



BUY & HOLD · LUXURY RENTAL PORTFOLIO

Estera 1,265 m² · 8 Apartments

2/8 SOLD — IN PROGRESS

Acquire Premium Units — Generate Rental Income — Exit After 7 Years

Cherni Vrah Blvd, Krastova Vada, Sofia · Class A · 17-Floor Tower · 59m High · Acquired Q3 2021 · Target Exit Q3 2028

€3.66M TOTAL INVESTMENT	€1.66M CASH EQUITY	€9K/mo GROSS RENTAL (6 UNITS)	€1.01M 2 UNITS SOLD	~14% PROJECTED ANNUAL ROI
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Estera is VIG's flagship luxury rental portfolio — eight premium apartments in one of Sofia's most prestigious Class A towers. The 17-floor, 59-meter building on Cherni Vrah Boulevard in Krastova Vada offers 360-degree views of Vitosha Mountain and Sofia, with 61 exclusive apartments, 145 parking spaces, separate residential and office lobbies, and four high-speed elevators. In Q3 2021, VIG committed to acquiring 8 apartments across floors 8–12, ranging from 119 to 187 m², with a 20% prepayment. Total acquisition cost: €3.06M (apartments + parking) at an average entry price of ~€2,285/m². After €600K in finishing and furnishing works, total investment reached €3.66M — funded with €1.66M in own equity and €2.0M bank financing at 4.5% annual interest. The portfolio has been generating rental income since early 2022, initially at €12,000/month across all 8 units — comfortably covering the €10,500 monthly carry cost (€7,500 interest + €3,000 maintenance). In early 2026, VIG sold two units: €510K in February and €502K in April. From the €1,012K in proceeds, €670K was applied to reduce the bank credit to €1,330K. The remaining six units now produce €9,000/month gross against reduced carry costs of ~€8,000/month, maintaining positive net cash flow. Over the projected 7-year hold (Q3 2021 – Q3 2028), cumulative gross rental income is estimated at ~€864K against total carry costs of ~€760K (interest ~€520K + maintenance ~€240K). Combined with projected sales of the remaining six units and the €1.01M already realized, projected profit on €1.66M equity is approximately €2.5M — a ~152% total return, or approximately 14% annualized.

DEAL SUMMARY

Type	Buy & Hold
Building	Estera Tower
Units	8 Apts + 8 Pkg
Total Area	1,265 m ²
Floors	8th – 12th
Acquisition	€3,059,000
€/m ² Entry	€2,285
Finishing	€600,000
Total Cost	€3,660,000
Bank (4.5%)	€2,000,000
Credit Repaid	-€670,000
Current Credit	€1,330,000
Cash Equity	€1,660,000
Rent (8→6)	€12K→€9K/mo
Carry Cost	€10.5K→€8K/mo
Target Exit	Q3 2028

VALUE CREATION TIMELINE



PORTFOLIO BREAKDOWN

#	FL	M ²	ACQUIRED (€)	€/M ²	STATUS	INCOME / SALE
Unit 1	8	132.3	€277,288	€2,095	Renting	~€1,500/mo
Unit 2	9	132.3	€284,398	€2,149	Sold Feb 2026	€510,000
Unit 3	9	119.4	€256,538	€2,149	Sold Apr 2026	€502,000
Unit 4	11	185.5	€428,424	€2,310	Renting	~€1,500/mo
Unit 5	12	181.7	€429,463	€2,364	Renting	~€1,500/mo
Unit 6	12	158.7	€375,081	€2,364	Renting	~€1,500/mo
Unit 7	12	186.7	€441,253	€2,364	Renting	~€1,500/mo
Unit 8	12	168.4	€397,906	€2,364	Renting	~€1,500/mo
8 Units		1,265	€2,890,351	€2,285	6 Rent / 2 Sold	€9K/mo + €1.01M

KEY DECISIONS

Selected Estera — a Class A tower on Cherni Vrah Blvd with 360-degree views, four elevators, and separate lobbies. Entry at €2,285/m² was below comparable transactions. Units span floors 8–12, capturing premium pricing for high-floor mountain views.

01

Invested €600K in finishing and furnishing to rental-ready standard, enabling €1,500/unit/month — significantly above market average for Krastova Vada. The 8-unit portfolio at €12,000/month gross exceeded the €10,500 carry cost from day one.

02

Structured a leveraged 7-year Buy & Hold: €2M bank financing at 4.5% reduces equity to €1.66M. After selling 2 units and applying €670K to reduce credit, the 6 remaining units still maintain positive cash flow at +€1,000/month against the reduced €1.33M loan balance.

03

Began phased exit in Q1 2026 — two units sold at €510K and €502K (€3,856/m² and €4,205/m²), validating 70–85% appreciation over the hold. Six units continue renting while VIG targets Q3 2028 for full exit at ~€5,000/m².

04

LESSON APPLIED

Estera is VIG's highest-value single-building position and its purest Buy & Hold execution. The deal was cash-flow positive from the start: €12,000/month rental against €10,500 carry costs. After selling two units and applying €670K to reduce the credit, the portfolio still generates +€1,000/month with 6 units. With entry at €2,285/m² and first exits at €3,856–4,205/m², the 7-year hold targets ~€5,000/m² exit pricing by Q3 2028. On €1.66M equity with €2M leverage, projected profit of ~€2.5M delivers approximately 14% annualized — with rental income having covered all carry costs throughout. This is the model: leverage + positive carry + premium appreciation over a disciplined hold period.

PERFORMANCE DISCLOSURE

This case study describes an active VIG Buy & Hold investment. 8 apartments acquired Q3 2021 at €3,059,311 total (apartments + parking). Finishing costs: €600,000. Total investment: €3,660,000. Bank financing: €2,000,000 at 4.5% annual, reduced to €1,330,000 after €670,000 repayment from unit sales. Cash equity: €1,660,000. Two units sold: €510,000 (Feb 2026) and €502,000 (Apr 2026). Six units currently rented at approximately €9,000/month combined. Monthly carry: ~€8,000 (interest on €1.33M + €3,000 maintenance). Projected annual ROI of ~14% assumes full exit by Q3 2028 at approximately €5,000/m². Actual returns will depend on timing, market conditions, and final sale prices. Unit numbers anonymized. Past performance is not indicative of future results. All investments carry risk, including the potential loss of principal.