



MARKET OVERVIEW

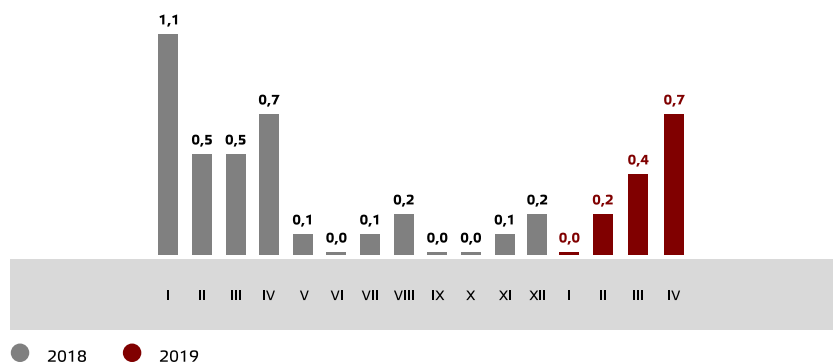
Standard-Type Apartments

APRIL

Standard-Type Apartments, May 1, 2019

In April 2019, the price of standard-type apartments in the housing estates of Riga increased by 0.7 %. The average price of standard-type apartments in April increased to 808 EUR/m². Since early 2019, standard-type apartment prices have generally increased by 1.4 %.

Standard-type apartment price changes, %

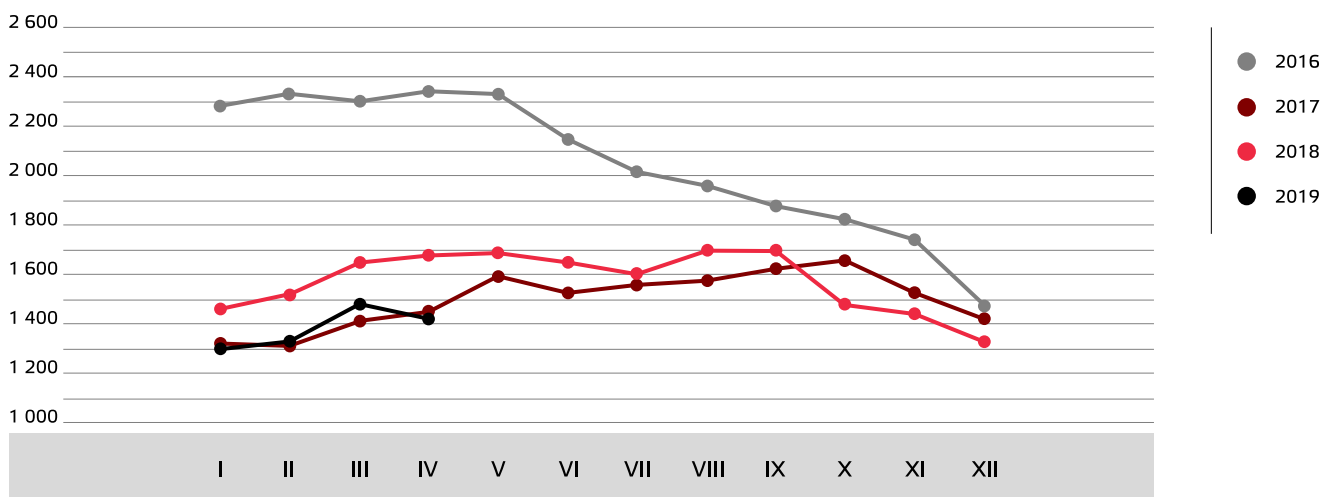


Source: ARCO REAL ESTATE

In April 2019, the average price of standard-type apartments increased in most housing estates. The average price per square meter of standard-type apartments continued to rise and the price growth increased. The most rapid increase in prices in 2019 occurred just in April. During the previous month, prices for large apartments increased the most. Within a month, the price of three and four-room apartments increased by 1 %. In the vicinity of Riga, prices for apartments also continued to rise - most of all, the prices in April rose in Jūrmala, Kauguri where the prices rose by 2 %.

The supply of apartments in the Riga housing estates at the beginning of 2019 showed trends similar to 2018, however, in April there was a rapid decline. The supply was still much lower (-16 %) than a year ago, in April 2018.

Dynamics of apartment supply in the largest housing estates of Riga

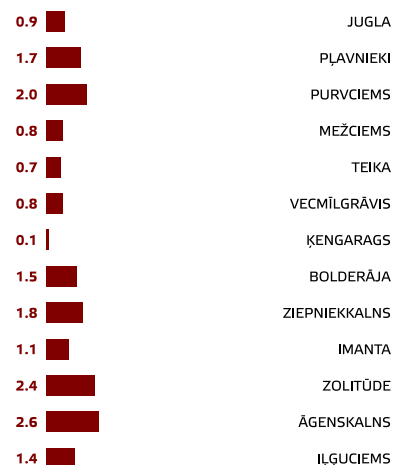


Source: ARCO REAL ESTATE

The largest increase in the average price of one square meter of apartments in Riga housing estates since the beginning of 2019 was observed in Āgenskalns (+ 2.6 %). Prices in other major housing estates in Riga have also increased since the beginning of the year. The smallest changes in the first four months of the year were observed in Ķengarags - the prices have increased by only 0.1 % since the beginning of the year.

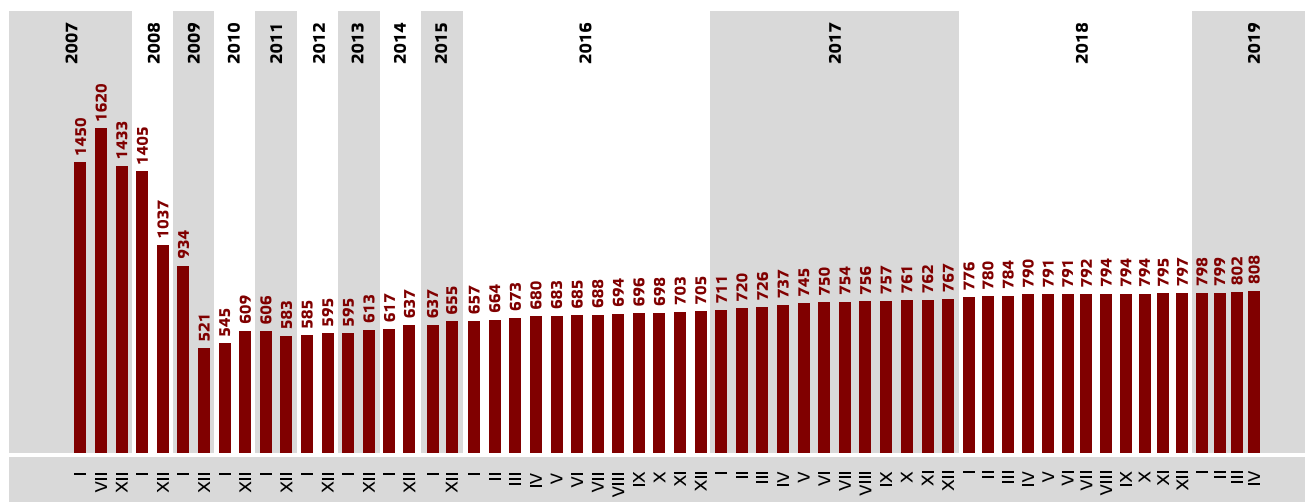
In April 2019, the average price of standard-type apartments increased slightly - to 808 EUR/m². The prices on average were by 50 % lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value - 1 620 EUR/m².

Price changes in the largest housing estates of Riga since January 1, 2019, %



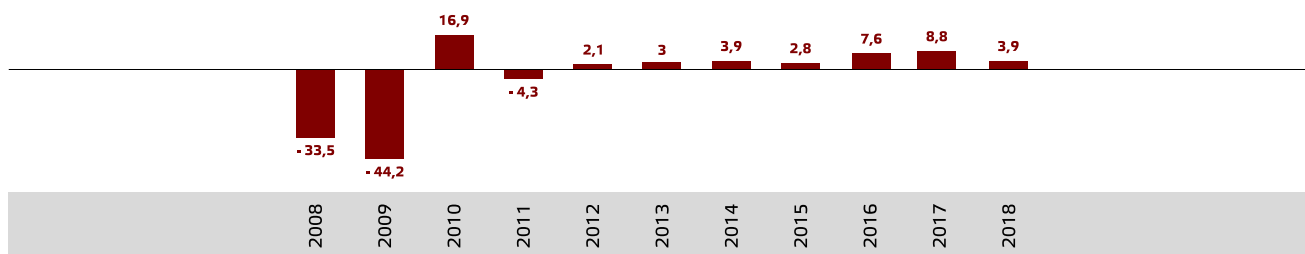
Source: ARCO REAL ESTATE

Dynamics of average price of standard-type apartments in the largest housing estates of Riga, EUR/m²



Source: ARCO REAL ESTATE

Standard-type apartment price changes in Riga housing estates, %



Source: ARCO REAL ESTATE

In April 2019, prices for apartments by the number of rooms slightly increased for all apartments. The average price per square meter of standard-type apartments increased for one-room (+ 0.3 %), two-room (+ 0.5 %), three-room (+ 1 %) and four-room (+ 1.1 %) apartments.

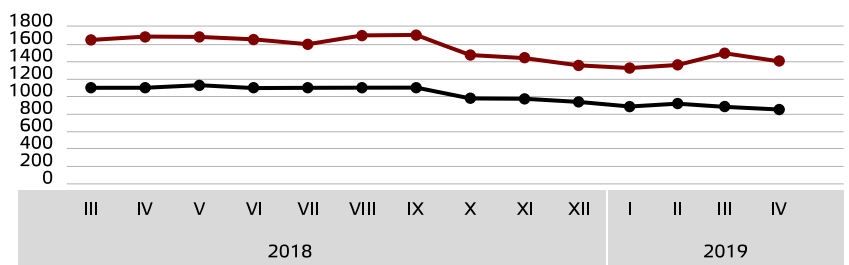
Average prices of standard-type apartments in Riga housing estates: breakdown by number of rooms, EUR/m²

	2018												2019				
	01.01.	01.02.	01.03.	01.04.	01.05.	01.06.	01.07.	01.08.	01.09.	01.10.	01.11.	01.12.	01.01.	01.02.	01.03.	01.04.	01.05.
1 room	840	853	855	858	864	865	865	866	867	868	868	869	870	871	872	875	878
2 rooms	787	797	800	805	812	814	815	815	817	817	817	818	822	822	823	826	830
3 rooms	730	736	741	745	748	749	750	750	752	752	752	754	756	757	759	765	773
4 rooms	711	718	725	728	734	735	735	736	738	738	738	738	739	740	742	743	751

Source: ARCO REAL ESTATE

In April 2019, the total supply of apartments in Riga decreased by 4 % compared to the previous month. But the number of apartments offered for sale in the largest housing estates analyzed by ARCO REAL ESTATE decreased by 5 %. Compared to April 2018, the apartment supply was lesser: the total number of apartments offered for sale was by 19 % lower, but the number of apartments offered for sale in the largest housing estates was by 16 % lower.

Dynamics of supply of apartments in Riga



● THE BIGGEST RESIDENTIAL AREAS (Jugla, Pļavnieki, Purvciems, Mežciems, Teika, Vecmīlgrāvis, Ķengarags, Bolderāja, Ziepniekkalns, Imanta, Zolitūde, Āgenskalns, Ilģuciemis)

● THE CENTER OF RIGA, OLD RIGA

Source: ARCO REAL ESTATE

Having summarized the number of apartments offered in the housing estates of Riga, it can be concluded that the largest supply of apartments in April was in Purvciems, while the lowest apartment supply was in Bolderāja.

Last month, the number of apartments offered for sale in the most of Riga's housing estates decreased. The number of supply of apartments in Ilģuciemis decreased the most (-13%). By contrast, the supply of apartments has increased most in Pļavnieki (+2%).

When analyzing the number of apartments offered for sale in April in proportion to the size of the housing estate, i. e., by number of population, the highest number was recorded in Mežciems and Āgenskalns. By contrast, the number of apartments offered for sale was proportionally lowest in Teika and Bolderāja.

In April 2019, positive changes in prices of standard-type apartments took place in the housing estates of Riga. In all largest and most popular housing estates, the prices increased slightly. The biggest price increase was observed in Zolitūde, where prices rose by 1.6% during the month. In Ķengarags, on the other hand, the price changes were very small (+0.1%).

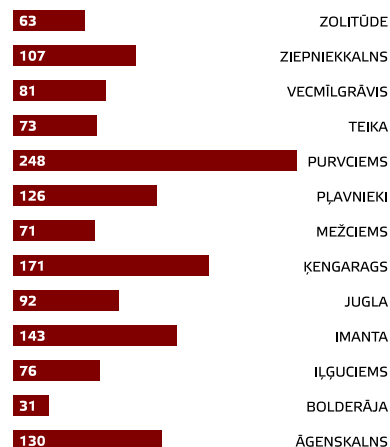
Average price changes of square meter of standard-type apartments in Riga housing estates, %

	The average value per 1 m ² on 01.05.2019.	The average value per 1 m ² on 01.04.2019.	Changes, %
Jugla	802	796	0.7 ↑
Pļavnieki	854	849	0.6 ↑
Purvciems	871	862	1.0 ↑
Mežciems	838	835	0.8 ↑
Teika	961	958	0.4 ↑
Vecmīlgrāvis	647	644	0.4 ↑
Ķengarags	755	755	0.1 ↑
Bolderāja	580	579	0.3 ↑
Ziepniekkalns	847	838	1.1 ↑
Imanta	853	850	0.4 ↑
Zolitūde	878	865	1.6 ↑
Āgenskalns	890	880	1.1 ↑
Ilģuciemis	784	777	0.9 ↑

Source: ARCO REAL ESTATE

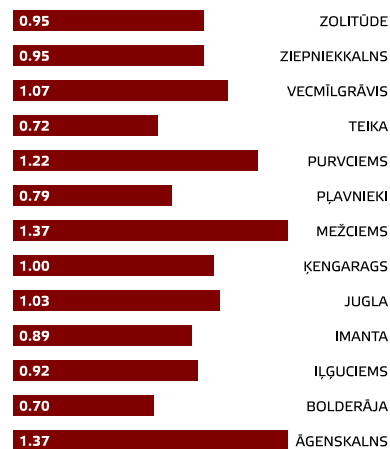
In April 2019, the standard-type apartment prices, compared with the beginning of 2018, were by 5% higher. In turn, since the beginning of 2019, the prices have increased by 1%.

Number of apartments offered for sale in Riga at the end of April 2019



Source: ARCO REAL ESTATE

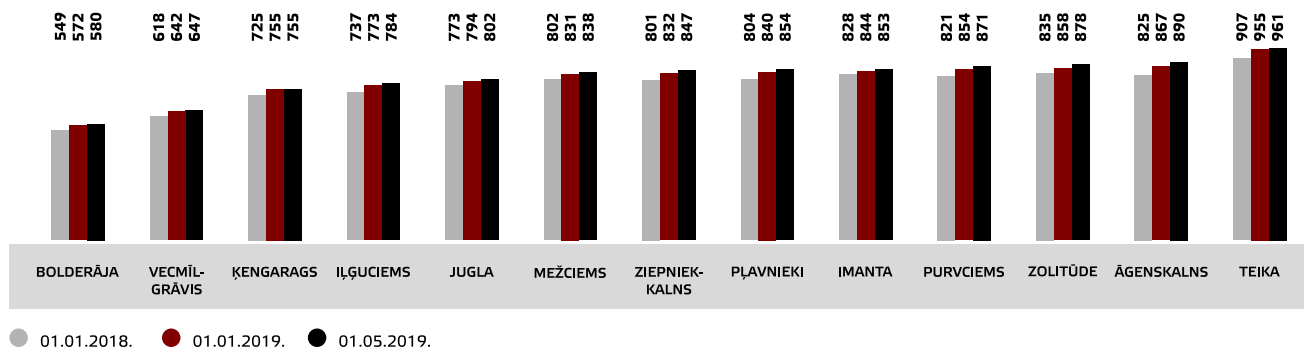
Number of apartments offered for sale in proportion to the size of the housing estates in Riga in April 2019



* If the coefficient is greater than 1, the relation of the supply of apartments in the specific housing estate to the number of population in that housing estate is higher.
If the coefficient is less than 1, the relation of the supply of apartments in the specific housing estate to the number of population in that housing estate is lower.

Source: ARCO REAL ESTATE

Average standard-type apartment prices in housing estates of Riga, EUR/m²

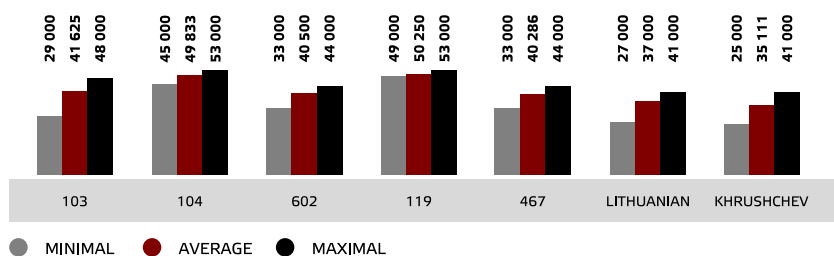


Source: ARCO REAL ESTATE

The highest prices for standard-type apartments in April remained in Teika, where the average price per square meter increased to 961 EUR/m². The lowest average price per square meter in April was in Bolderāja - 580 EUR/m².

In April 2019, the most expensive apartments still were apartments in the houses of the series 119 and 104, where the price of 2-room apartments in a satisfactory condition varied from 45 000 to 53 000 EUR depending on the location. In turn, the so-called Lithuanian design were the cheapest ones, where the price of 2-room apartments varied from 27 000 to 41 000 EUR, and the so-called Khrushchev-time houses, where the price of 2-room apartments varied from 25 000 to 41 000 EUR, depending on the housing estate.

Standard-type apartment prices by series in Riga housing estates in April 2019 (2-room apartments), EUR



Source: ARCO REAL ESTATE

Average standard-type apartment prices in housing estates of Riga as per May 1, EUR/m²



Source: ARCO REAL ESTATE

Apartment market in the vicinity of Riga

Ogre

In April 2019, standard-type apartment prices in Ogre increased by 1.4 %. The average price of apartments reached 618 EUR/m². In 2019, apartment prices in total in Ogre increased by 3 %.

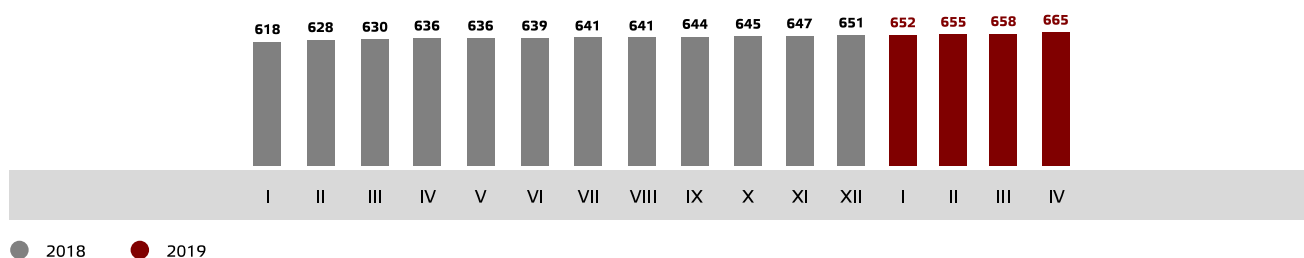
Kauguri, Jūrmala

In Kauguri in April, standard-type apartment prices rose by 2.4 %. The average price per square meter of apartments has reached 595 EUR/m². Since the beginning of 2019, apartment prices in Kauguri have generally increased by 5 %.

Salaspils

In April 2019, the apartment prices in Salaspils increased by 1.1 %. The average price of standard-type apartments in Salaspils has increased to 665 EUR/m². Since the beginning of 2019, standard-type apartment prices in Salaspils have increased by 2 %.

Dynamics of average price of standard-type apartments in Salaspils, EUR/m²



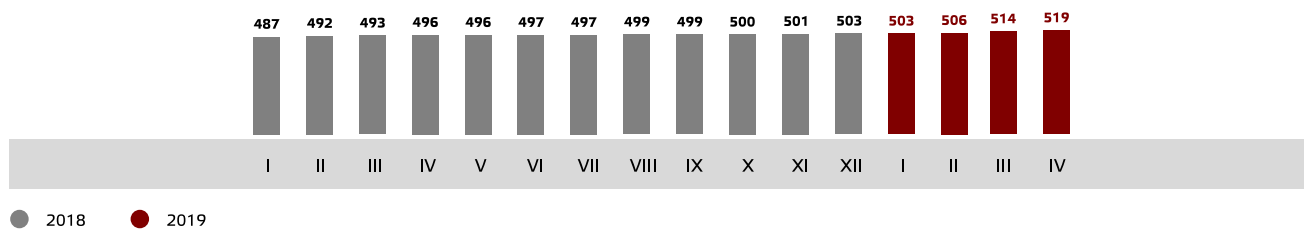
● 2018 ● 2019

Source: ARCO REAL ESTATE

Jelgava

In Jelgava, the apartment price increased by 0.9 % in April. The average price of standard-type apartments in April was 519 EUR/m². Since early 2019, the price of standard-type apartments in Jelgava has increased by 3 %.

Dynamics of average price of standard-type apartments in Jelgava, EUR/m²



● 2018 ● 2019

Source: ARCO REAL ESTATE

ARCO REAL ESTATE is the leading real estate company of the Baltic states, founded in 1992 in Estonia, the offices are today in cities in Latvia, Estonia and Bulgaria. ARCO REAL ESTATE is listed in Tallinn Stock Exchange since June, 2007. ARCO REAL ESTATE Latvia is founded in 1997 and today we are able to offer services in Riga, Jūrmala, Saulkrasti, Daugavpils, Jelgava as well as in Limbaži and Liepāja. More than 80 highly-qualified employees work in the company.

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