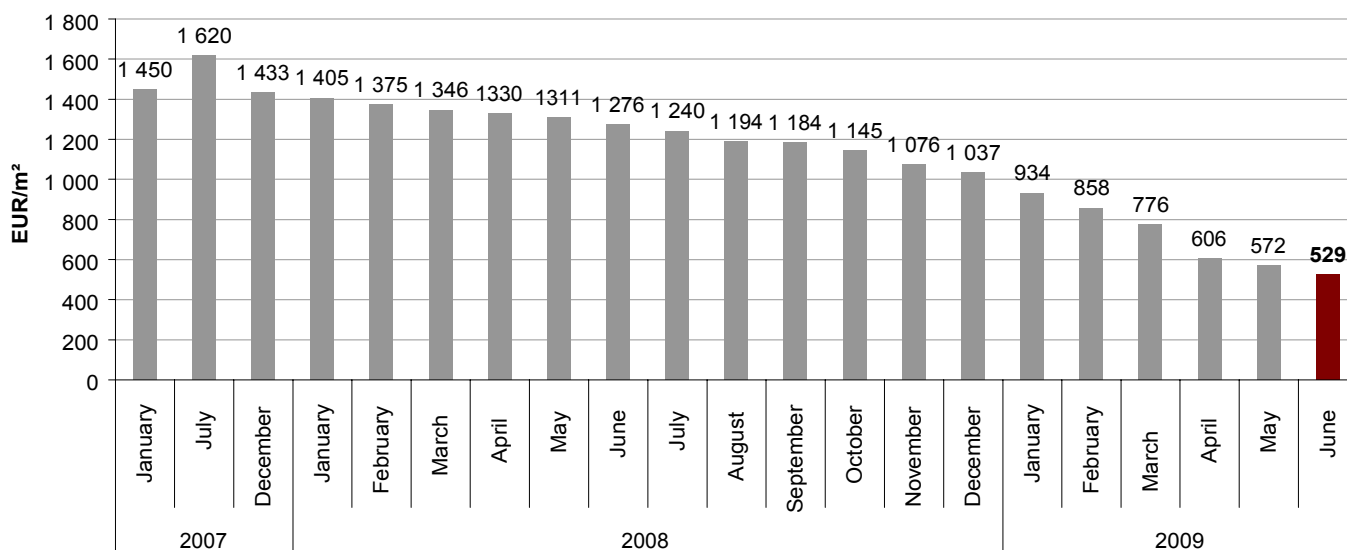


### Standard-type apartments, June 1, 2009

- In May 2009, the price reduction speed decrease in comparison with the previous month – the prices of standard-type apartments decreased by **7.5 %** in May.

The average price of a standard-type apartment in May decreased to **529 EUR/m<sup>2</sup>**; thus the prices were in average **by 67.3 % lower than on July 1, 2007**, when the average price of a non-renovated standard-type apartment was 1620 EUR/m<sup>2</sup>. But in comparison with January 1, 2009, the average price of a non-renovated standard-type apartment decreased by 43.4%.

### Dynamics of average prices of standard-type apartments in Riga City housing estates (price level in the period beginning)



Source: Arco Real Estate

- In the housing estates reviewed by Arco Real Estate in May, the average price of a 1 room apartment was 525 EUR / m<sup>2</sup>, and this price, compared with the previous month, has decreased by 6.58%; the average price of a 2 room standard-type apartment was 525 EUR / m<sup>2</sup>, and this price, compared with the previous month, has decreased by 7.41%; the average price of a 3 room standard-type apartment was 536 EUR/m<sup>2</sup>, and this price, compared with the previous month, has decreased by 7.43%; and the average price of a 4 room standard-type apartment was 530 EUR / m<sup>2</sup>, and this price, compared with the previous month, has decreased by 10.47%.

### Average prices of standard-type apartments in Riga City housing estates by number of rooms, in the period beginning (EUR/m<sup>2</sup>)

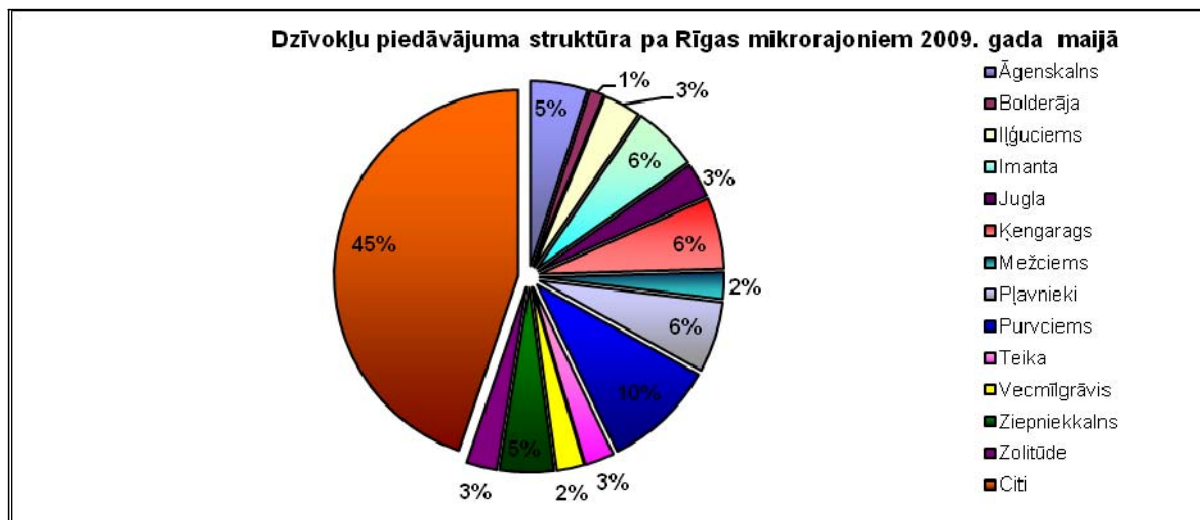
	2008												2009					
	January	February	March	April	May	June	July	August	September	October	November	December	January	February	March	April	May	June
1-room	1553	1505	1463	1440	1407	1355	1304	1257	1233	1205	1135	1084	949	876	795	597	562	<b>525</b>
2-room	1450	1424	1390	1369	1340	1291	1252	1199	1192	1154	1082	1039	943	859	768	598	567	<b>525</b>
3-room	1336	1318	1294	1285	1269	1243	1212	1165	1160	1127	1069	1038	941	858	781	616	579	<b>536</b>
4-room	1283	1254	1238	1228	1226	1215	1194	1155	1152	1093	1017	987	901	837	759	613	592	<b>530</b>

Source: Arco Real Estate

- The supply of apartments for sale in May has dropped in comparison with the level of the previous month. In general, the supply of apartments in the advertisement portals in May has decreased by 10% in average if compared with the previous month. As a result, we can conclude that the apartment supply reduction has not been as rapid as in April when the average reduction was 30%.

- Summary of the apartments offered for sale shows that most offers in May came from Purvciems, Ķengarags, Pļavnieki and Imanta. By contrast, the smallest number of offers came from Bolderāja, Mežciems and Vecmīlgrāvis. Ķengarags, unlike other areas, showed a slight increase in the supply – by 1,2 %. The biggest supply reduction was discovered at Vecmīlgrāvis – by 16,9%.

- As to Riga housing estates, 2-room and 3-room apartments were the most popular ones in May, but 4-room apartments were the least popular ones.



Source: Arco Real Estate

- Comparison of the prices of May 2009 with those of April 2009 in various housing estates showed that the most considerable price reduction was observed at Vecmīlgrāvis (-12%), Ķengarags (-10%). But the least price reduction was observed at Jugla and Zolitūdē (-4%). It should be noted that in most housing estates of Riga the prices in May declined by 7% in average.

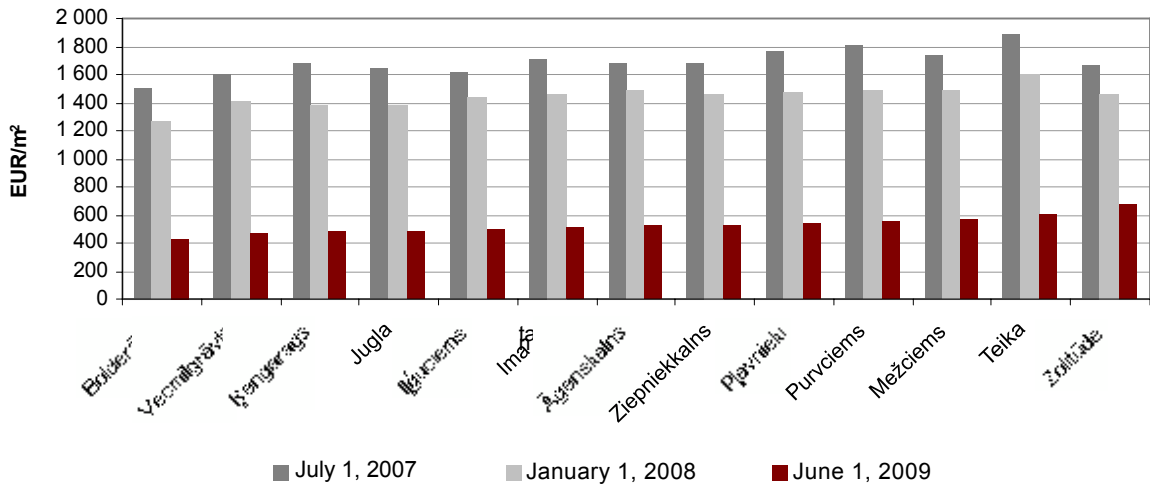
### Change of average standard-type apartment prices in Riga housing estates (%)

	Average value of 1m <sup>2</sup> on June 1, 2009	Average value of 1m <sup>2</sup> on May 1, 2009	Change, in %
Jugla	482	502	-4%
Pļavnieki	543	587	-7%
Purvciems	557	608	-8%
Mežciems	567	601	-6%
Teika	605	657	-8%
Vecmīlgrāvis	469	531	-12%
Ķengarags	477	530	-10%
Bolderāja	428	466	-8%
Ziepiņkalns	531	564	-6%
Imanta	513	554	-7%
Zolitūde	680	709	-4%
Āgenskalns	526	566	-7%
Iļģuciems	495	526	-6%

Source: Arco Real Estate

- Due to the price decline in the recent two years, the standard-type apartment prices in Riga Housing estates in May 2009 were already by 67.3% lower than those in the beginning of July 2007 and by 43.4% if compared with the prices in the beginning of 2009.

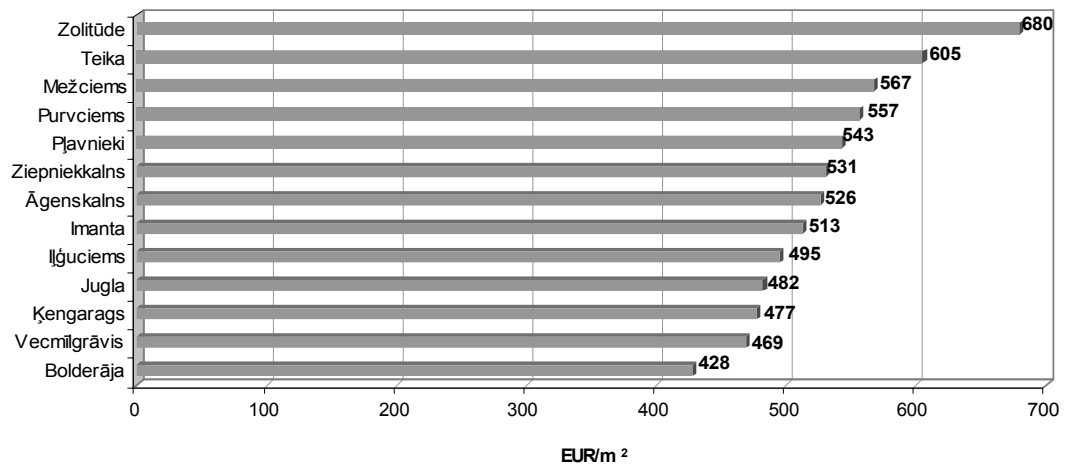
**Average standard-type apartment prices in Riga housing estates (EUR/m<sup>2</sup>)**



Source: Arco Real Estate

- The highest prices in May of 2009 were still observed at *Zolitūde*, where the average price of 1m<sup>2</sup> was 680 EUR, as well as at *Teika*, where the average price of 1m<sup>2</sup> was 605 EUR. In turn, the lowest prices in May of 2009 were observed at *Vecmīlgrāvis* and *Bolderāja*, where the average price of 1m<sup>2</sup> was 469 EUR and 428 EUR, respectively.

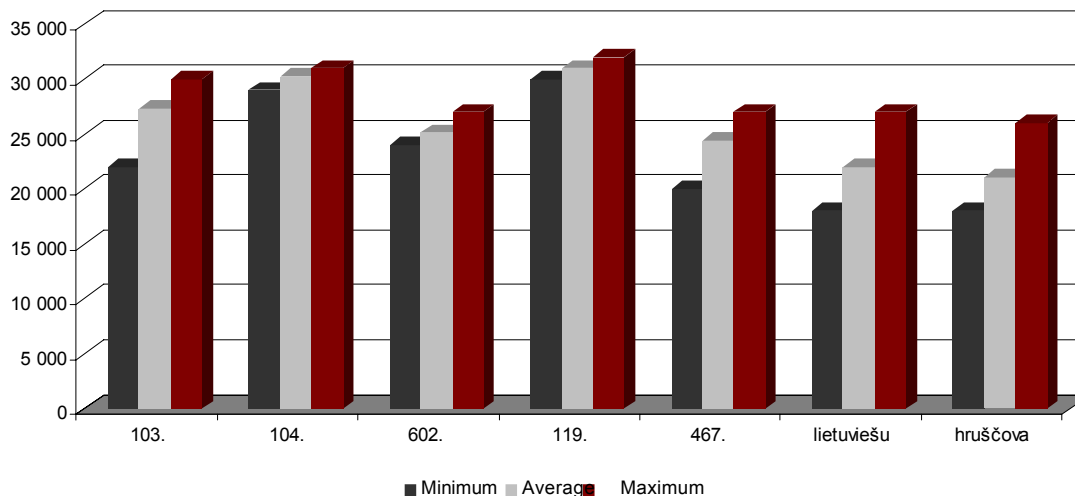
**Average standard-type apartment prices in Riga housing estates in May (EUR/m<sup>2</sup>)**



Source: Arco Real Estate

- In May of 2009, the most expensive apartments still were apartments in the houses of the 119<sup>th</sup> series, where the prices of 2-room apartments fluctuated from 30 to 32 thousand EUR, and in the houses of the 104<sup>th</sup> series, where the prices of 2-room apartments fluctuated from 29 to 31 thousand EUR, depending on the housing estate. But the so-called *Lithuanian design houses* have been the cheapest ones, where the prices of 2-room apartments fluctuated from 18 to 27 thousand EUR, and the so-called *Khrushchev-time houses*, where the prices of 2-room apartments fluctuated from 18 to 26 thousand EUR, depending on the housing estate.

**Standard-type apartment prices by series in Riga housing estates in May**  
(prices of 2-room apartments, in EUR)



Source: Arco Real Estate

### **Jūrmala Kauguri**

Comparison of the average prices observed in Kauguri in May 2009 with those observed in April 2009 shows a price **decline by 9%, to the average price of 428 EUR/m<sup>2</sup>**, and comparison of the prices of May 2009 with those observed in the beginning of 2009 shows a price decline by 47%. The most expensive apartments in Kauguri still were the *103rd series* apartments, but the cheapest apartments were in the *Khrushchev-time houses* and *small-family houses*.

### **Jelgava**

Comparison of the average prices observed in Jelgava in May 2009 with those observed in April 2009 shows a price **decline by 8% in average**, and comparison of the prices of May 2009 with those observed in the beginning of 2009 shows a price decline by 52%, **to the average price of 354 EUR/m<sup>2</sup>**. The most expensive apartments in Jelgava still were the *104th series* apartments, but the cheapest apartments were in the *Khrushchev-time houses*.

### **Salaspils**

Comparison of the average prices observed in Salaspils in May 2009 with those observed in April 2009 shows a price **decline by 10% in average**, and comparison of the prices of May 2009 with those observed in the beginning of 2009 shows a price decline by 46%, **to the average price of 476 EUR/m<sup>2</sup>**. The most expensive apartments in Salaspils were the *103rd series* apartments, but the cheapest apartments were in the *Khrushchev-time houses*.

### **Ogre**

Comparison of the average prices observed in Ogre in May 2009 with those observed in April 2009 shows a price **decline by 7%**, and comparison of the prices of May 2009 with those observed in the beginning of 2009 shows a price decline by 48%, **to the average price of 449 EUR/m<sup>2</sup>**. The most expensive apartments in Ogre were the *103<sup>rd</sup>* and the *602nd series* apartments, but the cheapest apartments were in the *Khrushchev-time houses*.