

**As follows from the real estate market overview prepared by the company “Arco Real Estate”, prices of standard-type apartments both in Riga and outside Riga as per October 1 were reduced by 3% in average in comparison with the prices as per September 1, 2007.**

Prices of standard-type apartments located in housing estates of Riga continued to decrease during the previous month. These prices, in comparison with the prices of September 1 when the average standard-type apartment price amounted to 1538 EUR/m<sup>2</sup>, decreased by 3% in average, reaching 1493 EUR/m<sup>2</sup>; the prices as per October 1 continue movement towards the price level that existed as per January 1 (1450 EUR/m<sup>2</sup>).

The overview shows that the highest prices of standard-type apartments still exist at Teika where the average price of 1 m<sup>2</sup> is amounting to 1655 EUR, at Pļavnieki - 1596 EUR and at Purvciems – 1591 EUR. But the lowest price level is still at Bolderāja where the average price of 1 m<sup>2</sup> amounts to 1368 EUR, and at Vecmīlgrāvis - 1478 EUR.

Having reviewed the housing estates and compared the 1<sup>st</sup> October prices with the prices of September 1, we can see that the biggest price reduction has taken place at Teika (5%), Vecmīlgrāvis (4%) and Ķengarags (4%), where the price of 1 m<sup>2</sup> is 1493 EUR now. But the smallest price reduction has taken place at Pļavnieki (2%) and Imanta, where the price level decreased by 1% only, so that the average price now is 1584 EUR/m<sup>2</sup>.

Pļavnieki, Purvciems, Ķengarags, Ziepniekkalna and Imanta are still to be considered the most popular housing estates in September. The most popular apartments in Riga in general have been the following apartments: 2-room and 3-room, then 1-room and, finally, 4-room apartments.

Outside Riga, the standard-type apartment prices decreased by 1-3% in average. So, for example, at Kauguri the average prices as per October 1 decreased by 3%, in comparison with September 1, so that the average price was 1363 EUR/m<sup>2</sup>. The supply at Kauguri in September continued to increase, like in August, and the supply of 2-room apartments was the largest.

If we compare the average price level in Jelgava as per October 1 with the level that existed on September 1, we can see that the price level has decreased by 1%, but if we compare the prices on October 1 with the price level in the beginning of the year, then we can see that the prices have grown by 10% so that the average price now is 1090 EUR/m<sup>2</sup>. The supply in September decreased by 3% in average in comparison with August. Also in Jelgava, the supply of 2-room, 1-room and then 3-room apartments has been the largest.

At Salaspils, the average standard-type apartment prices as per October 1 have remained practically unchanged if compared with September 1; the prices are reduced by 1%, so that the average price is 1310 EUR/m<sup>2</sup> now. Also the supply at Salaspils has remained unchanged - the supply of 2-room, 3-room and then 1-room apartments has been the largest.

But at Ogre, the average standard-type apartment prices as per October 1 have decreased by 3% if compared with September 1 so that the average price now is 1347 EUR/m<sup>2</sup>. The supply in September at Ogre decreased by 4% in average, in comparison with August, both in real estate and advertising portals. At Ogre, the supply of 2-room, 3-room and then 1-room apartments has been the largest.