

# Baltic Financing Market

## Real-estate focus

Aare Tammemäe

Partner

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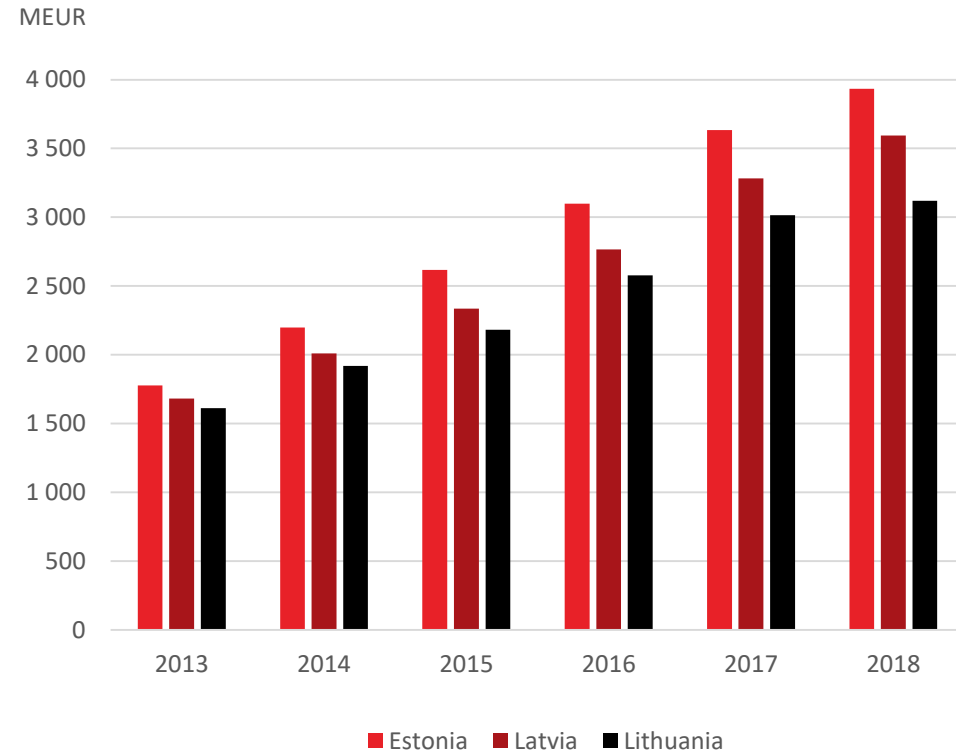
Redgate Capital is an independent investment banking company that offers a wide range of financial advisory services, including commercial real estate, M&A and capital raising primarily to Baltic medium-sized companies.

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# Baltic Capital Market Demand Side

## 2013-2018 AUM OF BALTIC PENSION FUNDS



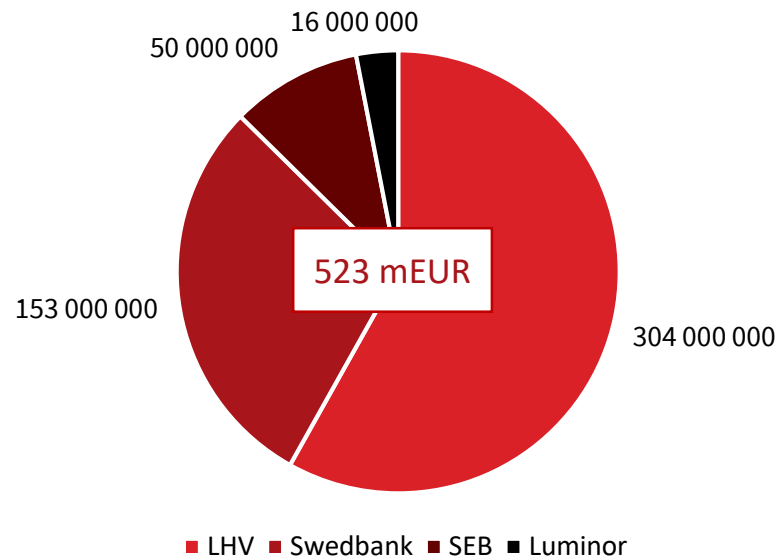
## INVESTOR GROUPS ON BALTIC SECURITIES MARKET



„Demand side of the market remains strong“

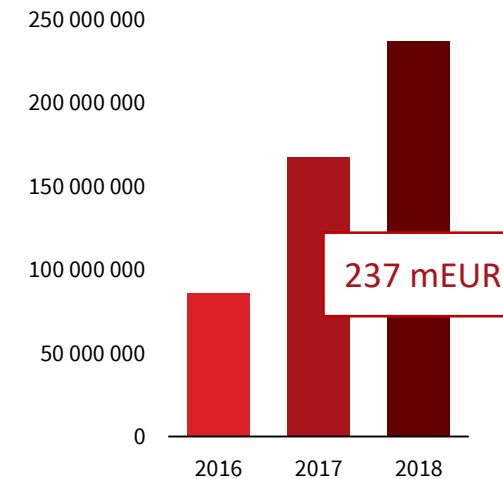
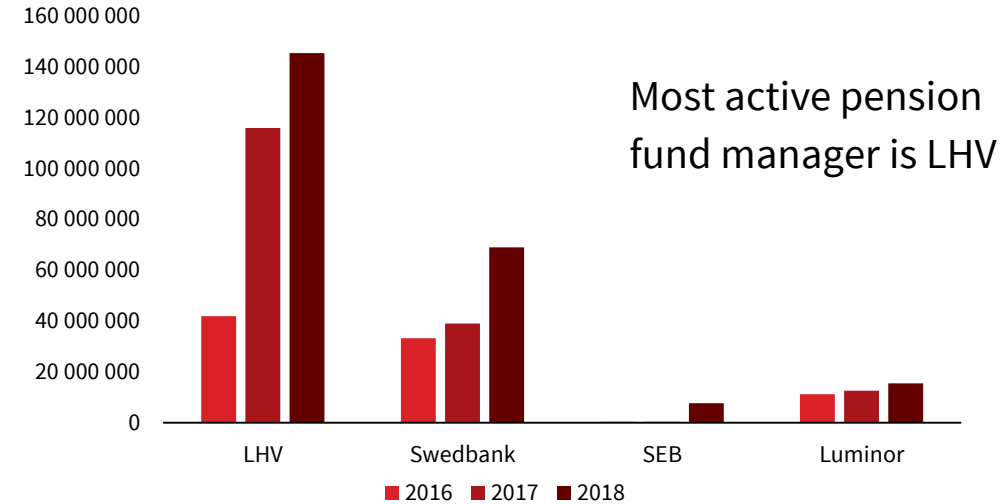
# Pension Fund Investments

2018 AUM OF ESTONIAN PENSION FUNDS INTO ESTONIA (mEUR)



„Total Estonian pension funds’ investments into Estonia is ca 523 mEUR (13,4% from total AUM)“

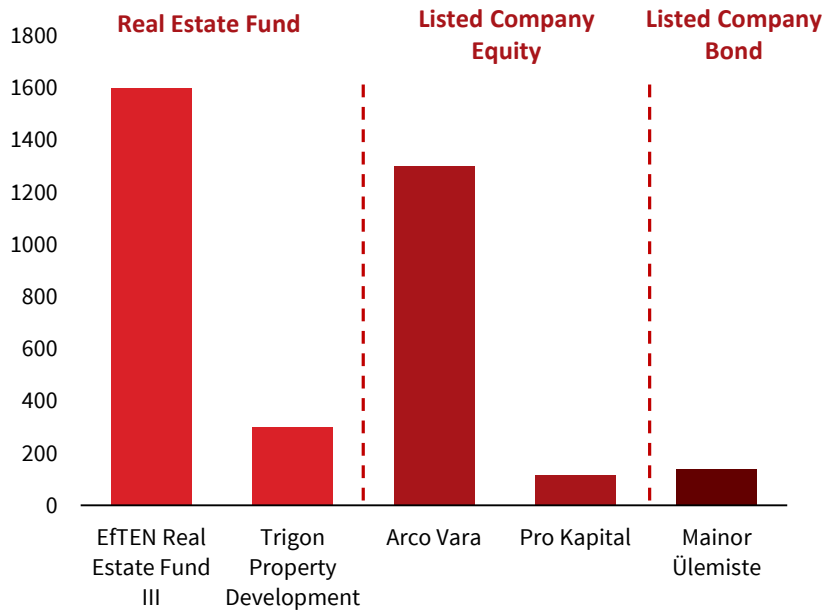
ESTONIAN PENSION FUNDS’ INVESTMENTS INTO ESTONIAN RE (mEUR)



RE investments are ca 45% from all Estonian pension fund investments in 2018

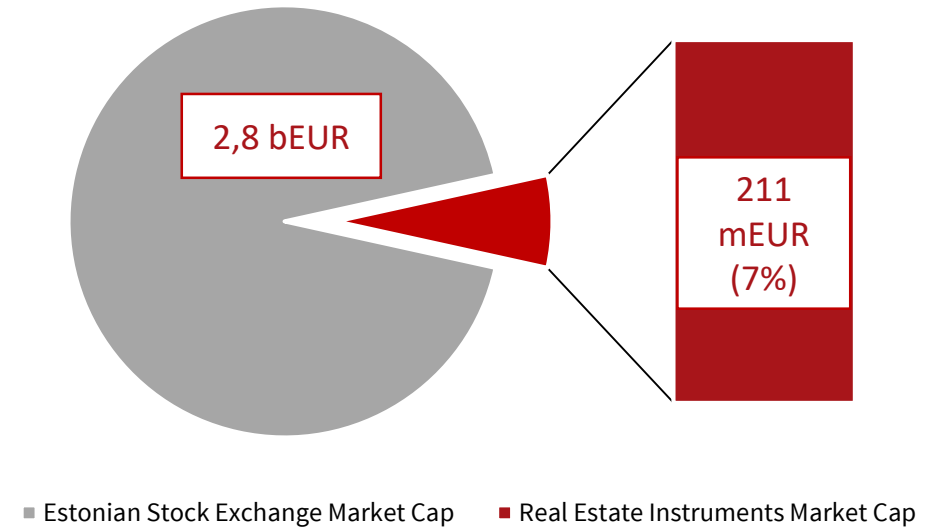
# Listed Real Estate Securities

## NUMBER OF INVESTORS IN INSTRUMENTS FOR REAL ESTATE



„Real-estate funds and listed RE developers are attracting small investors“

## ESTONIAN STOCK EXCHANGE MARKET CAPITALIZATION



„ Only 7% of Estonian stock exchange market value comes from real estate instruments“

# Baltic Bond Markets

Total volume of bonds issued by the Baltic issuers as of 01.01.2019 (mEUR)

	Corporate bonds	Sovereign bonds	TOTAL
<b>Estonia</b>	<b>2,325</b>	-	<b>2,325</b>
Nasdaq / First North – listed	120	-	120
Eurobonds and foreign issues	1,234	-	1,234
Non-listed *	971	-	971
<b>Latvia</b>	<b>1,635</b>	<b>9,055</b>	<b>10,689</b>
Nasdaq / First North – listed**	713	1,156	1,869
Eurobonds and foreign issues	629	7,899	8,528
Non-listed *	293	-	14,548
<b>Lithuania</b>	<b>985</b>	<b>13,563</b>	<b>14,548</b>
Nasdaq / First North – listed	30	4,015	4,045
Eurobonds and foreign issues	900	9,548	10,448
Non-listed*	55	-	55

„Ca 413 mEUR or about 50% of bonds issued in Estonia are related to real estate projects“

„ Some of the bonds are:  
Northern Horizon  
Riigi Kinnisvara AS

Pro Kapital  
Arco Vara  
Mainor Ülemiste  
Endover“

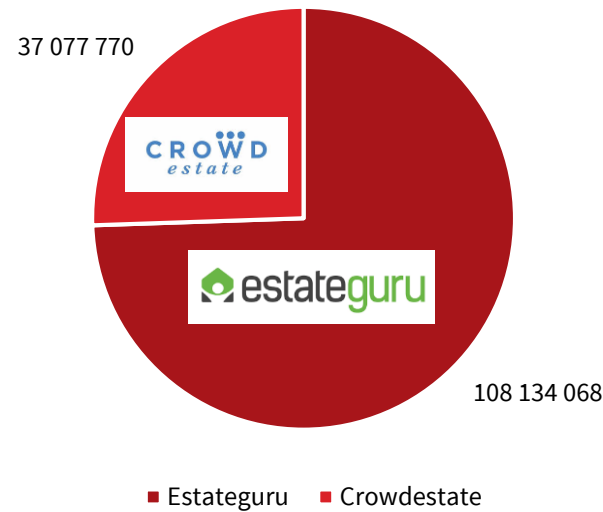
\* Registered volumes of bonds (can be different from „sold to investors“)

\*\* Includes the suspended bonds of ABLV Bank in amount of 448 M EUR

Source: Nasdaq CSD, Cbonds, Redgate Capital's calculations

# Alternative Markets

## FINANCING BY CROWD INVESTMENTS FOR REAL ESTATE PROJECTS



## FINANCING BY CROWD INVESTMENTS FOR REAL ESTATE PROJECTS

Crowdfinancing



Projects

151

711

Investors

30 404

22 442

Source: Companies' websites

„Estonian largest business lending platforms have financed over 800 real estate related projects in amount of ca **150 mEUR** “

„New listings“

„More bond financing for Baltic corporates“

2019

„Growing retail demand“

„Variety of industries, but real-estate is increasing“





# REDGATE CAPITAL

- **Pärnu rd 10, Tallinn 10148**
- **(+372) 66 68 200**
- **redgate@redgatecapital.eu**
- **firstname.lastname@redgatecapital.eu**
- **www.redgatecapital.eu**



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