

THE BLACK SEA PROPERTY FUND LIMITED

17 July 2009

Dear Investor

The Black Sea Property Fund Limited (the "Fund") intends to appoint IPES (Jersey) Limited ("IPES") as administrator of the Fund in place of its current administrator, BNP Paribas Securities Services Fund Administration Limited, and relocate its registered office to 3rd Floor, South Tower, 29-31 Esplanade, St Helier, Jersey JE4 5SJ, Channel Islands, with effect on or about 17 July 2009.

At the same time, the Fund proposes to terminate the appointment of BNP Paribas SA Jersey Branch as custodian of the Fund, with effect on or about 17 July 2009. The Fund does not intend to appoint a new custodian as the functions performed by BNP Paribas SA Jersey Branch as custodian are limited in practice. The Fund's real property assets are held through its Jersey and Bulgarian incorporated SPVs and it is proposed that going forward, IPES shall hold the share certificates to the SPVs on behalf of the Fund. Title documents to the Fund's real property will remain with the legal advisers to the Fund (Kambourov & Partners, Attorneys at Law, Bulgaria) with certified copies being held by the administrator for reconciliation purposes.

The Fund's shares in a managed institutional cash fund are in uncertificated form. IPES will operate the Fund's share account together with the Fund's bank accounts in accordance with a mandate issued by the Fund.

IPES is regulated to carry out fund services business (in its capacity as administrator) by the Jersey Financial Services Commission.

Also enclosed with this letter is the notice of Annual General Meeting and proxy form for use for this meeting.

Yours sincerely,



John Chapman
Chairman
The Black Sea Property Fund Limited.