

## Apartment prices still continuing to decline at the same speed

**As follows from the real estate market overview prepared by the company “Arco Real Estate”, in May the prices of standard-type apartments decreased by another 2.8%.**

In comparison with the previous month, the prices in June declined by 2.8%. The average price of a standard-type apartment decreased to **1240 EUR/m<sup>2</sup>** on July 1; thus, the prices in average were already by 11.7% lower than in the beginning of the year when the average price of a non-renovated standard-type apartment was 1405 EUR/m<sup>2</sup>.

The average price of a 1-room apartment in the housing areas reviewed by „Arco Real Estate” on July 1 amounted to 1304 EUR/m<sup>2</sup>, and this price compared with the price level of June 1 has decreased by 3.7%. Average price of a 2-room standard-type apartment amounted to 1252 EUR/m<sup>2</sup> (decreased by 3.1% in comparison with the price of June 1); average price of a 3-room apartment amounted to 1212 EUR/m<sup>2</sup>, (decreased by 2.5%); and the average price of a 4-room apartment amounted to 1194 EUR/m<sup>2</sup> (decreased by 1.8% in comparison with the price of June 1).

Comparing the average prices of July 1 with the average prices that existed in various housing estates on June 1, we can see that the most significant price decrease has been observed at Imanta (-5%) and Iļģuciems (-5%), where the current average price of 1 m<sup>2</sup> is 1241 and 1219 EUR, respectively; but the least price decrease has been observed at Mežciems (-2%), Teika (-2%) and Bolderāja (-2%), where the current average price of 1 m<sup>2</sup> is 1328, 1429 and 1104 EUR, respectively.

Traditionally, the highest price level on July 1 was observed at Teika, where the average price of 1 m<sup>2</sup> was 1429 EUR, at Mežciems, where the average price of 1 m<sup>2</sup> was 1328 EUR, and at Purvciems, where the average price of 1 m<sup>2</sup> was 1305 EUR. But the lowest prices on July 1 were observed at Bolderāja, where the average price of 1 m<sup>2</sup> was 1104 EUR, and at Ķengarags, where the average price of 1 m<sup>2</sup> was 1167 EUR.

Having summarised the apartment supply and reviewed its breakdown by Riga City housing estates we have drawn conclusion that the biggest number of apartments offered still has been observed at Purvciems - 11% of the total number of apartments offered, and at Pļavnieki, Imanta and Ķengarags – 7%. The smallest number of apartments offered has been observed at Bolderāja (1%).

Outside Riga, in largest cities and towns, the price decline has been even more rapid than in the capital: in Jūrmala the standard-type apartment prices decreased by 4 %, to 1072 EUR/m<sup>2</sup> in average; in Jelgava the prices decreased by 3%, to 974 EUR/m<sup>2</sup> in average, in Salaspils and Ogre the standard-type apartment prices decreased by 1 %, so that on July 1 the average price of a standard type apartment was 1134 EUR/m<sup>2</sup> and 1166 EUR/m<sup>2</sup>, respectively.