



LAND DEVELOPMENT · VG-LU-05

Lyulin 3,462 m² Plot

Acquire — Entitle — Exit at Visa Stage

Pancho Vladigerov Blvd, Lyulin 2, Sofia · 45 Months Held · Exited via Share Sale

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|---|---------------------------------------|---|--------------------------------------|-------------------------------------|
| <p>€680K</p> <p>PURCHASE PRICE</p> | <p>€2.1M</p> <p>SALE PRICE</p> | <p>€1.35M</p> <p>NET PROFIT*</p> | <p>31%</p> <p>ANNUAL ROI*</p> | <p>45</p> <p>MONTHS HELD</p> |
|---|---------------------------------------|---|--------------------------------------|-------------------------------------|

L yulin was VIG's first land entitlement play. In late 2021, VIG acquired a cluster of five parcels totaling 3,462 m² on Pancho Vladigerov Boulevard in Lyulin 2 — one of Sofia's largest residential districts — for €680,000 through a negotiated purchase from Top Real EOOD. The plots sat in an established area: 7 km from the city center, directly on the Ring Road, with schools, hospitals, and commercial centers within walking distance. But the land had no building rights. Just dirt and potential. Over the next three years, VIG ran the full entitlement cycle. Compensation agreements with existing stakeholders. Administrative processing. PUP submission and approval. Architectural design by 5R Studio producing a full concept — a mixed-use building with 90 apartments, 135 underground parking spots, and 1,100 m² of commercial space across 16,650 m² GBA. The design visa confirmed development potential of 12,100 m² aboveground across a 16-floor tower, a 14-floor section, a 9-floor wing, and a 5-floor podium. During the hold period, VIG incurred approximately €50–80K in holding costs: design fees, administrative expenses, property taxes, and legal work. With the visa in hand, VIG exited. On 10 August 2025, the company sold VBI LR's shares — the SPV holding the entitled land — for €2,100,000. No construction. No bank financing. No sales risk. Pure opportunity creation: buy unentitled land, create the development rights, sell the package to a builder who takes it from there. The result: approximately €1.34–1.37M in net profit on a €730–780K all-in investment over 45 months. That's roughly 31% annualized return.

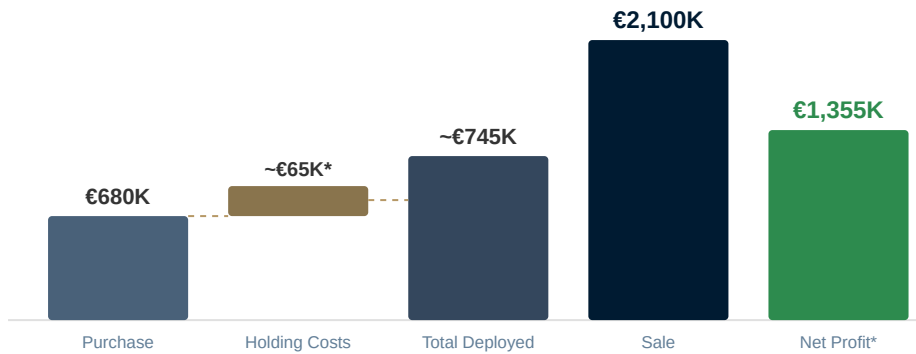
DEAL SUMMARY

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|---------------------------|-----------------------|
| Type | Land Entitlement |
| SPV | VBI LR EOOD |
| Seller | Top Real EOOD |
| Plot Size | 3,462 m ² |
| Entitled GBA | 16,650 m ² |
| Purchase | €680,000 |
| €/m ² at Entry | €196 |
| Sale | €2,100,000 |
| €/m ² at Exit | €607 |
| Exit Date | 10 Aug 2025 |
| Exit Method | Share Sale |

VALUE CREATION TIMELINE



CAPITAL FLOW



KEY DECISIONS

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|---|---|
| <p>Acquired off-market from Top Real at €196/m² — well below the €300-400/m² range for entitled plots in Lyulin. The discount reflected the absence of building rights and the complexity of consolidating five separate parcels. 01</p> | <p>Ran the full entitlement cycle in-house. Compensation agreements, PUP approval, 5R Studio architectural concept — all managed by VIG's F2 team. No external development partners, no equity dilution during the hold period. 02</p> |
| <p>Exited at design visa — not building permit. The strategic choice was to sell the opportunity before committing to construction financing, contractor risk, and a 30-month build cycle. The visa stage captures 60-70% of the land value uplift with zero construction risk. 03</p> | <p>Structured the exit as a share sale (VBI LR EOOD), not a direct property transfer. This preserved the entitled PUP inside the SPV, avoided double stamp duty for the buyer, and simplified the transaction to a single share transfer agreement. 04</p> |

LESSON APPLIED

Lyulin validated VIG's opportunity development model: invest at €200/m² RZP or below, create building rights through entitlement work, exit at visa stage with 100%+ return. The deal confirms the business plan target — 12-18 month average cycle time was extended here to ~45 months due to administrative delays, but the return more than compensated. Going forward, VIG applies stricter timeline discipline on entitlement projects and has replicated this model on Odrin 88 and VIGARDEN.

PERFORMANCE DISCLOSURE

This case study describes a realized VIG opportunity development exit. Purchase price of €680,000 and sale price of €2,100,000 are confirmed. Net profit of approximately €1,355,000 reflects an estimated €50-80K in holding costs (design, admin fees, property taxes, legal) based on comparable projects and partial documentation. Actual holding costs may vary. Annual ROI is calculated using compound annualization over the 45-month hold period. * indicates estimated figures. Past performance is not indicative of future results. All investments carry risk, including the potential loss of principal. Prospective investors should conduct their own due diligence.