

Standard-type apartments, December 1, 2009

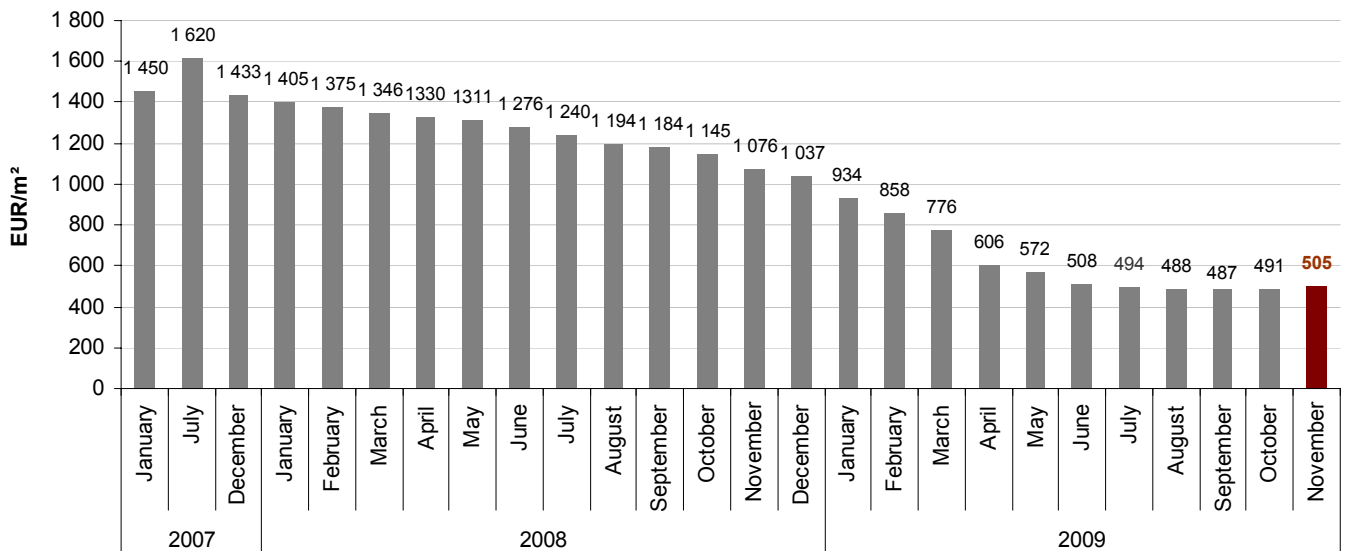
In November 2009, in comparison with October, the price increase is established – in general the prices of standard-type apartments in Riga increased on average by **2,9%**. The highest price increase is observed in Zolitūde (5,2%), the same as in Imanta (4,7%). However, absolutely insignificant price increase is established in Vecmīlgrāvis (1%) and Purvciems (1,6%).

The prices for standard-type apartments have been increasing during the second months. After the price increase in October for 0,8% that was supposed to be the price stabilization, the price increase in November is already close to the tendency of the price increase. There is no significant price difference for the apartments located in the Center. Taking into consideration the deals and proposals data base with greatly differed characteristics of apartments, the prices for the Center-located apartments were from 750 to 2600 EUR/m² in November. The similar situation is also with the new projects buildings in Riga housing estates, where the price value of one square meter has almost no changes and composes from 780 to 950 EUR/m². According to the mentioned, there could be made the conclusion that the prices for the standard-type apartments with the result of the lowest proposals verge great influence, glided down too low during the summer months and now they have the tendency to „recover”. It is supposed that Standard-type apartments in the nearest months would be in the limit of 2-3% with the high reliability of price increase opportunity.

The price increase is established in November for both small and large apartments, but still for 3 and 4 rooms' apartments it is insignificant.

The average price of a standard-type apartment in November increased to **505 EUR/m²**. Thereby the prices were on average **lower by 68,8 % than on July 1, 2007**, when the average price of a non-renovated standard-type apartment was 1620 EUR/m². For its part, in comparison with January 1, 2009, the average price of a non-renovated standard-type apartment reduced by 45,9%. It lets make the conclusion that the prices in November returned to the price level of July 2009 when the average price was 508 EUR/m².

The dynamics of average prices for standard-type apartments in Riga City housing estates



Source: ARCO REAL ESTATE

In the housing estates reviewed by ARCO REAL ESTATE in November the average price of a 1 room apartment was 546 EUR/m² and this price, comparing with the previous month, has increased by 5.61%; the average price of a 2 room standard-type apartment was 521 EUR/m² and this price, comparing with the previous month, has increased by 5.04%; the average price of a 3 room standard-type apartment was 481 EUR/m² and this price, compared with the previous month, has increased by 0.63%; and the average price of a 4 room standard-type apartment was 474 EUR/m² and this price, comparing with the previous month, has increased by 0.64%;

The average prices of standard-type apartments in Riga City housing estates by number of rooms (EUR/m²)

2009.												
	January	February	March	April	May	June	July	August	September	October	November	1st December
1 room	949	876	795	597	562	525	513	507	499	498	517	546
2 rooms	943	859	768	598	567	525	512	503	496	485	496	521
3 rooms	941	858	781	616	579	536	518	483	479	478	478	481
4 rooms	901	837	759	613	592	530	487	483	479	479	471	474

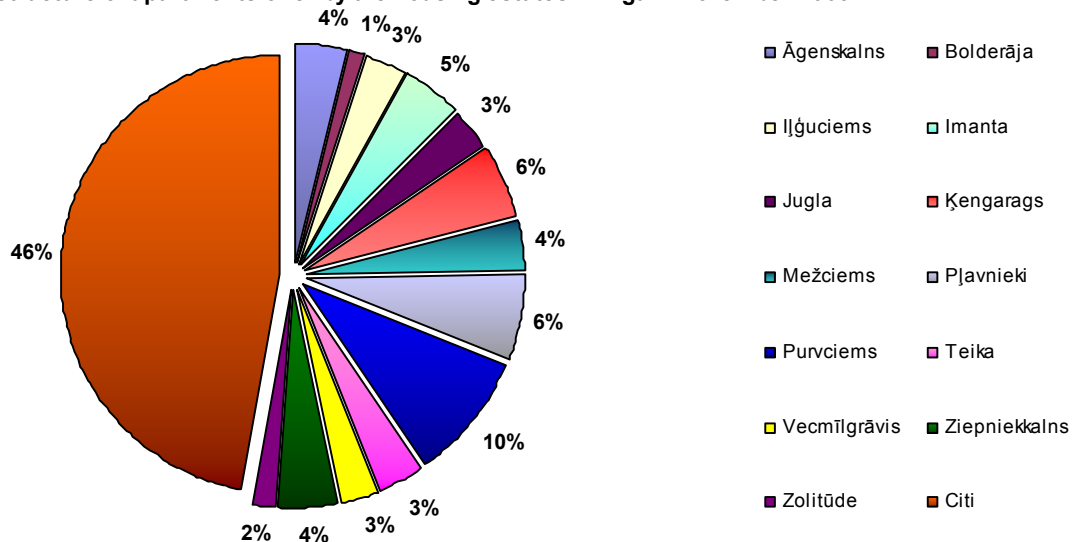
Source: ARCO REAL ESTATE

The supply of apartments for sale in November 2009 is a little bit decreased in comparison with the level of the previous month. The total quantity of proposals in November is insignificantly increased by 2,6 %. Wherewith it allows come to the conclusion that the proposal volume does not continue to decrease as it was during the last two months.

The summary of the apartments offered for sale shows that biggest quantity of offers in November was in Purvciems, Ķengarags, Pļavnieki and Imanta. By contrast, the smallest number of offers was in Bolderāja and Zolitūde. The highest supply increase in November is established in Mežciems – 17,6%, in its turn the highest price decrease is observed in Āgenskalns – 21,6 %.

The most popular flats in Riga housing estates in November were 2-rooms and 3-rooms apartments. In its turn the smallest interest related to 4-rooms apartments.

The structure of apartments offer by the housing estates in Riga in November 2009



Source: ARCO REAL ESTATE

Price increase is observed in November in all housing estates of Riga. Comparing the prices of November 2009 with the prices of October 2009, the highest price increasing was observed in Zolitūde (5,2%), the same as in Imanta (4,7%).

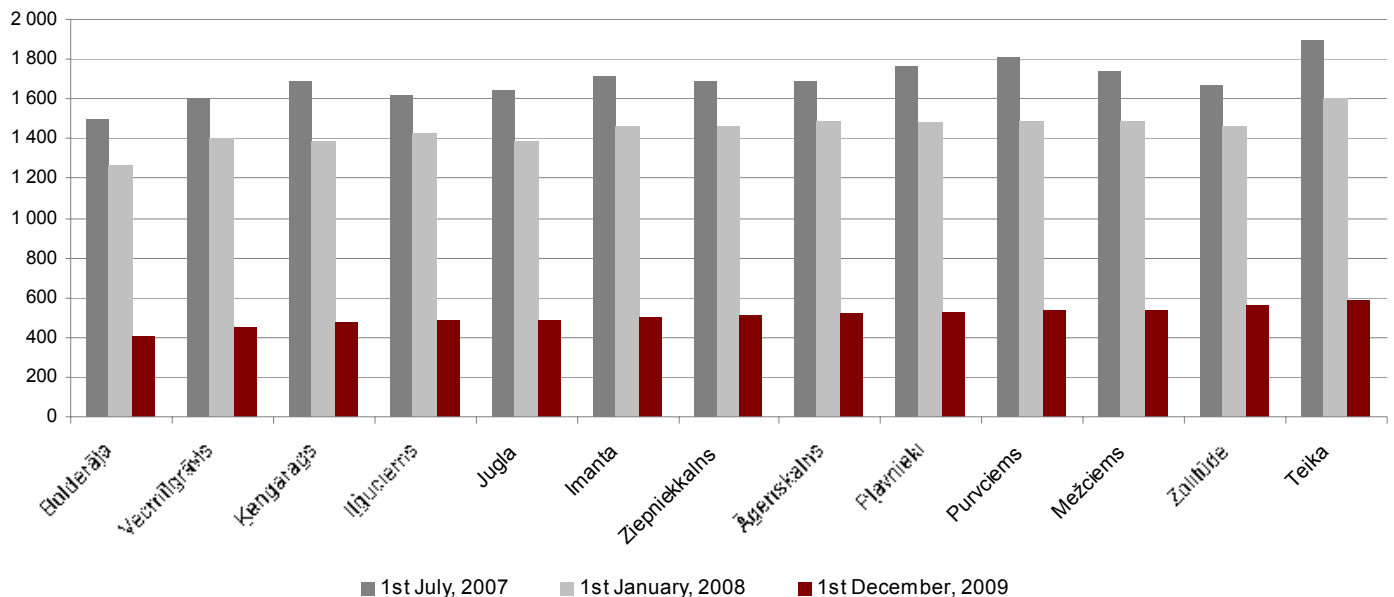
The changes of average standard-type apartment prices in Riga housing estates (%)

	Average value of 1m ² on December 1, 2009	Average value of 1m ² on November 1, 2009	Change in %
Jugla	487	477	2,1%
Pļavnieki	531	522	1,8%
Purvciems	533	525	1,6%
Mežciems	538	520	3,4%
Teika	591	572	3,4%
Vecmīlgrāvis	454	450	1,0%
Ķengarags	474	463	2,4%
Bolderāja	411	402	2,3%
Ziepniekkalns	511	500	2,3%
Imanta	502	479	4,7%
Zolitūde	562	535	5,2%
Āgenskalns	519	505	2,8%
Ilģuciems	486	474	2,4%

Source: ARCO REAL ESTATE

Due to the price decline from the spring 2009, the standard-type apartment prices in Riga housing estates in November 2009 had already been lower for 68.8% than those were in the beginning of July 2007 and for 45.9% comparing with the prices in the beginning of 2009.

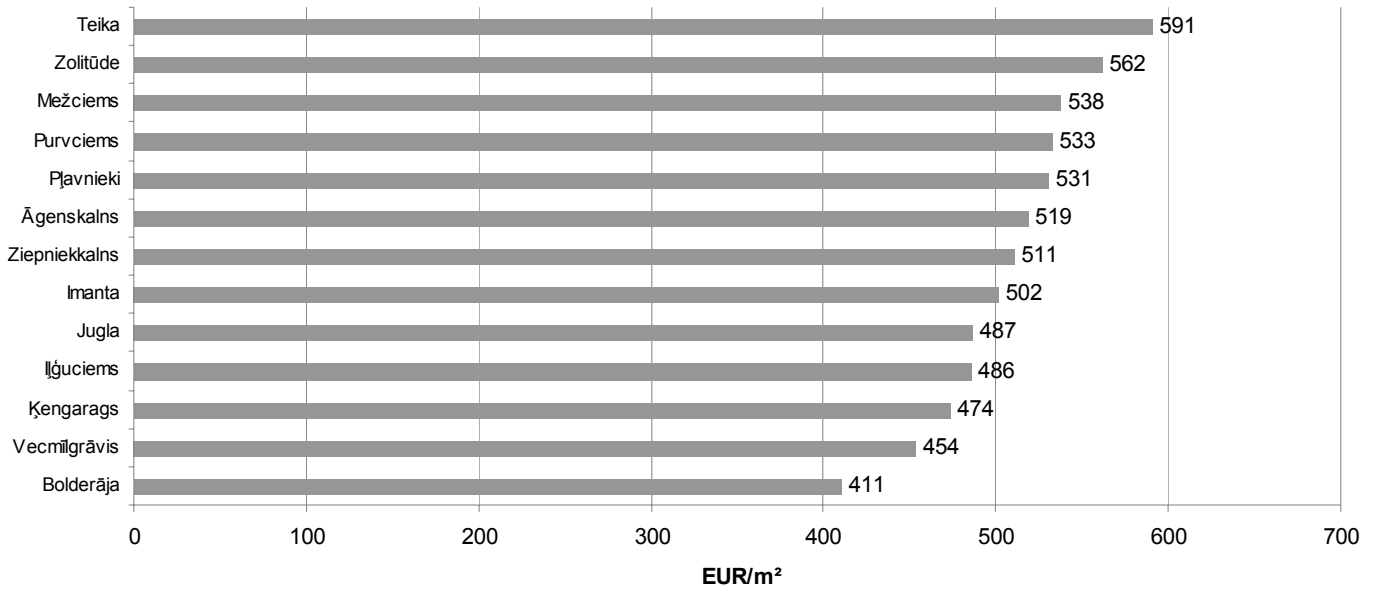
The average standard-type apartment prices in Riga housing estates (EUR/m²)



Source: ARCO REAL ESTATE

The highest prices in November 2009 still remain on Teika, where the average price of 1m² was 591 EUR. *Zolitūde* follows after it where the average price of 1m² was 562 EUR. In its turn, the lowest prices in November 2009 were in *Vecmīlgrāvis* and *Bolderāja*, where the average price of 1m² was 454 EUR and 411 EUR correspondingly.

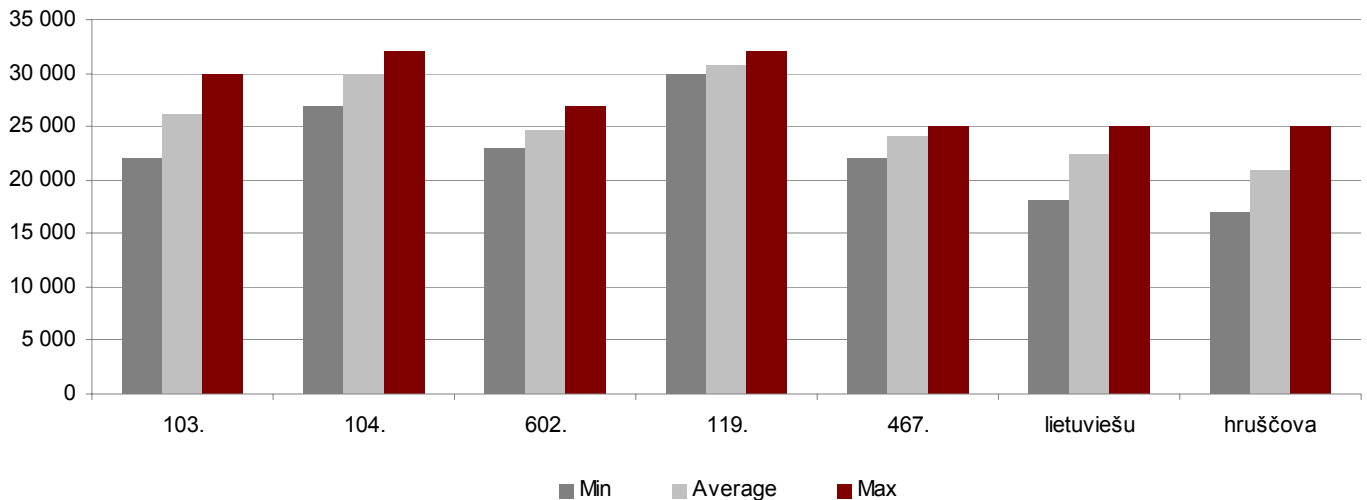
The average standard-type apartment prices in Riga housing estates in November (EUR/m²)



Source: ARCO REAL ESTATE

In November 2009, the most expensive apartments still were the apartments in the 119th and 104th series houses, where the prices of 2-room apartments fluctuated from 27 to 32 thousand EUR depending on the housing estate location. In its turn the cheapest were so-called *Lithuanian design houses*, where the prices of 2-room apartments fluctuated from 18 to 25 thousand EUR, and the so-called *Khrushchev-time houses*, where the prices of 2-room apartments fluctuated from 17 to 25 thousand EUR, depending on the housing estate.

The standard-type apartment prices by series in Riga housing estates in November (prices of 2-room apartments, in EUR)



Source: ARCO REAL ESTATE

Jūrmala, Kauguri

The comparison of the average prices in Kauguri in November 2009 with the prices in October 2009 shows **a small price increase by 1% in average**, and the comparison of the prices in November 2009 with the prices in the beginning of 2009 shows the price decline by 48%, **to the average price of 417 EUR/m²**. The most expensive apartments in Kauguri still were the 103rd series apartments, but the cheapest apartments were in the *Khrushchev-time and small-family houses*.

Jelgava

The comparison of the average prices in Jelgava in November 2009 with the prices in October 2009 shows a price **decline by 1% in average**, and the comparison of the prices in October 2009 with the prices in the beginning of 2009 shows the price decline by 60%, **to the average price of 292 EUR/m²**. The most expensive apartments in Jelgava still were the 104th series apartments, but the cheapest apartments were in the *Khrushchev-time houses*.

Salaspils

The comparison of the average standard-type apartment prices in Salaspils in October 2009 with the prices in September 2009, lets make the conclusion that price changes were not established in Salaspils and the average price is **408 EUR/m²**. However, the comparison of the prices of October 2009 with the prices in the beginning of 2009 shows the price decline by 54%. The most expensive apartments in Ogre were the 103rd and the 602nd series apartments, but the cheapest apartments were in the *Khrushchev-time houses*.

Ogre

The comparison of the average standard-type apartment prices in Ogre in November 2009 with the prices in October 2009, lets make the conclusion that price changes were not established in Ogre and the average price is **383 EUR/m²**. However, the comparison of the prices of October 2009 with the prices in the beginning of 2009 shows the price decline by 56%. The most expensive apartments in Ogre were the 103rd and the 602nd series apartments, but the cheapest apartments were in the *Khrushchev-time houses*.