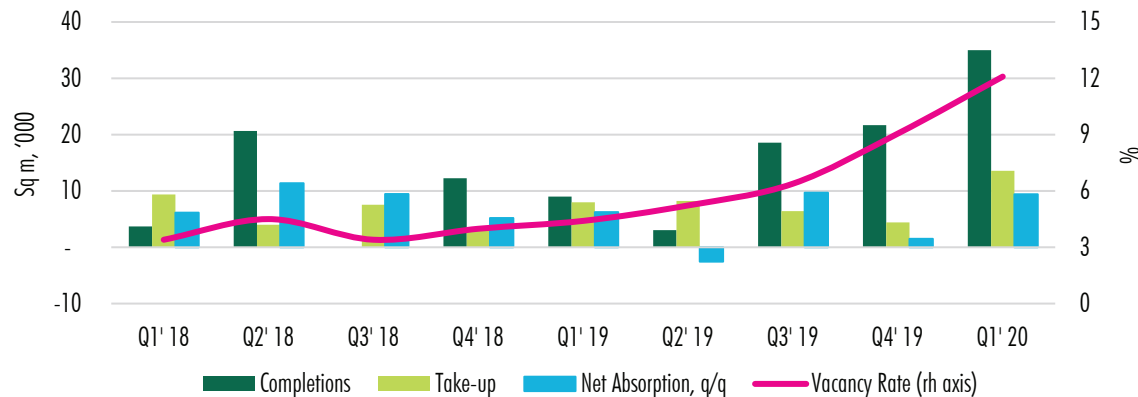


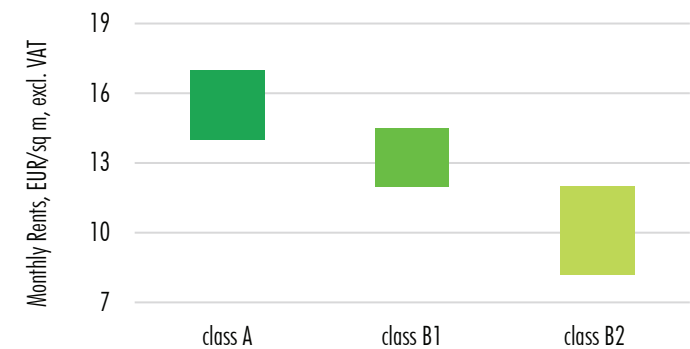
KPI: ▲ Stock 739,000 sq m ▲ Vacancy Rate 12% ▲ Take-up 13,600 sq m ▲ Completions 35,000 sq m ▼ Prime yield 6.0%¹

Macro: ▼ HICP 2.3%² ▼ GDP 2.2% ▼ Unemployment 6.3%² ▼ Wage growth 7.5%³

Main Indicators, Riga Modern Office Stock:



Office Rent Prices by Class:



Highlights:

- Overall vacancy rises as a result of comparatively low net absorption in recently commissioned office buildings and in response to abundant completions in 2019.
- Office take-up exceeded 13,000 sq m in Q1 2020 (the highest activity in the last two years, with pre-lease contracts included in that number). However, the global pandemic might temporarily postpone major leasing decisions.
- In March/April a number of offices crossed over to remote working.
- Rent rates were stable in Q1 2020.
- Z-Towers was commissioned in January adding 24,000 sq m and Origo One was commissioned in March adding 11,000 sq m of office space.
- Construction activity is anticipated to be lower in 2020 compared to 2019.

Projects' Pipeline:

Project	Class	Landlord	Expected ¹	GLA, sq m
Salas offices	B	Bauplan Nord	2021	4,700
Business Garden Rīga II stage	B	Vastint	2022	27,000
Verde	A	Capitalica Asset Management	2022	27,000
Preses Nams	A	Lords LB Asset Management	2022	25,000
Elemental Skanste (I stage)	A	Kapitel	2022	20,500
Pine	A	Eastnine	2022	15,500

Notes: figures show Q1 2020 result. KPI arrows indicate Q1 2020/Q4 2019 change. Take-up includes pre-lease
 Macroeconomics data are yearly results; arrows indicate y/y growth result comparison.
 1. Before COVID – 19 outbreak. 2. February 2020 data. 3. Nominal net wage growth, Q4 2019.
 Sources: CSB, Latvijas Banka, CBRE Baltics Research