

Central Balkan Sport & Wellness Hotel and Villas

Apriltsi, Bulgaria



Project Concept

January 2008

Developed by Bulgarconsult Architects and Engineers

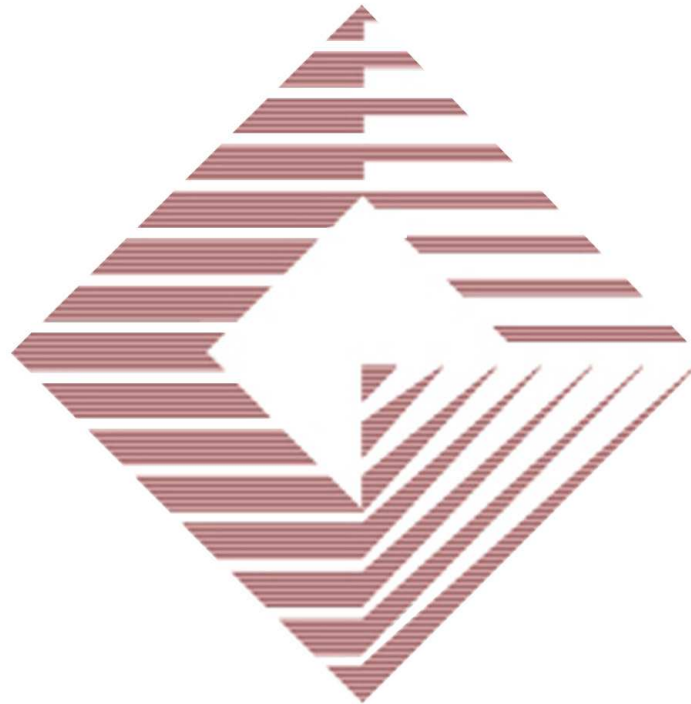


Table of Contents

Introduction	4
Executive summary	5
Development Aims and Objectives	6
General Information Bulgaria	7
General Information Apriltsi	8
The Land	9
Activities	11
Central Balkan Pan Park	12
Architectural style	13
The hotel	14
Villas	15
Semi-detached houses	17
Apartment Houses	19
Sample Coverage Calculation Sheet	23
Garden/ Car access	24
Cost Estimation	26
Sources	27

Introduction

This report is an overview of the Apriltsi Hotel and Villas Project, developed by Bulgarconsult Architects and Engineers. Bulgarconsult A&E is one of the leading companies in Bulgaria in the spheres of architecture and design, due diligence, supervision and project management. For some twenty years the company has established an impeccable reputation and has successfully completed numerous projects.

Please see the references attached.

The information used in this report is gathered by personal on-site visits, discussions with the former mayor of the municipality of Apriltsi Mr. Ivan Pirov and various Internet sources.

The report starts with a description of the land in terms of location, general characteristics and access and continues with a detailed master plan of the proposed project.

This is a concept only. All aspects of the project may undergo changes and modifications.

Executive Summary

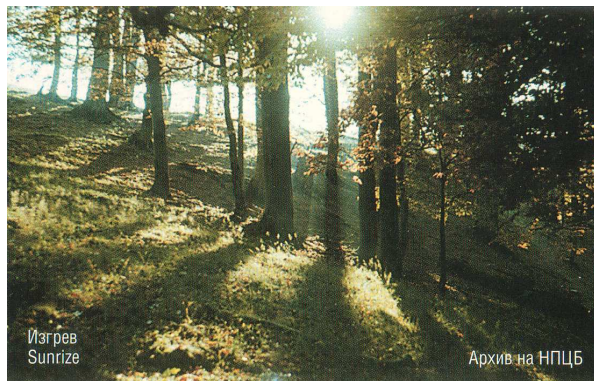
The following master plan is created for 74 000m² of land, located at the edge of the Central Balkan Mountain Range and PAN Park Central Balkan. With its unique location offering the best of nature, culture and climate, the land has been selected for the proposed project after a thorough examination of the area. The concept has been created taking into consideration the characteristics of the local real estate market and observing the success models. Thus, it incorporates the construction of a hotel, villas and apartment houses with a strong focus on nature.



Development Aims and Objectives

The project is conducted with the following objectives:

- Create a place for relaxation, sport and leisure away from big cities and industrial areas; more specifically create a unique all year round mountain resort
- Create an environmentally sustainable project
- Emphasize on the unique location
- Preserve the architectural style of the local area
- Create various types of accommodation



Apriltsi



General Information Bulgaria



Bulgaria is located at the Balkan Peninsula in South-East Europe and has an area of 110 910 km². It borders Greece and Turkey to the south, Macedonia and Serbia and Montenegro to the west, Romania to the north and the Black Sea to the east. The population is 7 322 858. Bulgaria comprises 250 cities, the biggest and most significant of which are Sofia (capital), Plovdiv, Varna, Ruse and Burgas.

Situated in the temperate climate zone, hot summers and damp, cold winters are typical for Bulgaria. Bulgaria was recently accepted in the EU and is developing rapidly in all sectors. However, one of the leading Bulgarian industries remains tourism.

In 2007 there was a 7.4% increase in the number of foreign visitors in comparison to 2006. Income from international tourism has grown by 17.8% and reached 1834,8 million Euro in 2007. Overall 4 583

330 tourists visited Bulgaria in 2007, out of which 3 394 330 are EU citizens.

The following chart shows the increase of direct foreign investments in Bulgaria in hotels and restaurants in the past five years.

Year	2003	2004	2005	2006	2007(Jan-Sept)
Million Euro	24, 7	26,3	40,1	73,6	78,2

Foreign Investments in Bulgaria in million Euro 2003-2007

Hotels and Restaurants

General Information Apriltsi

Apriltsi is a picturesque small mountain town (population 4000 people) located in central Bulgaria. It is famous not only for its breathtaking nature but also for its history and culture. Apriltsi plays historically an important role in the freeing of the Bulgarians from ottoman suppression. The Apriltsi uprising (1876) is one of the first steps towards a free Bulgaria. Numerous churches with unique icons and paintings, monasteries and monuments are located in the area. Apriltsi lies 145 km from the capital Sofia and 93 km, 327 km and 225 km from Plovdiv, Varna and Ruse respectively. The nearest airports are Sofia and Gorna Oriahovitsa (118 km). It is easily accessible from all directions and has a good road infrastructure. A feature in the recently accepted program of the ministry of transportation is an underground tunnel under the Balkan mountain to connect North Bulgaria with Plovdiv and Trakya highway.

Apriltsi is a starting point for many eco-tours and group activities. Also, this is where many festivals are being held annually. In the proximity of Apriltsi one can find curing hot mineral springs.

The microclimate is mountain climate - typical are cool and fresh summer nights and much snow and sun in the winter. Apriltsi lies at 600m above sea level.



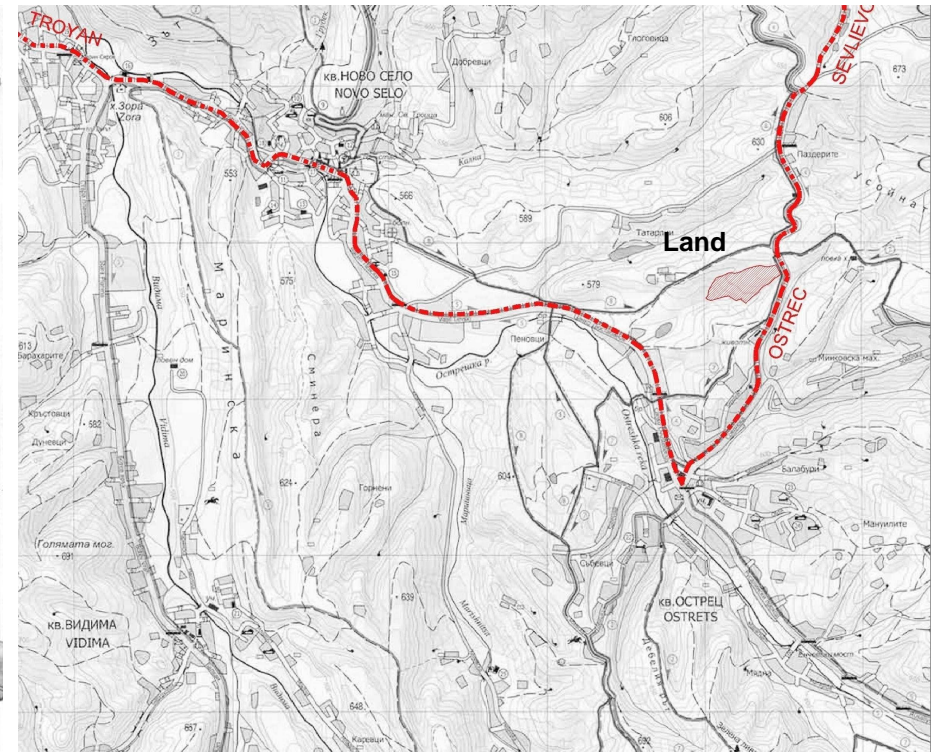
Skandaloto



The church in Skandaloto



Land Location



The land

Facing south, towards the Balkan mountain and the highest peaks and surrounded by a forest on one side, the land gives an opportunity to develop a unique project. The uneven terrain allows a terrace like structure, typical for the Bulgarian towns. In this way all proposed accommodation units will have a beautiful view and the constructions will be visually light. The access to the land is possible from two sides. Water and electricity are provided. The land is suitable for building.



Southwest View



Southeast View



Northwest View

Activities

- Hiking
- Mountain biking
- Horse riding
- Hunting
- Fishing
- Bird watching
- Sunbathing by the river
- Ski slope for beginners
- Golf
- Arts and crafts

Central Balkan Sport & Wellness Hotel and Villas



Ostreshka river

A view towards the peak Botev



Pottery workshop in Apriltsi



Horse-riding base in Apriltsi

PAN Park Central Balkan

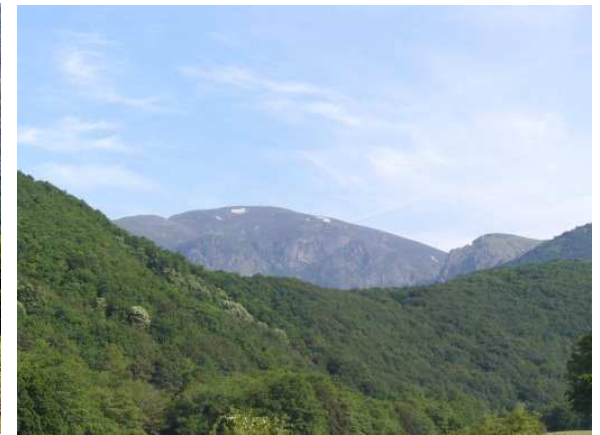
PAN Parks are a selection of parks, astonishing with their wildlife and nature. The flora and fauna at the Central Balkan are selected as some of the most valuable in Europe and are now under protection. The park features the deepest cave, longest water cave, highest waterfall (Raiskoto Praskalo, 125m high) in Bulgaria and the highest peak (Botev Peak, 2376 m) of the Balkan mountain, system of canyons and gorges, century old forests and rivers.



Central Balkan



Raiskoto Praskalo



Botev Peak

Architectural style

One of the goals of this project is to create a resort that perfectly fits in its environment, both regarding the natural landscape and the architectural style. The project is meant to use motives and materials from the traditional local architecture. Natural materials such as wood and stone will be predominantly used. Please see below some pictures of traditional village houses in the area of Apriltsi.



Hotel

Since this is a concept only, the hotel has been developed to an extent where the location, size and main functions have been proposed. The sample coverage calculation shows a building area of 1 640 m² and a total building area of 8 500 m². Please see attached the sample coverage calculation sheet for further details and breakdown of the areas by size. Because of its superb location, the hotel is very suitable for a sport or spa and wellness hotel. It has been planned as a 4*+ Hotel. The hotel will feature:

- restaurant
- café / pastry shop
- lobby bar
- shopping area
- spa centre
- terrace
- swimming pools indoor/outdoor

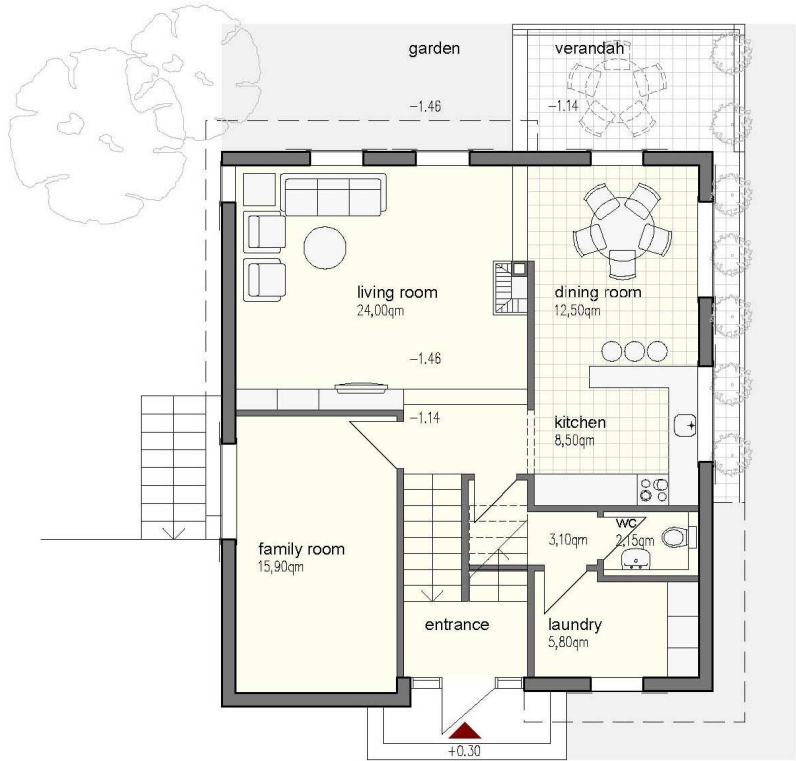
It is advisory to proceed with the planning of the hotel in accordance to further specifications by the management company or future owner.



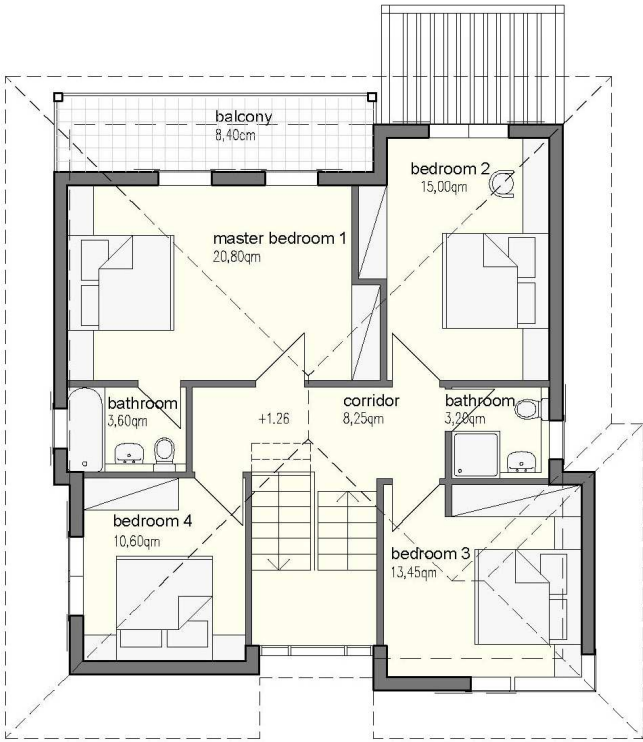
Villas

Villas Type A are luxurious villas with private garden, selected view and pool. The 200 m² on two floors feature a living room, dining room, kitchen, verandah and laundry on the first floor and three bedrooms and a bathroom and a master bedroom with a bathroom and a balcony on the second floor. Twenty units villas type A have been planned on total building area of 4 000 m².





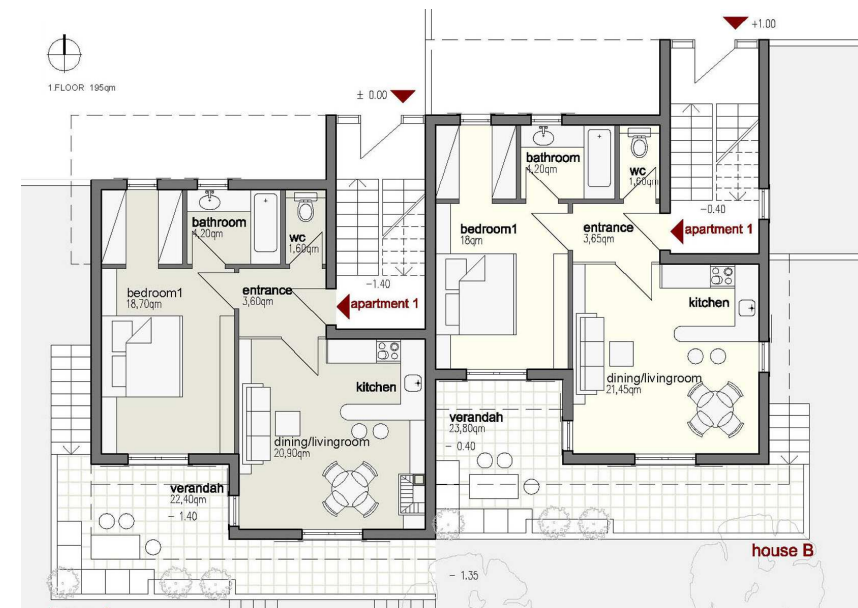
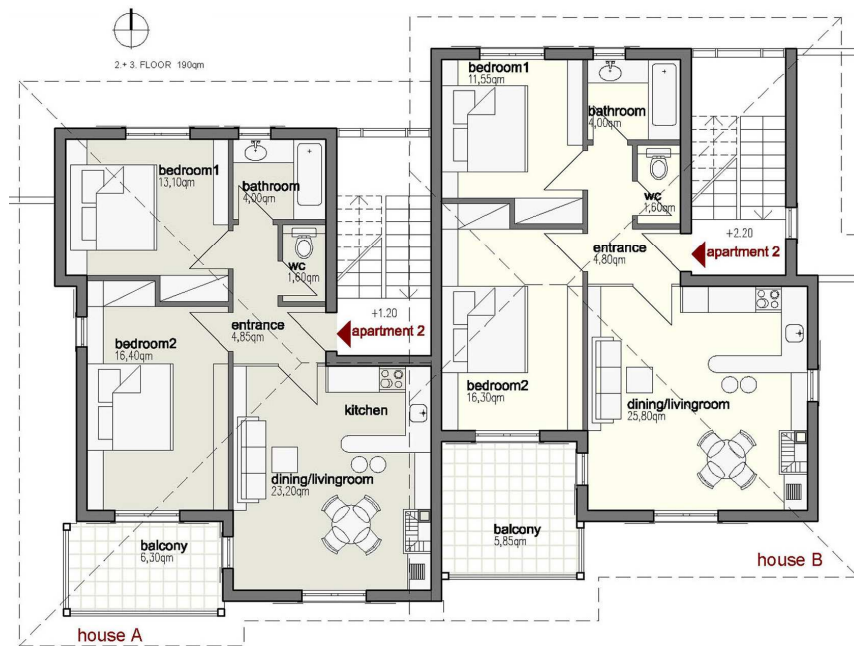
1.FLOOR 95qm
SCALE 1:100



2.FLOOR 105qm
SCALE 1:100

Semi- detached Houses

Another type of constructions planned are the semi-detached houses, situated at a lower level than the hotel and the villas. The semi-detached houses are an alternative to the luxurious villas. Each house features four to six apartments and two entrances. The apartments are one or two bedroom apartments.



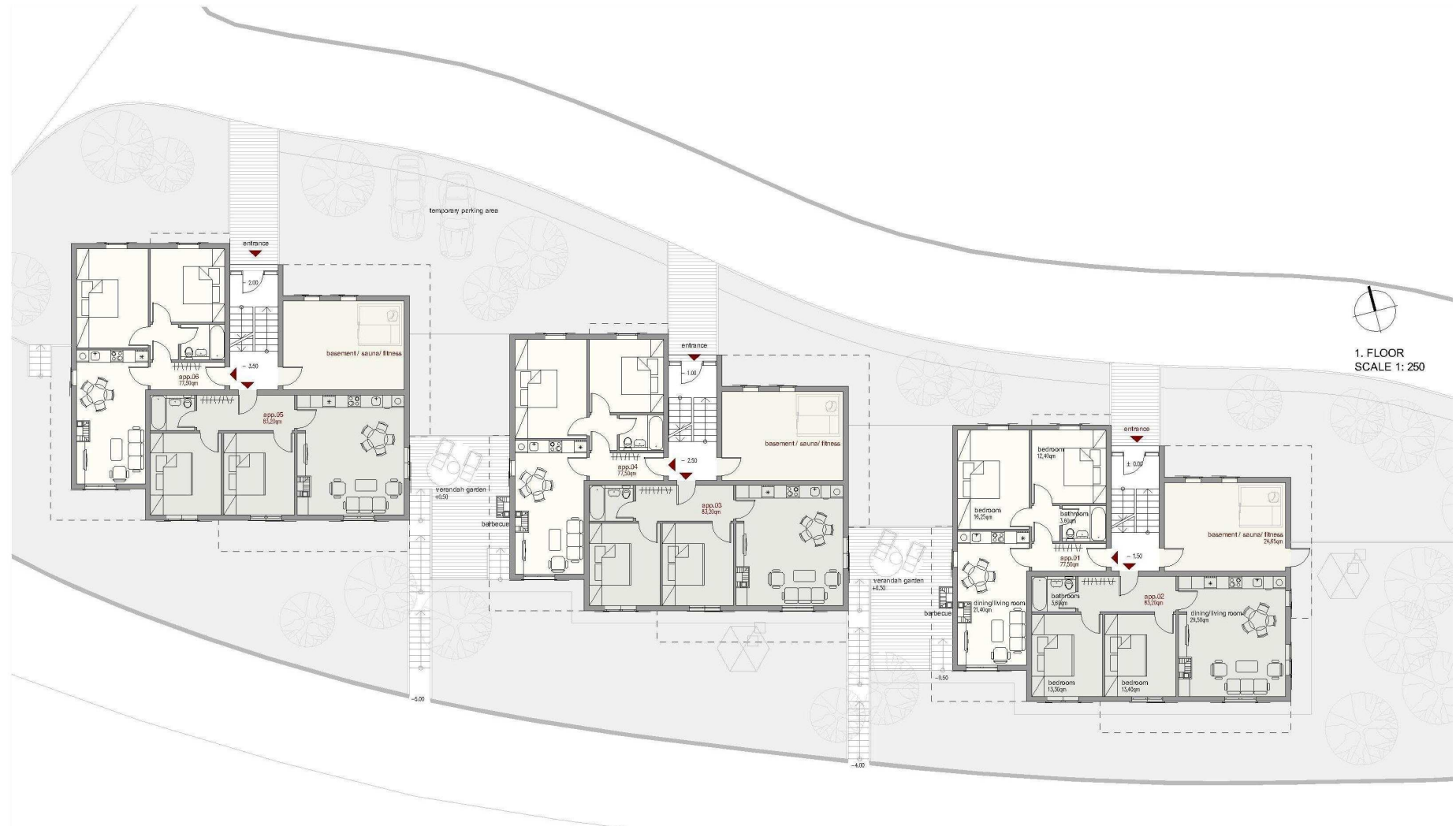


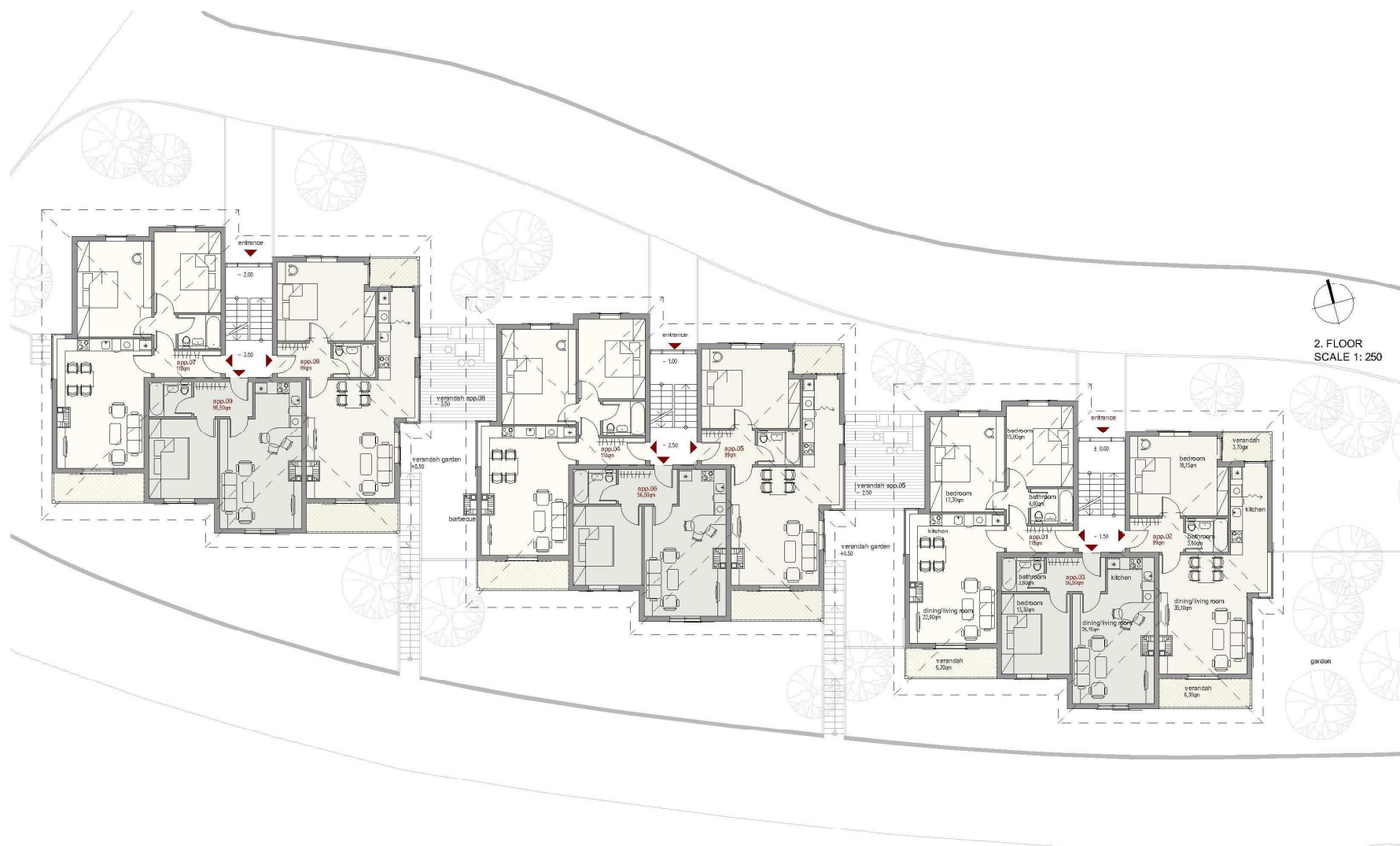
Apartment Houses

Buildings Type C are another accommodation option - apartment houses. They are three to four storey constructions with apartments for sale or rent. Each house features nine apartments - three apartments on three floors.

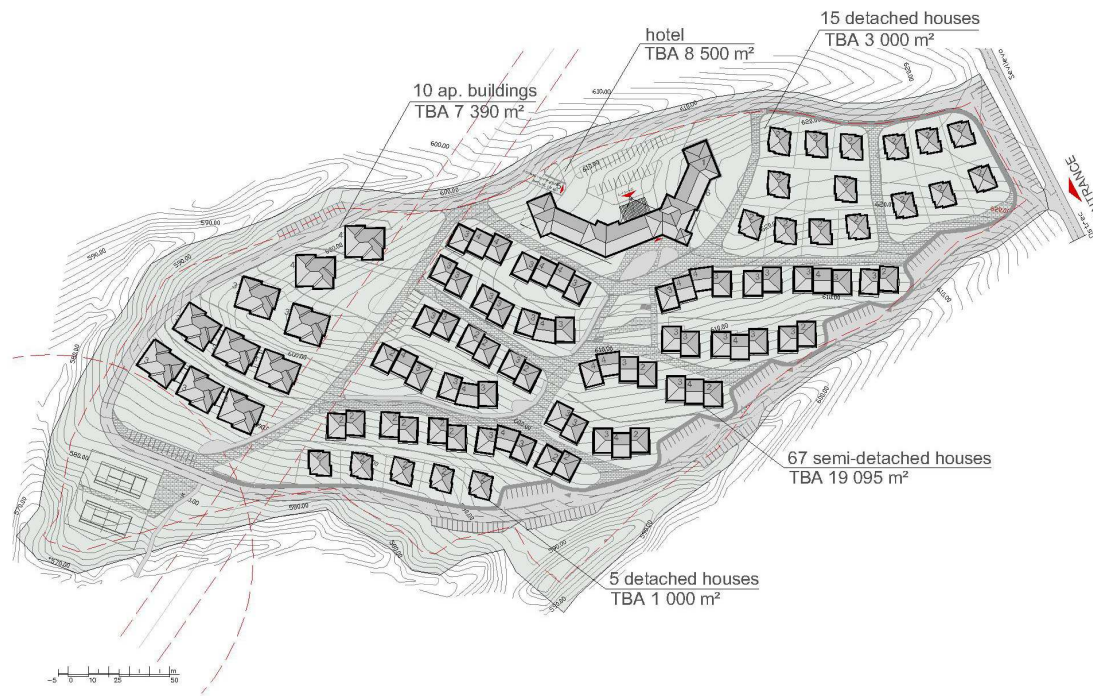
This type of accommodation has been proposed in order to create an economy class alternative to the higher- class buildings. Buildings Type C are to be located at the East part of the land, taking a small portion of the building space. Please see the master plan on page 5. In the concept phase, the apartment houses are only proposed as a possible feature of the project.







Sample coverage calculation



SAMPLE COVERAGE CALCULATION

BUILDING PLOT AREA 74 216 m²

HOTEL:

Total Building Area 8 500 m²
Building Area 1 640 m²

42 units Two-Bedroom Suites
15 units Room Types Studio
4 units Suite of Rooms

100 seats Restaurant
20 seats Lobby-bar
1 200 m² SPA - center
150 m² Reception/ Administration
320 m² Shopping Area
160 m² Storage-accomodation
1 200 m² Underground parking garage

APARTMENT BUILDINGS:

Total Building Area 7 390 m²
Building Area 1 900 m²

8 units / 3 storey

2 units / 4 storey

SEMI-DETACHED HOUSES:

Total Building Area 19 095 m²
Building Area 6 365 m²

16 units / 2 storey

35 units / 3 storey

16 units / 4 storey

DETACHED HOUSES:

Total Building Area 4 000 m²
Building Area 2 000 m²

20 units / 2 storey

TOTAL BUILDING AREA 38 985 m²
BUILDING AREA 11 905 m²

Underground and off-street parking places

252 units /residential/
60 units /hotel/

The proposed sizes of the areas are tentative!

Garden

The master plan proposes no car access over ground. Car parking spaces are planned to be along the major traffic street edge or on underground level. It is suggested that the garden is not space lost, but on the contrary - added value for the project. The pool located at the highest point enables the construction of water cascades falling to the bottom of the land, creating a small river.



Cost Estimation

Plot area including design works (with building permission) - 8 200 000 EUR

Complex and infrastructure - 20 000 000 EUR

Sources

www.apriltsi.org

www.panparks.org

www.investbg.government.bg

www.worldfactbook.com

www.balkania.org

www.discoverbulgaria.com