

Decline of standard-type apartment prices in August

As follows from the real estate market monthly overview prepared by the company “Arco Real Estate”, in August the decline of the standard-type apartments in the market has been a little bit slower.

The price decline rates in August have been a little bit slower, and, in comparison with July when the price reduction rates achieved 3.7%, in August the fall of the standard-type apartment prices was 3.1 %. The average price of a standard-type apartment decreased to **1157 EUR/m²**.

Due to the price decline observed during this year, the prices of standard-type apartments located in housing estates of Riga are already by 20.1% lower than in the beginning of 2007 and by 18% lower than in the beginning of 2008 when the average price of a non-renovated standard-type apartment was 1405 EUR/m².

The average price of a 1-room apartment in the housing areas reviewed by „Arco Real Estate” on September 1 amounted to 1220 EUR/m², and this price compared with the price level of August 1 has decreased by 3%. Average price of a 2-room standard-type apartment amounted to 1163 EUR/m² (decreased by 3.1% in comparison with the price of August 1); average price of a 3-room apartment amounted to 1126 EUR/m², (decreased by 3.4%); and the average price of a 4-room apartment amounted to 1120 EUR/m² (decreased by 3.1% in comparison with the price of August 1).

Comparing the average prices that existed in various housing estates on September 1 with those of August 1, we can see that the most significant price decrease has been observed at Vecmīlgrāvis (4.5%), Bolderāja (3.9%), Mežciems (3.6%) and Ķengarags (3.7%) but the least price decrease has been observed at Imanta (2.8%), Āgenskalns (2.3%) and Pļavnieki (2,8%).

Traditionally, the highest price level on September 1 was observed at Teika, where the average price of 1 m² was 1350 EUR, at Purvciems where the average price of 1 m² was 1253 EUR, and at Mežciems where the average price of 1 m² was 1248 EUR. But the lowest prices on September 1 were observed at Bolderāja where the average price of 1 m² was 1028 EUR and at Ķengarags where the average price of 1 m² was 1106 EUR.

Outside Riga, in largest cities and towns, the price decline has been approximately the same as in the capital: in Jūrmala (Kauguri) the prices of standard-type apartments decreased by 3.6 %, to 985 EUR/m² in average; at Salaspils the prices declined by 3.9% to 1060 EUR/m² in average, but in Jelgava the price fall has been more rapid and achieved 5.3%, so that the average price has been 890 EUR/m².