



PRESES NAMA
KVARTĀLS

Record-high demand for Preses Nama Kvartāls bonds confirms investor confidence in the project's development and future potential

The developer of the "Preses Nama Kvartāls" business district, AS PN Project, has successfully concluded its latest bond tranche, witnessing significant market participation. During the issuance, 9.12 million euros were raised for the final phase of construction of the Class A office building, which is three times the initially planned amount of 3 million euros. The high demand validates investor confidence in both the project's execution progress and its long-term potential in the Baltic commercial real estate market.

"Increasing investor knowledge and awareness is driving a shift toward more strategic and informed investment decisions. The fact that the planned issuance volume was tripled confirms investor confidence; market participants are demonstrating a clear preference for projects whose progress is visible in Riga's cityscape," emphasizes Povilas Urbonavičius, Fund Manager at Lords LB Special Fund V.

The bond offering was primarily supported by private investors from across the Baltics. This highlights a robust interest in high-quality, asset-backed investments in an evolving economic environment.

"The high demand for our bonds indicates a maturation of Baltic investors, who are reallocating savings from low-interest bank accounts with 0–3% yields toward corporate bonds with an expected return of 9% or more. Unlike speculative investments, our bonds are secured by tangible, high-quality assets: a modern Class A office building with appreciating value," says Igors Daņilovs, Chief Financial Officer at Lords LB Asset Management in Latvia.

To date, the bond program has raised a total of EUR 54 million, reaching 72% of its overall target. The program is designed to roll out in phases, mirroring the building's construction milestones to ensure a healthy and flexible financial structure. AS PN Project bonds are listed on the Nasdaq Baltic exchange, providing investors with greater transparency and liquidity.

The development in the Pārdaugava area has reached a significant milestone. With the structural frame of the initial building complete and the facade nearing completion, the project is entering its final stages. Proceeds from the latest issuance will be utilized to fund the ongoing construction phase, including internal engineering systems, interior finishing, and landscaping. The objective is to commission this Class A office center by the end of this year.

The project continues to attract significant interest from a diverse range of tenants - including global technology companies and pharmaceutical firm - seeking energy-efficient, modern workspaces in a strategically prime Riga location.