

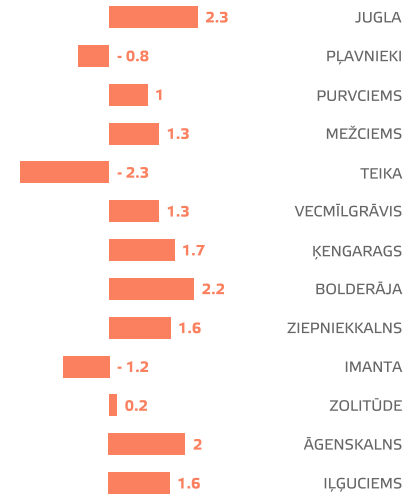
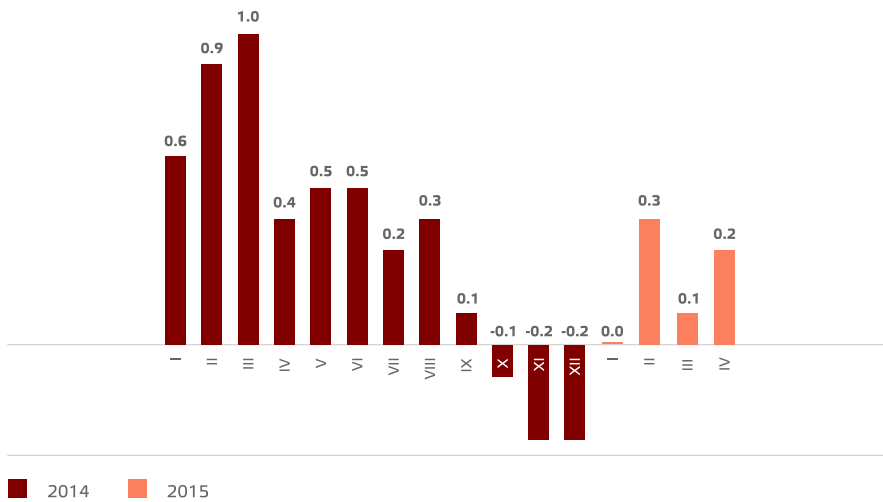
SERIAL APARTMENT MARKET OVERVIEW
APRIL

Serial apartments, May 1, 2015

The serial apartment prices in Riga residential areas increased per 0,2 % in April. The average serial apartment price increased up to the position of 641 EUR/m². The serial apartment prices have risen per 0,7 % since the beginning of 2015, while the serial apartment prices have grown per 1,6 % since last April.

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

Serial apartment price changes since the beginning of 2014, %



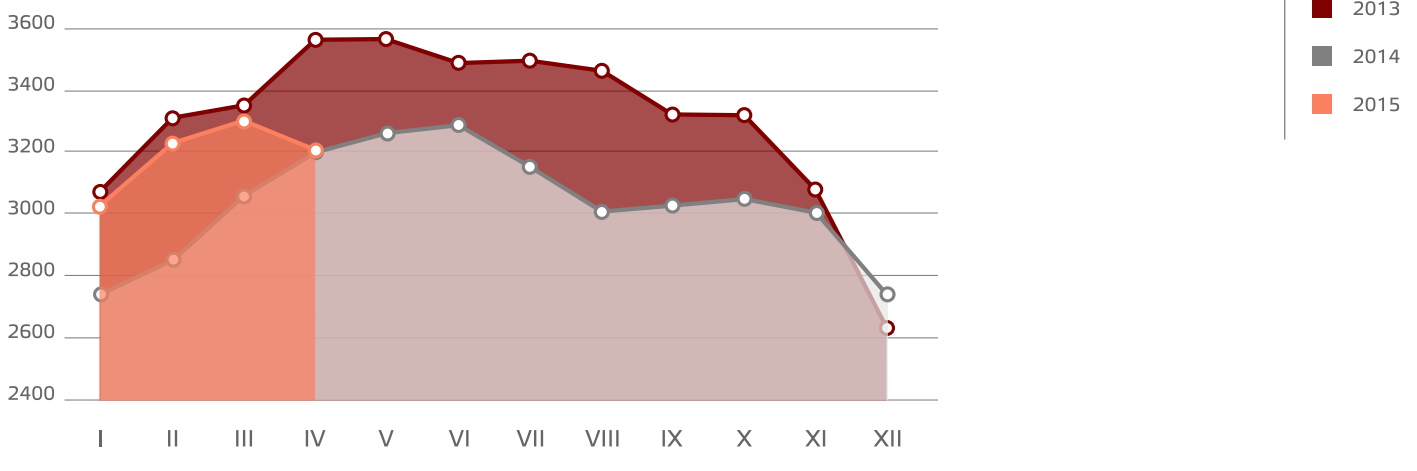
Source: ARCO REAL ESTATE

Source: ARCO REAL ESTATE

The serial apartment price continued increasing reasonably in April, the tendency is observed the third month in a row. The marked recovered from the price decrease that was observed at the end of the last year, and reached the price level of September 2014 once again, being at the position of 641 EUR/m². The serial apartment prices in biggest part of Riga largest residential areas increased within the borders of 1 - 2,3 %. Taking into account the apartment offer decrease that is uncharacteristic to the seasonality and was observed in April, it can be foreseen that the price level increase will continue in the next months as well.

The opposite tendency was observed in such Riga neighbourhood towns as Ogre, Jelgava, Salaspils and Kauguri, Jūrmala residential area, where the serial apartment prices in April decreased within the borders of 0,5 - 1,5 %.

Apartment offer amount dynamics of the biggest residential areas of Riga on a yearly basis



Source: ARCO REAL ESTATE



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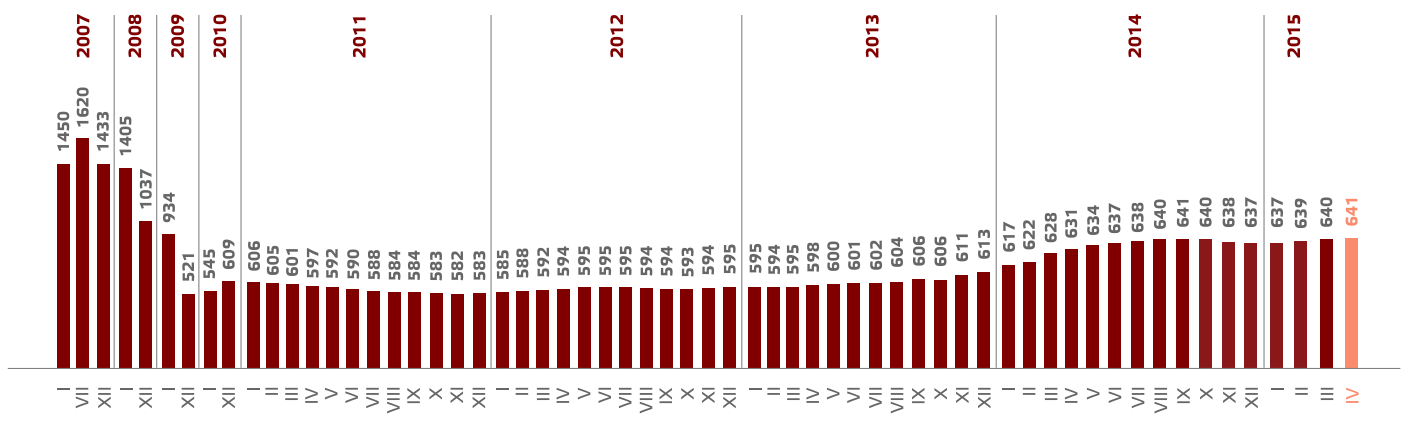
The price level increase in Ķengarags that was the most rapid during the previous years, stopped in April. That can be explained with the big offer amount increase observed during the previous two months, which increased per 31 % during this period, and after a bigger break Ķengarags was not a residential area proportionally to the size of the place, where the smallest serial apartment offer was found.

The biggest average apartment price increase per 1 m² in Rīga residential areas since the beginning of 2015 was observed in Jugla (+ 2,3 %), Bolderāja (+ 2,2 %) and Āgenskalns (+ 2,0 %). The prices increased also in the biggest part of Rīga residential areas during this period. The price level decreased in Teika (- 2,3 %), Imanta (- 1,2 %) and Pļavnieki (- 0,8 %).

The average apartment price in April 2015 increased up to the position of 641 EUR/m². The prices were on average per 60,4 % 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 four months of 2015 the prices increased per 0,7 %.

Serial apartment average price dynamics in the biggest residential areas of Riga, EUR/m²



Source: ARCO REAL ESTATE

In April 2015 the average apartment value per 1 m² in accordance with the number of rooms increased for both, one room (+ 0,1 %), 2 room (+ 0,5 %), as well as for 3 room (+ 0,2 %) and 4 room (+ 0,2 %) apartments.

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	703
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	650
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	615
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	597
	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.	01.05.

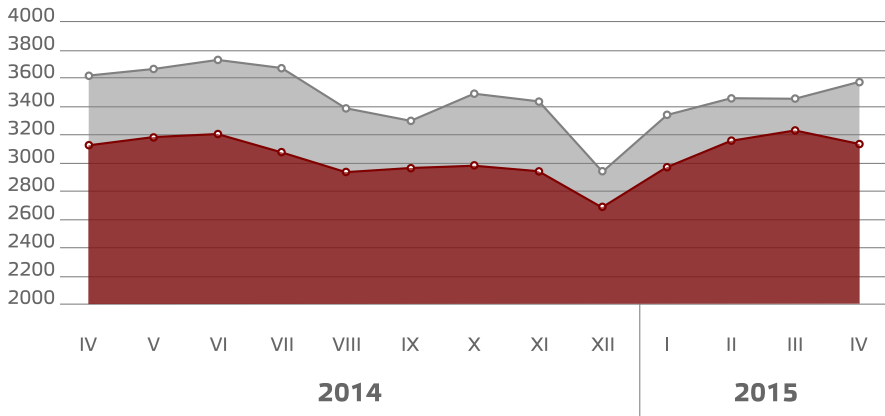
Source: ARCO REAL ESTATE

The overall apartment offer in Riga in April 2015 increased per 0,3 % overall. The offer amount in the biggest residential areas observed by ARCO REAL ESTATE decreased per 3,2 %. In comparison with the last April, the overall apartment offer was almost the same. The overall apartment offer increased only per 0,5 %, but the apartment offer in the biggest residential areas decreased per 0,3 %.

The biggest offer amount in residential areas in April was observed in Purvciems, Ziepniekkalns, and Imanta. The smallest offer amount was found in Bolderāja and Vecmīlgrāvis. Analyzing the offer amount proportionally to the residential area size (amount of inhabitants), the biggest offer is found in Mežciems and Āgenskalns, whereas the offer amount proportionally to the amount of inhabitants in Bolderāja, Vecmīlgrāvis, and Ķengarags was the smallest.

In April the amount of residential areas where the offer amount increase was observed was divided similarly with the one where the offer decreased. The residential areas where the biggest offer decrease was found were Pļavnieki (- 14 %), Zolitūde (- 12,7 %) and Iļģuciems (- 8,7 %), whereas the most essential apartment offer amount increase was observed in Ķengarags (+ 13 %) and Vecmīlgrāvis (+ 8,5 %).

Apartment offer amount dynamics in Rīga, 2014 - 2015



- 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

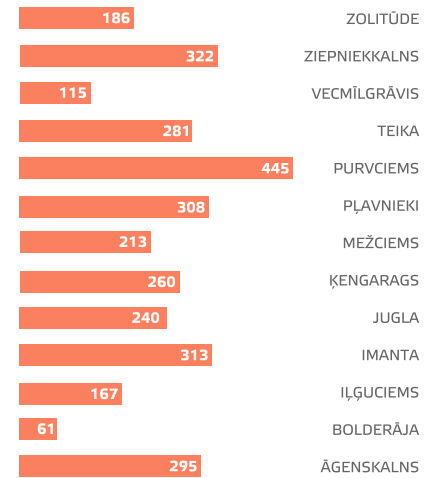
In April 2015 the prices in the serial apartment market increased in almost all Riga residential areas. The average price per 1 m² decreased only in Pļavnieki (- 0,5 %) and Teika (- 0,4 %). In Purvciems, Ķengarags, and Zolitūde the serial apartment prices remained stable. In the rest of the Riga residential areas the price rise was observed. The most essential price increase was found in Jugla (+ 1 %), Vecmīlgrāvis (+ 1 %), and Bolderāja (+ 0,9 %).

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

	The average value per 1m ² on 01.05.2015.	The average value per 1m ² on 01.04.2015.	Changes, %
Jugla	653	647	1 ↑
Pļavnieki	659	662	- 0.5 ↓
Purvciems	689	689	0 →
Mežciems	671	669	0.2 ↑
Teika	780	784	- 0.4 ↓
Vecmīlgrāvis	538	533	1 ↑
Ķengarags	604	604	0 →
Bolderāja	464	460	0.9 ↑
Ziepniekkalns	653	648	0.8 ↑
Imanta	667	666	0.2 ↑
Zolitūde	699	699	0 →
Āgenskalns	690	688	0.3 ↑
Iļģuciems	618	616	0.3 ↑

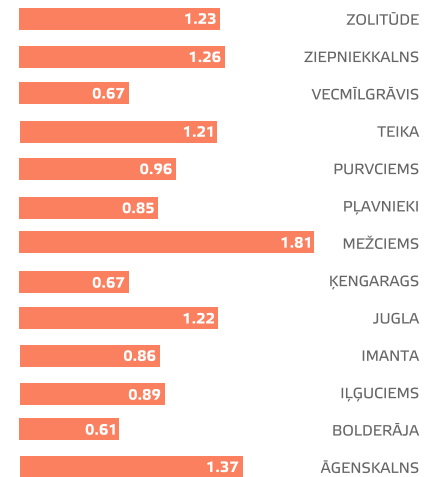
Source: ARCO REAL ESTATE

Apartment offer amount in Riga in April 2015



Source: ARCO REAL ESTATE

Apartment offer proportionally to the sizes of residential areas in Riga in April 2015, %*

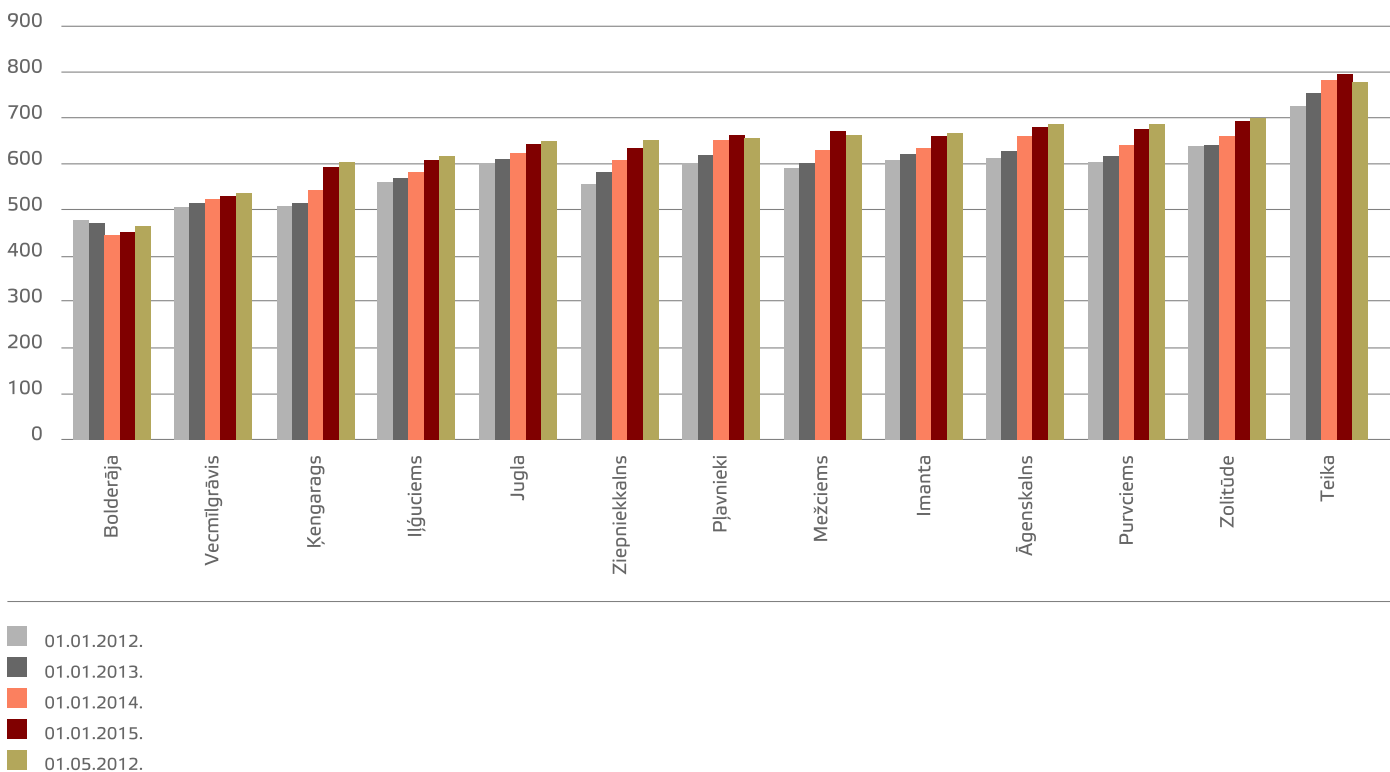


* If the coefficient is **greater than 1**, the relation of the supply of apartments in the specific housing estate to the number of population in that housing estate is higher. If the coefficient is **less than 1**, the relation of the supply of apartments in the specific housing estate to the number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

Source: ARCO REAL ESTATE

Since the beginning of 2012 the prices increased per 10 %. Since the beginning of 2013 the serial apartment prices increased per 7,8 %. In comparison with the beginning of 2014, the serial apartment prices in Riga residential areas were per 4,6 % higher in April 2015.

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

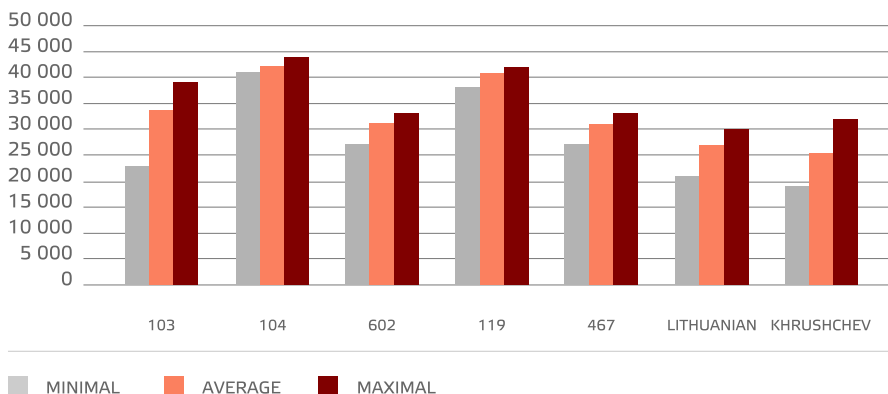


Source: ARCO REAL ESTATE

The highest serial apartment prices in April 2015 remained in Teika, where the average price per 1 m² decreased till the position of 780 EUR/m². However, the lowest price per 1 m² remained stable in Bolderāja - it increased up to 464 EUR/m² in April.

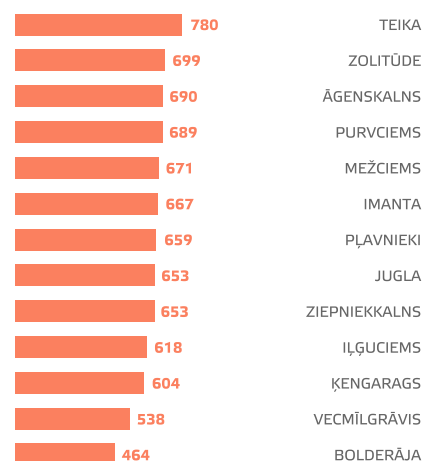
The most expensive apartments in April 2015 remained in the houses of 119th and 104th series, where the prices for 2 room apartments in a satisfactory condition fluctuated from 39 000 to 44 000 EUR, depending on location. The Lithuanian project houses were the cheapest, where the prices for 2 room apartments 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 prices by series in Riga residential areas in March 2015 (prices for 2 room apartments), EUR



Source: ARCO REAL ESTATE

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

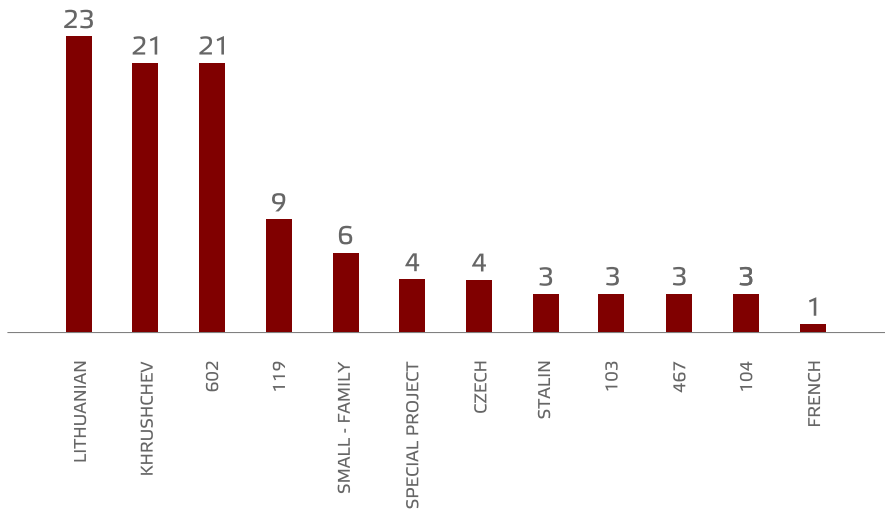


Source: ARCO REAL ESTATE



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Real serial apartment transaction division per series in the 1st quarter of 2015, %



Source: STATE LAND SERVICE



Apartment market in Riga neighbourhood

Ogre

The serial apartment prices in Ogre in April 2015 decreased per 0,9 %. The average price fell till the position of 418 EUR/m². April was the first month after the stability observed at the beginning of the year, when the price level changes were found. The serial apartment prices in Ogre in comparison with the last April were per 3,2 % lower.

Kauguri, Jūrmala

The prices in Kauguri in April 2015 decreased per 1,5 %. The average apartment price was at the position of under 400 EUR/m² again, it comprised 397 EUR/m² in April. Since the beginning of 2015 the serial apartment prices in Kauguri increased per 0,3 %. In comparison with the last April the serial apartment prices in Kauguri were per 0,3 % lower.

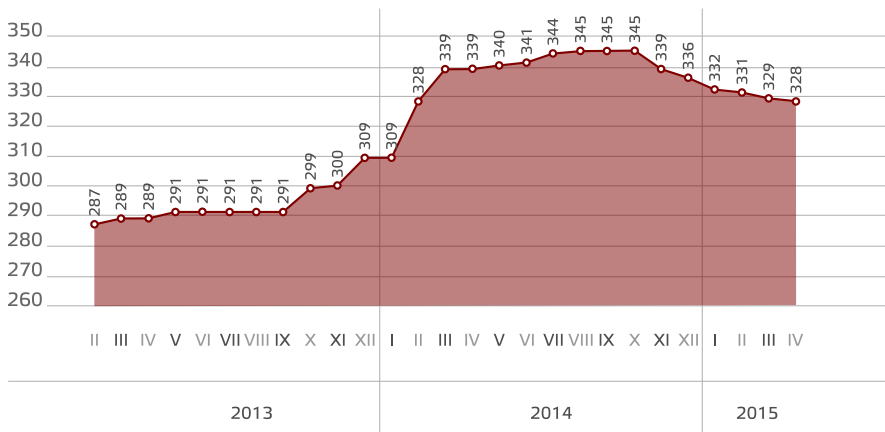
Salaspils

The price level in Salaspils in April 2015 decreased per 1 %. The average apartment price in April was 464 EUR/m². The prices of the serial apartments in Salaspils in April were per 0,9 % lower in comparison with the beginning of 2015. In comparison with April 2014 the price level in Salaspils remained stable.

Jelgava

The prices in Jelgava in April 2015 decreased per 0,5 %. The average apartment price in April fell till the position of 328 EUR/m². The serial apartment price decrease in Jelgava is found already the sixth month in a row. Since October 2014, when the prices reached the highest point of 345 EUR/m², the prices fell per 4,9 %.

Jelgava serial apartment average price dynamics, EUR/m²



Source: ARCO REAL ESTATE

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