



BUILD & SELL · RESIDENTIAL BUILDING

Arcadia

 ~2,800 m² · 13 Apartments

10/13 SOLD — IN PROGRESS

Acquire Land — Build — Sell Individual Units

Pavlovo-Bükston, ul. Sveta Ekaterina, Sofia · VIG's First Own Development · Act 15: May 2025

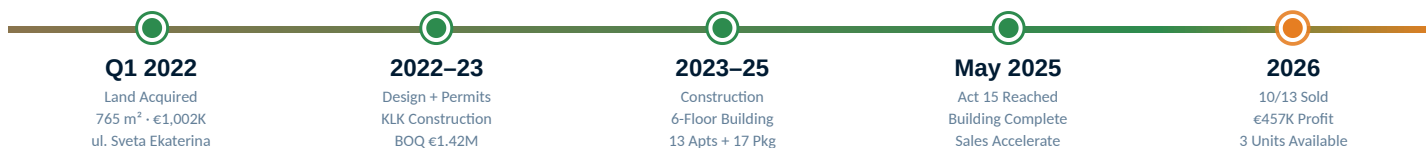
€3.15M TOTAL BUDGET (INCL. FINISHING)	€1.2M VIG EQUITY	€4.47M PROJECTED SALES (13/13)	€1.15M PROJECTED PROFIT	15% PROJECTED ANNUAL ROI
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Arcadia was VIG's first ground-up development — a 6-floor residential building in Pavlovo-Bükston, one of Sofia's most desirable quiet residential zones. The project sits on ul. Sveta Ekaterina with easy access to Tsar Boris III and Alexander Pushkin boulevards. In Q1 2022, VIG acquired a 765 m² plot for €970K (€1,002K with fees) and engaged KLK Construction Group with a BOQ of €1,419K. An additional €350K was allocated for finishing works — delivering all units build-for-key. Total development budget: €3.15M, funded with €1.2M VIG equity and €1.6M bank financing (60% LTV). The building offers 13 spacious apartments (57–181 m²) across floors 1–6, plus 17 underground parking spaces, with a gross project area of approximately 2,800 m². Construction reached Act 15 in May 2025. As of March 2026, 10 of 13 apartments are sold at a combined €3.44M net of VAT (€4.12M VAT inclusive), with €457K clear profit booked. Three units remain available: Ap 1.01 (€404K), Ap 1.02 (€425K), and Ap 4.09 (€417K) — representing €1.25M in additional revenue. With all 13 units projected sold, total net revenue reaches €4.47M, yielding a projected profit of €1.15M — a 95% return on equity, or approximately 15% annualized over the 57-month project lifecycle. Arcadia validated VIG's ability to execute the full development cycle — from land acquisition and design through construction management to phased individual unit sales — establishing the operational capability that now underpins all subsequent development projects.

DEAL SUMMARY

Type	Build & Sell
SPV	VBI
Plot	765 m²
GBA	~2,800 m²
Units	13 Apts + 17 Pkg
Land Cost	€1,002,000
Construction	€1,419,000
Finishing (Key)	€350,000
Total Budget	€3,150,000
VIG Equity	€1,200,000
Bank (60%)	€1,600,000
Sales (10/13)	€3,436,000
Proj. Profit	€1,145,000
Constructor	KLK Group

VALUE CREATION TIMELINE



UNIT-LEVEL SALES BREAKDOWN

UNIT	FL	M ²	STATUS	PRICE (VAT INCL)	€/M ²	MORTGAGE
Ap 3.06	3	120.4	Sold	€262K	€2,176	€65K
Ap 3.07	3	146.4	Sold	€320K	€2,186	—
Ap 3.08	3	65.6	Sold	€165K	€2,516	—
Ap 4.10	4	180.6	Sold	€307K	€1,700	€230K
Ap 2.03	2	120.5	Sold	€303K	€2,517	€227K
Ap 2.04	2	146.7	Sold	€327K	€2,226	€257K
Ap 2.05	2	65.8	Sold	€174K	€2,640	€116K
Ap 5.11	5	169.7	Sold	€470K	€2,771	€353K
Ap 5.12	5	96.5	Sold	€240K	€2,486	—
Ap 6.14	6	124.6	Sold	€396K	€3,177	€319K
Ap 1.01	1	119.7	Available	€404K	€3,372	—
Ap 1.02	1	129.5	Available	€425K	€3,281	—
Ap 4.09	4	152.4	Available	€417K	€2,733	—
13 Units			10 Sold / 3 Avail	€4.12M / +€1.25M	€1,700–3,372	€2.22M

KEY DECISIONS

Selected Pavlovo-Bükston for VIG's first own development — a quiet, established residential zone with limited new supply and strong buyer demand. The 765 m² plot at €1,302/m² of GBA was well below replacement cost for the district.

01

Structured financing at 60% LTV, keeping equity exposure at €1.2M. The phased sales model — collecting 10-30% at preliminary agreement, 60-90% at Act 15, balance at Act 16 — matched cash inflows to construction milestones.

02

Engaged KLK Construction Group with a fixed BOQ of €1.42M, locking construction costs early. This protected margins as material prices rose through 2023–2024. The building was completed on schedule at Act 15 in May 2025.

03

Priced units progressively — early sales (Ap 4.10) at €1,700/m² to build momentum, later sales (Ap 6.14) at €3,177/m² capturing the rising market. The price spread of 87% between first and last sale demonstrates market timing discipline.

04

LESSON APPLIED

Arcadia was VIG's proof-of-concept as a developer. The project demonstrated end-to-end capability: land acquisition, design management, construction oversight, finishing to build-for-key standard, and sales execution across individual buyers. With €457K profit booked on 10 units and three high-value apartments still available at €1.25M combined, the projected total profit of €1.15M delivers a 95% return on €1.2M equity — approximately 15% annualized over the 57-month lifecycle. The €350K finishing investment was critical: delivering units build-for-key commanded premium pricing (up to €3,177/m²) and accelerated sales velocity. Progressive pricing during construction — selling early units at lower prices to fund the build, then capturing premium pricing post-Act 15 — is now a core VIG strategy applied across all development projects.

PERFORMANCE DISCLOSURE

This case study describes an active VIG own-development project. 10 of 13 apartments are sold as of March 2026. Sales figures (€3,435,760 net of VAT) are from VIG's internal financial tracker (Arcadia - finance.xlsx). Total development budget includes €350,000 for finishing works (build-for-key delivery). Projected profit of €1,145,000 assumes sale of all 3 remaining units at listed prices (Ap 1.01 €404K, Ap 1.02 €425K, Ap 4.09 €417K, all VAT inclusive). Projected annual ROI of ~15% is calculated using compound annualization over a 57-month hold period (Q1 2022 – Q4 2026) on €1.2M equity deployed. Actual returns will depend on sale timing and final pricing of remaining units. Past performance is not indicative of future results. All investments carry risk, including the potential loss of principal.