

## East Capital Real Estate signs new deal in Riga

East Capital Baltic Property Fund II has today acquired a retail property in Riga, which is long term leased to Prisma Hypermarket ('Prisma'). The property is located on Deglava street in Riga, one of the main traffic arteries eastbound from the city, and in the middle of a densely populated residential area. The retail property is a new, modern building with high standards and an area of 20 000 sqm which also includes 650 parking places. The property is being sold by Finnish real estate development fund VCA Baltic Retail Fund, managed by Vicus Capital Advisors.

The acquired property is 100% leased on a long term basis to Prisma, a subsidiary of the largest Finnish retailer, S Group. The hypermarket was opened in October 2012 and is Prisma's fourth Hypermarket in Riga.

The Baltic economies have seen a robust improvement in recent years with Latvia having the strongest GDP growth in 2012 and the stable growth is revitalising the Latvian real estate market. Vacancy rates have continued to decrease while rents have increasingly strengthened.

*"The Latvian retail sector has surprised most of the market participants with its continued positive performance. Large grocery chains (such as Rimi, Maxima, IKI, Selver and Prisma) continue to be the most active players in the retail development market. As a result we see an ongoing opportunity with our investment in a new and modern retail property in an excellent location and with Prisma Hypermarket as strong tenant",* said Biljana Pehrsson, Head of East Capital Real Estate.

[East Capital Baltic Property Fund II](#) targets institutional and professional investors. The fund's term is seven years with a possible extension of three years and has target equity of EUR 50 million.

### Contact information

Biljana Pehrsson, Head of Real Estate and Deputy CEO East Capital Private Equity AB

+46 70 601 24 54 [biljana.pehrsson@eastcapital.com](mailto:biljana.pehrsson@eastcapital.com)

Vesna Lucca, Head of Communications, East Capital

+46 70 601 92 20 [vesna.lucca@eastcapital.com](mailto:vesna.lucca@eastcapital.com)

### About East Capital

East Capital is the leading independent asset manager specializing in the emerging markets of Eastern Europe and China. The company, founded in 1997, bases its investment strategy on thorough knowledge of the markets, fundamental analysis and frequent company visits by its investment teams. East Capital actively manages EUR 3.9 billion in public equity, private equity and real estate. It is headquartered in Stockholm with offices in Hong Kong, Kyiv, Luxembourg, Moscow, Oslo, Paris, Shanghai and Tallinn. [www.eastcapital.com](http://www.eastcapital.com)