



# Standart type apartment market overview

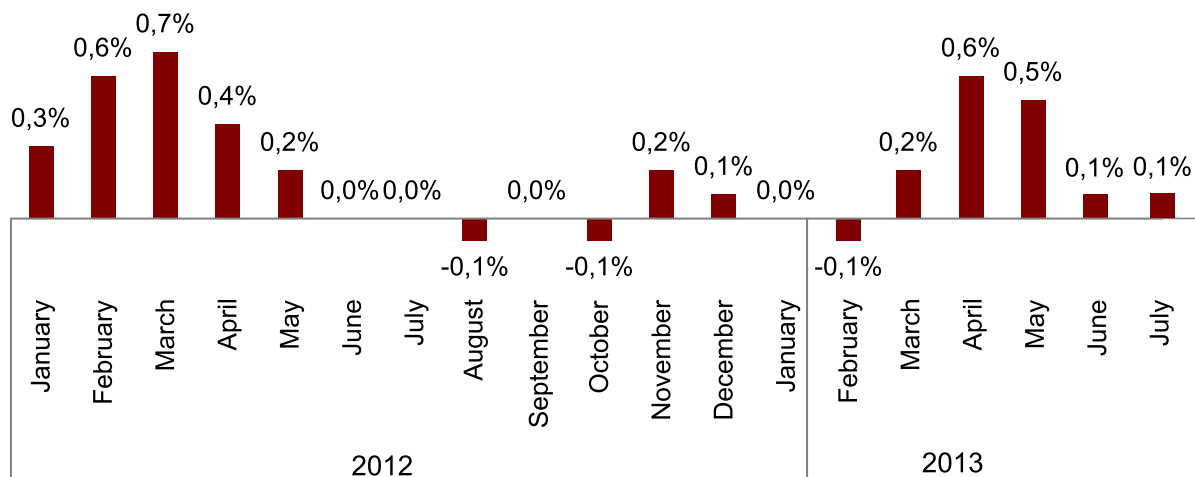
**JULY**

Riga  
2013

## Standard-type apartments, August 1, 2013

In July, 2013, the overall prices in the standard-type apartment market in the Riga City housing estates have remained stable. In many places the prices still have the trend of a slight growth. The average standard-type apartment price reached the level of 602 EUR/m<sup>2</sup> in July; the average price growth per month has been minimal +0.1%.

### Standard-type apartment price changes since beginning of 2012 (%)

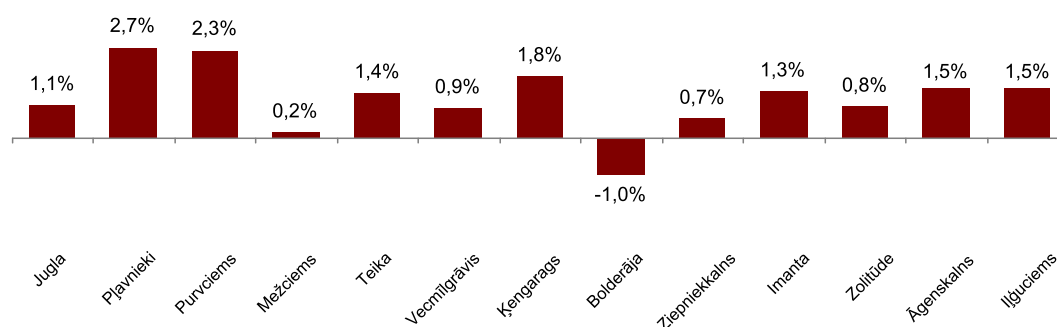


Source: ARCO REAL ESTATE

The standard-type apartment market remained stable in July. The supply remained practically unchanged and the apartment prices have remained similar to those in June. A minimum price growth was seen in most Riga housing estates – due to price fluctuations of certain apartment segments. However, the overall price increase in such housing estates as Pļavnieki and Purvciems in 2013 has already exceeded 2%. Thus, the standard-type apartment prices generally tend to rise.

The largest growth of the average 1 m<sup>2</sup> price in the housing estates of Riga City since the beginning of 2013 was observed in Pļavnieki: +2.7%. But, in turn, solely in Bolderāja the prices have decreased this year - by 1% on average. In other housing estates the prices tend to increase slightly.

### Price changes in housing estates since beginning of 2013

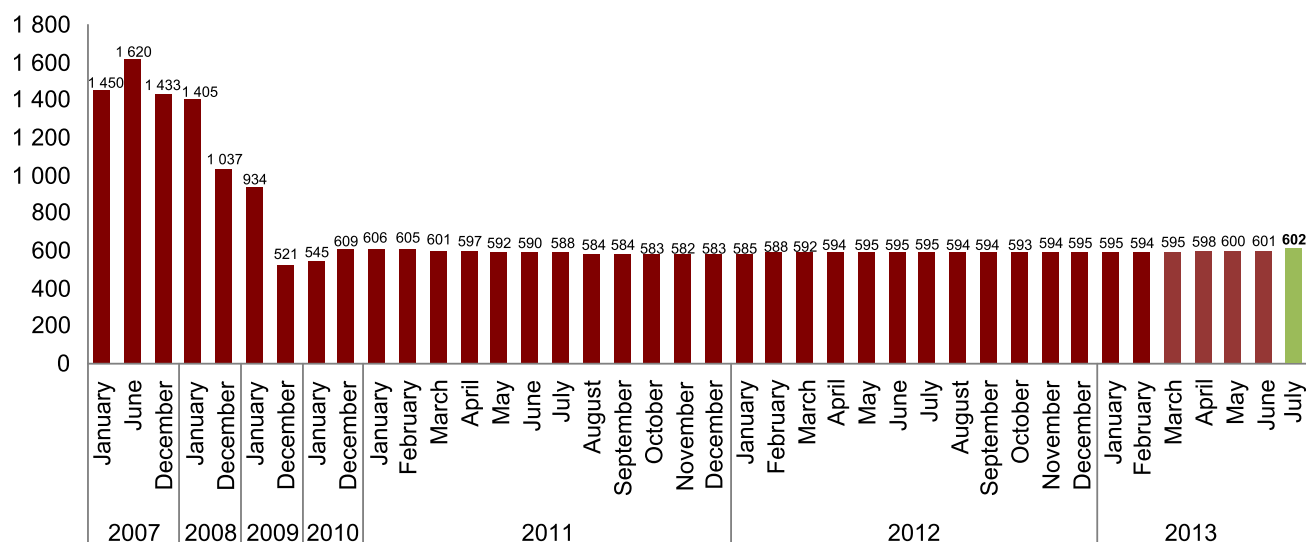


Source: ARCO REAL ESTATE

In July 2013 the average standard-apartment price has reached the level of 602 EUR/m<sup>2</sup>. The prices on average are by 62.9% lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value of 1620 EUR/m<sup>2</sup>.

In 2008, the average prices of standard-type apartments in Riga decreased by 33.5% on average. In 2009, the average prices decreased by another 44.2%. But in 2010 the prices grew by 16.9% in total. In 2011, the prices of standard-type apartments decreased by 3.5%. In 2012, the apartment prices grew by 2%. Since the beginning of 2013, the apartment prices have increased by 1.1%.

## Movements of average price of standard-type apartments in housing estates of Riga (EUR/m<sup>2</sup>)



Source: ARCO REAL ESTATE

In July 2013, the average price of 1m<sup>2</sup> of apartments if categorized by number of rooms has increased for one-room apartments (+0.2%), two-room apartments (+0.3%), three-room apartments (+0.2%) and four-room apartments (+0.2%).

## Average prices of standard-type apartments in Riga housing estates: breakdown by number of rooms (EUR/m<sup>2</sup>)

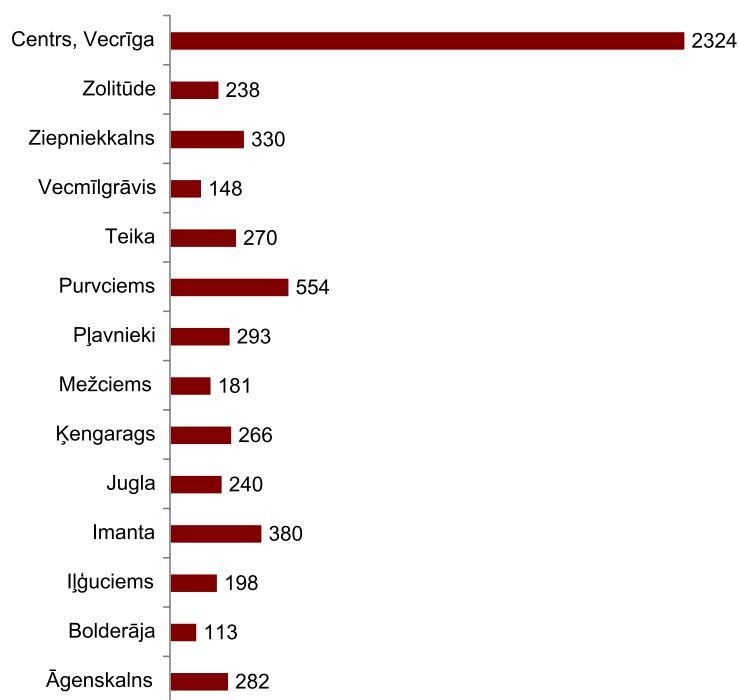
	2011												2012												2013							
	1st January	1st February	1st March	1st April	1st May	1st June	1st July	1st August	1st September	1st October	1st November	1st December	1st January	1st February	1st March	1st April	1st May	1st June	1st July	1st August	1st September	1st October	1st November	1st December	1st January	1st February	1st March	1st April	1st May	1st June	1st July	1st August
<b>1 room</b>	654	649	644	636	633	628	626	624	623	622	622	621	622	626	632	639	639	640	641	640	638	639	639	642	643	643	643	643	648	648	650	<b>651</b>
<b>2 rooms</b>	621	615	613	609	604	599	596	594	590	591	589	589	590	592	594	598	600	602	602	602	602	602	601	601	602	602	602	603	610	612	612	<b>614</b>
<b>3 rooms</b>	587	584	584	581	578	573	571	567	564	564	563	563	563	565	568	571	573	574	575	575	575	575	574	574	574	574	574	574	576	577	578	<b>579</b>
<b>4 rooms</b>	577	575	578	576	572	569	567	566	561	560	558	556	557	557	560	561	565	565	562	562	562	562	560	560	560	560	560	560	561	562	562	<b>563</b>

Avots: ARCO REAL ESTATE

In July 2013, the supply of apartments have remained unchanged. The number of apartments supplied has slightly increased (by +0.2%) in the largest housing estates analyzed by ARCO REAL ESTATE. Also the overall supply in Riga has slightly increased (by +0.5%). The supply of apartments in the central part of Riga (city centre, Old Town) has increased by 1.5%).

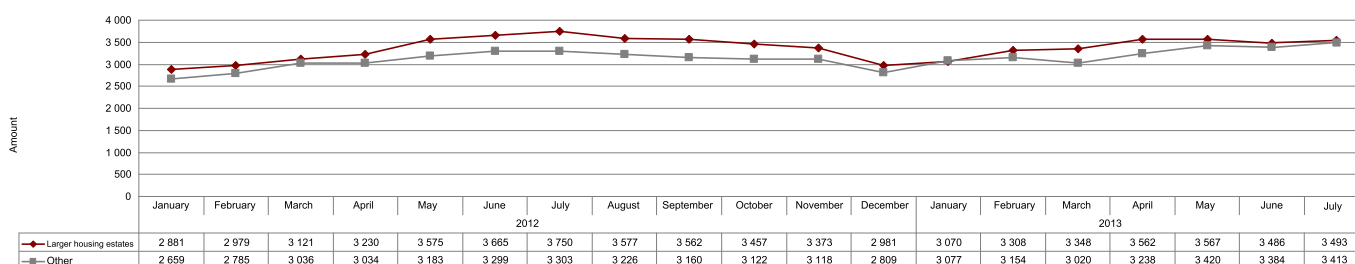
Having summarized the number of apartments supplied, we can conclude that the largest supply of apartments in July was in Purvciems, Pļavnieki, Imanta and Ziepniekkalns. But the housing estates where the number of apartments supplied was the smallest were Bolderāja and Vecmīlgrāvis. In July, the number of apartments supplied in the largest housing estates of Riga mainly increased. The largest reduction of the supply was observed in Teika, where the supply decreased by 9.7%. But the largest increase was observed in Zolitūde - by 10.2%.

Number of apartments offered in Riga, July 2013



Source: ARCO REAL ESTATE

Apartment supply dynamics in Riga



Source: ARCO REAL ESTATE

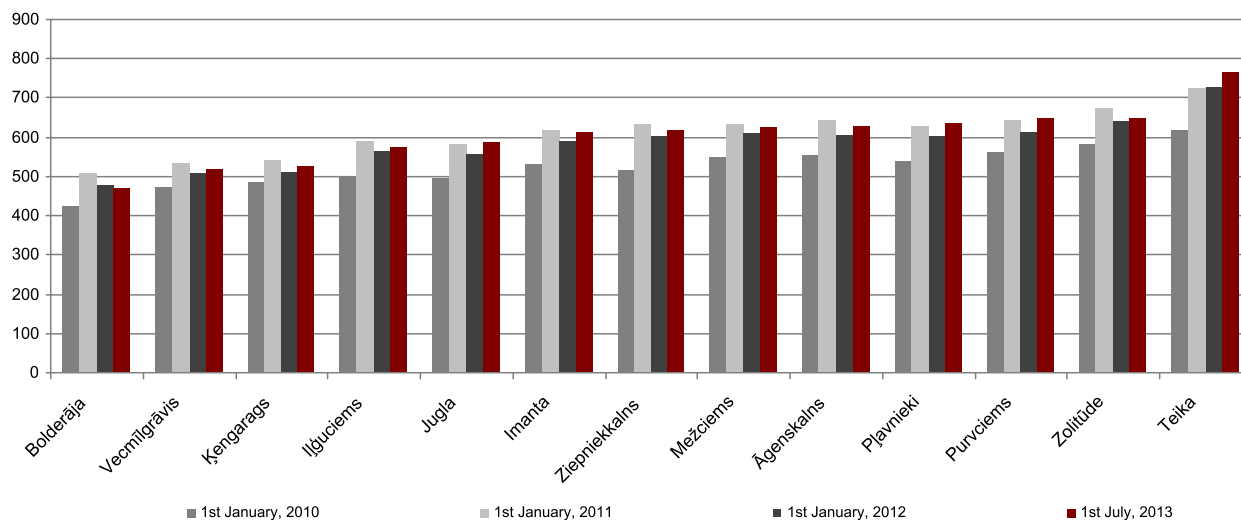
In July 2013, the standard-type apartment market was characterized mainly by minimum price changes in the largest Riga housing estates. The largest growth of the average price of 1m<sup>2</sup> in July was observed in Pļavnieki (+0.4%). In a number of housing estates no price fluctuations have been observed.

Change of average standart-type apartment prices in Riga housing estates (%)

	Average 1m <sup>2</sup> price on 1st August, 2013	Average 1m <sup>2</sup> price on 1st July, 2013	Price changes, %
Jugla	589	588	0,2%
Pļavnieki	639	637	0,4%
Purvciems	647	647	0,0%
Mežciems	625	625	0,0%
Teika	767	766	0,2%
Vecmīlgrāvis	519	518	0,1%
Ķengarags	527	526	0,2%
Bolderāja	468	468	0,0%
Ziepniekkalns	617	616	0,2%
Imanta	613	613	0,0%
Zolitūde	649	649	0,0%
Āgenskalns	632	630	0,3%
Ilģuciems	579	577	0,3%

Since the beginning of 2012, the standard-type apartment prices have increased by 3.2%. Since the beginning of 2011, the prices have decreased by 1.2%. Compared with the beginning of 2010, in July 2013 the standard-type apartment prices in the housing estates of Riga were by 15.5% higher.

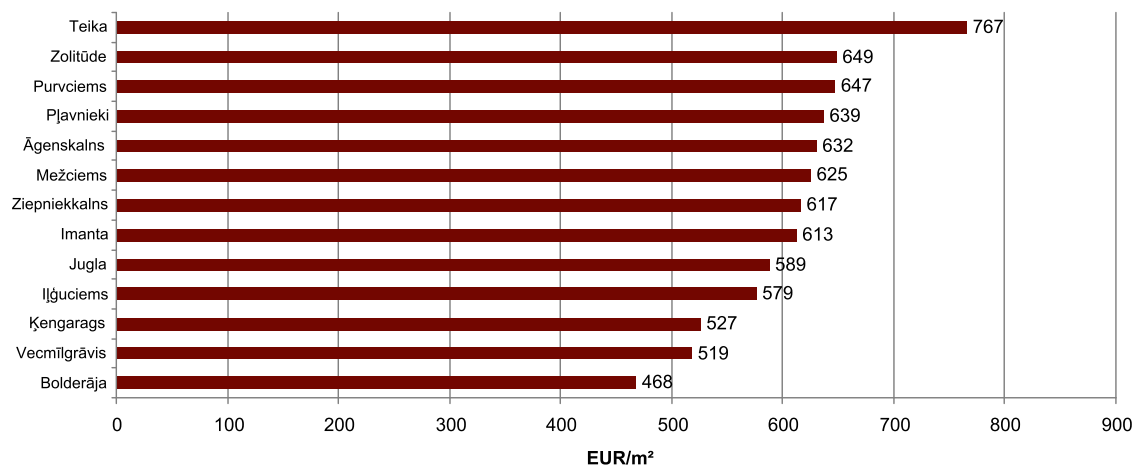
**Average standard-type apartment prices in Riga housing estates (EUR/m<sup>2</sup>)**



Source: ARCO REAL ESTATE

The highest standard-type apartment prices in July 2013 were in Teika, where the average price of 1m<sup>2</sup> has increased to 767 EUR. But the lowest average price of 1m<sup>2</sup> in June was in Bolderāja where it remained to be 468 EUR.

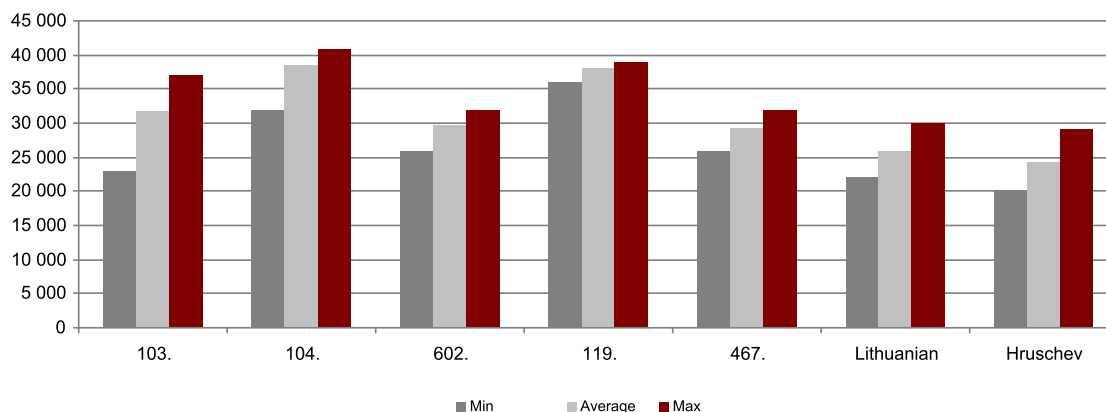
**Average standard-type apartment prices in Riga housing estates in July 2013 (EUR/m<sup>2</sup>)**



Source: ARCO REAL ESTATE

In July 2013, the most expensive apartments still were apartments in the houses of the 119th series and 104th series, where the price of 2-room apartments varied from 32 to 41 thousand EUR, depending on location. But the so-called Lithuanian design houses have been the cheapest ones, where the price of 2-room apartments varied from 22 to 30 thousand EUR, and the so-called Khrushchev-time houses, where the price of 2-room apartments varied from 20 to 29 thousand EUR, depending on the housing estate.

**Standard-type apartment prices by series in Riga housing estates in July 2013  
(prices of 2-room apartments, in EUR)**



Source: ARCO REAL ESTATE

## Apartment market in the vicinity of Riga

### Ogre

The average prices in Ogre in July 2013 remained unchanged. The average apartment price has remained to be 426EUR/m<sup>2</sup>. In 2012, the prices of standard-type apartments decreased by 1.3% in Ogre. In the first six months of 2013, the apartment prices in Ogre decreased by 1.3%. The prices observed in recent months in Ogre are to be considered stable, without any significant changes.

### Kauguri, Jūrmala,

In July 2013 the apartment prices in Kauguri decreased by 0.7%. The average price of an apartment has decreased to 400EUR/m<sup>2</sup>. In 2012, the prices of standard-type apartments decreased by 3.5% in Kauguri. In the first six months of 2013, the apartment prices in Kauguri decreased by 3.9% and this decrease is continuing.

### Salaspils

In July 2013, the apartment prices in Salaspils remained unchanged. The average price remained to be 469EUR/m<sup>2</sup>. In 2012, the prices of standard-type apartments decreased by 3.1% in Salaspils. In the first six months of 2013, the apartment prices in Salaspils decreased by 2%.

### Jelgava

In July 2013, the apartment prices in Jelgava remained unchanged. The average price remained to be 291EUR/m<sup>2</sup>. In 2012, the prices of standard-type apartments decreased by 2.6% in Jelgava. In the first six months of 2013, the apartment prices have been stable and the price fluctuations have been insignificant. In general, the prices have remained unchanged since the beginning of the year.

## ARCO REAL ESTATE

**Māris Laukalējs**

**Valdes loceklis**

Head of valuation dpt. Nr.1

maris.laukalejs@arcoreal.lv

Brīvības str. 39, Rīga

LV-1010, Latvija

Phone +371 6736 5555

Fax +371 6728 4423

www.arcoreal.lv

<http://www.draugiem.lv/arcoreal>

<http://www.twitter.com/arcorealestate>

<http://www.facebook.com/ARCOREALESTATE>