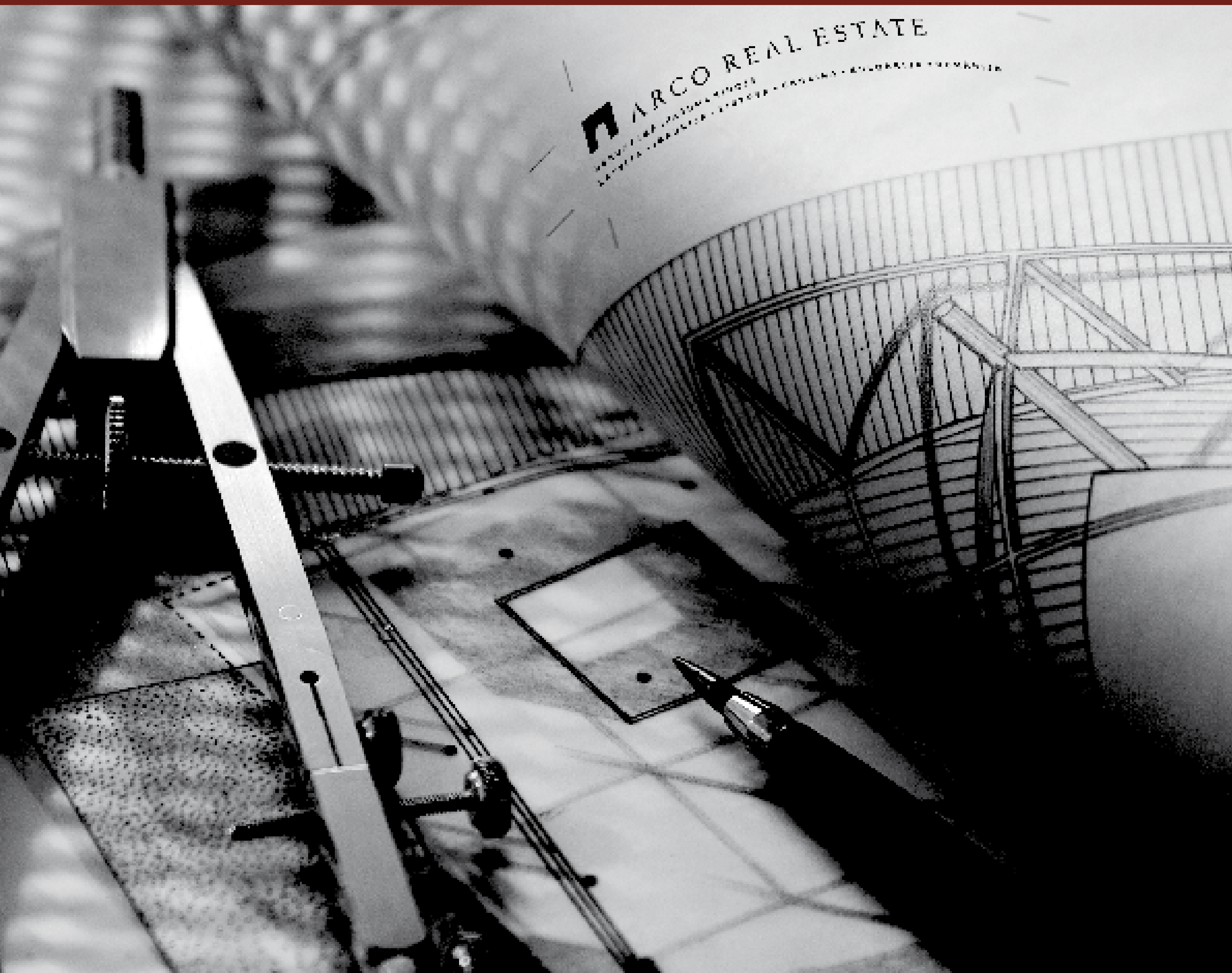
LATVIAN
REAL ESTATE
MARKET OVERVIEW

JANUARY - JUNE 2007



Content

Arco Real Estate
Lāčplēša street 20a, Riga, LV-1011
Phone 67365555
Fax 67284423
e-mail: riga@arcoreal.lv

Arco Real Estate, branch Cesis
Bērzaines 6, Cesis, LV-4101
Phone 64122373
Fax 64122317
e-mail: cesis@arcoreal.lv

Arco Real Estate, branch Sigulda
Ausekļa 9, Sigulda, LV-2150
Phone 67973737
Fax 67973732
e-mail: sigulda@arcoreal.lv

Arco Real Estate, branch Jelgava
Driksas 4-205, Jelgava, LV-3001
Phone 63028245
Fax 63012252
e-mail: jelgava@arcoreal.lv

Arco Real Estate, branch Saulkrasti
Ainažu 5, Saulkrasti, LV-2160
Phone 67821678
Fax 67821685
e-mail: saulkrasti@arcoreal.lv

Arco Real Estate, branch Jūrmala
Jomas 65/67, Jurmala, LV-2015
Phone 67146333
Fax 67146332
e-mail: jurmala@arcoreal.lv

Arco Real Estate, branch Liepaja
Tirgoņu 22/17, Liepāja, LV-3401
Phone 63488816
Fax 63488815
e-mail: liepaja@arcoreal.lv

Arco Real Estate, branch Ogre
Tīnūžu 1, Ogre, LV-5001
Phone 65067770
Fax 65067778
e-mail: ogre@arcoreal.lv

Arco Real Estate, branch Teika
Brīvības 306, Rīga, LV-1006
Phone 67102580
Fax 67102581
e-mail: teika@arcoreal.lv

www.arcoreal.lv

The survey of market analysis prepared by SIA *Arco Real Estate* provides concentrated information on the real estate market of Latvia in the first half of 2007. It presents a brief report on the key sectors of real estate market.

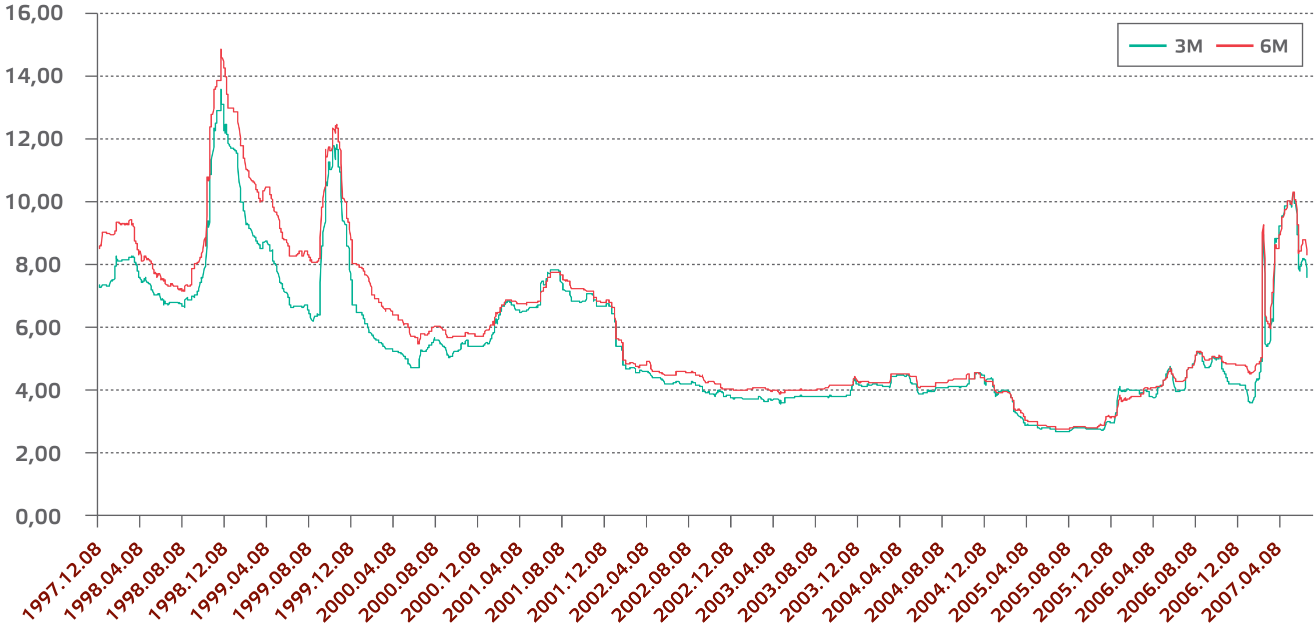
The survey of real estate market analysis presents the value of estates at the given market as of the end of reporting year as well as it provides information about the events in the given sector during the first half of 2007.

The analysis was based on information sources including the real estate transaction database of SIA *Arco Real Estate* as well as the data provided by cooperation partners and publicly available information sources as well as the information summarized by the Central Statistics Board, Land Registries and the Bank of Latvia.

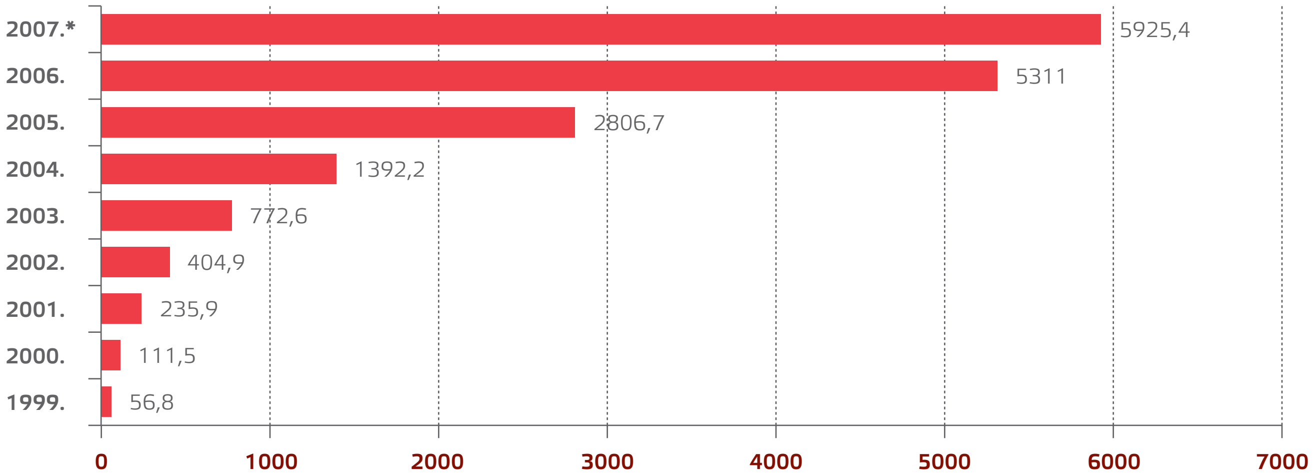
Please address your proposals, comments or queries to Survey Division of SIA *Arco Real Estate* at:

Lāčplēša street 20a, Riga
Phone 67365556; fax 67365557
E-mail: vertetaji@arcoreal.lv
Māris Laukalējs, Head of Survey Department
E-mail: maris@arcoreal.lv
Linda Vanaga, Market Analyst of Survey Department
E-mail: linda.vanaga@arcoreal.lv

RIGIBOR 3 and 6 month rates, years 1997. – 2007.

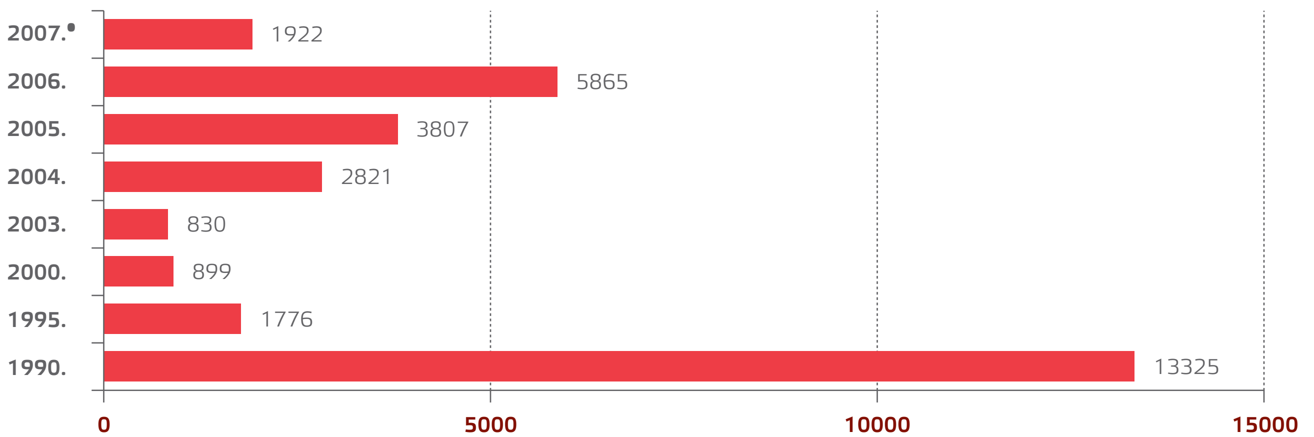


Mortgage loans granted by Latvian commercial banks (in million LVL)



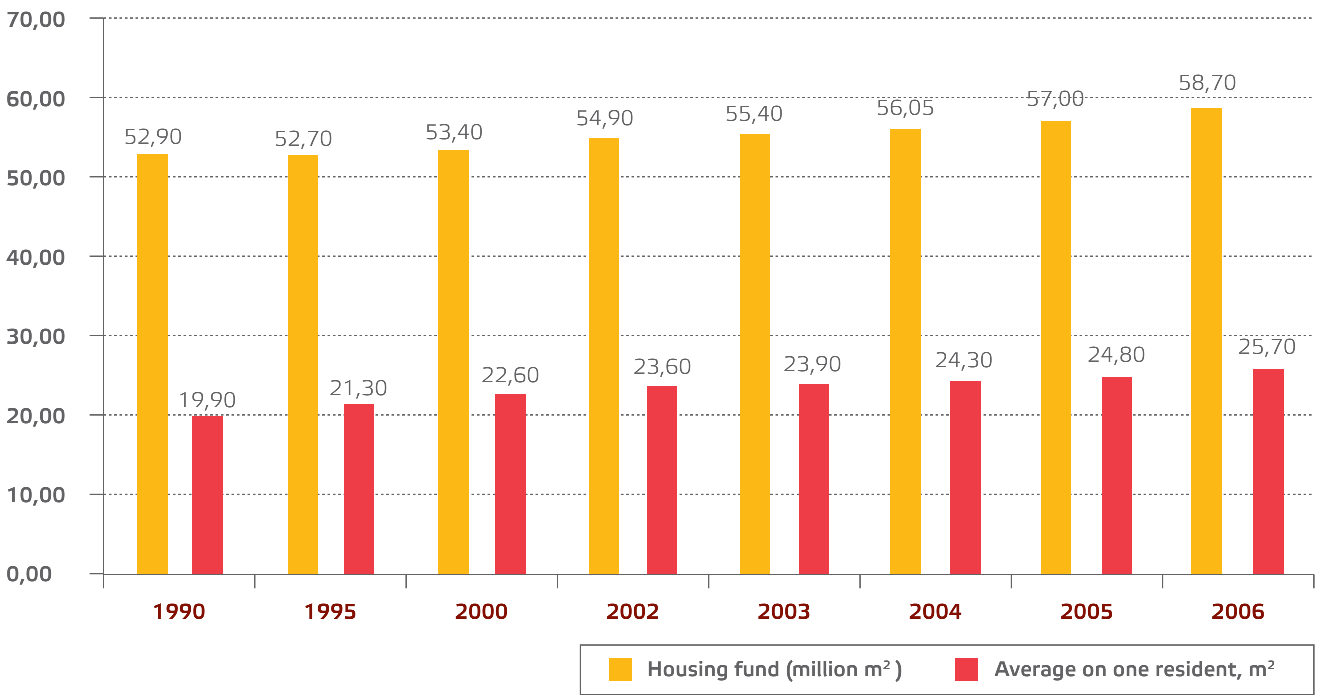
* 1st april, 2007

Number of apartments built (commissioned) in Latvia

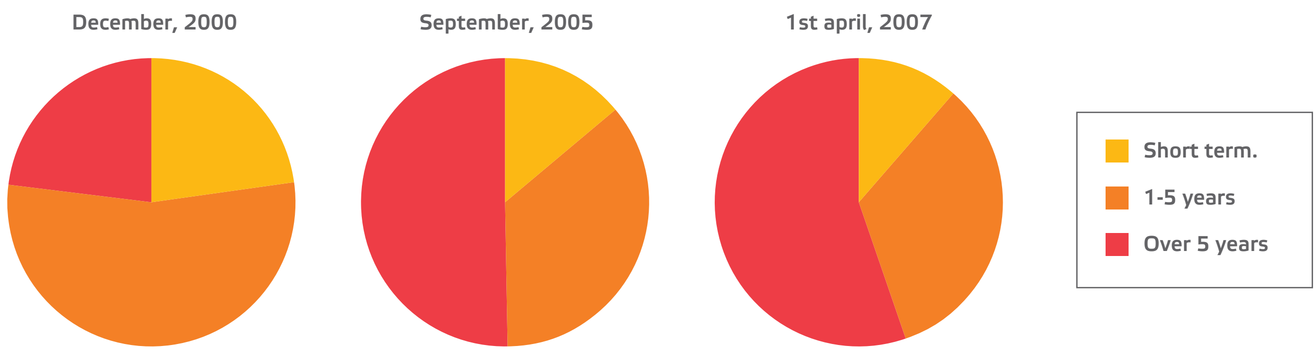


• 1st quarter 2007

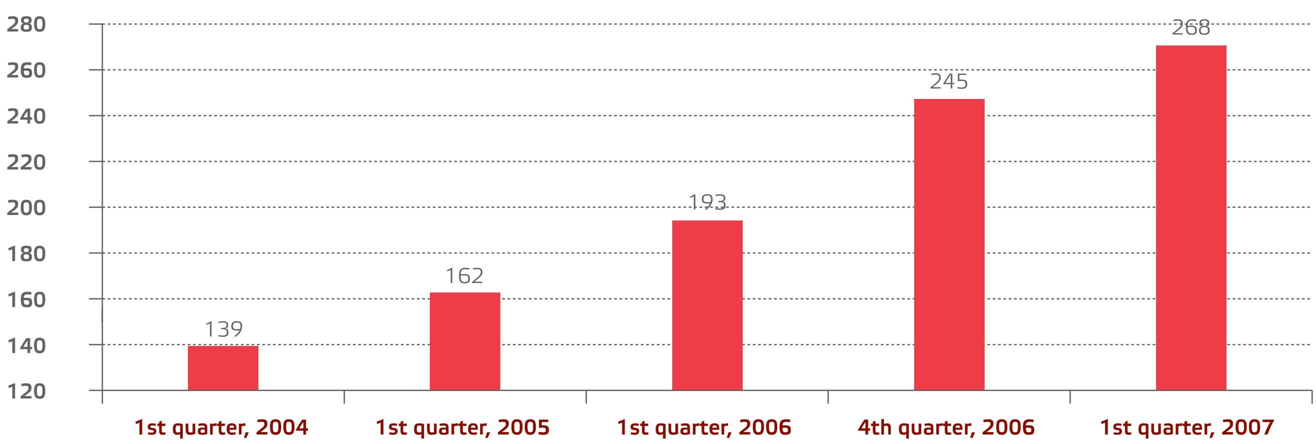
Available housing in the end of the year (total area in million m²)



Breakdown of credits granted to domestic companies and private persons by term of repayment (%)



Monthly average official work remuneration of an employed person (net, at the end of the quarter)



Apartment business

Apartment prices experienced relatively rapid increase during the first half of 2007 (till middle April) while from April to June there was relatively still more rapid decrease in demand. The average decrease of the average supply prices in May/June ranged from 5 to 8%. Notwithstanding the minor decrease of price level during May/June, it has still been capable of ensuring the following total increase of apartment prices during the half-year (starting from January:

- insignificant increase of prices in the center of Riga and the Old Rigs;
- increase of prices for seriated apartments in Riga by 10–15%;
- increase of prices outside Riga (regional cities) by up to 25% (in certain locations).

The following amendments to laws adopted by the LR Saeima have made the most significant impact on the real estate market from April to June 2007:

- increase of Land Register fee and mortgage registration fee;
- amendments to the Law on Resident Income Tax;
- amendments to the Law on Protection of the Rights of Consumers;
- discussion of rapid increase of cadastral value for the purpose of real estate tax;

Assessment of the disposition of market players leads to conclusion that psychological aspects, in particular temporary uncertainty of market development options play the key role. Coincidence of decreased activity and the forecasted period of stabilization of real estate prices is also relevant. In the first half of 2007, the aggregate changes in average level of apartment prices are outpacing the decrease of monetary value due to inflation to minor extent.

The prices for apartments in Riga and the largest townships in Riga Region have experiences the average increase by 10–15%. The number of transactions has decreased in the first half of 2007 (compared to the first half of 2006), in particular during April – June, though even the handling of ownership matters and executing of pre-agreed transactions is typically taking place during these months, due to enactment of amendments to the Law *On Resident Income Tax* on 12 June 2007. Credit institutions have reduced the volume of credit-granting during the first half of the year, in particular the credit institutions attracting their capital from Western Europe, while the commercial banks working with the local of Russian capital have increased their relevant activities.

A number of new housing units have been offered at the market in late 2006/early 2007, and the total housing fund of the State has been therefore increased by 1.7 mil. m^2 – i. e., residential space has been increased by 0.9 m^2 per resident (however, the dramatically negative demographic situation is relevant to this calculation). Taking into consideration the volume of pending construction, similar increase should be expected in the first half of 2007 as well. Should the high demand for new dwellings persist, increased supply of secondary dwellings with poor quality may be expected and it will have corresponding effect on selling price.

In general, the average growth of prices by months during the first half of 2007 ranges from 3–5% from January to April and stabilization of price level with minor inclination from April to June up to 5%, mostly due to the fact that the sellers have been setting prices in the previous years with regard of the expected increase of price level.

The number of offers has also experienced changes in the first half of 2007, in particular in Riga and Riga Region. About 6000 apartments have been offered in the end of previous year in Riga, mainly due to the increased number of apartments in the new projects, while in the end of June 2007 this figure reached about 9000, where seriated apartments formed major part of the increased supply. The total supply of seriated apartments in Riga during the first half of 2007 makes about 5500, compared to 3500 apartments in the end of 2006.

Price equalization by housing estates has been taking place during the previous reporting periods, while in 2007 there can be observed differentiation of prices between housing estates where the difference in price levels remains stable or trends to increase, in particular in case of the „cheap" housing estates such as Bolderāja, Vecmīlgrāvis, compared to the overall housing market of Riga.

The pace of changes in price level outside Riga has been more rapid than in the capital, in particular in the case of largest cities and region centers close to Riga, such as Ogre and Jelgava. The average increase of housing prices there has been 20-25% in the end of the first half of 2007, compared to the beginning of the period. Decreased activity can be also observed outside Riga region, however, therefore certain sellers have reduced their price offers.

During the first half of 2007, the highest price level for seriated apartments has been observed in the most expensive part of Jūrmala – in Dubulti and Bulduri, though the growth of price level in this area has stopped from 2006 already. This is due to the large number of new housing projects. Quite rapid increase of prices for seriated housing units has been observed in the first half of 2007 in Kauguri, where the price for small apartments has increased by up to 25%.

The average prices for seriated apartments in Riga have reached about 1620 EUR/m^2 in the end of period with the following price range:

- one-room apartments – 1840 EUR/m^2;
- two-room apartments – 1650 EUR/m^2;
- three-room apartments – 1530 EUR/m^2;
- four-room apartments – 1450 EUR/m^2.

The offer of non-renovated seriated apartments is decreasing, while the net weight of completely renovated apartments is increasing, in particular in the areas with higher price level (Zolitūde, Teika, Purvciems, Pļavnieki), as well as supply of fully furnished apartments.

The decreased market activity may be expected to lead to increased role of maintenance activities, in particular in the case of purchase of seriated apartments, and the quality of housing management is likely to have direct impact on the housing prices.

Some kind of perplexity can be observed at the market in the end of reporting period of 2007 in Riga following the rapid increase of prices for seriated apartments, where the sellers set prices of their offers based on increasingly biased considerations, therefore the difference in price offers among equivalent estate units is rapidly increasing.

Low-storied wooden buildings

Increase of the prices for apartments in wooden buildings can be observed during the first half of 2007 (January – April), in particular given the fact that apartments of this category belong to the cheapest offers. The overall average increase of price level during the first half of the year has been ranging from 5–20%, where increase has been most rapid in case of the cheapest housing segment available in Riga.

Price categories in the end of first half of 2007 depending on location in Riga:

- **Center of Riga – wooden in-yard buildings – 1300–1900 EUR/m^2.**
- **Central part of Riga (Grīziņkalns, Čiekurkalns) – 1100–1700 EUR/m^2.**
- **Wooden buildings in Pārdaugava (Āgenskalns, Torņakalns) – 1000–1750 EUR/m^2.**
- **Wooden buildings in Sarkandaugava, Bolderāja, Iļģuciems – 900–1400 EUR/m^2.**
- **Apartments in Latgale District – 700–1300 EUR/m^2.**

Apartments in the center of Riga

Apartment prices in the peripheral center of Riga have continued to grow during the first half of 2007, while from April to June the price level has stabilized at the level of 1800–2300 EUR/m^2 in peripheral center; 2100–2600 EUR/m^2 for renovated apartments, respectively.

Individually offered apartment prices in the center of Riga (outside the Old Riga) hardly ever exceed 6000 EUR/m^2, and the average selling prices for apartments do not exceed 3700 EUR/m^2. Selling prices for apartments in the Quiet Center have not changed during the reporting period remaining within the range of 3300–4000 EUR/m^2.

The price level in the Old Riga has not experienced any significant changes during the reporting period. Though even certain dwellings are offered at the price exceeding 6000 EUR/m^2, in general transactions involve the apartments within the price level range of 3500–4000 EUR/m^2. Individual apartments with unsuccessful layout, mansard apartments or apartments with very low ceiling are sold for the price from 2500 EUR/m^2 above.

A rapid increase of supply volume has been observed during the reporting period in the segment of expensive apartments in the Center of Riga where individual offers have exceeded the level of EUR 1 500 000, though the demand for such apartments is still small, and there is demand for apartments for price up to 500 thousand euros.

Small renovated flats are offered in the Center block between Brīvības–Dzirnavu–Barona–Bruņinieku streets for 2800–3800 EUR/m^2, and larger fully renovated apartments – for price up to 3500 EUR/m^2.

Supply/demand in the part of center between Valdemāra–Kalpaka boulevards–Elizabetes–Eksporta–Hanzas–Dzirnavu streets is quite stable, with demand exceeding supply in case of the apartments with space up to 70 m^2. At the end of reporting period the price level for renovated flats ranges from 3500–4700 EUR/m^2, large apartments (over 100 m^2), non-renovated flats are sold for the price from 2700 EUR/m^2 and above.

The Old Riga

No major price inclination has been observed in the Old Riga – housing prices in the Old Riga are stable from 2006. The apartments in the Old Riga are no more involved in speculative transactions from the end of 2005 already because the formation of demand for such housing differs from the general market where housing purchases are made for residence purposes. The stable price level in this category may also be explained by the relatively high price level, and further growth in price level may only occur if the rent is sharply increased.

For renovated apartments
prices range within – **4200–5000 EUR/m².**
For non-renovated apartments
– 3500–4500 EUR/m².

The Boulevard circle

(Aspazijas, Raiņa etc., Elizabetes (Auseķļa–Rūpniecības–Vidus street)s, Antonijas and Alberta streets)

There has been rather high demand for apartments with space up to 100 m². The demand for apartments with space over 120 m² has notably increased in the first half of 2007. In case of small and very small apartments (up to 50 m²), where demand is mainly based on the the same categories of buyers as in the Old Riga, the demand has also been exceeding supply during the reporting period, however this is the mainly case regarding the apartments with price not exceeding 4500 EUR/m². There is also high demand for apartments with good location (facade buildings, buildings with lifts, etc.) In case of apartments with larger space, parking facilities play an essential role.

Prices for apartments in **restored buildings**:
with grey finish – 3600–4300 EUR/m²;
with white finish – 3800–4900 EUR/m².

The amounts of individual transactions and offers have reached 7000 EUR/m².

Prices in non-restored buildings are lower by 20% in average.

Valdemāra–Dzirnavu–Brīvības–Bruņinieku streets

Supply/demand for this housing category remains stable, however changes related to this category of apartments can be observed depending on the changes in credit policy of banks. In particular this is the case of potential buyers with inofficial income who are looking for apartments with space up to 100 m².

Renovated apartments – 2900–3700 EUR/m².
Non-renovated apartments – 2500–3300 EUR/m².

Barona–Dzirnavu–Brīvības–Bruņinieku streets

The apartments located in this part of center have an essential negative factor: high traffic intensity. The demand is stable, in particular for small apartments available in limited number. No essential changes have occurred in terms of transaction price for this category of housing during th reporting period (the price level has increased by about 5% from beginning of the year).

Renovated apartments– 2600–3800 EUR/m².
Non-renovated apartments – 2200–3100 EUR/m².

Certain areas in Pārdaugava (Kuģu street, Balasta dambis, area adjacent to *Radisson SAS*)
Apartments in new buildings – up to 6000 EUR/m².
Non-renovated apartments – 2400–2900 EUR/m².

Other apartments in the center

The price for this category of housing depends directly on the quality of house management. Should the rapid growth of price level for apartments in center stop, increased differentiation of the price level can be expected corresponding to technical condition of the building and house management quality. At the end of reporting period, the average prices for this category of apartments have hardly exceeded the highest prices for seriated apartments in the most expensive housing estates of Riga.

Renovated apartments – 2000–2700 EUR/m².
Non-renovated apartments – 1600–2200 EUR/m².

New residential houses

Whilst the demand for seriated apartments in Riga has decreased in the first half of 2007 as well as activities on real estate market, there has been no proportional decrease in demand for apartments in new multi-residential houses since April. It may be explained by the persistent deficit of qualitative housing, and changes in credit policy of credit institutions affect most directly the segment of new housing due to the fact that co-funding of credit institutions has already been raised during the construction of new housing.

The average increase of prices for new housing in the first half of 2007 in Riga and adjacent areas has ranged from 5–20%, from the smallest increase in case of apartments in center of the city to the most rapid growth in new housing units in the housing estates of Riga with good location (in terms of developed infrastructure and accessibility).

During the reporting period there has been increased information inflow to the market about large new housing projects within the territory of Riga, to mentioned among the largest projects such as Mežaparka block in the area of Rusova street, *Bišumuiža* in the area of Komētas street where the planned number of apartments exceeds 1000 units. Implementation of such projects is taking place by stages, rather than full completion, therefore gradual impact of such projects on the overall housing market can be expected.

In general, over 4000 new dwelling have been put into exploitation in Latvia during the first half of 2007, leading to corresponding increase of net weight of both the primary and secondary housing supply: it has increased from about 15% in the previous year to about 20% in the end of reporting period, without including the developers' proposals to purchase housing in *virtual stage*. The total number of new housing units put into exploitation has increased by over 40% comparer to the same period of previous year.

The largest new housing projects (over 100 apartments) made available to real estate market during the reporting period include Spilves iela 23, Jūrmalas gatve 100, *Zelta rasa II, Brūkleņparks* , etc.

Price level for the new housing units at the end of reporting period:

- **with white finish** (without decoration) 1500–3500 EUR/m^2 (average 2050 EUR/m^2);
- **full finish** (plumbing facilities installed) 1800–3700 EUR/m^2 (average 2300 EUR/m^2);
- **apartments in exclusive projects** (the Old Riga, historical center of Riga). The price mainly comprises the location, project infrastructure and architectonic solutions, as well as the stage of finish to lesser extent. Price range – 3200–6000 EUR/m^2.

The growing supply of new housing would escalate competition between the existing housing (including seriated apartments) and the new housing units, in particular if the price level percentage remains on the present level: in average, a new dwelling costs by 20–30% more than a secondary dwelling at the same location. The above proportion is going to change with the time, eventually also due to increased construction costs.

Apartment market in suburbs of Riga

The most active regions offering secondary housing include Salaspils, Mārupe, Ādaži, Ķekava, Baloži (locations with the highest concentration of population). The difference in price levels in the suburbs of Riga compared to seriated housing in the city of Riga are anging at the end of reporting period between 20 and 35%, and therefore the average selling prices for housing units in Soviet prewar houses at the end of reporting period have ranged from 950 to 1350 EUR/m^2 (depending on the availability of infrastructure and distance to Riga).

New housing market in suburbs of Riga

The main locations for development of new housing projects in the suburbs of Riga include the parish territories bordering in the city of Riga – Ādaži, Baloži, Garkalne, Salaspils. The prices for housing units with full finish in these locations are mostly analogous to the prices for seriated apartments in Riga ranging from 1450 to 2200 EUR/m^2.

Activities related to development of new housing projects in the regions of Latvia is increasing in line with the increased supply in new housing segment in Riga: the level of sales prices for apartments in the regions of Latvia ranges from 600 to 2000 EUR/m^2. The level of new apartments outside Riga fluctuates in proportion to the distance from Riga trending to increase in region centers and the largest cities, however location in a region center or inside city not always ensures quick sale of the project.

At the end of 1st half of 2007 the housing prices in the new multi-storied houses in suburbs of Riga (other than the city of Jūrmala) in certain categories has reached the following level:

- **with white finish** (without decoration) 1200–1800 EUR/m^2 (average1450 EUR m/^{2});
- **with full finish** (plumbing facilities installed) 1450–2200 EUR/m^2 (average 1700 EUR/m^2)

Summary of apartment market in Riga

Rapid increase of price level could be observed until April when the amount of price increase was comparable to the overall growth of price level for housing by 3-5% every month. From April, the price growth has stopped, and some minor decrease of prices can be eventually observed.

The net weight of supply/demand of transactions involving apartments in new buildings has also increased in terms of both projects and number of apartments. The net weight of new housing units in the total housing market has reached about 20%.

Apartment prices in the end of the first six months of 2007 in certain most important areas

Location	Price
The Old Riga	
Renovated apartments	*4200–5000 EUR/m^2*
Non-renovated apartments	*3500–4500 EUR/m^2*
The Boulevard Circle (restored buildings)	
With finish	*3800–4900 EUR/m^2*
Prepared to finish	*3600–4300 EUR/m^2*
Prices in non-restored buildings in average by 20% lower	
Valdemāra–Dzirnavu–Brīvības–Bruņinieku streets	
Renovated apartments	*2900–3700 EUR/m^2*
Non-renovated apartments	*2500–3300 EUR/m^2*
Barona–Dzirnavu–Brīvības–Bruņinieku streets	
Renovated apartments	*2600–3800 EUR/m^2*
Non-renovated apartments	*2200–3100 EUR/m^2*
Locations in Pārdaugava (Kuģu iela, Balasta dambis, area adjacent to Radisson)	
Prices for apartments in new buildings	*līdz 6000 EUR/m^2*
Non-renovated apartments	*2400–2900 EUR/m^2*
Other part of Center of Riga	
With finish	*2000–2700 EUR/m^2*
Without finish	*1600–2200 EUR/m^2*
New apartment buildings	
With finish	*1800–3700 EUR/m^2*
Without finish	*1500–3500 EUR/m^2*
Buildings in exclusive locations	*līdz 6000 EUR/m^2*
Seriated apartments	1400–2000 EUR/m^2
Wooden buildings in the Center	1300–1900 EUR/m^2
Wooden buildings	700–1700 EUR/m^2

Standard-type apartment prices in the housing estates of Riga and in the vicinity of the city
(as per July 1, 2007; prices given in EUR)

Jugla	103 serie	Specproj.	602 serie	119 serie	467 serie	Lithuanian	„Hrushev"	small family	average
1-room	**60 000**	**59 000**				**58 000**	**57 000**	**52 000**	**57 000**
December, 2006	*52 000*	*51 000*				*50 000*	*49 000*	*44 000*	*49 000*
2-room	**78 000**	**80 000**				**75 000**	**73 000**		**76 500**
December, 2006	*69 000*	*71 000*				*67 000*	*65 000*		*68 000*
3-room	**98 000**	**101 000**				**90 000**	**87 000**		**94 000**
December, 2006	*89 000*	*91 000*				*81 000*	*79 000*		*85 000*
4-room									
December, 2006									

Pļavnieki	103 serie	104 serie	602 serie	119 serie	467 serie	Lithuanian	„Hrushev"	small family	average
1-room	**64 000**	**73 000**	**62 000**	**78 000**	**62 000**	**60 000**		**59 000**	**65 500**
December, 2006	*56 000*	*63 000*	*55 000*	*68 000*	*55 000*	*54 000*		*53 000*	*58 000*
2-room	**90 000**	**96 000**	**86 000**	**99 000**	**86 000**	**80 000**			**90 000**
December, 2006	*82 000*	*86 000*	*77 000*	*88 000*	*77 000*	*73 000*			*80 000*
3-room	**105 000**	**107 000**	**98 000**	**109 000**	**98 000**	**92 000**			**101 500**
December, 2006	*94 000*	*96 000*	*88 000*	*98 000*	*88 000*	*84 000*			*91 000*
4-room			**112 000**	**120 000**	**114 000**				**115 000**
December, 2006			*101 000*	*108 000*	*102 000*				*104 000*

Purvciems	103 serie	104 serie	602 serie	119 serie	467 serie	Lithuanian	„Hrushev"	small family	average
1-room	**65 000**	**75 000**	**63 000**	**79 000**	**63 000**	**61 000**	**61 000**	**60 000**	**66 000**
December, 2006	*57 000*	*65 000*	*56 000*	*69 000*	*56 000*	*55 000*	*54 000*	*51 000*	*58 000*
2-room	**92 000**	**98 000**	**88 000**	**101 000**	**87 000**	**81 000**	**80 000**		**90 000**
December, 2006	*84 000*	*88 000*	*80 000*	*91 000*	*81 000*	*74 000*	*73 000*		*81 500*
3-room	**107 000**	**110 000**	**100 000**	**114 000**	**101 000**	**94 000**	**91 000**		**102 500**
December, 2006	*96 000*	*100 000*	*91 000*	*104 000*	*92 000*	*85 000*	*83 000*		*93 000*
4-room			**116 000**	**123 000**	**117 000**				**119 000**
December, 2006			*103 000*	*110 000*	*104 000*				*104 000*

Mežciems	103 serie	104 serie	602 serie	119 serie	467 serie	Lithuanian	„Hrushev"	small family	average
1-room		**73 000**	**61 000**			**59 000**			**65 000**
December, 2006		*64 000*	*55 000*			*53 000*			*57 000*
2-room		**95 000**	**84 000**			**80 000**			**86 000**
December, 2006		*86 000*	*77 000*			*73 000*			*78 000*
3-room		**106 000**	**98 000**			**92 000**			**98 000**
December, 2006		*99 000*	*89 000*			*83 000*			*90 000*
4-room			**113 000**						**113 000**
December, 2006			*101 000*						*101 000*

Standard-type apartment prices in the housing estates of Riga and in the vicinity of the city
(as per July 1, 2007; prices given in EUR)

Teika	103 serie	104 serie	Specproj.	Staļina	467 serie	Lithuanian	„Hrushev"	small family	average
1-room	**68 000**		**72 000**	**74 000**			**63 000**		**69 000**
December, 2006	*59 000*		*62 000*	*63 000*			*56 000*		*60 000*
2-room	**95 000**		**96 000**	**99 000**			**85 000**		**94 000**
December, 2006	*86 000*		*87 000*	*88 000*			*77 000*		*84 000*
3-room	**108 000**		**106 000**	**128 000**			**94 000**		**109 000**
December, 2006	*98 000*		*93 000*	*116 000*			*84 000*		*98 000*
4-room									
December, 2006									

Vecmīlgrāvis	103 serie	104 serie	602 serie	Staļina	467 serie	Lithuanian	„Hrushev"	small family	average
1-room	**59 000**		**58 000**	**60 000**	**57 000**	**52 000**	**51 000**	**50 000**	**55 000**
December, 2006	*50 000*		*49 000*	*51 000*	*49 000*	*47 000*	*46 000*	*45 000*	*48 000*
2-room	**78 000**		**75 000**	**78 000**	**76 000**	**72 000**	**68 000**		**74 500**
December, 2006	*67 000*		*66 000*	*67 000*	*67 000*	*63 000*	*61 000*		*68 500*
3-room	**93 000**		**90 000**	**94 000**	**90 000**	**86 000**	**84 000**		**89 500**
December, 2006	*81 000*		*78 000*	*82 000*	*78 000*	*76 000*	*75 000*		*78 000*
4-room			**99 000**		**100 000**				**99 500**
December, 2006			*85 000*		*86 000*				*85 500*

Ķengarags	103 serie	104 serie	602 serie	Specproj.	467 serie	Lithuanian	„Hrushev"	small family	average
1-room			**60 000**		**60 000**	**57 000**	**56 000**	**58 000**	**58 000**
December, 2006			*52 000*		*52 000*	*49 000*	*48 000*	*50 000*	*50 000*
2-room			**78 000**		**77 000**	**73 000**	**73 000**		**75 000**
December, 2006			*69 000*		*68 000*	*62 000*	*62 000*		*65 000*
3-room			**90 000**		**91 000**	**87 000**	**86 000**		**89 000**
December, 2006			*82 000*		*81 000*	*76 000*	*75 000*		*78 500*
4-room			**99 000**		**98 000**				**98 500**
December, 2006			*85 000*		*86 000*				*85 500*

Bolderāja	103 serie	104 serie	602 serie	Specproj.	467 serie	Lithuanian	„Hrushev"	small family	average
1-room	**55 000**			**56 000**		**50 000**	**49 000**	**50 000**	**52 000**
December, 2006	*49 000*			*50 000*		*46 000*	*45 000*	*45 000*	*47 000*
2-room	**73 000**			**76 000**		**68 000**	**65 000**		**70 000**
December, 2006	*65 000*			*66 000*		*60 000*	*59 000*		*62 000*
3-room	**89 000**			**89 000**		**84 000**	**83 000**		**86 000**
December, 2006	*78 000*			*79 000*		*72 000*	*70 000*		*74 500*
4-room									
December, 2006									

Standard-type apartment prices in the housing estates of Riga and in the vicinity of the city
(as per July 1, 2007; prices given in EUR)

Ziepniekkalns	**103 serie**	**104 serie**	**602 serie**	**119 serie**	**467 serie**	**Lithuanian**	**„Hrushev"**	**small family**	**average**
1-room	**63 000**	**73 000**	**61 000**	**75 000**		**56 000**	**57 000**	**58 000**	**63 000**
December, 2006	*55 000*	*63 000*	*54 000*	*66 000*		*50 000*	*49 000*	*50 000*	*55 000*
2-room	**83 000**	**87 000**	**82 000**	**91 000**		**72 000**	**70 000**		**81 000**
December, 2006	*75 000*	*76 000*	*73 000*	*81 000*		*66 000*	*64 000*		*72 000*
3-room	**96 000**	**101 000**	**96 000**	**104 000**		**89 000**	**88 000**		**96 000**
December, 2006	*86 000*	*88 000*	*85 000*	*96 000*		*80 000*	*78 000*		*85 000*
4-room			**107 000**	**113 000**					**110 000**
December, 2006			*96 000*	*102 000*					*98 000*

Imanta	**103 serie**	**104 serie**	**602 serie**	**119 serie**	**467 serie**	**Lithuanian**	**„Hrushev"**	**small family**	**average**
1-room	**63 000**	**72 000**	**61 000**		**61 000**	**56 000**	**55 000**	**57 000**	**60 500**
December, 2006	*55 000*	*63 000*	*55 000*		*55 000*	*53 000*	*48 000*	*49 000*	*54 000*
2-room	**84 000**	**89 000**	**83 000**		**83 000**	**74 000**	**72 000**		**81 000**
December, 2006	*76 000*	*77 000*	*74 000*		*74 000*	*67 000*	*65 000*		*72 000*
3-room	**98 000**	**103 000**	**95 000**		**96 000**	**90 000**	**88 000**		**95 000**
December, 2006	*87 000*	*90 000*	*85 000*		*85 000*	*81 000*	*78 000*		*84 000*
4-room			**106 000**		**105 000**				**105 500**
December, 2006			*96 000*		*97 000*				*96 000*

Zolitūde	**103 serie**	**104 serie**	**602 serie**	**119 serie**	**467 serie**	**Lithuanian**	**„Hrushev"**	**small family**	**average**
1-room		**74 000**		**72 000**					**73 000**
December, 2006		*65 000*		*64 000*					*64 000*
2-room		**93 000**		**92 000**					**92 500**
December, 2006		*81 000*		*80 000*					*80 000*
3-room		**106 000**		**106 000**					**106 000**
December, 2006		*98 000*		*97 000*					*97 000*
4-room				**120 000**					**120 000**
December, 2006				*109 000*					*109 000*

Āgenskalns	**103 serie**	**104 serie**	**602 serie**	**119 serie**	**467 serie**	**Lithuanian**	**„Hrushev"**	**small family**	**average**
1-room	**64 000**				**62 000**	**57 000**	**55 000**	**59 000**	**60 000**
December, 2006	*55 000*				*54 000*	*52 000*	*51 000*	*51 000*	*52 500*
2-room	**81 000**				**80 000**	**75 000**	**73 000**		**77 000**
December, 2006	*71 000*				*70 000*	*64 000*	*63 000*		*67 000*
3-room	**96 000**				**92 000**	**87 000**	**86 000**		**90 000**
December, 2006	*86 000*				*82 000*	*74 000*	*75 000*		*79 000*
4-room									
December, 2006									

Standard-type apartment prices in the housing estates of Riga and in the vicinity of the city
(as per July 1, 2007; prices given in EUR)

Iļģuciems	103 serie	104 serie	602 serie	Specproj.	467 serie	Lithuanian	„Hrushev"	small family	average
1-room	**61 000**			**63 000**	**60 000**	**55 000**	**55 000**	**54 000**	**58 000**
December, 2006	*51 000*			*53 000*	*52 000*	*50 000*	*49 000*	*47 000*	*50 000*
2-room	**76 000**			**84 000**	**75 000**	**70 000**	**70 000**		**75 000**
December, 2006	*65 000*			*75 000*	*68 000*	*63 000*	*63 000*		*67 000*
3-room	**92 000**			**97 000**	**90 000**	**85 000**	**84 000**		**90 000**
December, 2006	*81 000*			*88 000*	*80 000*	*74 000*	*73 000*		*79 000*
4-room					**101 000**				**101 000**
December, 2006					*94 000*				*94 000*

Ogre	103 serie	104 serie	602 serie	119 serie	467 serie	Lithuanian	„Hrushev"	small family	average
1-room	**54 000**		**52 000**				**49 000**		**52 000**
December, 2006	*44 000*		*43 000*				*40 000*		*42 000*
2-room	**70 000**		**66 000**				**62 000**		**66 000**
December, 2006	*58 000*		*57 000*				*54 000*		*56 000*
3-room	**80 000**		**77 000**				**74 000**		**77 000**
December, 2006	*68 000*		*66 000*				*64 000*		*66 000*
4-room			**85 000**						**85 000**
December, 2006			*71 000*						*71 000*

Jūrmala Kauguri	103 serie	104 serie	602 serie	119 serie	467 serie	Lithuanian	„Hrushev"	small family	average
1-room	**57 000**		**56 000**		**57 000**		**52 500**	**54 000**	**55 000**
December, 2006	*45 000*		*45 000*		*45 000*		*43 000*	*41 000*	*44 000*
2-room	**74 000**		**73 000**		**73 000**		**65 000**		**71 000**
December, 2006	*65 000*		*63 000*		*62 000*		*59 000*		*62 000*
3-room	**88 000**		**80 000**		**79 000**		**75 000**		**80 500**
December, 2006	*75 000*		*72 000*		*71 000*		*68 000*		*71 000*
4-room	**98 000**		**94 000**		**93 000**				**95 000**
December, 2006	*86 000*		*81 000*		*80 000*				*82 000*

Salaspils	103 serie	104 serie	602 serie	119 serie	467 serie	Lithuanian	„Hrushev"	small family	average
1-room	**54 000**		**53 000**		**53 500**	**52 000**	**51 000**	**50 000**	**52 000**
December, 2006	*44 000*		*44 500*		*44 000*	*43 000*	*42 000*	*43 000*	*43 500*
2-room	**72 000**		**69 000**		**69 000**	**62 000**	**61 000**		**66 500**
December, 2006	*59 000*		*58 000*		*58 000*	*54 000*	*53 000*		*56 500*
3-room	**82 000**		**80 000**		**80 000**	**78 000**			**80 000**
December, 2006	*67 000*		*66 000*		*63 000*	*62 000*			*64 500*
4-room									
December, 2006									

Standard-type apartment prices in the housing estates of Riga and in the vicinity of the city
(as per July 1, 2007; prices given in EUR)

Jelgava	103 serie	104 serie	602 serie	119 serie	467 serie	Lithuanian	„Hrushev"	small family	average
1-room	**44 000**		**43 000**		**43 000**		**41 000**	**42 000**	**43 000**
December, 2006	*35 000*		*34 000*		*33 000*		*32 000*	*33 000*	*33 500*
2-room	**61 000**		**60 000**		**59 000**		**56 000**		**59 000**
December, 2006	*49 000*		*48 000*		*48 000*		*47 000*		*48 000*
3-room	**70 000**		**67 000**		**67 000**		**61 000**		**66 000**
December, 2006	*55 000*		*54 000*		*54 000*		*53 000*		*54 000*
4-room			**78 000**						**78 000**
December, 2006			*62 000*						*62 000*

Standard-type apartment prices in the housing estates of Riga and in the vicinity of the city
(as per July 1, 2007; prices given in EUR)

District/serie	103 serie				104 serie		
	1-room	*2-room*	*3-room*	*4-room*	*1 room*	*2-room*	*3-room*
Jugla	60 000	78 000	98 000				
Pļavnieki	65 000	92 000	107 000		75 000	98 000	110 000
Purvciems	65 000	92 000	107 000		75 000	98 000	110 000
Mežciems					73 000	95 000	106 000
Teika	68 000	95 000	108 000				
Vecmīlgrāvis	59 000	78 000	93 000				
Ķengarags							
Bolderāja	55 000	73 000	89 000				
Ziepniekkalns	63 000	83 000	96 000		73 000	87 000	101 000
Imanta	63 000	84 000	98 000		72 000	89 000	103 000
Zolitūde					74 000	93 000	106 000
Āgenskalns	64 000	81 000	96 000				
Iļģuciems	61 000	76 000	92 000				
Ogre	54 000	70 000	80 000				
Jūrmala Kauguri	57 000	74 000	88 000	98 000			
Salaspils	54 000	72 000	82 000				
Jelgava	44 000	61 000	70 000				

Summarizing table of standard-type apartments
(as per July 1, 2007; prices given in EUR)

District/serie	602 serie				119 serie			
	1-room	*2-room*	*3-room*	*4-room*	*1-room*	*2-room*	*3-room*	*4-room*
Jugla								
Pļavnieki	63 000	88 000	100 000	116 000	79 000	101 000	114 000	123 000
Purvciems	63 000	88 000	100 000	116 000	79 000	101 000	114 000	123 000
Mežciems	61 000	84 000	98 000	113 000				
Teika								
Vecmīlgrāvis	58 000	75 000	90 000	99 000				
Ķengarags	60 000	78 000	90 000	99 000				
Bolderāja								
Ziepniekkalns	61 000	82 000	96 000	107 000	75 000	91 000	104 000	113 000
Imanta	61 000	83 000	95 000	106 000				
Zolitūde					72 000	92 000	106 000	120 000
Āgenskalns								
Iļģuciems								
Ogre	52 000	66 000	77 000	85 000				
Jūrmala Kauguri	56 000	73 000	80 000	94 000				
Salaspils	53 000	69 000	80 000					
Jelgava	43 000	60 000	67 000	78 000				

Summarizing table of standard-type apartments
(as per July 1, 2007; prices given in EUR)

District/serie	467 serie				Lithuanian project		
	1-room	*2-room*	*3-room*	*4-room*	*1-room*	*2-room*	*3-room*
Jugla					58 000	75 000	90 000
Pļavnieki	63 000	87 000	101 000	117 000	61 000	81 000	94 000
Purvciems	63 000	87 000	101 000	117 000	61 000	81 000	94 000
Mežciems					59 000	80 000	92 000
Teika							
Vecmīlgrāvis	57 000	76 000	90 000	100 000	52 000	72 000	86 000
Ķengarags	60 000	77 000	91 000	98 000	57 000	73 000	87 000
Bolderāja					50 000	68 000	84 000
Ziepniekkalns					56 000	72 000	89 000
Imanta	61 000	83 000	96 000	105 000	56 000	74 000	90 000
Zolitūde							
Āgenskalns	62 000	80 000	92 000		57 000	75 000	87 000
Iļģuciems	60 000	75 000	90 000	101 000	55 000	70 000	85 000
Ogre							
Jūrmala Kauguri	57 000	73 000	79 000	93 000			
Salaspils	53 500	69 000	80 000		52 000	62 000	78 000
Jelgava	43 000	59 000	67 000				

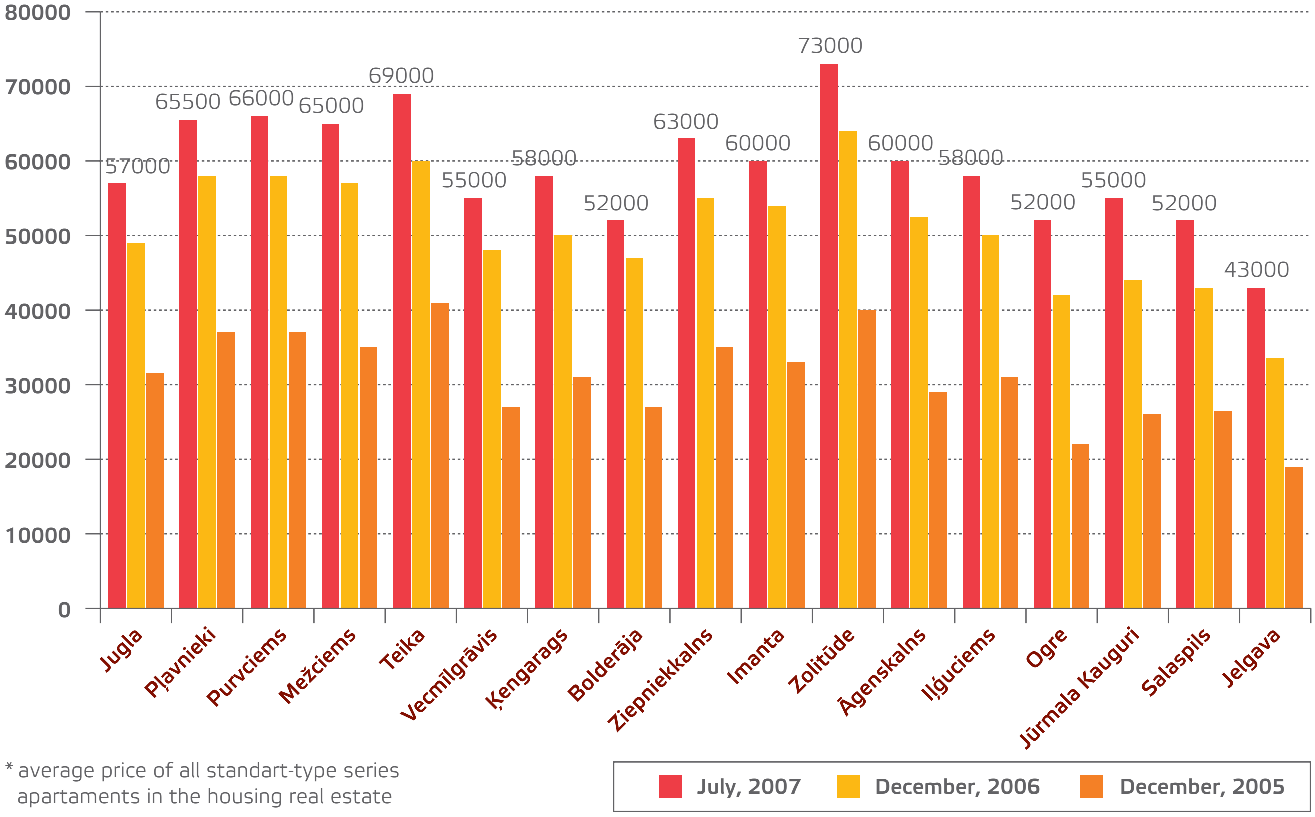
Summarizing table of standard-type apartments
(as per July 1, 2007; prices given in EUR)

District/serie	„Hrushev”			Staļina laika mājas		
	1-room	*2-room*	*3-room*	*1-room*	*2-room*	*3-room*
Jugla	57 000	73 000	87 000			
Pļavnieki	61 000	80 000	91 000			
Purvciems	61 000	80 000	91 000			
Mežciems						
Teika	63 000	85 000	94 000	74 000	99 000	128 000
Vecmīlgrāvis	51 000	68 000	84 000	60 000	78 000	94 000
Ķengarags	56 000	73 000	86 000			
Bolderāja	49 000	65 000	83 000			
Ziepniekkalns	57 000	70 000	88 000			
Imanta	55 000	72 000	88 000			
Zolitūde						
Āgenskalns	55 000	73 000	86 000			
Iļģuciems	55 000	70 000	84 000			
Ogre	49 000	62 000	74 000			
Jūrmala Kauguri	52 500	65 000	75 000			
Salaspils	51 000	61 000				
Jelgava	41 000	56 000	61 000			

Summarizing table of standard-type apartments
(as per July 1, 2007; prices given in EUR)

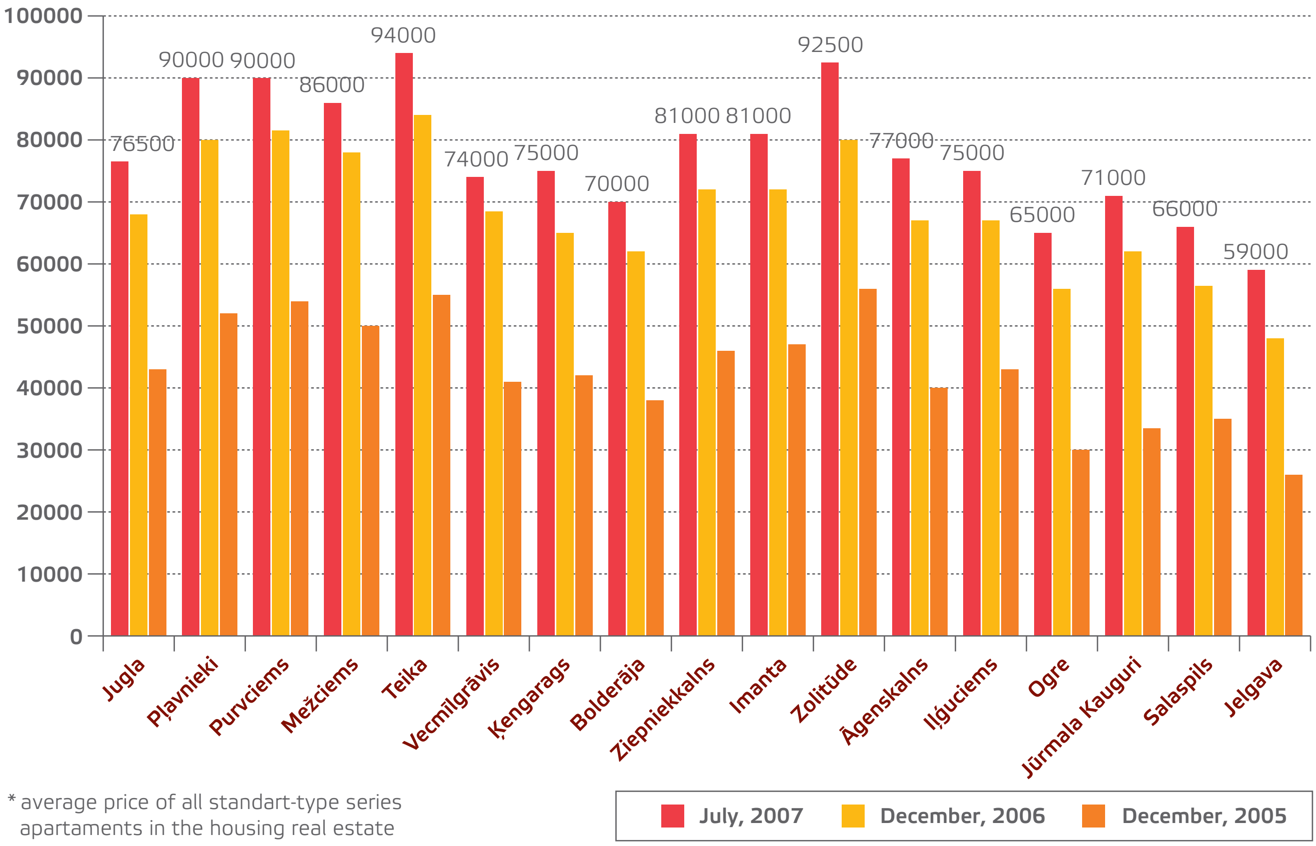
District/serie	Specproject			small family
	1-room	*2-room*	*3-room*	*1-room*
Jugla	59 000	80 000	101 000	52 000
Pļavnieki				60 000
Purvciems				60 000
Mežciems				
Teika	72 000	96 000	106 000	
Vecmīlgrāvis				50 000
Ķengarags				58 000
Bolderāja	56 000	76 000	89 000	50 000
Ziepniekkalns				58 000
Imanta				57 000
Zolitūde				
Āgenskalns				59 000
Iļģuciems	63 000	84 000	97 000	54 000
Ogre				
Jūrmala Kauguri				54 000
Salaspils				50 000
Jelgava				42 000

Average prices of a single-room apartment (in EUR)



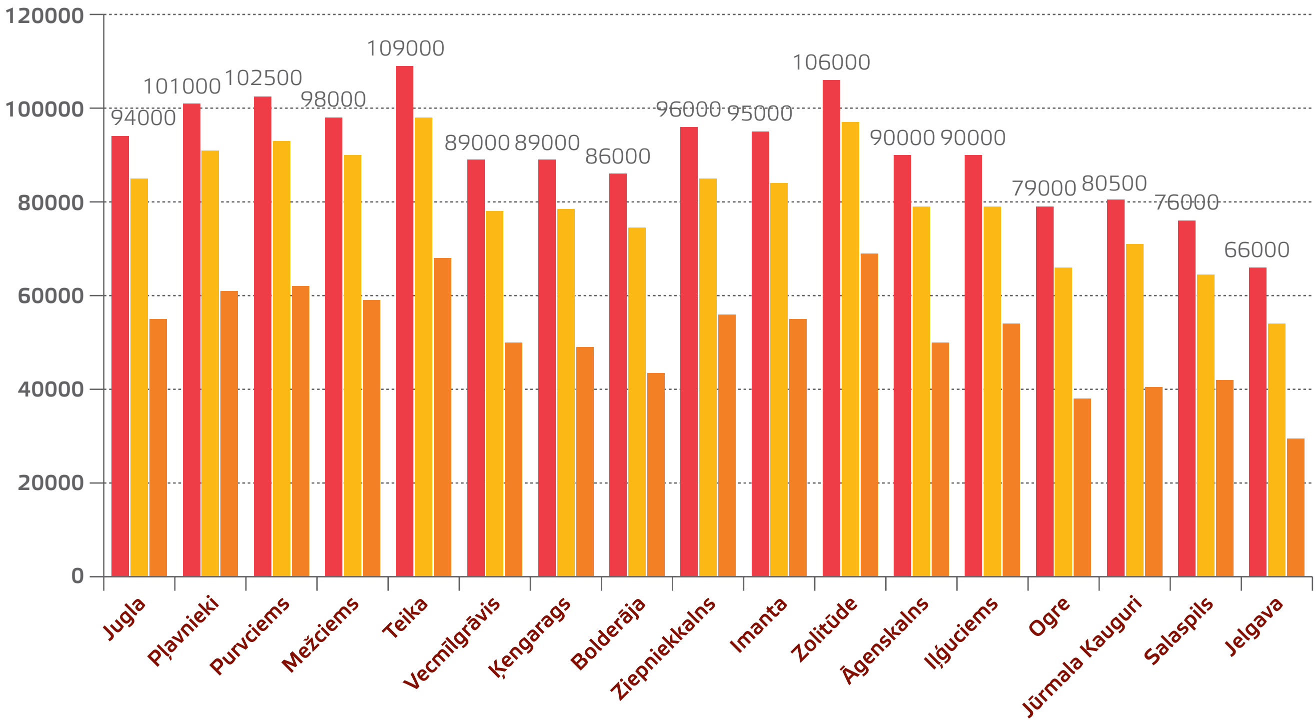
* average price of all standart-type series apartaments in the housing real estate

Average prices of a two-room apartment (in EUR)



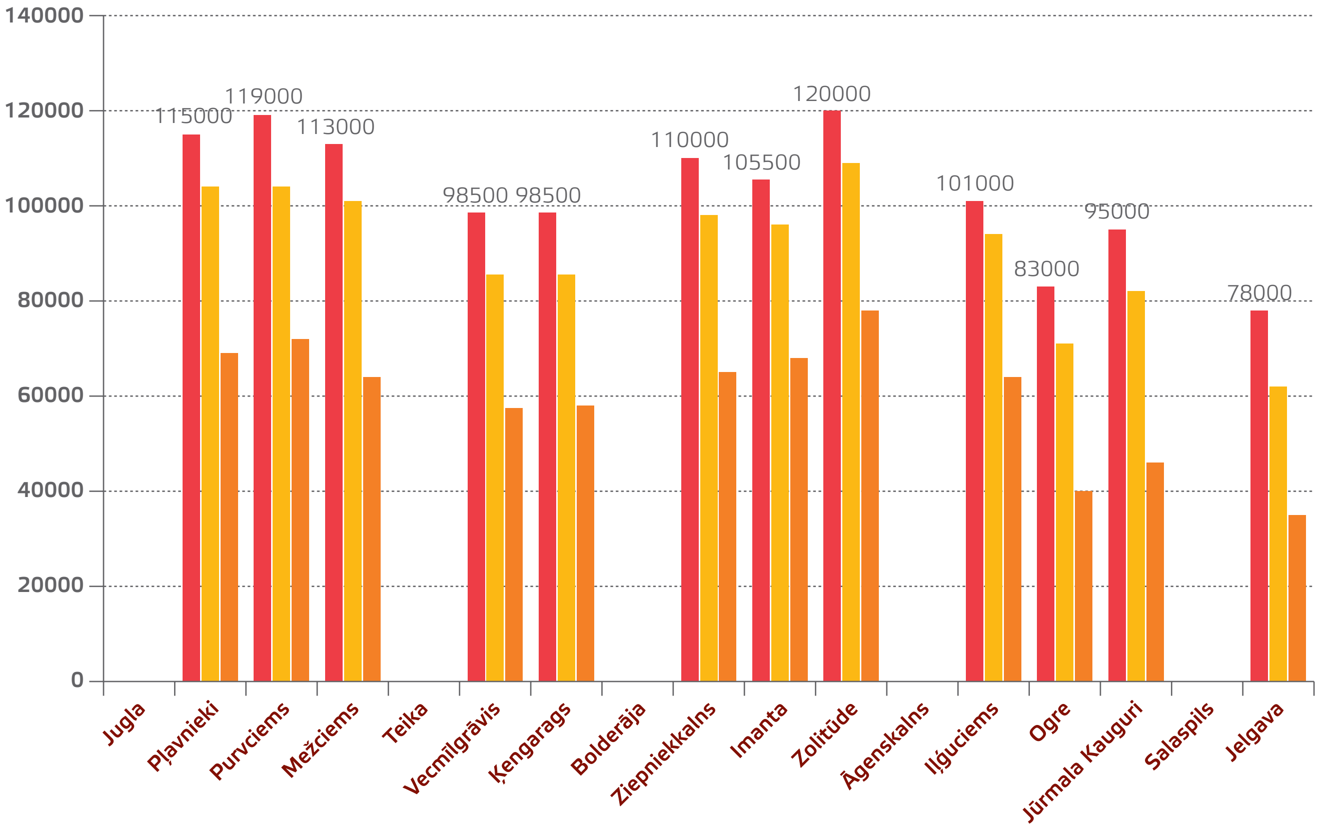
* average price of all standart-type series apartaments in the housing real estate

Average prices of a three-room apartment (in EUR)



* average price of all standart-type series apartaments in the housing real estate

Average prices of a four-room apartment (in EUR)



* average price of all standart-type series apartaments in the housing real estate

Rent of residential premises

The rapid growth of sales prices for apartments in 2006 has also lead to preconditions to increase of residential rent. The number of apartments available for lease at monthly rent under EUR 250 was very limited in Riga at the end of reporting period. Since the sales prices for apartments continue to grow, tenants are paying increasingly more attention to possibly long lease period, while the lessors are hardly ever willing to offer lease for a period exceeding two years.

The level of rent by the basic categories of residential lease in Riga at the end of first half of 2007:

- **small apartments in housing estates, 1-2 room apartments with partial amenities in prewar buildings, also apartments without furnishing** – 150–280 EUR/month (average 4.0–8.5 EUR/m^2);

- **Furnished 1-3 room apartments in good condition in housing estates** – 250–650 EUR/month (average 7.0–12 EUR/m^2);

- **Furnished apartments with quality repairs in fully/partially renovated buildings in the center of Riga**. Monthly rent – 700–1700 EUR (average 9–18 EUR/m^2);

- **Furnished apartments in buildings in the center of Riga with special architecture/location/furnishing of premises (*art nouveau* or buildings in the Quiet Center).** Monthly rent – 900–2100 EUR (average15–23 EUR/m^2);

- **Apartments in the Old Riga.** Monthly rent – 500–2000 EUR (average 11–20 EUR/m^2). Short-term (overnight) rent – within the limits of EUR 50–100 EUR.

Lease of private houses

The demand for lease in private housing sector has experienced no significant changes from the beginning of 2007. The supply mainly comprises small private houses in satisfactory technical condition in Riga as well as private houses in the new housing villages (in this case, houses are typically let for short-term lease to apply the rent towards repayment of credits). Another significant category comprises private houses in Jūrmala: both summer-houses and capital buildings.

- **Jūrmala**

  new and renovated buildings
  1500–5000 EUR/month

  summer-houses (wooden buildings with space to 100 m^2)
  600–2500 EUR/month

- **Riga**

  new and restored buildings
  1200–3500 EUR/month

  non-renovated buildings of Soviet and Prewar period
  500–1300 EUR/month

- **close to the sea (outside city)**
  200–800 EUR/month

- **rural farms, private houses in townships**
  75–400 EUR/month

The average rent per square meter of restored of new furnished house has increased during the reporting period in average by 0.5–2 EUR/m^2 up to 6.5–18 EUR/m^2.

Private family houses

The total level of activities in the market of private family houses has been lower during the reporting period than during the respective period of the previous year. Transactions with individually built private houses outside villages continue representing major part of transactions in this sector.

About 1200 – 1500 private houses were offered at the end of 2006 in Riga and Riga Region, while by the end of reporting period the amount of supply had increased to about 1500–2000 units, apart from several hundreds of private houses offered *virtually* in private house villages pending development. The total amount of supply comprises about 55% in Riga Region and about 25 and 20% in Riga and Jūrmala, respectively.

Suburbs of Riga

Private houses in areas directly adjacent to Riga present the highest increase of price level during the reporting period (in certain locations the increase reaches 15–20%), by 10% in average, notwithstanding that the prices for certain supply categories have decreased from April by up to 10%.

The demand in Riga Region mainly comprises private houses with space up to 180 m^2 (in previous periods up to 200 m^2) and space of land parcel up to 2000 m^2. The average demanded space of private houses continues decreasing, similar to the trends in apartment market.

At the end of reporting period, the highest demand for private houses in the suburbs of Riga presents the price category up to EUR 250 000 (up to EUR 230 000 at the end of 2006, respectively).

The average price level in the basic categories of private houses in the suburbs of Riga (other than Saulkrasti, Sigulda, Jūrmala) at the end of first half of 2007:

- the existing private houses in the vicinity of Riga (outside gardening societies) - EUR 150 000 – 280 000 (the lowest end or price range for private houses in rural territories with partially developed communications);
- new private houses outside village territories – EUR 220 000 – 350 000;
- private houses in new villages – EUR 170 000 – 700 000.

Riga

A minor growth in prices for private houses has been observed in Riga during the reporting period, in particular from January to April, due to the increasing construction costs and raising prices for land. The number of transactions has increased during the first half of 2007. On certain occasions the supply prices exceed EUR 2.5 mil.

The price level for the most expensive private houses in Riga has not experienced any material changes in the first half of 2007, while the price level in cheaper housing segment has increased quite rapidly (houses with small land parcels, non-renovated dwellings, private houses with poor access facilities, etc.).

Should the rapid development of housing market continue, the market of private houses in Riga should reduce because of the deficit of land suitable for building; therefore, the building development focuses on the parishes adjacent to Riga.

The most active and demanded areas in the private house market (offers)

Territory	The lowest price (EUR)	The highest price (EUR)
Mārupe	210 000	650 000
Babīte, Piņķi	210 000	520 000
Stopiņu pagasts	230 000	500 000
Ķekava, Baldone	180 000	430 000
Ādaži	225 000	700 000
Rāmava, Baloži	220 000	520 000
Garkalne, Baltezera apkārtne	270 000	2 100 000

Prices for private houses in Riga depending on type of construction and condition (end of reporting period):

- Prewar wooden and brick houses in poor technical condition - EUR 140 000–210 000
- Small houses up to 100 m^2 – EUR 155 000–285 000
- Prefabricated houses (manufacturer-prefabrication) – EUR 120 000–300 000
- New private houses (up to 200 m^2) – EUR 215 000–500 000
- New houses in residential village estates – EUR 170 000–700 000
- Exclusive houses (large space, good location) – EUR 580 000–2 500 000

New residential villages

The total number of available private residential villages has increased during the reporting period to about 150 private house and line-house villages. Still more rapid increase in supply of private residential villages is prevented to some extent by the accelerating increase of construction costs affecting to similar extent the developers attempting to develop villages according to common concept and the individual builders who are the potential buyers of land parcels in the newly developed areas.

The demand is mainly focused on private houses with space range 140–170 m^2 – whilst the estate prices grow, the development of new private house villages trends to reduce the average space of houses. There is surplus demand for economical categories of private houses (in particular private houses with white interior – up to EUR 200 000).

The average prices for private houses in private residential villages have reached the following level during the reporting period:

- individual private houses in villages
  EUR 180 000–700 000;
- line/twin houses in new private house projects
  EUR 165 000–540 000;
- expensive estates
  up to EUR 2.1 mil. (in Jūrmala)

The average value of land at individual private house villages ranged depending on location from 40 to 100 EUR/m^2, though even there are some low price offers in Riga Region a little above 10 EUR/m^2.

Land parcels for building of single family houses

The rapid increase of price level for land observed in the beginning of reporting period has stabilized from April. The main reasons for land price increase included lasting supply deficit in beginning of the year and availability of co-funding from credit institutions.

While in previous periods the parishes adjacent to Riga comprised the key areas of private buildings at the land market, extensive regional diversification of supply/demand can be observed in the first half of 2007 resulting in increased interest for previously less popular territories such as the parishes of Ropaži, Inčukalns, Baldone.

The prices for land in Riga and Riga Region have been increasing during the entire reporting period in average by 10–20% (up to 25% in certain locations). The pace of growth has been more moderate in the locations with already established relatively high price level.

Mežaparks can still be considered the most expensive private residential estate in Riga, and the limited supply there has enabled the sellers to fix their price offers in the amount up to 1000 EUR/m^2, while the average price level in this area has not experienced any material changes and the price for land parcels ranges from 450 to 750 EUR/m^2.

Changes in prices for land intended for building have been different in regions of Latvia depending largely on the future development possibilities of various locations. Since the number of population in Latvia is traditionally increasing only in the regions of Riga, Bauska, Ogre and Jelgava, these areas have experiences the most rapid increase of land prices during the reporting period.

Land in Riga

The availability of private land in Riga for building purposes has continued to decrease in the reporting period, resulting in growth of price level (land parcels suitable for private building are more and more often purchased for real estate project development purposes, therefore the offered price level is often determined by comparison with land plots intended for multi-storied building purposes).

Activity has also decreased in land market of Bieriņi and other areas of Pārdaugava due to somewhat overloaded infrastructure and relatively high price level. The land market segment has been reflecting some uncertainty regarding the changes in the amount of real estate tax during the reporting period.

The prices for most expensive category of private land for building have not experienced any material changes during the reporting period (locations with the price level exceeding 300 EUR/ m^2 in the beginning of 2007 and locations not available for multi-storied/ commercial building).

Land in suburbs of Riga

Though the deficit of land parcels has been observed for several years already, the supply has increased in the first half of 2007, eventually due to increase of sales terms, thus leading to higher number of concurrent offers for sale.

With the previously observed rapid growth of price level, the interest of buyers in land plots with less developed infrastructure and availability of engineering communications due to the lower price level has also increased.

The impact of restrictions imposed on availability of loans was growing towards the end of reporting period because the funds for existing transactions mostly represent the loans of credit institutions still lagging behind the tempo of loan granting compared to the credit institutions with Scandinavian capital.

The prices for land parcels of 3.0–10.0 ha (agricultural/forest lands with parceling permitted or already performed) in the key categories for development of private house villages in Riga Region:

- close to existing buildings and communication connections. In the end of reporting period, the prices for this category ranges from 20 to 85 EUR/m^2 (with the most expensive locations being on banks of lakes and rivers with all engineering communications available);
- parceled agricultural or other land with poorly developed infrastructure and undeveloped environment; price category – 4–30 EUR/m^2.

Prices of land for private building depend on location (for land parcels with space (1200–2500 m^2):

- Jaunmārupe 35–45 EUR/m^2;
- Babīte, Kleisti 50–80 EUR/m^2;
- Stopiņi 25–60 EUR/m^2;
- Olaine, Jaunolaine 25–45 EUR/m^2;
- Rāmava, Katlakalns 55–90 EUR/m^2;
- Ulbroka 50–85 EUR/m^2;
- Ādaži 40–100 EUR/m^2;
- Garkalne Parish 35–85 EUR/m^2;
- Lielais and Mazais Baltezers 90–220 EUR/m^2;
- Mārupe 45–115 EUR/m^2;
- Ķekava 38–60 EUR/m^2;
- Piņķi 45–100 EUR/m^2;
- Salaspils 30–55 EUR/m^2;
- Baloži, Tirurga 55–85 EUR/m^2.

Agricultural land in Latvia

The market of agricultural land has been quite active during the reporting period due to increased supply of land spaces redeemed from the State. The demand mainly forms from purchase of land parcels for recreation purposes and long-term investment purposes.

Following the decrease of price level for agricultural land in the beginning of the year and during the previous reporting period due to closing of sugar mills, increase of prices at the market of agricultural land can be observed due to the low exposure of this segment to the changes in availability of co-funding from banks as well as increase of the overall real estate price level.

Land for recreation purposes

This category of land can be divided into the following sub-categories:

- cheaper land parcels with large space suitable for recreation purposes 2000–8000 EUR/ha;
- in case of small parcels, the price range is 10 000– 50 000 EUR/ha;
- expensive land parcels close to water (rivers, lakes, seaside) 3–8 EUR/m^2 or 30 000–100 000 EUR/ha.

Land for agriculture purposes

The price level in the suburbs of Riga has reached 1500–4300 EUR/ha, in Latgale – 700–1300 EUR/ha, in Vidzeme – 1000–3000 EUR/ha, in Kurzeme – 900–3000 EUR/ha.

Land for timber cutting purposes

The price level for this category of land has not experienced any significant changes during the reporting period remaining at 800–3500 EUR/ha. The land spaces vacated after timber cutting are available for sale for 400 to 1100 EUR/ha.

Land for speculative purposes

Transactions executed in the end of first half of 2007 range from 500 to 1100 EUR/ha. The amounts for land suitable for parceling and developing for private buildings ranges from 1500 to 25 000 EUR/ha.

Land estates for production and commercial building

Demand for commercially profitable land parcels has remained high in the first half of 2007, similar to the previous reporting period. The highest demand has been for land parcels in Riga and Riga Region. The deficit of suitable land has been dictating the high price level.

Commercial land (shopping centers, saloons, etc.)

Preference in selection of commercial building is given to the areas of Krasta, Maskavas, K. Ulmaņa gatve and Brīvības streets as well as areas close to the main streets of sleeping communities. Compared to the previous reporting period, the prices have remained unchanged, except the upper limit. The average prices for commercial land during the reporting period have been ranging from 100 EUR/m² inside the limits of Riga to 3900 EUR/m² in the center of Riga. While the supply in central part of Riga is decreasing, there is growing interest for near Pārdaugava, Teika and Jugla allowing higher building intensity.

- Land with the status of commercial building in Riga region – 10–80 EUR/m² (the highest price level is observed in Salaspils, Mārupe, Jaunmārupe, Olaine and the adjacent area).
- Land for commercial building in Riga – 100–3900 EUR/m².

Land estates for building of production/logistic/ industrial parks

During the reporting period there has been constantly high demand for land parcels with small and medium space (0.5 to 5 ha). There is demand for conveniently accessible locations with developed infrastructure and available engineering communications.

There are quite a few industrial areas inside the limits of Riga (the areas of Katlakalna, Granīta, Krustpils, Rencēnu strees and some part of Riga Free Port), therefore there is growing interest for land parcels outside the capital.

The customers and later also managers of the large logistic centers quite often are the distributors or manufacturers who let for lease part of their premises. The supply starts gradually including land parcels for commercial building with already obtained architecture and planning order for building of logistic center or technological park and/or developed detail design.

The segment of logistic and industrial parks has continued developing, though in slow tempo, similar to the previous periods, in spite of the fact that the supply has not yet equaled to demand. The demand for quality up-to-date premises in Riga remains high.

The price for land with production buildings in the central part of Riga with good access and high traffic intensity – 100–460 EUR/m².

- Land for production purposes in Riga – 20–65 EUR/m².
- Land for production purposes in Riga Region with connection to communications – 12–40 EUR/m².
- Land with production buildings in poor technical condition outside the center – 10–12 EUR/m².
- Land for production purposes without communications in Riga Region – from 6 EUR/ m² above.

The average rental for production and logistic premises during the reporting period:

- new buildings 5–15 EUR/m², average 8–10 EUR/m², in suburbs of Riga average 5–6,5 EUR/m²;
- worn-out, non-renovated buildings that do not meet the up-to-date requirements of production/ logistic companies 2–3,4 EUR/m²;
- partially renovated buildings 3–5 EUR/m².

Market of shopping areas

The market segment of shopping areas has not experienced any significant volume changes during the reporting period, similar to the previous periods, though certain shopping centers continue expansion (t/c *Alfa* and t/c *Spice*), and rotation of tenants is low. The interest of potential tenants in shopping areas in shopping centers has increased. The expansion of shopping chains to the small towns continues, subject to thorough analysis and evaluation of the potential locations.

In line with the observed activity of shopping centers and supermarket chains, relatively small shopping areas are still offered on the lease market. The possibility of leasing such areas is quite small because shopping centers are selecting their potential tenants after on the basis of due diligence. Increased demand for this kind of spaces is likely to make shopping centers to increase the rental; currently it remains stable compared to the previous period. Closing of the small shops on less active streets with relatively low intensity of pedestrian/traffic flow continues and part of the shops move to shopping centers.

The demand for both restored and non-renovated shopping premises in locations with high pedestrian flow is reaching the upper limit of 80 and 89 EUR/m². While the demand trends to grow in the communities with most active pedestrian flows, and therefore the lessors can increase the amount of rental, while rental in the center outside the above-listed streets remains on the level of previous reporting period – up to 79 EUR/m².

The rent in housing estates is growing very slowly and smoothly. This may be explained by the fact that the areas are mainly used for essential goods and service, where providers can not afford high rental.

Premises in the large shopping centers:

- under 30 m² 30–75 EUR/m²;
- 100–150 m² 30–70 EUR/m²;
- 150–500 m² 15–35 EUR/m²;
- 500–1000 m² 9–18 EUR/m².

Central part of the city:

- Streets in the center (Barona, Tērbatas, Čaka, Brīvības) 30–89 EUR/m²;
- Side-streets 23–50 EUR/m²;
- Periferal center 10–35 EUR/m².

The Old Riga:

- Central streets 70–100 EUR/m²;
- Side streets 35–60 EUR/m².

Housing communities:

- community center 20–35 EUR/m²;
- outside the community center 7–15 EUR/m².

Office premises

Building of new office centers qualifying for high class quality is taking place with increasing activity. Tenants have certain idea of what quality parameters they want to see in the new office premises, therefore the concept of A class office premises is well understood, while the quality preferences of the customers of B class offices are not defined unequivocally. The demand/supply structure is not balanced in the reporting period because the demand for quality premises still exceeds the supply.

The supply for mall office premises – up to 100 m^2 in center of the city has remained rather high during the reporting period. Office premises in te center are most often offered for sale, however there is low demand for them since the premises of this size are mainly necessary to new, growing businesses.

The total fund of quality office premises can be expected to grow still by the end of year because of the expected launch of a number of office buildings (such as the office complex at Vesetas street, for example, Dunte offices, etc). The currently moderate competition is going to intensify, however further changes in the level of price and rent can be expected due to the number of high class office buildings entering the market and increase of supply.

The trend of decreasing demand for relatively expensive office premises in center of the city and the Old Riga can be expected to continue because the requirements applicable to up-to-date office premises and the environment have changed: increasing demand for convenient parking in the vicinity of office buildings is going to continue. The importance of parking facilities in selecting office premises is going to increase, and this trend is likely to lead removing offices to office complexes outside the center.

Rent of office premises in Riga:

- A class
  Center of Riga 17–25 EUR/m^2;
  Periphery of Riga 15–20 EUR/m^2;
- B class
  Center of Riga 12–18 EUR/m^2;
  Periphery of Riga 8–14 EUR/m^2;
- C class
  Riga (office premises outside center) 7–10 EUR/m^2.

Building estates

The year 2007 has been very important in the building estate market of Riga. The ceiling limit has been removed by Award of Satversme Court as from 1st January. Since the net weight of vacated buildings available on the market is relatively small, the above-mentioned award has had quite significant impact on the overall market sector.

The situation before January 2007 has been unpromising to owners of building estates because the income from rent could hardly cover the maintenance costs of buildings without leaving any funds for renovation or restoration. The owners therefore quite often conclude that the lease market is economically unmotivated, and therefore they sell their property to developers or franchisers. The future fate of building estate depends on the amount of rent increase notified by the owners to their tenants in 2006. The owners who select continuing their work with tenants normally demand the increase of rent by 1.5 Ls/m^2 in average. It is motivated by management costs and renovation of houses. On some occasions, however, notices are sent about increasing the rent by even 7 lats. Owner of the building has to substantiate the amount of rents, while the courts often determine them by deducting costs from revenues, and therefore rent is made unfavorable to the owner for the benefit to the lessee.

At present, owners of buildings hardly ever can make the location of their building influence the rent; this trend should, however, change in a normal market situation.

The price for occupied building estates in Riga ranges from 900 to 2500 EUR per square meter of useful space depending on the number and type of lease agreements (short-term/perpetual), and for vacated building estates – from 1400 to 3500 EUR. Prices in the Old Riga reach as much as 4000 EUR per square meter of useful space.

Jūrmala

Apartments

The increase of apartment prices has also been relatively rapid during the reporting period in Jūrmala – Kauguri and Sloka (exceeding the level of price increase in Riga); it may be explained by price leveling in Jūrmala as a common administrative area, and the prices have reached the following levels:

Apartment type	Price
1- room apartments	55 000 EUR
2-room apartments	71 000 EUR
3-room apartments	80 500 EUR
4-room apartments	95 000 EUR

The growing number of new multi-residential building projects and supply of apartments has not had any significant effect on prices in the new multi-residential building projects during the reporting period, where the prices remain within the range of 2200–6000 EUR/m^2.

Private houses

The number of sales offers in Jūrmala in excess of EUR 1 mil. is increasing, and the most expensive offer exceeds EUR 6 000 000 EUR.

Land parcels for private building

Prices for land in Jūrmala (and coastal areas outside Jūrmala) in the first half of 2007:

- On seaside:
  Lielupe–Melluži 340–940 EUR/m^2;
  Melluži–Asari 200–500 EUR/m2;
  Asari–Kauguri 200–500 EUR/m^2.
- Other locations
  Kauguri 150–300 EUR/m^2;
  Sloka 150–210 EUR/m^2;
  Asari–Vaivari between the railway and Lielupe 65–400 EUR/m^2;
  Bigauņciems–Ragaciems (at sea) 70–150 EUR/m^2;
  Plieņciems–Kolka (pie jūras) 28–65 EUR/m^2.

Prices of private houses in Jūrmala (EUR)

Location	Min price	Max price
Towards the sea		
Lielupe–Dubulti	440 000	3 500 000
Dubulti–Asari	400 000	1 500 000
Vaivari–Kauguri	300 000	850 000
Towards the railway		
Lielupe–Majori	310 000	2 000 000
Dubulti–Asari	280 000	850 000
Vaivari	280 000	750 000
Other		
Kauguri, Jaunķemeri	295 000	650 000
Sloka	210 000	450 000
Ķemeri	165 000	280 000

Jelgava, Region of Zemgale

Jelgava as well as the whole region of Zemgale have demonstrated quite high activity in virtually all market segments, with minor decrease from April to June.

The average price level for non-renovated seriated flats in Jelgava at the end of reporting period:

Apartment type	Price
1- room apartments	44 000 EUR
2-room apartments	59 000 EUR
3-room apartments	66 500 EUR
4-room apartments	78 000 EUR

Relatively high activity has been observed in the market segment of new multi-residential projects, resulting in increase of the average price level for new apartments to the level of 1550–1800 EUR/m^2. Increased competition among developers may be expected in this market segment during the future reporting periods due to the fact that municipality of Jelgava has approved a number of multi-residential building projects in the reporting period with expected start of construction in the second half of 2007 already.

Relatively high activity observed on **land** market during the reporting period has not contributed to rapid increase of price level, though the average amounts of transactions in certain locations have grown up to the level of 20–35 LVL/m^2. (Relatively lower sales prices are observed for land parcels in Tukums and Bauska, by 15–25 LVL/m^2 and 10–25 LVL/m^2 in average, respectively)

Activity in the market of **private houses** has been rather high during the reporting period, and sales prices for private houses have increased to the following levels:

- private houses in satisfactory condition 70 000–120 000 LVL;
- new and renovated houses 120 000–200 000 LVL.

Sigulda

Apartments

Prices for apartments have reached the following levels in the end of reporting period (LVL):

Apartment type	Price
1- room apartments	20 000–40 000
2-room apartments	20 000–40 000
3-room apartments	50 000–80 000
4-room apartments	60 000–120 000

Increase of the number of new housing units has not entailed any rapid increase in prices for new housing projects, therefore the prices range from 800 to 1400 LVL/m^2 for apartments with full finish in the central part of Sigulda.

Private houses

Sigulda is increasingly attracting the solvent inhabitants of Riga, so the demand for private houses remains high and influences the number of new private and line-house projects in the city. The average selling price per 1 square meter of private house (with a land parcel) has ranged at 1300–1500 lats; in average absolute figures: 200 000–300 000 LVL for fully restored or new private houses. Private houses in satisfactory technical condition are sold in the average for 75000–120 000 lats.

Land

The price level for land parcels for individual building has rapidly increased during the reporting period, due to the fact that territorial planning has not been approved until present. The average price level in the end of reporting period has reached 36–60 LVL/m^2.

The average prices in locations with less developed infrastructure for land parcels up to 2500 m^2 are about 18 LVL/m^2 (parish of Sigulda, etc.), and for larger parcels (up to 2 ha) - about 3–5 LVL/m^2.

Agricultural land is mostly purchased for building purposes (where permitted), therefore the price for agricultural land in Sigulda and the vicinity is high – 0,3–1,5 LVL/m^2 depending on space.

Land for commercial building

Buildings in poor technical condition intended for demolition are purchased for developing new projects or commercial building. Taking into account demolition costs, the prices for land parcels can reach the level of 100–150 LVL/m^2, however transactions of this type are relatively infrequent.

Saulkrasti

Land

Territorial planning of Saulkrasti City with Rural Territory is still pending development (from 2006). Purchase of property mainly takes place for personal needs: building of private houses and establishing farmsteads.

The interest of buyers has increased in building land parcels with total costs not exceeding LVL 40 000–50 000. Land for building is purchased for the price ranging at 600 to 20 000 m^2.

Market prices for building land in the city of Saulkrasti have ranged during the reporting period from 30 LVL/m^2 to several hundred LVL/m^2. The above-mentioned aspects do not affect the market price for land parcels adjacent to sea because their price is determined by the exclusive location and prices range from 100 EUR/m^2 above.

The market price level for land with permitted mixed commercial building has remained unchanged – notwithstanding the relatively high interest, the price level has remained virtually unchanged amounting to 350 EUR/m^2.

Houses, summerhouses

There is a trend of seeking for cheap summerhouses capable of rebuilding into year-round residences at minimal cost, however most of buyers chose modern winter houses with amenities and land parcels exceeding 1000 m^2, good access roads and readily accessible infrastructure. Supply of property on the above-mentioned conditions on the territory of Saulkrasti is rather small, therefore adequate price ensures quick sale of such property.

An exclusive private house village has been developed during the reporting period in Saulkrasti near the sea consisting of 19 modern houses with up-to-date architecture. Interest in this project is forecasted to grow by the end of year when the first house in the village is expected to be put into exploitation.

Apartments

The level of sales prices for apartments in the end of reporting period has ranged from 900 to 1600 LVL/m^2. The high demand and low supply has entailed rapid increase of market prices in this sector, resulting in equalization of sales prices for secondary market apartments with those of apartments in new projects. In the end of reporting period there were apartments offered in Saulkrasti in two new multi-residential projects for price per square meter ranging from 2150 to 4500 EUR/m^2.

Lease

Approaching summer season entails increasing demand for lease of residential premises close to the sea. The rental is ranging from 250 to 1500 LVL/month, though the lease transactions mostly include poor quality summerhouses and partially renovated/non-renovated apartments.

Cēsis

Apartments

Apartment prices on secondary market had reached the maximum selling price per square meter in beginning of the year – 703 LVL/m^2, and increase of price continued till April. Prices stabilized and some decrease was observed in May/June (to 5000 LVL), because the sellers had set their price offers in expectation of future rapid increase of price level. Therefore, apartments were available in the end of half-year for the average price of 600 LVL/m^2.

Private houses

The segment of private houses in Cēsis has been the most inactive because of high demand and zero supply. There is demand for private houses for 80 000–115 000 LVL with total space up to 200 m2. The existing houses in Cēsis available for sale are highly worn out, with planning inadequate to modern requirements, and therefore the demand for land parcels and ample apartments in new multi-residential houses is higher.

Land

The amount of land parcels offered for sale in the territory of the city has been relatively small – outside the newly developed villages where prices have reached 18 LVL/m^2 in beginning of the year already. Prices in the less popular communities ranged in the end of reporting period from 6 to 14 LVL/m^2, mainly for building land parcels on non-asphalted streets, with less developed infrastructure. Price for land close to Cēsis (in Priekuļi, Dukuri, Līvi) – to 5 LVL/m^2.

There is high supply and stable demand for agricultural lands in the neighborhood and region of Cēsis, and the maximum level is reaching 1.25 lvl/m^2 or 12500 LVL/ha.

Commercial spaces and land for commercial building

- Land for multi-residential building – 21–35 LVL/m^2;
- Land for commercial building – 8–21 LVL/m^2;
- Land with completed sketch design and technical design – up to 35 LVL/m^2;
- Building estates - 205 to 800 LVL/m^2;

Lease of commercial spaces has also become more active, and there is demand for lease spaces, while the amount of supply is currently relatively small, in particular there is deficit of quality lease premises in center of the city.

Liepāja

Apartments

High price difference for apartments in various communities is still observed in Liepāja Region, and the price fully depends on location.

New projects have been launched during the last half-year such as *Rietumu krasts, Mēness nams, Ezermalas nami, Ezerkrasta nami*, where apartments are offered for price starting from 950 LVL/m².

Land

Major part of land parcels offered for sale consist of coastal land (price ranging from 3 to 17 LVL/m²) as well as agricultural land (price range from 0.09 to 1 LVL/m²). The price level in this category of real estate is determined by two factors: distance to the city (or parish center) and purpose of use of the land parcel and the possibility to change the purpose.

Private houses in Liepāja

Rapid development in the market of private houses in Liepāja Region can be also observed in Grobiņa where development of two new private house village projects is taking place. Selling price for the houses there ranges from 1100 LVL/m² above.

Average standard-type apartment prices in Liepāja (prices in LVL as per 01.07.2007.)

Type of apartment / Community	DR community	Ezerkrasts	Center, Vecliepāja	Jaunliepāja	Ziemeļu Suburbs	Zaļā birzs	Karosta, Tosmare
1 room apartments	20 000–25 000	20 000–25 000	23 000–28 000	14 000–17 000	16 000–20 000	10 000-17 000	9 000–16 000
2 room apartments	30 000–36 000	30 000–35 000	30 000–40 000	20 000 – 26 000	25 000–31 000	17 000-24 000	14 000–21 000
3 room apartments	35 000–42 000	35 000–42 000	37 000–45 000	25 000–30 000	30 000–40 000	20 000-35 000	18 000–25 000

Prices of land plots intended for construction of private houses in Liepāja (LVL/m²)

	DR community	Ezerkrasts	Center, Vecliepāja	Jaunliepāja	Ziemeļu Suburbs	Zaļā birzs	Karosta, Tosmare
Land for building of private houses	70–110	70–100	80–120	50–60	30–60	25–35	20–60

Prices of private houses in Liepāja (LVL/m²)

	DR community	Ezerkrasts	Center, Vecliepāja	Jaunliepāja	Ziemeļu Suburbs	Zaļā birzs	Karosta, Tosmare
Non-renovated private houses	70 000–120 000	70 000–120 000	80 000–160 000	50 000–80 000	60 000–115 000	65 000–105 000	50 000–95 000

Ogre

Apartments

A multi-residential building complex *Mednieku iela 19* has entered the market during the reporting period consisting of 95 apartments with the expected range of selling prices from 1385 EUR/m^2 above, without interior finish.

Private houses

Price level for private houses by the basic categories in the end of reporting period:

- Ikšķile EUR 135 000–500 000;
- Ogre EUR 115 000–380 000;
- Ķegums EUR 95 000–280 000;
- farmsteads in the region EUR 25 000–240 000.

Land for private building

Selling prices for land parcels suitable for private building (land parcels with space up to 2500 m^2) in the end of reporting period:

- Ogre 20–75 EUR/m^2;
- Ikšķile 25–65 EUR/m^2.

Selling prices for agricultural land in Ogre Region: 1400–15000 EUR/ha for properties with space under 10 ha; from 1000 EUR/ha above for larger land parcels.

Commercial real estate market

Rent level for office premises: 5–9 EUR/m^2, up to 13 EUR/ m^2 in center.

Land parcels for commercial building in Ogre are offered at price range of 60–120 EUR/m^2.

Standard-type apartment prices, in EUR (30.06.2007.)

Building series	103 serie	602 serie	Hruschow	Average
1 room	54 000	52 000	49 000	52 000
2 rooms	70 000	66 000	62 000	65 000
3 rooms	80 000	77 000	74 000	77 000
4 rooms		85 000		85 000

Eastern Vidzeme (Madona, Gulbene, Alūksne)

Private houses

Selling prices for private houses have not experienced any approximation to building replacement costs during the reporting period; therefore the supply of new and restored private houses has been very small. Selling prices for houses in very good condition reach 400 LVL/m^2, while the average prices for houses requiring renovation range from 50 to 300 LVL/m^2.

Land parcels for individual building

Selling prices for land parcels suitable for private building (land parcels with space up to 2500 m^2) in the end of reporting period ranged from 2 to 20 LVL/m^2.

The average selling prices for agricultural land in Eastern Vidzeme partially for the purpose of establishing rural farms and for recreation purposes (summerhouses) range from 300 to 1000 LVL/ha.

Commercial estate market

- Office rent – up to 4 LVL/m^2;
- Rent of shopping premises – up to 7 LVL/m^2;
- Level of selling prices for commercial real estate – up to 400 LVL/ m^2;
- Selling prices for production premises – 10–60 LVL/ m^2;

Apartment prices in Eastern Vidzeme

Cena/LVL	Gulbene	Madona	Alūksne
1 room apartments	7 000–10 000	15 000–20 000	7 000–10 000
2 room apartments	8 000–15 000	20 000–28 000	8 000–15 000
3 room apartments	15 000–25 000	25 000–40 000	15 000–25 000
4 room apartments	20 000–30 000	30 000–45 000	20 000–30 000

Current Projects of Arco Real Estate

Bišumuiža

Bišumuiža is located in Komētas Street, not far from the Road Traffic Safety Directorate complex in Bauskas Street. The project is being developed step by step. Construction of the first 4 houses was started in October of 2005; the houses will be commissioned in August of 2007. The families will live in a multi-apartment house but, at the same time, they will not lose the feeling of privacy – there are only 14 apartments in a house. Quiet and green neighbourhood, well-developed territory, paved ways and walkways, a separate children's playground and a recreational zone.

Vija Sondore 28311711, vija.sondore@arcoreal.lv
Tatjana Korjagina 26584764, tatjana.korjagina@arcoreal.lv

Mārtiņa House

Mārtiņa House is located at No. 59, Slokas Street, and there is only 10 minutes drive from the centre. The new house is a 7 storey house where 1-4 room apartments of area 40-150 m² are available in all the floors including the attic floor. The interior decoration degree of the apartments offered is "white"; therefore you may complete the interior decoration according to your own wishes. The apartments may be visited upon previous telephone contact with our consultant. The house is already commissioned.

Arnolds Romeiko, 26495599, arnolds.romeiko@arcoreal.lv

Jūrkalnes pērle

An individual design 4-storey dwelling house at Zolitūde. 53 new apartments, interior decoration completion degree: white or full. Good quality, reasonable prices and recreational possibilities. Parking places and auxiliary premises in the basement floor; there is an elevator in each staircase. There is a terrace over the garage of area 782.8 m² where you will find recreational groups, a children's playground, walkways, plantings of decorative plants; the terrace is available to everyone; it is relatively fenced off the remaining area with decorative railings. The remaining territory comprises illuminated walkways, a parking place and areas planted with greenery.

Viktorija Leibenzone, 28344959, viktorija.leibenzone@arcoreal.lv
Kristaps Herbsts, 26441044, kristaps.herbsts@arcoreal.lv

Keldiša Street

The new 9-storey house at Pļavnieki will be a comfortable home to people who are looking for a light residence located in a green area. The new house in Keldiša Street will contain 43 apartments of area from 37 to 192 m². If you pay special attention to the interior decoration of your new home, you may choose one of two levels of completeness of interior decoration.

Ludmila Aleksejeva, 26557655, ludmila.aleksejeva@arcoreal.lv
Jevgēnijs Ļebedevs, 26455866, jevgenijs.lebedevs@arcoreal.lv

Trijādības House

A new apartment house located on the corner of Trijādības and Staraja Rusas Streets. A 5 – 7 storey house in which the apartments are placed starting from the second floor. The project envisages construction of 13 apartments of the “white” interior decoration completion degree. Three apartments will be two-level apartments. The 7th floor of the house will be constructed as an attic floor with sloping roof planes. For better comfort of the inhabitants, a ramp will be erected in the yard. It will be possible for persons with special needs to enter the elevator both from the main entrance and from the yard.

Arnolds Romeiko, 26495599, arnolds.romeiko@arcoreal.lv

No.1 Alberta Street

A renovated Art Nouveau and Eclectic-style house, originally built in 1901. The house is located in the Quiet Centre, on the corner of Alberta and Antonijas Streets. The Kronvalda Park and the Congress Palace are located nearby; it is only 7 minutes by foot to the Old City and the city centre. The house comprises 20 exclusive apartments of restored historical heritage; each apartment consists of six or seven rooms of total area 130-210 m². The basement floor is envisaged for shops or offices.

Līva Jaunozola, 26424119, liva.jaunozola@arcoreal.lv

Avalon Residence, North

You are offered a brilliant opportunity to become owner of an apartment in the Old City situated in a 7-storey building in Kalēju Street. This house will consist of 27 apartments with terraces. The apartments will have convenient, modern layout complying with all the standards. Interior decoration degree of the apartments offered is „white”.

The convenient location will maximally save your time but the 24-hours guarding and video monitoring will ensure your security. Your car will be parked in a large guarded underground parking place which is a very important moment for the Old City today.

Līva Jaunozola, 26424119, liva.jaunozola@arcoreal.lv

Avalon Residence, South

A new and elegant apartment house in the Old City, in the 13.Janvāra Street. A 7-storey building comprising in total 22 apartments with the „white” interior decoration. For the first time in the Old City there is erected a modern monolith building which has been constructed on a new foundation according to the newest technologies. Famous architects and respectable builders have taken care and ensured possibility to you to enjoy the city panorama looking through wide windows or house terraces and simultaneously not miss the feeling of living in the 21st century. 24-hours guarding and video monitoring is ensured for the whole house complex.

Līva Jaunozola, 26424119, liva.jaunozola@arcoreal.lv

Zalves dārzs

The 3rd turn of „Zalves dārzs"– a 5-storey residential house at Šampēteris, Volguntes Street. The house is situated in a quiet and green location, not far from the city centre. The house will comprise 23 apartments with complete interior decoration. Two apartments will be two-level apartments. In total, 6 houses of a uniform architectural style will be situated in the territory, area of which exceeds 3 ha. A car parking will be built in the territory. The surroundings of the Zalves dārzs are planted with greenery. There are pathways for walking, a playground for children and illumination lanterns for the night time.

Viktorija Leibenzone, 28344959, viktorija.leibenzone@arcoreal.lv

Progresa House

It is anticipated that the new 6-storey house will have 31 apartments with complete interior decoration; apartment area from 46.5m2 to 132.6m^2. All the apartments will have balconies or terraces. The upper floors will comprise also two-level apartments. The house will be equipped with elevator. The area of the Progresa House will be improved; greenery will be planted here retaining also the existing greenery. The area will be illuminated in night time. There will be an underground parking for 17 cars and a surface parking for 14 cars as well as 2 playgrounds for children.

Viktorija Leibenzone, 28344959, viktorija.leibenzone@arcoreal.lv

Torena Houses

Torena Houses are located in Riga, at No. 63 Jelgavas Street, between Jelgavas and Satiksmes Streets and Vienības Gatve. All the public transport types of the city provide convenient access to the Torena Houses. In the vicinity you will find: Torņakalna Church, Arkādija Park, several schools, a day nursery, the Māras Pond, the Cultural Centre of Children and Youth, a sports club, Maxima and Rimi supermarkets. The dwelling complex consists of four 5- and 6-storey multi-apartment houses. A well-developed closed territory, underground and surface car parking places for 177 motor vehicles.

Arnolds Romeiko: 26495599, arnolds.romeiko@arcoreal.lv

Dzintara projekti

Within this project, a number of exclusive residential houses are waiting for you in certain specially selected locations of the sea resort Jūrmala. The houses of the Dzintara Projekti are built especially carefully in a location accurately adjusted to the project. There are 5 multi-apartment houses in total located in different places of Jūrmala – Dzintari, Melluži and Bulduri.

Žans Launags, 29404962, zans.launags@arcoreal.lv

365

365 days in movement, 365 unforgettable journeys, 365 days full of exciting expectations, 365 long-expected returns... 32 apartments of the "white" interior decoration degree, of area from 51 m² to 124 m² will be placed in 4 floors of the new house „365". Each apartment will have a balcony, and 5 apartments situated in the 4th floor will have exit to a terrace. The low-rise residential house "365" is located in Jūrmala, the biggest sea resort on the Baltic Sea, at No. 11, Edinburgas Prospekts, only 20 km from Riga.

Līga Kohtanena, 26674654, liga.kohtanena@arcoreal.lv
Viktorija Leibenzone, 28344959, viktorija.leibenzone@arcoreal.lv

Jaunā Jūrmala

"Jaunā Jūrmala" is a perspective area of residential houses located only 25 km from Riga, at Majori, on the bank of the Lielupe river. Three residential house complexes: "Oāze", "Lagūna" and "Karavella" will be built. The first construction turn – "Oāze" has started this autumn. The "Oāze" complex will consist of 119 apartments in total.

Līga Kohtanena, 26674654, liga.kohtanena@arcoreal.lv
Māris Paeglis, 28625933, maris.paeglis@arcoreal.lv

Saules Republika [Sun Republic]

"Saules Republika" [Sun Republic] is located on the sunniest shore of the Baltic Sea, in a bend of the Ķīšupe River where the river flows into the sea and where the hilly dunes are decorated with beautiful pine-trees, namely, at Saulkrasti. 7 apartment houses will be built in the heart-shaped territory of the new Republic of area 16 951 m^2. There will be 107 apartments in total, with terraces on the south-western side. The centre of the Sun Republic will be its central square with the Sundial.

Viktorija Leibenzone, 28344959, viktorija.leibenzone@arcoreal.lv
Jānis Krūmiņš, 29392875, janis.krumins@arcoreal.lv

Grīšļa Street

The three-storey multi-apartment dwelling house is located in the centre of Jūrmala City, at No. 5 Grīšļa Street, at the Lielupe river, not far from the cultural centre of Jūrmala – the "Dzintari" Concert Hall. The three floors of the house will comprise 30 apartments of floor area from 58 m² to 101 m². All the apartments of the new Grīšļa Street house will have complete interior decoration, so that the owner will have possibility to express freely his/her wishes as to decoration and arrangement of the apartment in good time beforehand without necessity to thing about paints and textures – all the practical issues will be solved by the developer.

Līga Kohtanena, 26674654, liga.kohtanena@arcoreal.lv

Edem

EDEM is a multi-functional 8-storey complex comprising exclusive apartments and located in Rembates Street – the very centre of Jūrmala. The house will comprise 60 exclusive apartments of floor space from 75 to 157 m². There will be balconies and terraces in each floor of the house. 3 high-speed panorama elevators will provide for convenient traffic in the house. The apartments are well-considered: layout of the apartments will be original and various; there will be also two-level apartments. Interior decoration degree of the apartments: "white". EDEM is a 100% exclusive project. It has all the advantages of an elite and prestigious project.

Līga Kohtanena, 26674654, liga.kohtanena@arcoreal.lv

Mārsili 2

The Mārsili 2 village is located at the Mazais Baltezers Lake, side by side of the already realised village Mārsili 1. The village consists of 53 building plots or area from 1300 to 3000 m². Unlike other private house villages, a buyer must not select one of 4-5 designs of already finished houses; each client buys a building plot and erects his/her OWN house! A solution is offered to each client as far as designing and construction of the house is concerned.

Sanda Miķelsone, 29399787, sanda.mikelsone@arcoreal.lv
Guntars Leons, 29190958, guntars.leons@arcoreal.lv

Saules Pļava [Sunny Meadow]

The new private house village „Saules Pļava" is located at Ādaži Civil Parish Riga District. It is a quiet and sunny location close to a forest and not far from the Gauja River banks. "Saules Pļava" - it means 134 land plots of total area 39ha, with all engineering systems installed. 3 plots are stipulated for public building. Presently 60 land plots are offered for sale.

Rolands Ēvele, 22014911, rolands.evele@arcoreal.lv

Neibāde Houses

19 new modern houses with sauna and garage, in a new village at Saulkrasti, in Baltijas Street, not far from the sea. 2 houses are offered for sale now. It is planned to commission the first three houses already in September of 2007. The external decoration of the houses is fully completed according to the design. A wooden fence is separating the private house area from the Baltijas Street; the remaining area is fenced with a metallic wire fence. A paved access road from the Baltijas Street.

Jana Semerikova, 28366397 jana.semerikova@arcoreal.lv

Meža dārzs

A new row house complex at Carnikava. Three row house blocks; each house contains 4 apartments. 3 row house blocks, each consisting of 4 apartments of floor area from 115 to154m², are being built in a green area, close to a well-developed infrastructure. The apartments will be commissioned with complete interior decoration. Depending on the floor area, an apartment consists of 4 or 5 rooms and a kitchen; each apartment has its own garage.

Uldis Mencis, 29190229 uldis.mencis@arcoreal.lv

Katrīnkalns

23 land plots intended for building, located at the border of Cēsis Town, 1.5 km from the Gauja river. Area: 2015-10299 m². Two ponds are located in the area adjacent to some of the land plots. If you prefer forests, you may purchase a land plot with a wood stand. Convenient urban public transport; food stores, schools and a kindergarten are located not far from the area.

Liene Rjabkova, 28341513, liene.rjabkova@arcoreal.lv

Laivinieki

A private house village at Ezerkrasti, Sala Civil Parish, Riga District. 8 land plots for building; area: from 3509m² to 3950m². An electrical power supply line connection is installed on each land plot. The location is surrounded by a pine forest; sand dunes are situated nearby. The village is located only 50 m from the Babīte Lake bank, which will allow enjoy the lake water during hot summer days and enjoy a unique landscape throughout the year.

Jevgēnijs Ļebedevs, tel. 67365538, 26666276, jevgenijs.lebedevs@arcoreal.lv

Vecozoli

A village located in Priekuļi Civil Parish, between the ringroad and the Cēsis Town border. The land plots are situated in a beautiful landscape; they are surrounded by a forest which ensures a special aura. A natural park will be retained providing possibility to inhabitants of Vecozoli to spend their leisure time and take a walk. It is planned to build 7 ponds and channels in the territory of Vecozoli. There are 31 land plots in total; areas of the land plots are from 1800 m² to 7333 m².

Liene Rjabkova, 28341513, liene.rjabkova@arcoreal.lv

Kalnciems

Apartments at Kalnciems, Jelgava District, No. 2 Jaunības Street. A renovated 103-series house on the very bank of the Lielupe river, in the centre of Kalnciems. Quiet and green surroundings, close to a kindergarten, a school and a shop. The house was commissioned in August of 2006. Kalnciems is a small township (approximately 2500 inhabitants) located 40 km from Riga and 20 km from Jelgava. It is an opportunity to live in a town house but in a quiet and green location.

Santa Novicka, 26392248, santa.novicka@arcoreal.lv

Aizpute

A cosy home to return after a hard working days; peace, comfort and safety... It is the new multi-apartment residential house "Aizpute" located at Aizpute Town, Liepāja District, No. 15A, Jelgavas Street. 32 apartments in total; interior decoration completion degree: white. The multi-apartment house „Aizpute" is the first project of a new dwelling house at Aizpute, characteristic features of which is high quality and functionality. Thanks to the visual solution of the building and the modern layout of the apartments everyone will find a suitable apartment meeting his/her requirements.

Egmārs Žvagins, 28396744, egmars.zvagins@arcoreal.lv

Avenes

The new apartment house „Avenes" will be located at Kocēni, Kocēni Civil Parish, Valmiera District – only 5 km from Valmiera centre. Avenes is a house of modern architectural design, convenient apartment layout, and with balconies. 18 apartments in total. Interior decoration degree: complete. Planned commissioning date: December of 2007. Choose convenient life in the suburb of Valmiera!

Inga Krāģe, 28632244, inga.krage@arcoreal.lv

Remarka House at Cēsis

63 new apartments in the green and quiet area of the town, 10 minutes by foot to the town centre. Interior decoration of the apartments offered for sale is partially completed – gypsum board walls, concrete floors, gypsum board ceilings. The house will have its own gas-fuelled heating system. Each apartment will be equipped with water, heating and electric power consumption meters. Remarka House will be located in the area of Cēsis where the most rapid development of infrastructure is planned. The municipality plans to construct a sports and recreational centre and a kindergarten here; it is planned to construct also a new higher education establishment and a library.

Liene Rjabkova, 28341513, liene.rjabkova@arcoreal.lv
Inga Krāģe, 28632244, inga.krage@arcoreal.lv

O. Kalpaka Street, Sigulda

The house is located at No. 13, O. Kalpaka Street, Sigulda. It is in the central part of Sigulda Town, close to developed infrastructure but at the same time in a quiet and green location. The location of the house allows protecting it from the town noises and traffic. A modern 4-5 storey building with an attic floor. 1-room to 4-room apartments of area from 38 to 150 m². Interior decoration of the apartments is completed. Car parking in the basement of the house. A well-developed fenced territory with greenery, access roads, a children's playground.

Rolands Ēvele, 22014911, rolands.evele@arcoreal.lv

Cēsu klēts

The business and commercial centre at No. 5, Pļavas Street, Cēsis is a new and contemporary centre of offices and commercial areas which is being built in a successfully selected location – in the centre of Cēsis Town, at No. 5, Pļavas Street. Floor space of the premises from 38 m² to 118 m². The premises are equipped with air conditioning system; you can enjoy the town panorama from the office premises. The building has its own independent gas-fuelled heating system; it is planned to install a joint security system. A car parking place for cars of employees and visitors is being built next to the building.

Ilze Rubene, 26517320, ilze.rubene@arcoreal.lv

Duntes Houses

„Duntes Nami" is a new Class A office building in the business centre of Riga, at the intersection of Duntes and Skanstes Streets, which will offer not only a perfect and comfortable work environment but will be notable also for its advantageous location, technical features, services and diversity of solutions of individual premises.
Write down the address of your new office – Riga, No. 11, Duntes Street!

Gunita Veide, 28666687, gunita.veide@arcoreal.lv
Inese Kristapsone, 26406161, inese.kristapsone@arcoreal.lv
Maksims Odincovs, 26469451, maksims.odincovs@arcoreal.lv

Dzelzavas Street

A new office building containing sales and warehouse premises, located at Purvciems, at the crossing of Dzelzavas and Ulbrokas Streets. The new project is located at Purvciems, at the crossing of Dzelzavas and Ulbrokas Streets. The especially convenient road network ensures comfortable access to the building not only by passenger cars but also by large-dimensioned vehicles and trucks. Both offices and warehouses and sales premises will be located in the 5 floors of the building.

Jānis Plotnieks, 26674558, janis.plotnieks@arcoreal.lv

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