

Apartment price decline reached 2.6% in May

As follows from the real estate market overview prepared by the company “Arco Real Estate”, in April the prices of standard-type apartments decreased by another 2.6% in average.

The standard-type apartment price decline rate has increased in May. In comparison with the previous months, the prices have declined by 2.6% in May. The average price of a standard-type apartment reached **1276 EUR/m²** on June 1; thus, the prices were in average by 9.2% lower than in the beginning of the year when the average price of a non-renovated standard-type apartment was 1405 EUR/m².

„The average price of a 1-room apartment in the housing areas reviewed by „Arco Real Estate” on June 1 amounted to 1355 EUR/m², and this price compared with the price level of May 1 has decreased by 3.7%. Average price of a 2-room standard-type apartment amounted to 1290 EUR/m² (decreased by 3.7% in comparison with the price of May 1); average price of a 3-room apartment amounted to 1243 EUR/m², (decreased by 2.0%); and the average price of a 4-room apartment amounted to 1215 EUR/m² (decreased by 0.9%).

During May, the apartment supply in the real estate portals increased significantly. Summarizing the number of apartments offered, we can see that most of the apartments offered are still located at Purvciems, Pļavnieki, Imanta and Ķengarags. Bolderāja is still the place with the smallest number of apartments offered

Traditionally, the highest price level on June 1 was observed at Teika, where the average price of 1 m² was 1455 EUR, at Mežciems, where the average price of 1 m² was 1354 EUR, and at Purvciems, where the average price of 1 m² was 1345 EUR. But the lowest prices on June 1 were still observed at Bolderāja, where the average price of 1 m² was 1122 EUR, and at Ķengarags, where the average price of 1 m² was 1210 EUR. Comparing the prices of May 1 with the prices of June 1, we can see that the biggest price decrease has been observed at Bolderāja (-5%0, Mežciems (-4%0 and Vecmīlgrāvis (-5%), where the average price of 1 m² on June 1 was 1122, 1354 and 1245 EUR, respectively; but the smallest price decrease has been observed at Imanta (-2%) and Zolitūde (-2%) where the average price of 1 m² on June 1 was 1302 and 1341 EUR, respectively.

Outside Riga, in largest cities and towns the price decline has been even more rapid than in the capital: in Jelgava the standard-type apartment prices decreased by 3 %, to 1003 EUR/m² in average; in Jūrmala the prices decreased by 4%, to 1117 EUR/m² in average, in Ogre the prices decreased by 5 %, so that on June 1 the price of a standard type apartment was 1179 EUR/m²; and in Salaspils the prices decreased even by 6%, reaching 1150 EUR/m² in average.