



DEVELOPMENT EXIT · GATED COMMUNITY

VIGARDEN 8,085 m² · 26 Houses*Acquire Land — Obtain Building Permit — Exit via Project Sale*

Bistritsa, Sofia · 35 Months Held · Exited via Share Sale · Completed

€2.8M

ACQUISITION

€1.7M

OWN EQUITY

€4.1M

SALE PRICE

€600K

PROFIT ON EQUITY

11%

ANNUAL ROI

VIGARDEN was VIG's most ambitious own-development project — a luxury gated community of 26 semi-detached houses in Bistritsa, one of Sofia's most prestigious residential neighborhoods at the foot of Vitosha Mountain. In July 2023, VIG acquired an 8,085 m² plot for €2.8M, funded through €1.7M in own equity and €1.8M in bank credit. The site sat near IKEA, Business Park Sofia, and Garitage Park — prime suburban infrastructure. Over the following two years, VIG ran the full development preparation cycle. Building permit obtained. Architectural design by 5R Studio produced a concept for 26 twin houses, each with underground garage, three bedrooms, panoramic rooftop terrace with jacuzzi, and private garden. The GBA reached 9,101 m² after Art.154 redesign. Each house featured smart home systems, underfloor heating, EV charging, and photovoltaic panels. Postbank approved construction financing of €7.5M at 70% LTV. During the hold period, VIG invested €0.7M in interest payments, design, permits, and development costs, bringing total cost basis to €3.5M. Meanwhile, investor materials were produced and the project was actively marketed with €700K per house target pricing and €16.9M total revenue forecast. However, VIG identified a higher alternative-value opportunity requiring capital reallocation. Rather than proceeding to construction, VIG executed a strategic exit — selling VLH EOOD (the VIGARDEN SPV) on 15 May 2026 for €4.1M. After repaying the €1.8M bank credit, €2.3M returned to equity holders. On €1.7M deployed equity, this delivered €600K in profit — a 35% total return on equity, or approximately 11% annualized over the 35-month hold period.

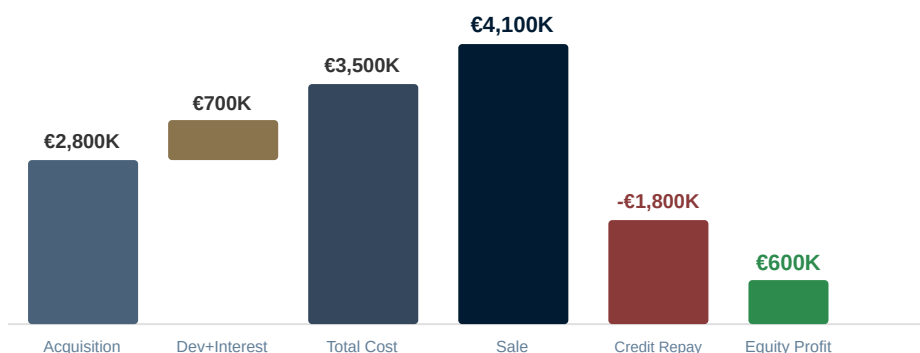
DEAL SUMMARY

Type	Development Exit
SPV	VLH EOOD
Plot Size	8,085 m ²
GBA	9,101 m ²
Houses	26 Twin Houses
Acquisition	€2,800,000
€/m ² Entry	€346
Bank Credit	€1,800,000
Own Equity	€1,700,000
Dev + Interest	€700,000
Sale Price	€4,100,000
Sale Date	15 May 2026
Exit Method	Share Sale

VALUE CREATION TIMELINE



CAPITAL FLOW



KEY DECISIONS

Acquired 8,085 m² in Bistritsa at €346/m² — positioning for the premium suburban segment near IKEA, Business Park, and Garitage Park. The twin-house concept with rooftop terraces and private gardens targeted Sofia's growing family buyer segment at €700K/house.

01

Secured 70% construction financing from Postbank (€7.5M) before breaking ground — de-risking the capital structure and enabling a capital-light development model with only €1.7M equity exposed. This also made the project transferable with financing in place.

02

Ran full development preparation — building permit, Art.154 redesign expanding GBA from 6,857 to 9,101 m², interior design, smart home specifications, and investor marketing materials. This work created the transferable development package that commanded the €4.1M exit.

03

Made the disciplined decision to exit before construction when a higher alternative-value opportunity emerged. Rather than committing to a 30-month build cycle with €13M total budget, VIG monetized the entitlement + permit work and redeployed capital at higher expected returns.

04

LESSON APPLIED

VIGARDEN demonstrates VIG's capital discipline: the willingness to exit a good deal when a better one appears. The project was fully prepared for construction — building permit, bank financing, design, investor interest — but VIG chose capital reallocation over execution pride. The 11% annualized return on equity was solid for an asset held without generating operating income, and the €600K profit was achieved without taking any construction risk. This validates VIG's portfolio approach: every asset competes for capital against alternatives, and no project is sacred.

PERFORMANCE DISCLOSURE

This case study describes a completed VIG development project exit. Acquisition at €2,800,000 and sale at €4,100,000 are confirmed via share sale of VLH EOOD on 15 May 2026. Own equity deployed: €1,700,000. Bank credit: €1,800,000. Development and interest costs: €700,000. Total cost basis: €3,500,000. Profit on equity: €600,000. Annual ROI calculated using compound annualization over the 35-month hold period (Jul 2023 – May 2026). Past performance is not indicative of future results. All investments carry risk, including the potential loss of principal.