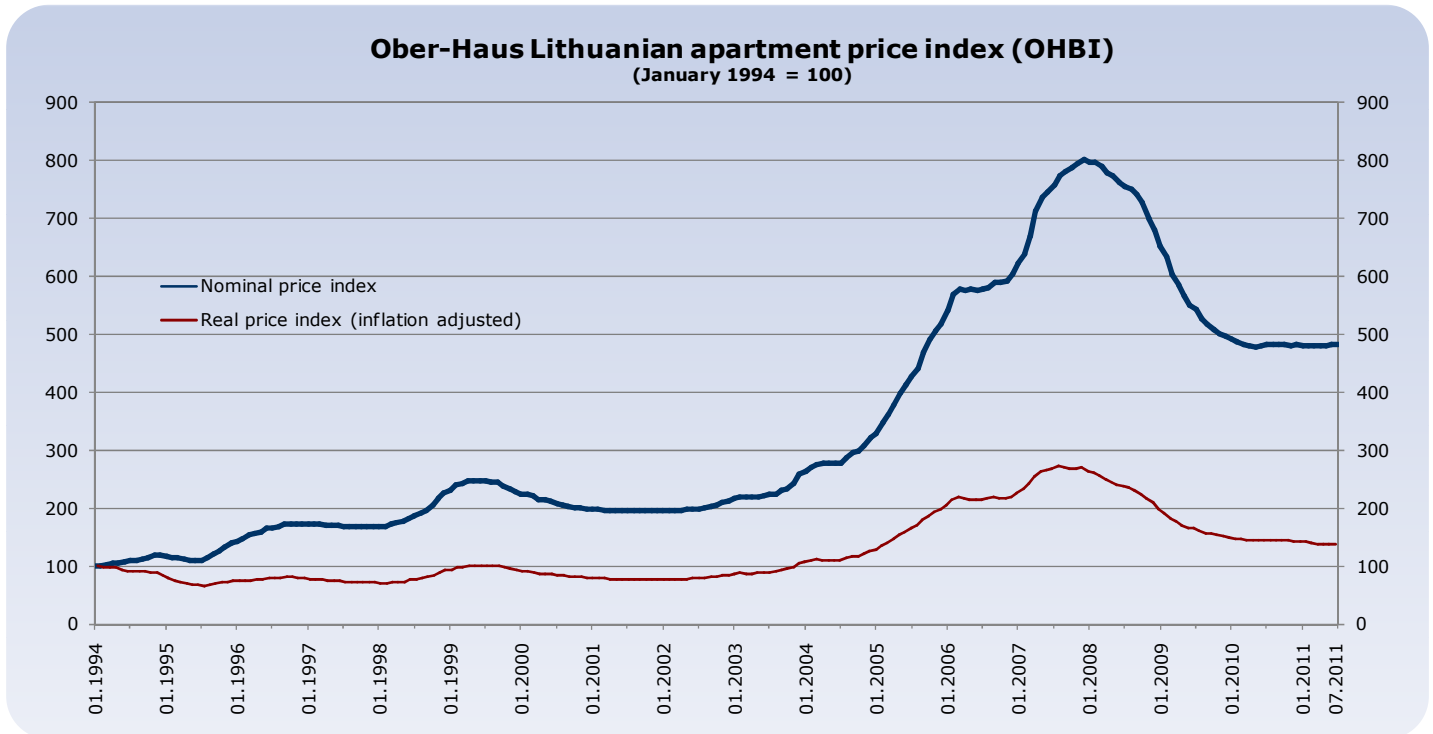


Ober-Haus Lithuanian apartment

July 2011

PRICE INDEX - OHBI



Change in last month

0.1%

Change in last 12 months

0.0%

Change from the highest value

-39.9%

Duration of the calculation of the index

211 months

The Ober-Haus Lithuanian apartment price index (OHBI) shows that in July of this year apartment prices in the five major Lithuanian cities (Vilnius, Kaunas, Klaipėda, Šiauliai, and Panevėžys) increased by 0.1%. Compared with July of last year, apartment prices have stagnated and the Lithuanian OHBI annual value has remained stable (during May and June the annual change was 0.4% and 0.2%).

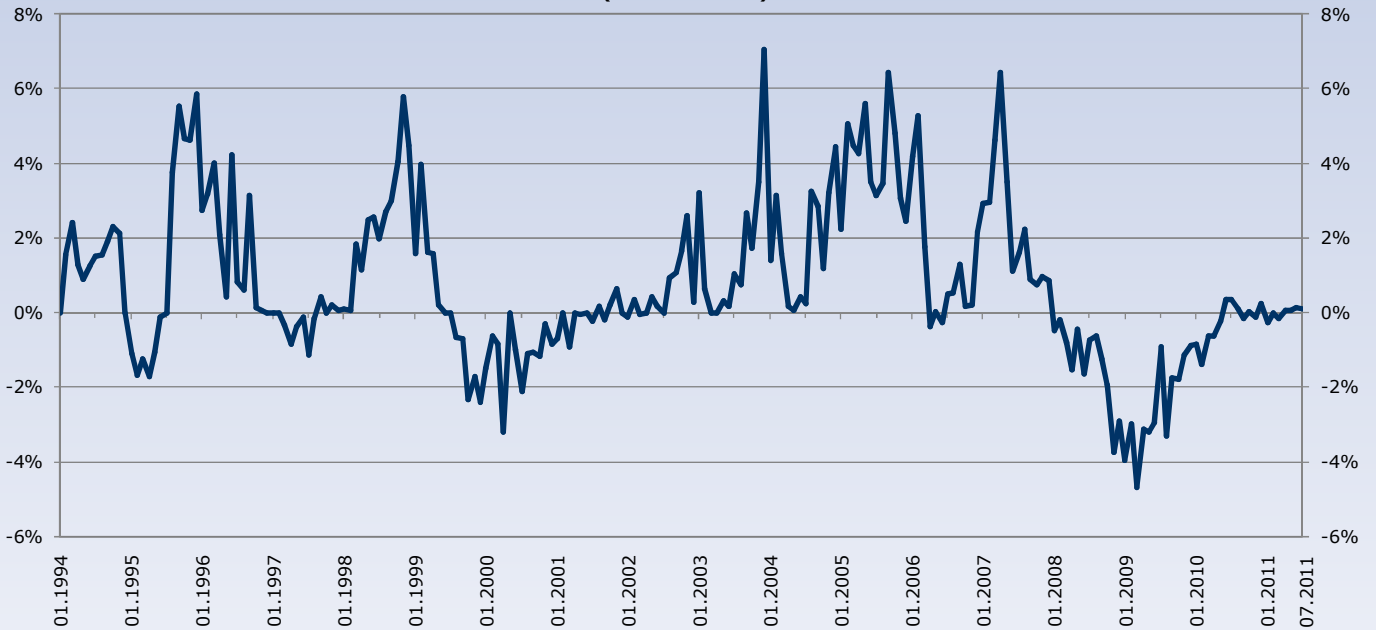
The major impact on the change of price index in July was determined by a 0.4% rise in apartment prices in Kaunas. This small change is noted in the economy apartment segment - old built apartments in residential districts. No changes were recorded in June in Vilnius, Klaipėda, Panevėžys or Šiauliai.

From the highest summarised apartment price level which was reached at the end of 2007 to July of this year, the price for apartments dropped 39.1% in Vilnius, 34.2% in Kaunas, 46.1% in Klaipėda, 45.4% in Šiauliai, and 46.3% in Panevėžys.

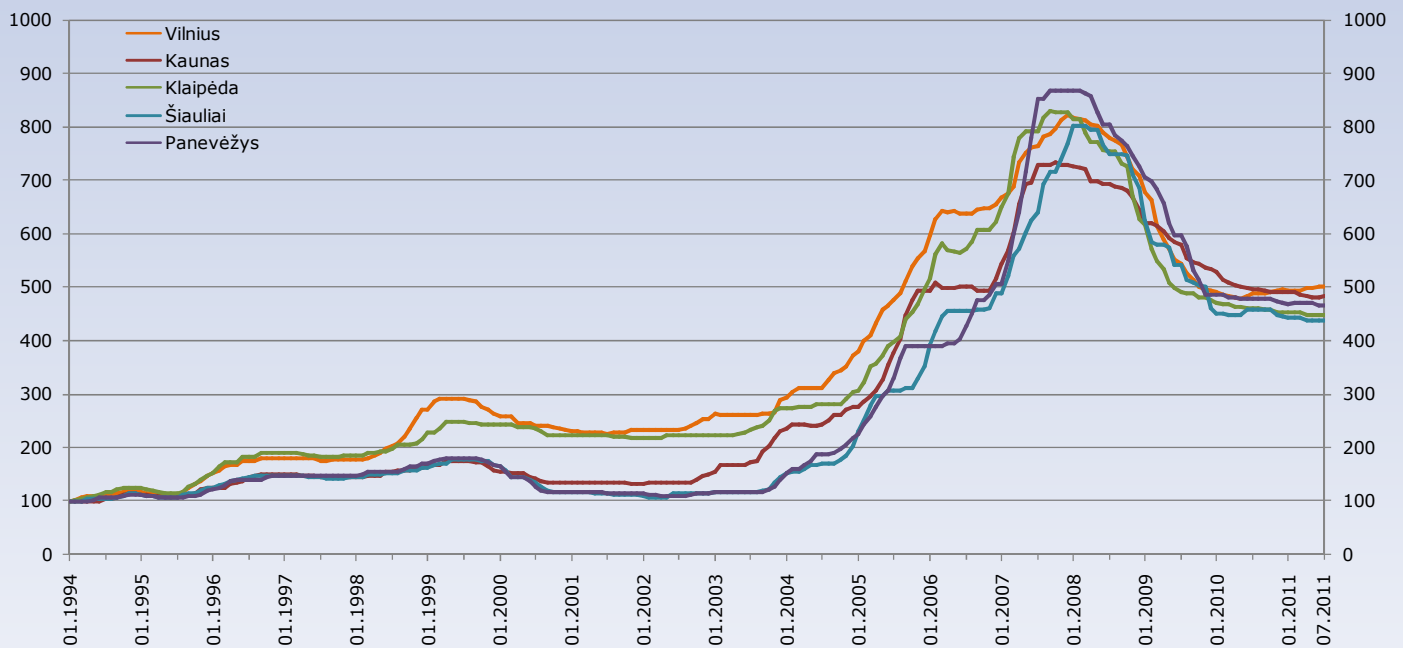
Ober-Haus Lithuanian apartment price index - OHBI

July 2011

Monthly Lithuanian apartment price changes
(based on OHBI)



Ober-Haus Lithuanian cities apartment price indices



Ober-Haus Lithuanian apartment price index - OHBI

July 2011

OBER-HAUS LITHUANIAN APARTMENT PRICE INDEX (OHBI) CALCULATION METHODOLOGY AND MAJOR DEFINITIONS

The Lithuanian apartment price index (**OHBI**) applied by Ober-Haus Real Estate Advisors shows summarized changes in prices for apartments in the five largest Lithuanian cities (Vilnius, Kaunas, Klaipėda, Šiauliai, and Panevėžys). The baseline period for the **OHBI** is January, 1994; the baseline value of the **OHBI** is 100. All declared values and changes of the **OHBI** are rounded with accuracy up to one figure after a point. The **OHBI** is estimated every month and declared since July, 2009. To ensure the accuracy and immediacy of the results obtained, different information and data sources are used for the estimation of the **OHBI**: the databases and information collected by Ober-Haus, the data of governmental institutions and private entities as well as other information and data sources that may affect the results obtained.

The estimation of the OHBI is made by the method developed by the Ober-Haus specialists. This method applies the weight system which attributes appropriate weights to each group of reviewed real estate (apartments in different cities). These weights affect summarized prices and the changes thereof. When developing the system of weights, the following parameters were taken into consideration: the number of available apartments and the number of deals made in individual geographic segments (in the districts of individual cities and in district groups), and quality characteristics of apartments (a floor space, age, and completeness). If material deviations arise in the real estate market or in the properties thereof, the system of weights may be corrected taking into consideration the magnitude of these deviations.

To make the information announced more transparent and easier comparable with other information sources both nominal and real values of the **OHBI** are estimated and published:

- **Nominal apartment price index** shows the changes of nominal prices for apartments in time, compared to the OHBI baseline period (01-1994).
- **Real apartment price index** shows the changes of real prices for apartments in time, compared to the OHBI baseline period (01-1994). The real OHBI is estimated by eliminating the effect made by inflation on the nominal values of the OHBI. The real OHBI shows the average change in prices for apartments compared to change in prices for other consumer goods and services. E.g., if the value of the real OHBI is 200, this means that, since the baseline period, prices for apartments on the average increased 2 times compared to increase in prices for other consumer goods and services. The real OHBI is estimated by applying the *Harmonized Index of Consumer Prices (HICP)* estimated and publicly announced by the Department of Statistics under the Government of Lithuania.

Ober-Haus Real Estate Advisors reserves the right to amend the method for the estimation of the OHBI and to postpone the announcement of the OHBI.

The OHBI is the ownership of Ober-Haus Real Estate Advisors. Any information related to the OHBI must be accompanied by reference to Ober-Haus Real Estate Advisors.

If you wish to receive any additional information about development of the real estate market in Lithuania, Latvia, Estonia and Poland; or you would like to order a special report on the part of the market relevant to you or the market of the project in progress, please contact Ober-Haus real estate market analysts.

Saulius Vagonis, Valuation and Market Research Group Manager
Tel.: +370 5 210 97 17, e-mail saulius.vagonis@ober-haus.lt