

MARKET OVERVIEW

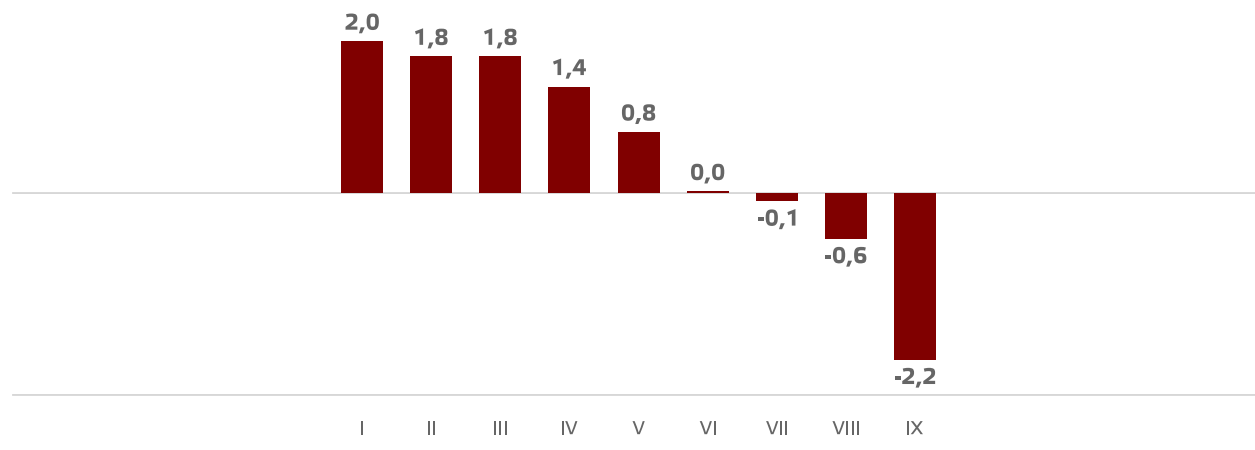
Standart-type apartments SEPTEMBER

ARCO REAL ESTATE is an international company with more than 20 years of experience in the Latvian real estate market. Since the establishment of the company in 1997, ARCO REAL ESTATE has been constantly developing and promoting the professional growth of its employees, thus increasing the quality of the services provided and becoming the leading service provider in the industry. Currently, the company, which employs more than 50 qualified specialists, provides services in Riga, Jūrmala, Saulkrasti, Daugavpils, Jelgava, as well as in Limbaži and elsewhere in Latvia, offering real estate brokerage, appraisal and consulting services to clients.

Standard-Type Apartments, October 1, 2022

In September 2022, there were significant changes in the prices of standard-type apartments in the housing estates of Riga - during the month, the average price of standard-type apartments decreased by 2 %. The average price of standard-type apartments dropped to 946 EUR/m². However, compared to the beginning of 2022, apartment prices were 5 % higher in September.

Standard-type apartment price changes since beginning of 2022, %

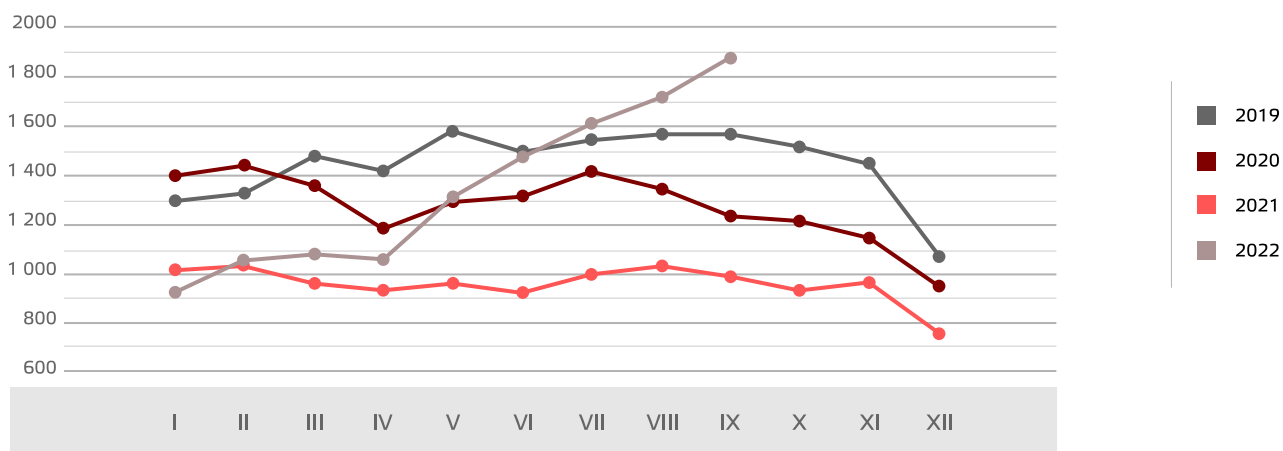


Source: ARCO REAL ESTATE

Negative price fluctuations were observed in the largest housing estates of Riga in the 3rd quarter of 2022. In September, the price drop was even faster than in the previous months. Apartment prices in several housing estates decreased by 3 % during the month. Also in the surroundings of Riga, the price level of standard-type apartments continued to decrease.

For the fifth month in a row, the number of apartments offered for sale in Riga's largest housing estates increased rapidly - in September it was 88 % higher than last year in this period. In September, the number of apartments offered for sale exceeded 1,800 – the last time this indicator was exceeded in 2016. The level of supply in general in Riga was much higher than a year ago (+62 %).

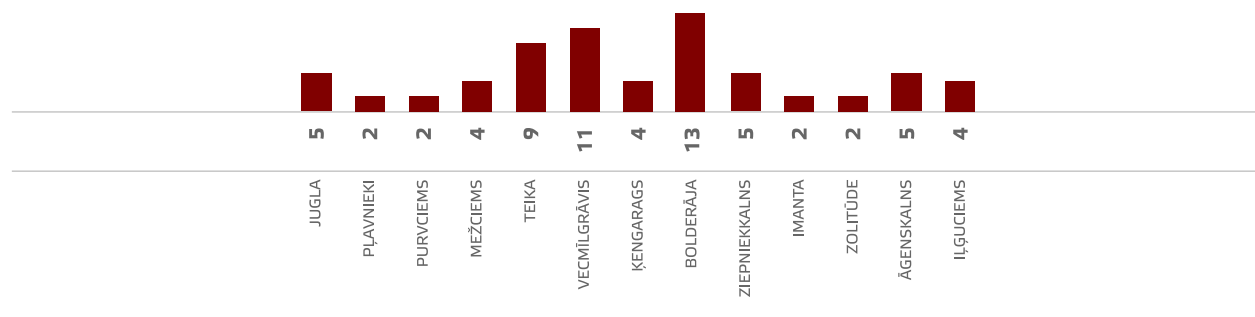
Dynamics of apartment supply in the largest housing estates of Riga



Source: ARCO REAL ESTATE

Since the beginning of 2022, the prices of apartments in all major housing estates of Riga have increased. The biggest price increase since the beginning of the year in Riga housing estates was observed in Bolderāja (+13 %).

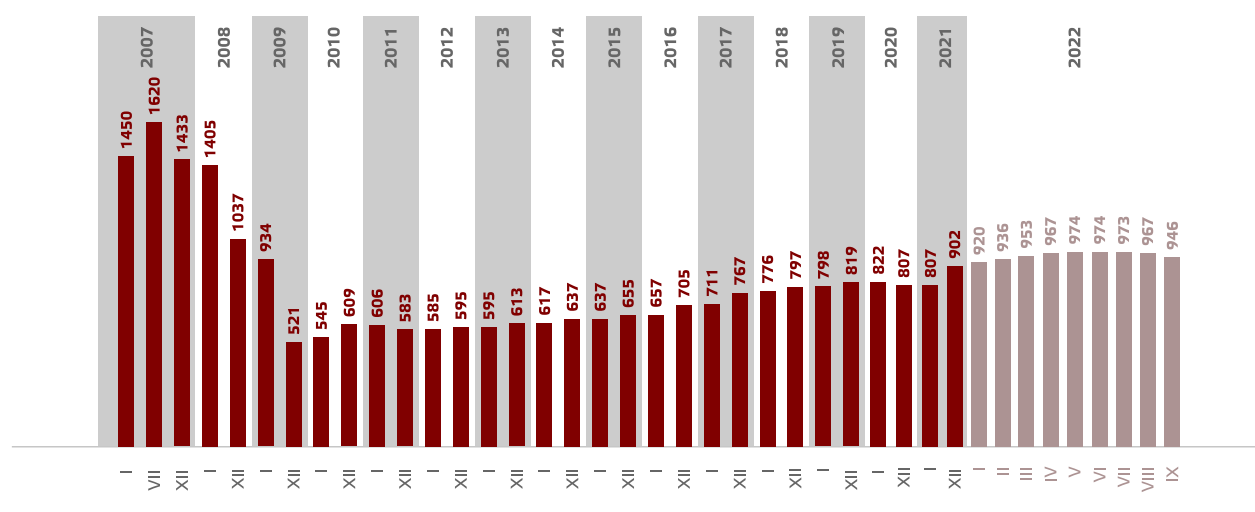
Price changes in the largest housing estates of Riga since January 1, 2022, %



Source: ARCO REAL ESTATE

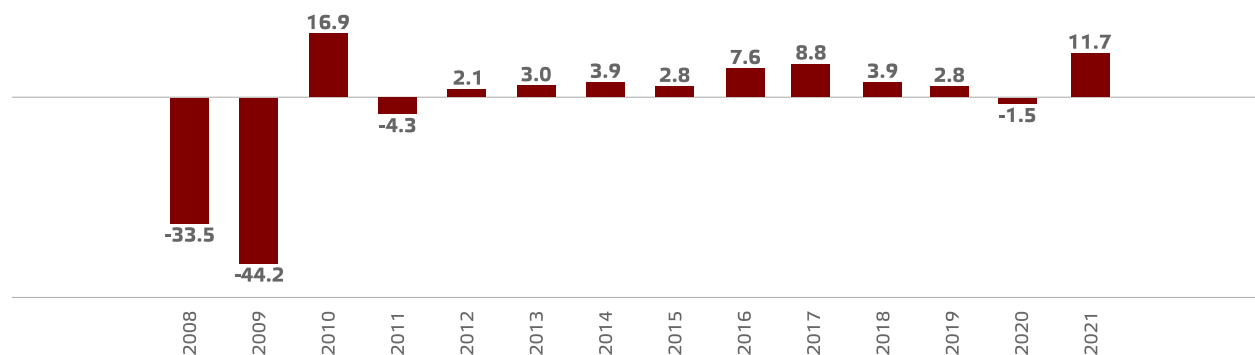
In September, the average price of standard-type apartments dropped to 946 EUR/m². The prices on average were by 42 % lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value – 1 620 EUR/m².

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



Source: ARCO REAL ESTATE

Changes in prices of standard-type apartments in Riga housing estates, %



Source: ARCO REAL ESTATE

In September, changes were found in apartment prices. The average price per square meter of standard-type apartments decreased for one-room (-1.8 %), two-room (-2.3 %), three-room (-2.2 %) and four-room (-2.9 %) apartments.

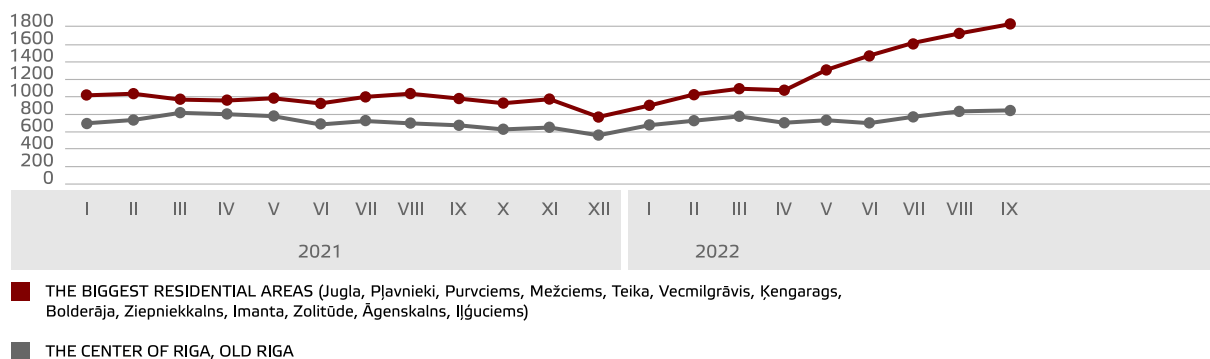
Average prices of standard-type apartments in Riga housing estates: breakdown by number of rooms, EUR/m²

	2021												2022									
1 room	872	873	877	881	887	903	925	937	955	964	967	976	980	1004	1024	1047	1059	1069	1069	1069	1062	1043
2 rooms	820	820	824	827	830	850	864	873	889	899	903	909	913	935	948	963	979	984	984	982	976	954
3 rooms	773	773	780	785	787	797	811	822	838	850	854	860	865	879	896	906	920	927	927	927	920	900
4 rooms	762	763	772	775	777	787	803	812	826	833	834	839	848	861	876	895	910	917	917	915	911	885
	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.	01.06.	01.07.	01.08.	01.09.	01.10.

Source: ARCO REAL ESTATE

Compared to the previous month, the supply of apartments in Riga increased by 5 % in September. The number of apartments offered for sale in the largest housing estates analyzed by ARCO REAL ESTATE increased by 7 %. Compared to September 2021, the supply of apartments was generally higher: the total number of apartments offered for sale was higher by 62 %, while the supply of apartments in the largest housing estates was 88 % higher than a year ago.

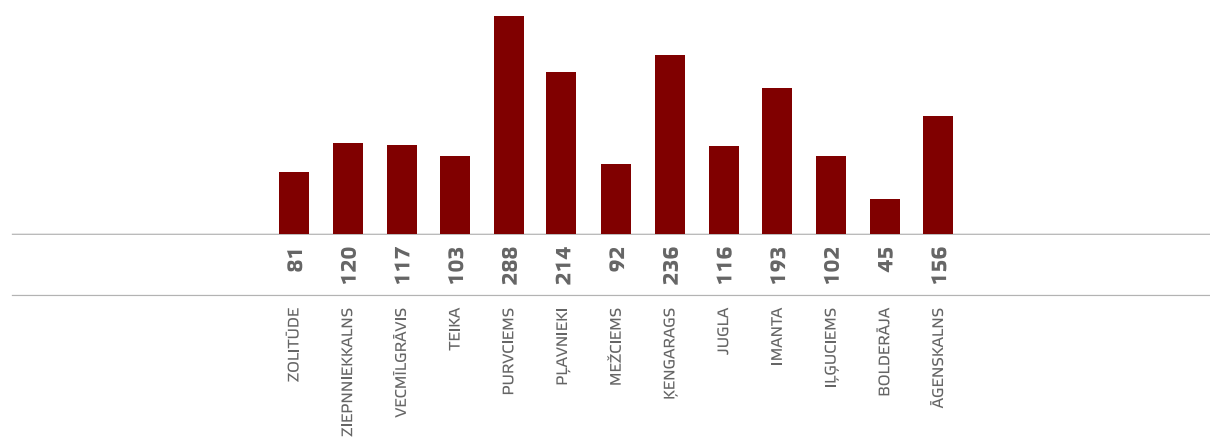
Dynamics of supply of apartments in Riga



Source: ARCO REAL ESTATE

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

Number of apartments offered for sale in Riga at the end of September 2022

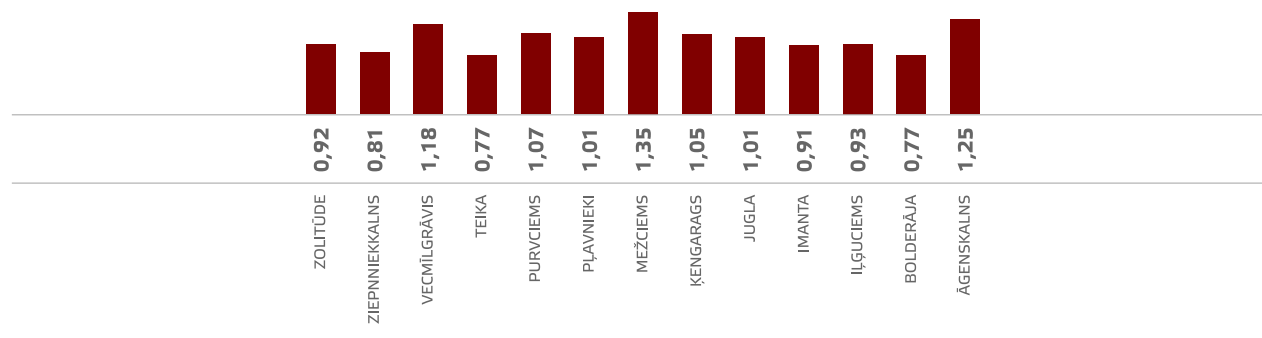


Source: ARCO REAL ESTATE

Last month, the number of apartments offered for sale increased in almost all major housing estates of Riga. The number of apartments offered for sale increased the most in Āgenskalns (+20 %). The number of apartments offered for sale decreased only in Teika (-13 %).

When analysing the supply of apartments in proportion to the size of the housing estate, i.e., by population, the largest supply in September was found in Mežciems. On the other hand, the number of apartments offered for sale was proportionally the lowest in Bolderāja and Teika.

Number of apartments offered for sale in proportion to the size of the housing estates in Riga in September 2022



Source: ARCO REAL ESTATE

In September, there were changes in the prices of standard-type apartments in the housing estates of Riga. Negative price fluctuations were observed in all the largest housing estates of Riga. The most significant drop in prices was found in Purvciems, where they decreased by 3.2 % during the month. The decrease in apartment prices had the least impact on Bolderāja - prices there fell by 0.4 % during the month.

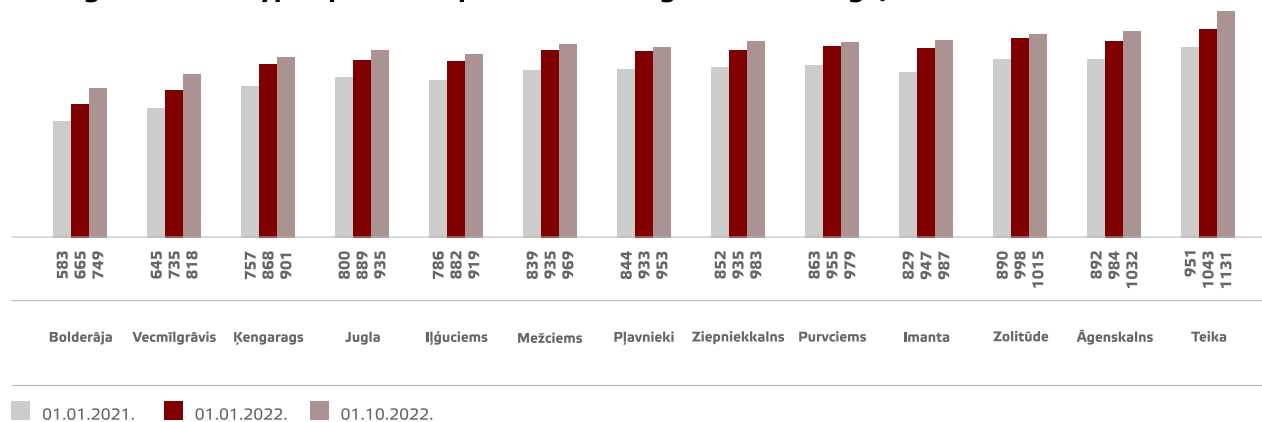
Average price changes of square meter of standard-type apartment in Riga housing estates, %

Housing Estate	The average value per 1 m ² on 01.10.2022.	The average value per 1 m ² on 01.09.2022.	Changes, %
Jugla	935	956	-2,2
Ļāvnieki	953	980	-2,7
Purvciems	979	1011	-3,2
Mežciems	969	995	-2,6
Teika	1131	1137	-0,5
Vecmīlgrāvis	818	834	-1,9
Ķengarags	901	922	-2,3
Bolderāja	749	752	-0,4
Ziepniekkalns	983	1003	-2,0
Imanta	987	1018	-3,1
Zolitūde	1015	1038	-2,2
Āgenskalns	1032	1053	-2,1
Ilģuciems	919	941	-2,3

Source: ARCO REAL ESTATE

Compared to the beginning of 2021, in September 2022 the prices of standard-type apartments were higher by 17 %. But since the beginning of 2022, prices have risen by 5 %.

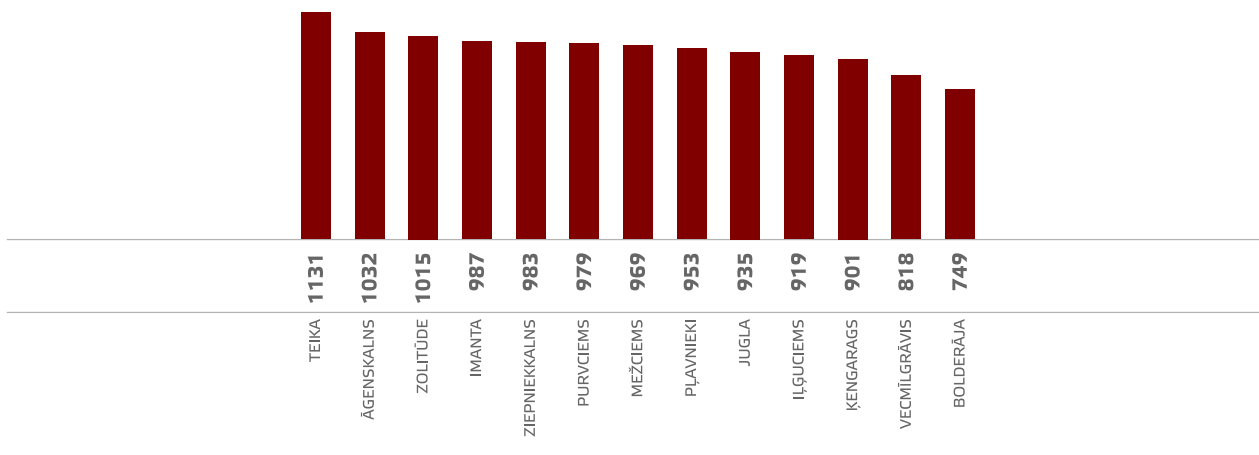
Average standard-type apartment prices in housing estates of Riga, EUR/m²



Source: ARCO REAL ESTATE

The highest prices of standard-type apartments remained in Teika in September, where the average price of one square meter decreased to 1,131 EUR/m². The lowest average price per square meter in September was in Bolderāja – 749 EUR/m², which also decreased slightly during the month.

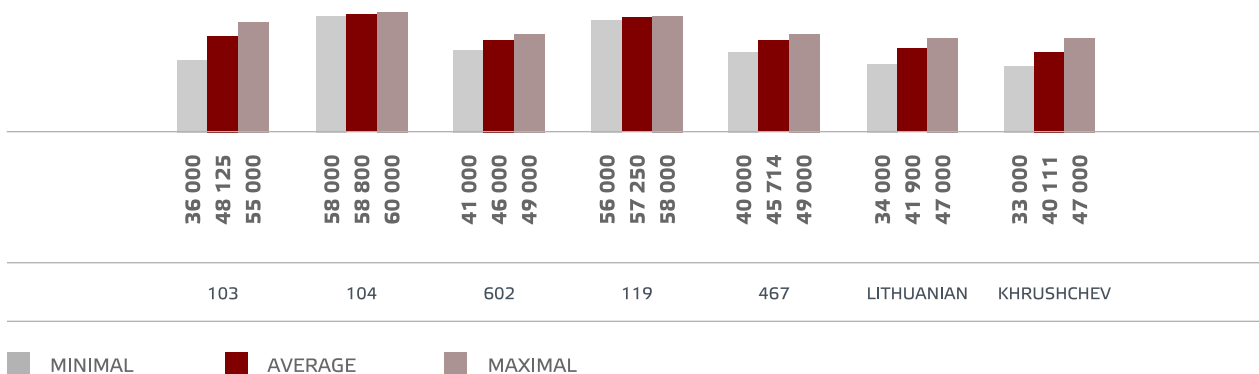
Average standard-type apartment prices in housing estates of Riga on October 1, 2022, EUR/m²



Source: ARCO REAL ESTATE

In September, 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 56 000 to 60 000 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 34 000 to 47 000 EUR, and the so-called Khrushchev-time houses, where the price of 2-room apartments varied from 33 000 to 47 000 EUR depending on the housing estate.

Standard-type apartment prices by series in Riga housing estates in September 2022 (2-room apartments), EUR



Source: ARCO REAL ESTATE

Apartment market in the vicinity of Riga

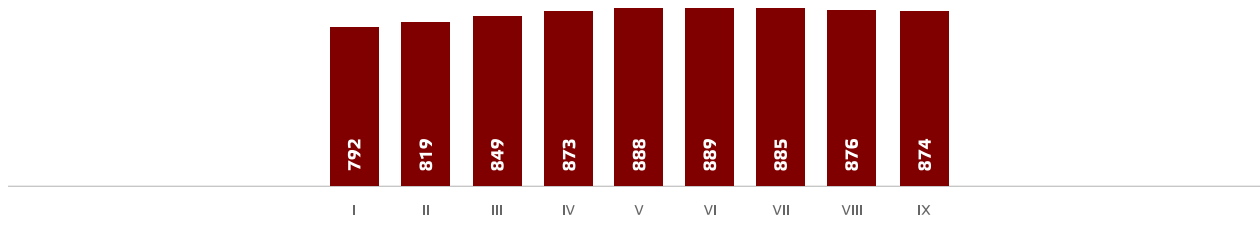
Ogre

In September, standard-type apartment prices in Ogre decreased by 1 %, the average price decreasing to 901 EUR/m². In 2022, apartment prices in Ogre have increased by 12 %.

Kauguri, Jūrmala

In Kauguri, standard-type apartment prices decreased by 0.2 % in September. The average price per square meter of apartments fell to 874 EUR/m². In 2022, apartment prices in Kauguri have increased by 12 %.

Dynamics of the average price of standard-type apartments in Jūrmala, Kauguri, EUR/m²

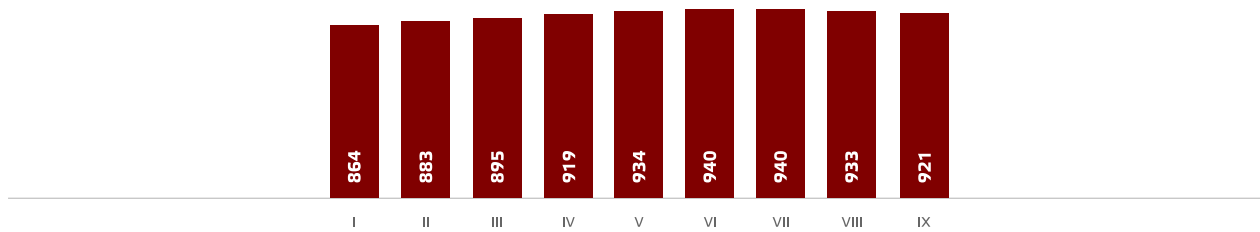


Source: ARCO REAL ESTATE

Salaspils

In September, apartment prices in Salaspils decreased by 1 %, the average price falling to 921 EUR/m². In September 2022, standard-type apartment prices in Salaspils were 9 % higher than at the beginning of the year.

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

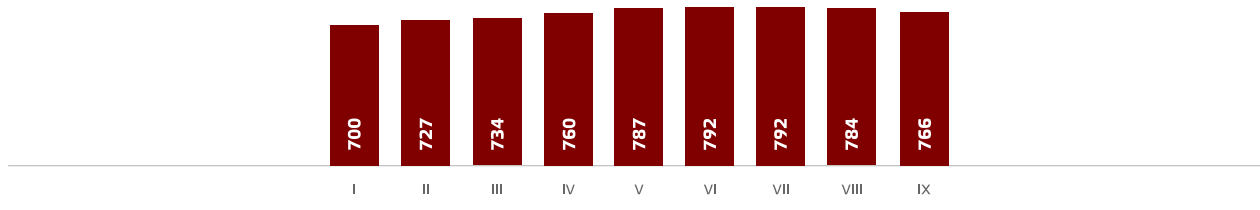


Source: ARCO REAL ESTATE

Jelgava

Apartment prices in Jelgava decreased by 2 %. The average price of standard-type apartments in September was 766 EUR/m². In 2022, the prices of standard-type apartments in Jelgava have increased by 13 %.

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



Source: ARCO REAL ESTATE

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