

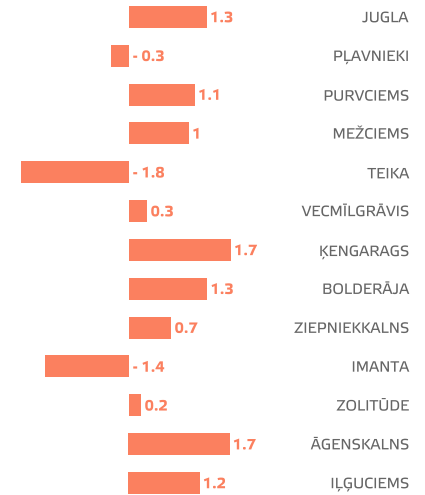
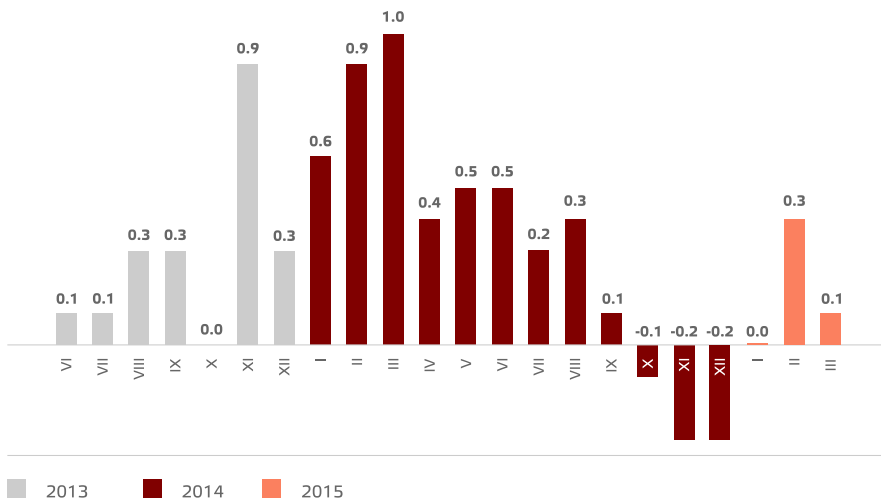
SERIAL APARTMENT MARKET OVERVIEW
MARCH

Serial apartments, April 1, 2015

The serial apartment prices in Riga residential areas increased per 0,1 %. The average serial apartment price increased up to the position of 640 EUR/m². The serial apartment prices have risen per 0,5 % since the beginning of 2015, while the serial apartment prices have grown per 1,9 % since last March.

Price changes in the biggest residential areas since January 1, 2015, %

Serial apartment price changes since the middle of 2013, %

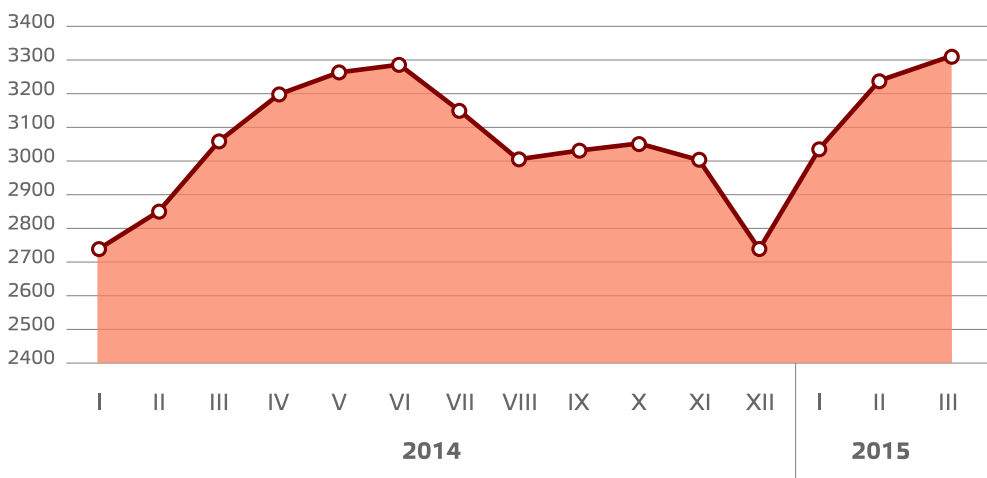


Source: ARCO REAL ESTATE

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The serial apartment prices continued increasing in March, but as it was foreseen before, the increase was minimal. It can be explained with the rapid offer growth at the beginning of this year. The offer in Riga biggest residential areas continued growing also in March and exceeded the rates of last year's most active months (typical of May). In comparison with March 2014, the apartment offer in the biggest Riga residential areas increased per 8,3 %. Due to the big amount of offers it can be foreseen that the price increase tempo is not going to be rapid in the period of the next months.

Apartment offer amount dynamics of the biggest residential areas of Riga



Source: ARCO REAL ESTATE



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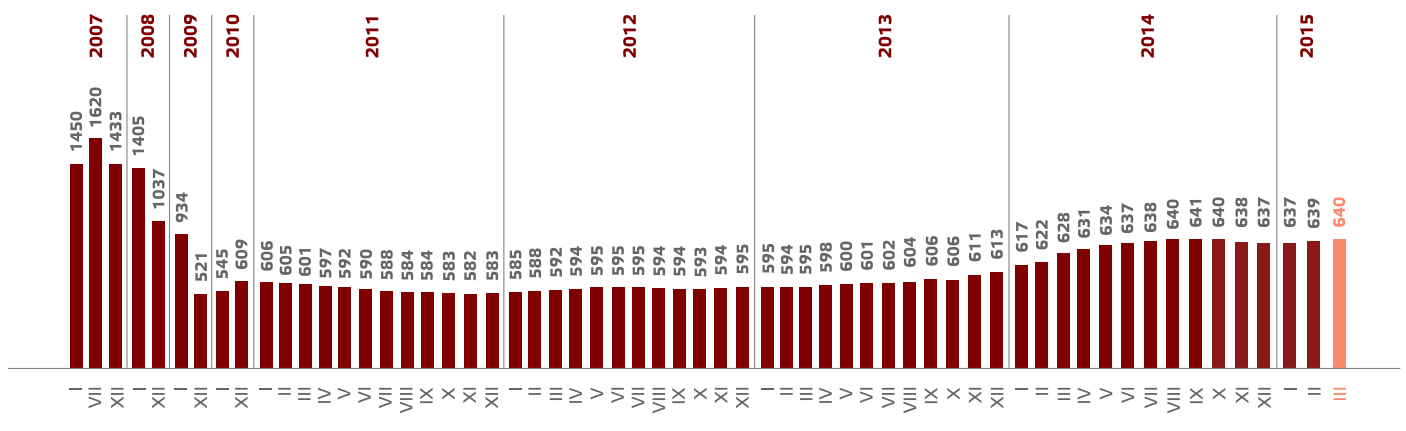
In 2013 and 2014, as well as in the first months of this year the biggest price increase was observed in Ķengarags, where the rapid price growth was not so marked. However, the prices in Ķengarags in March increased only per 0,3 %. Even though proportionally to the residential area there was the lowest apartment offer in Ķengarags, this tendency might change soon due to the most rapid offer amount increase (+16,2 %) that was observed in March, and held back from a more active price level increase.

The biggest apartment price increase per 1 m² in Riga residential areas since the beginning of 2015 is observed in Ķengarags (+1,7 %) and Āgenskalns (+1,7 %). Also, the prices in the biggest part of other largest Riga residential areas increased during this period. However, the price level decreased in Teika (-1,8 %), Imanta (-1,4 %) and Pļavnieki (-0,3 %).

The average apartment price in March 2015 increased up to the position of 640 EUR/m². The prices were on average per 60,5 % lower than on July 1, 2007, when the average price for an unrepaired serial apartment had reached the highest point of all times – 1 620 EUR/m².

The average prices for serial apartments in Riga in 2008 decreased per 33,5 % on average overall. During 2009 the average prices fell per 44,2 % more. During 2010 the prices grew per 16,9 % on average. The prices for serial apartments dropped per 4,3 % in 2011. Next, the apartment prices grew per 2,1 % in 2012, but in 2013 - per 3 %. The prices kept increasing in 2014 in amount of 3,9 %. During the first two months of 2015 the prices increased per 0,5 %.

Serial apartment average price dynamics in the biggest residential areas of Riga, EUR



Source: ARCO REAL ESTATE

In March 2015 the average apartment value per 1 m² in accordance with the number of rooms increased for both, one room (+0,3 %), 2 room (+0,3 %), as well as 3 room (+0,3 %) apartments. The prices for 4 room apartments slightly decreased in March.

The average serial apartment prices in residential areas of Riga by the amount of rooms, EUR/m²

	2013												2014												2015			
1 room	643	643	643	643	648	648	650	651	652	654	655	664	666	671	681	689	692	697	701	699	703	704	702	702	703	698	700	702
2 rooms	602	602	602	603	610	612	612	614	616	619	618	623	625	628	631	638	641	645	649	650	652	654	651	647	644	644	645	647
3 rooms	574	574	574	574	576	577	578	579	582	583	583	587	588	592	596	600	602	604	609	610	611	612	613	611	607	609	612	614
4 rooms	560	560	560	560	561	562	562	563	564	567	568	571	573	577	581	586	588	590	592	594	594	592	594	595	593	596	597	596
	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.	01.11.	01.12.	01.01.	01.02.	01.03.	01.04.

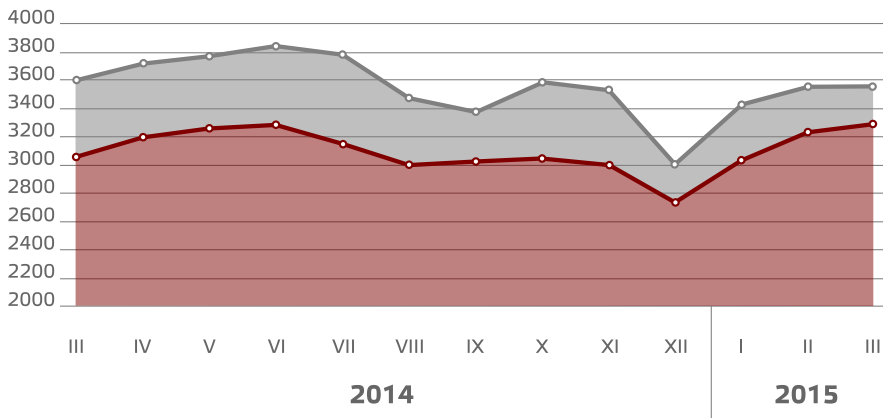
Source: ARCO REAL ESTATE

The overall apartment offer in Riga in March 2015 increased per 1,1 % overall. The offer amount in the biggest residential areas observed by ARCO REAL ESTATE also increased per 2,3 %. In comparison with the last March, the overall apartment offer increased per 3 %, but the offer in the biggest residential areas - per 8,3 %.

The biggest amount of offers in residential areas in March was observed in Purvciems, Pļavnieki and Ziepniekkalns, but the smallest - in Bolderāja and Vecmīlgrāvis. Observing the offer amount proportionally to the residential area size (amount of inhabitants), the biggest offer is found in Mežciems and Zolitūde, whereas the offer amount proportionally to the amount of inhabitants in Ķengarags, Vecmīlgrāvis and Bolderāja was the smallest.

Increase in offer amount in March was observed in almost all the biggest residential areas. The residential areas where the offer decrease was observed were Iļģuciems (-4,7 %), Teika (-4,5 %), Purvciems (-1,7%), and Pļavnieki (-0,8%). The most essential increase in apartment offer in March was observed in Ķengarags (+16,2 %), Jugla (+13,2 %), and Vecmīlgrāvis (+12,8 %).

Apartment offer dynamics in Riga



- THE BIGGEST RESIDENTIAL AREAS (Jugla, Pļavnieki, Purvciems, Mežciems, Teika, Vecmīlgrāvis, Ķengarags, Bolderāja, Ziepniekkalns, Imanta, Zolitūde, Āgenskalns, Iļģuciems).
- THE REST OF RIGA (center and other areas).

Source: ARCO REAL ESTATE

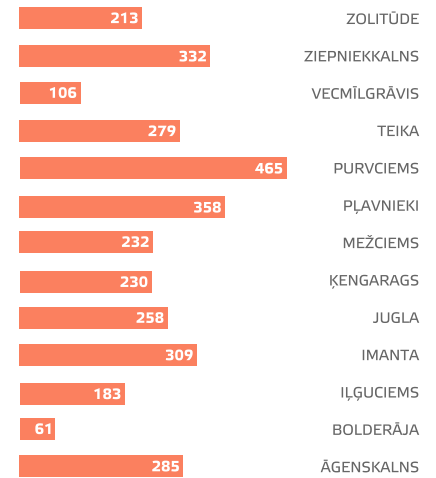
In March 2015 the prices in the serial apartment market increased in almost all Riga residential areas. The average price per 1 m² decreased only in Imanta (-0,2 %). In Teika, Vecmīlgrāvis, and Zolitūde the serial apartment prices remained stable, but in other residential areas of Riga the price rise was observed. The most essential price increase was found in Purvciems (+0,6 %), Āgenskalns (+0,6 %), and Iļģuciems (+0,4 %).

The average serial apartment price changes in Riga residential areas, %

	The average value per 1m ² on 01.04.2015.	The average value per 1m ² on 01.03.2015.	Changes, %
Jugla	647	644	0.3 ↑
Pļavnieki	662	661	0.1 ↑
Purvciems	689	685	0.6 ↑
Mežciems	669	667	0.3 ↑
Teika	784	784	0 →
Vecmīlgrāvis	533	533	0 →
Ķengarags	604	603	0.3 ↑
Bolderāja	460	459	0.3 ↑
Ziepniekkalns	648	647	0.2 ↑
Imanta	666	668	-0.2 ↓
Zolitūde	699	699	0 →
Āgenskalns	688	684	0.6 ↑
Iļģuciems	616	614	0.4 ↑

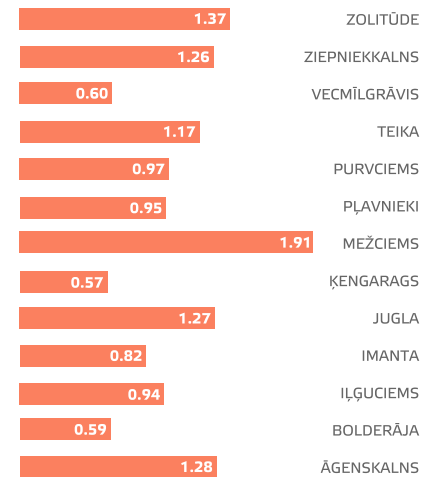
Source: ARCO REAL ESTATE

Amount of apartment offer in Riga in March 2015



Source: ARCO REAL ESTATE

Apartment offer proportionally to the sizes of residential areas in Riga in March 2015*

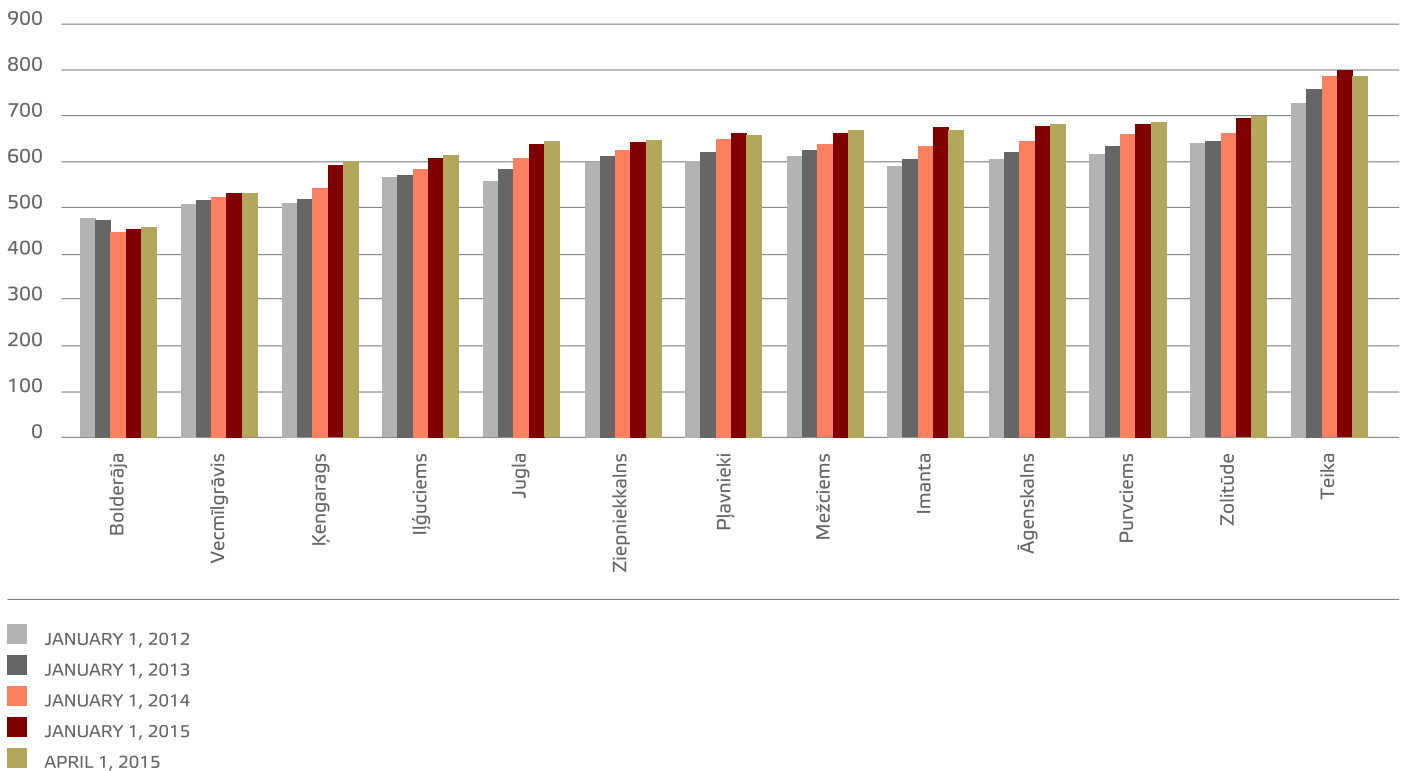


* If the coefficient is **greater than 1**, the relation of the supply of apartments in the specific housing estate to the number of population in that housing estate is higher.
If the coefficient is **less than 1**, the relation of the supply of apartments in the specific housing estate to the number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

Source: ARCO REAL ESTATE

Since the beginning of 2012 the prices increased per 9,7 %. Since the beginning of 2013 the serial apartment prices had grown per 7,5 %. In comparison with the beginning of 2014, the serial apartment prices in Riga residential areas were per 4,4 % higher in March 2015.

The average serial apartment prices in residential areas, EUR/m²

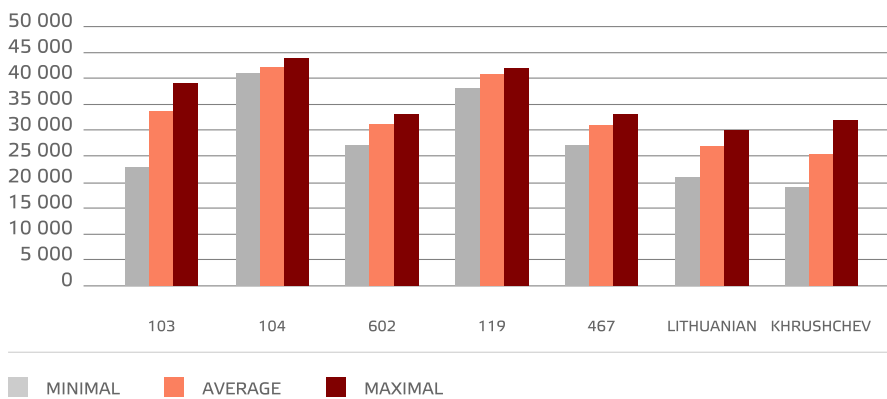


Source: ARCO REAL ESTATE

The highest serial apartment prices in March 2015 remained in Teika, where the average price per 1 m² remained stable in the position of 784 EUR/m². However, the lowest price per 1 m² remained stable in Bolderāja - it increased up to 460 EUR/m² in March.

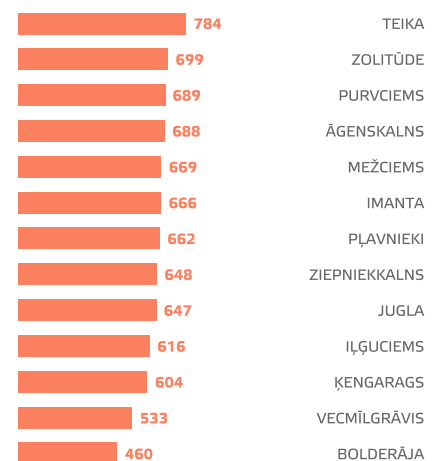
The most expensive apartments in March 2015 remained in the houses of 119th and 104th series, where the prices for 2 room apartments in a satisfactory condition fluctuated from 38 000 to 43 000 EUR, depending on location. The Lithuanian project houses were the cheapest, where the prices for 2 room apartments ranged from 21 000 to 30 000 EUR, as well as for the Khrushchev houses, where the prices for 2 room apartments varied from 19 000 to 31 000 EUR, depending on the residential area.

Serial apartment price by series in Riga residential areas in March 2015 (prices for 2 room apartments), EUR



Source: ARCO REAL ESTATE

The average serial apartment prices in residential areas on April 1, 2015, EUR/m²



Source: ARCO REAL ESTATE

Apartment market in Riga neighbourhood

Ogre

The serial apartment prices in Ogre in March 2015 remained stable. The average price kept its position at 422 EUR/m². March was the second month in a row when the price level changes were not found. During the period of the previous 4 months the price decrease was observed in Ogre. The serial apartment prices in comparison with the last March were per 2,3 % lower.

Kauguri, Jūrmala

The prices in Kauguri in March 2015 increased per 0,5 %. The average apartment price exceeded the border of 400 EUR/m² and reached 402 EUR/m². Since the beginning of 2015 the serial apartment prices in Kauguri increased per 1,6 %. In comparison with the last March the serial apartment prices in Kauguri were per 1 % higher.

Salaspils

The price level in Salaspils in March 2015 remained stable. The average apartment price in March was 469 EUR/m². The prices in Salaspils in March were per 0,1 % higher in comparison with the beginning of 2015, and per 1,5 % higher in comparison with the corresponding month last year.

Jelgava

The prices in Jelgava in March 2015 decreased per 0,4 %. The average apartment price in March was in the position of 329 EUR/m². Serial apartment price decrease in Jelgava is found already the fifth month in a row. Since October 2014, when the price reached the highest point of 345 EUR/m², the prices fell per 4,6 %.

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Māris Laukalējs | Member of the Board
 Head of Valuation Department No. 1
 maris.laukalejs@arcoreal.lv

5a Blaumaņa Street, Rīga
 LV-1011, Latvia
 Phone +371 6736 5555
 www.arcoreal.lv



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