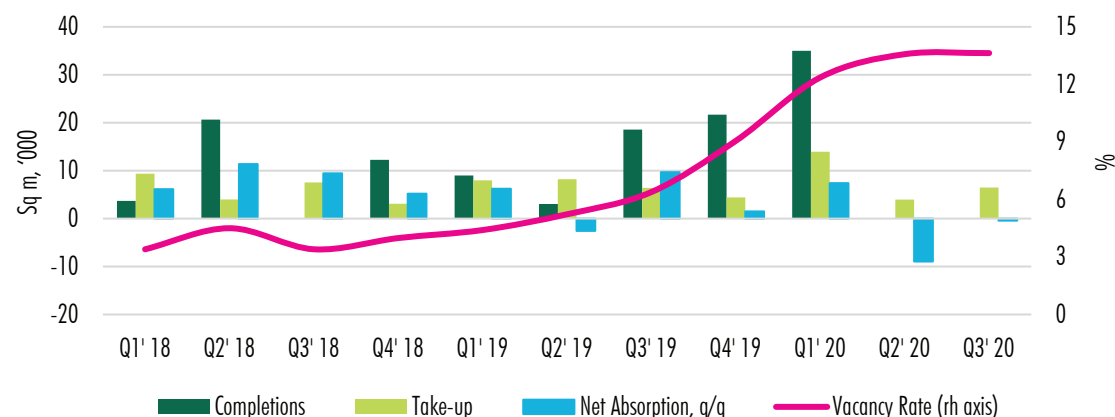


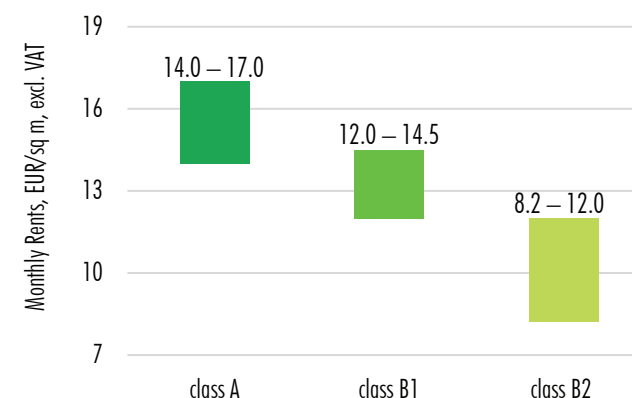
KPI: Stock **739,000 sq m** Vacancy Rate **13.6%** Take-up **6,500 sq m** Completions **0 sq m** Prime yield **6.0%**

Macro: HICP **-0.5%¹** GDP, Real **-8.9%²**
 Unemployment **8.2%¹** Wage growth **3.9%²**

Main Indicators, Riga Modern Office Stock:



Office Rent Prices by Class:



Highlights:

- New office construction activity remained low, but with strong development in the pipeline.
- The acquisition of Citadele Bank HQ by Lords LB Baltic Green Fund (V), concluded in Q3 2020, is the largest investment transaction in the Baltics in 2020 currently.
- Take-up in Q3 2020 was 1.5 times greater than the previous quarter. It stood near the same level as Q3 2019. New international occupiers keep choosing Riga as an office destination.
- Swisscom has decided to open its second DevOps centre outside of Switzerland, in Riga.
- Norwegian Air Resources announced the establishment of their presence in the Baltics by opening a support office in Riga.
- The vacancy rate remained relatively unchanged in Q3 2020.
- There were no changes in prime rent levels.

Projects' pipeline expected to commission in 2022/2023:

Project	Developer	Class	Current stage	GLA, sq m
Business Garden Rīga, II ph.	Vastint	B	Construction tender	27,000
Preses Nams Quarter	Lords LB	A	Building permit	25,000
The Pine	Eastnine	A	Building permit	15,500
Verde, I ph.	Capitalica	A	Construction tender	15,000
Salas offices	Bauplan Nord	B	Construction tender	4,700
Total				87,200

Notes:

KPI figures show the Q3 2020 result. Arrows indicate Q3 2020/Q2 2020 changes.

Macroeconomics figures are from: (1) August 2020, (2) Q2 2020; arrows indicate y/y figure changes.

Sources: CSB, Latvijas Banka, CBRE Baltics

Reinis Lauskis, Sr Consultant | A&T | M +371 2832 4165 | E reinis.lauskis@cbre.lv
 Ignas Gostautas, PhD, Sr Analyst | R&C | M +370 6948 8318 | E ignas.gostautas@cbre.lt

© 2020 CBRE Baltics, Part of the CBRE Affiliate Network