen and terrace on the ground floor. On the floor there are 3 bedrooms, 2 bathrooms, a hall and a balcony.</p> <p>Price: 160.000 EUR – Approx 1,045 per sqm (useable area)</p> |

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| 3 |  | <p>Lotus Located very close to DN1 and To Bucharest, placed on the shore of Corbeanca lake, the residential compound Lotus has 20 GF+1+A villas. The opening towards lake is of 200m, the land areas are between 500 - 1300sqm and the entire built area is between 250 - 350sqm/villa. Description for construction: special foundations, structure on concrete pillars and frames, exterior walls made of Wieneberger bricks, Romstal heating system and outfit, Bramac roof - concrete tile, Baumit exterior insulation - 5 cm polystyrene, weather treated windows with PVC frame. Price: 230,000 (semi-finisat) EUR</p> |
| 4 |  | <p>Neocity Project - Saftica Saftica Residential Compound, Bucharest 500 villas and 900 residential units surrounded by green areas & forest. The 500,000 sqm site is located outside Bucharest, about 20 km from downtown, next to Saftica village. Easily accessed from the DN1 highway, the project aims to satisfy sophisticated clients seeking rural surroundings.</p> |
| 5 |  | <p>Corbeanca -Magnolia Village Price: 135,000 -315,000 EUR</p> |
| 6 |  | <p>Northpoint Residence Residential Compound launches a new concept: villas and apartments mixture. The compound is situated in Corbeanca at 1km far from "Paradisul Verde. The complex is composed of 20 double villas. The medium price is 1100 Euro/sqm (including VAT). Price: 1,100 Euro/mp (TVA inclus) EUR</p> |
| 7 |  | <p>Otopeni - Aurora Compound Enjoy an ideal location for your home in a special compound. This residential compound has 14 buildings with Ground Floor + 3 Floors + Attic / Basement+GF+2+A / GF+3F+A and is situated in Otopeni city, in a central area with easy access to Otopeni Airport and National Road no. 1. The compound has: sportsground, swimming pools, parking places, green areas, club, security. Total land area: 14.417 sqm Total built area: 18.000 sqm 2, 3 and 4 rooms apartments with surfaces between 76 and 120 sqm. Price: 1,207/sqm living space + TVA EUR</p> |
| 8 |  | <p>Rezidenz apartment complexes is a joint venture between Tiriac Imobiliare and German construction company LEG. 480 apartments in 4 phases. Chitila will benefit from an upgrade to the ring road (centura) being completed in 2008 a 4 lanes highway for the northern section within 2 years. These developments will provide an alternative to poorly planned developments in Baneasa and Otopeni.</p> |

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| 9 |  | <p>Phoenix Luxurious residential compound, located in North-West, in Straulesti, composed of 4 blocks,</p> <p>The green area will be arranged with alleys, play grounds for children and pedestrian areas . 24 / 24 security. Prices: 3 room apartments: Eur 124,000– 141,000; 4 room apartments: Eur 144,000 – 156,000</p> <p>Price: 124,000 - 176,000 EUR</p> |
| 10 |  | <p>Natura Residence Romania Bucharest Real Estate Residential for sale - NATURA RESIDENCE is located in the northern part of Bucharest. The apartments are modern and spacious with a partitioning designed for those who require modern space planning in their homes.</p> <p>Price: EUR 1,500 / sqm Gross constructed area</p> |
| 11 |  | <p>Baneasa Residential - Apartments 3.000 modern homes. Baneasa has a unique identity in which houses with gardens and stylish apartments alternate with parks, playgrounds and sport fields. The apartments offer modern space and access to all facilities of Baneasa Residential compound. The buildings have 4 floors including a penthouse floor. The apartments have generous open spaces and quality finishing. Apartment sizes 95-188sqm & Penthouses 280-432sqm.</p> <p>Price: 310,000 – 1,280,000 + TVA EUR - EUR 2,500 per sqm</p> |
| 12 |  | <p>Insieme Residenziale The complex is situated in Pipera-Iancu Nicolae area and it has 3 buildings. 116 parking places. The 63 apartments 80-191. Top quality exterior and interior finishing. Prices: 2 rooms: Eur 105,000-148,000 + VAT. 3 rooms: Eur 139,000 and 210,000 + VAT. 4 rooms: Eur 195,000 and 249,000 + VAT. The price per parking place in underground garage is Eur 15,000 + VAT.</p> <p>Price: 1270 Euro/mp construit + TVA EUR</p> |
| 13 |  | <p>Pipera Tunari The compound of 180 villas, is located between Pipera Tunari Road and Mobexpert, in a quiet area. -Constructed area 350 sqm; -land areas: 240sqm plus part of the private road;</p> <p>Facilities: The compound will have all the facilities. Utilities extra.</p> <p>Price: 289,000 EUR</p> |
| 14 |  | <p>Adelaide Residences This is a development of quality 1 & 2 bedroom apartments with parking space and kitchen white goods included. Now available,</p> <p>The apartments are 15 minutes form the International Airport and are just a couple of minutes from the Sydney townhouse complex. They boast the same excellent build quality which is to European standard. Again, a full rental management programme is available from the developer. Such is thiaie confidence that these properties will attract high quality corporate clientele, many from overseas companies locating in Bucharest.</p> <p>Price: EUR 82,000– 164,000 + VAT.</p> |

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Sydney Residence 60 units 3 designs. Each home is expertly crafted to incorporate modern open plan designs, generous living & family areas and gourmet kitchens.

All homes are completely finished with state of the art kitchens and appliances, luxury marble bathrooms, built in wardrobes landscaped gardens, tiled courtyards.

Price: EUR166,000 – 270,000 +VAT



Melbourne Residences showcase a unique blend of contemporary architecture & open plan living areas. Each home provides luxury living at an affordable price. 3 designs - each offer 3 double bedrooms, 2 1/2 bathrooms, separate kitchens and open plan lounge-dining areas, covered court yards, landscaped gardens and parking.

Price: EUR145,000 – 193,000 +VAT