

MARKET OVERVIEW

Serial apartments | NOVEMBER



RIGA
2015

ISO 9001
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Certification

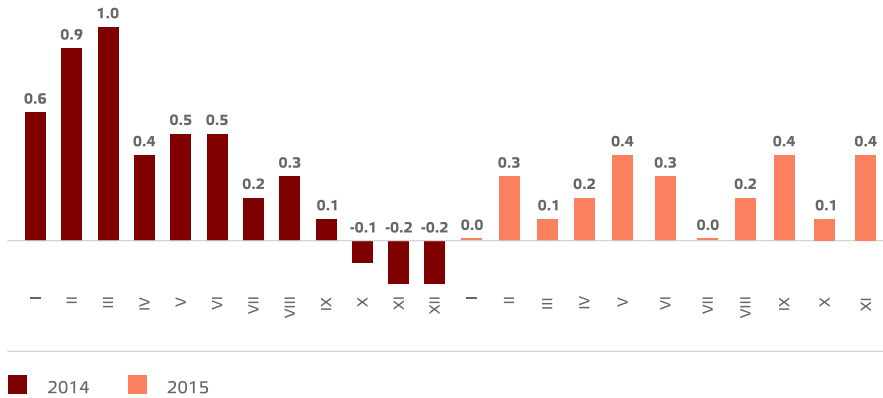
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Standard apartments, 1 December 2015

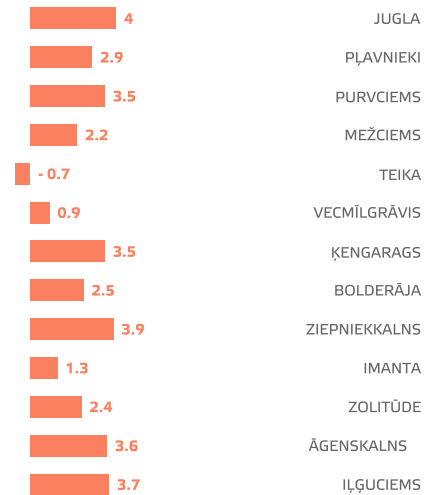
In November 2015, prices for standard apartments in Riga districts increased by 0.4 %. Average price for standard apartments in November rose to 653 EUR/m². Since the beginning of 2015, prices for standard apartments in total increased by 2.6 %, in turn, during the year since November of the last year, prices for standard apartments rose by 2.4 %.

Changes in prices for standard apartments since the beginning of 2014, %



Source: ARCO REAL ESTATE

Changes in prices in the largest districts since 1 January 2015, %

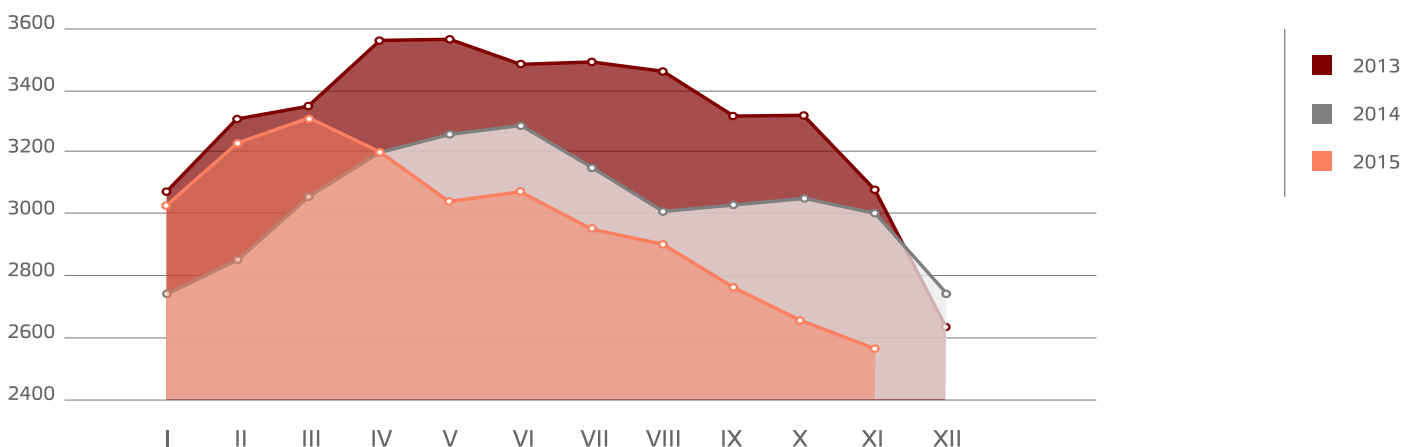


Source: ARCO REAL ESTATE

In November 2015, one of the highest this year's price rises was detected. The most significant rise in prices in a month's time was in Teika, where average price per one square metre exceeded EUR 800. Offer of apartments continued to decrease: mainly, number of cheap offers shrank. It was observed that in many places apartments were offered for disproportionately high prices, i. e., considerably over their market value. Naturally, that apartment prices had a tendency to rise, considering limited choice in insufficient offer circumstances.

Number of apartment offers in November continued to decrease: total number of offers in largest districts was lower than in December 2013 and December 2014, when relatively low offer level is usually characteristic of the end of the year. During the last six months offer in total also was significantly lower than observed in two last years.

Dynamics of offer in Riga largest districts in a year view, 2013 - 2015



Source: ARCO REAL ESTATE



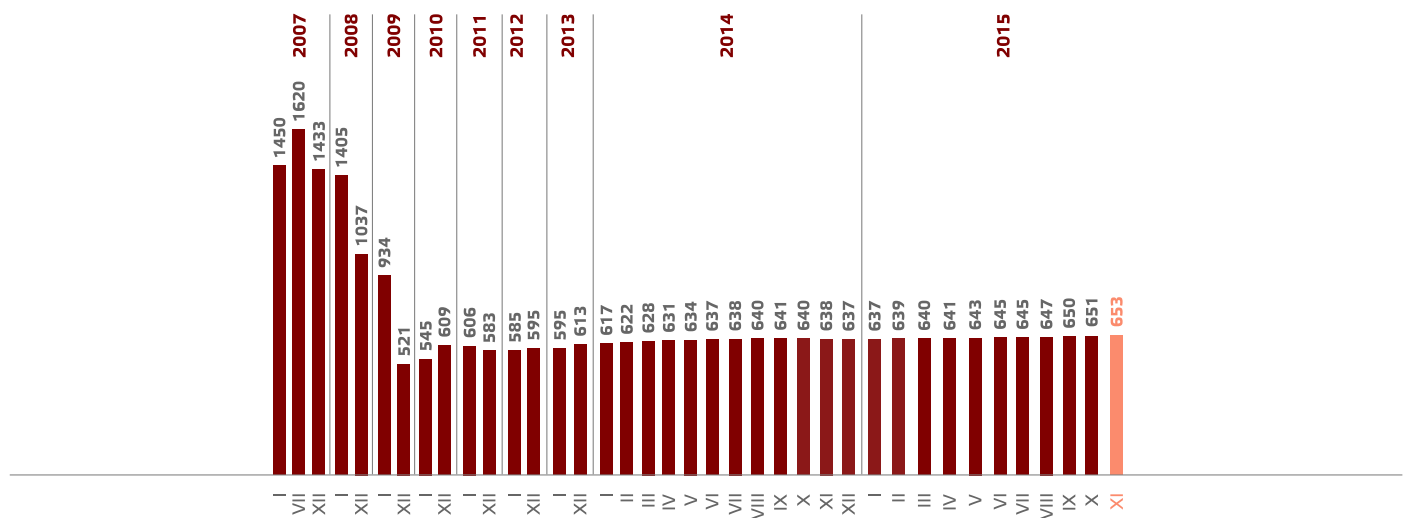
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The highest rise of average price per one square metre of apartments in Rīga districts since the beginning of 2015 was observed in Jugla (+ 4 %), Ziepniekkalns (+ 3.9 %) and Ilūciems (+ 3.6 %). Prices in other largest Rīga districts this year also increased. The slowest rise of apartment prices since the beginning of the year was in Teika (+ 0.7 %) and Vecmīlgrāvis (+0.9 %).

In November 2015, average price for standard apartments rose to 653 EUR/m². Prices in average was 59.7 % lower than on 1 July 2007, when average price for non-refurbished standard apartments had achieved an all-time highest number - 1,620 EUR/m².

- In 2008, average prices for standard apartments in Rīga in total decreased by average 33.5 %.
- During 2009, average prices in total decreased by another 44.2 %.
- During 2010, prices in total rose by average 16.9 %.
- In 2011, prices for standard apartments fell by 4.3 %.
- During 2012, prices for standard apartments rose by 2.1 %.
- In 2013, prices rose by 3 %.
- In 2014, prices continued to rise by 3.9 %.
- In the first six months of 2015, prices for apartments increased by 1.5 %.

Dynamics of average price for standard apartments in largest Rīga districts, EUR/m²



Source: ARCO REAL ESTATE

In November 2015, average price per one square metre of standard apartments, evaluating by number of rooms, rose for one-room (+ 0.6 %), two-room (+ 0.5 %), three-room (+ 0.2 %) and four-room (+ 0.5 %) housings.

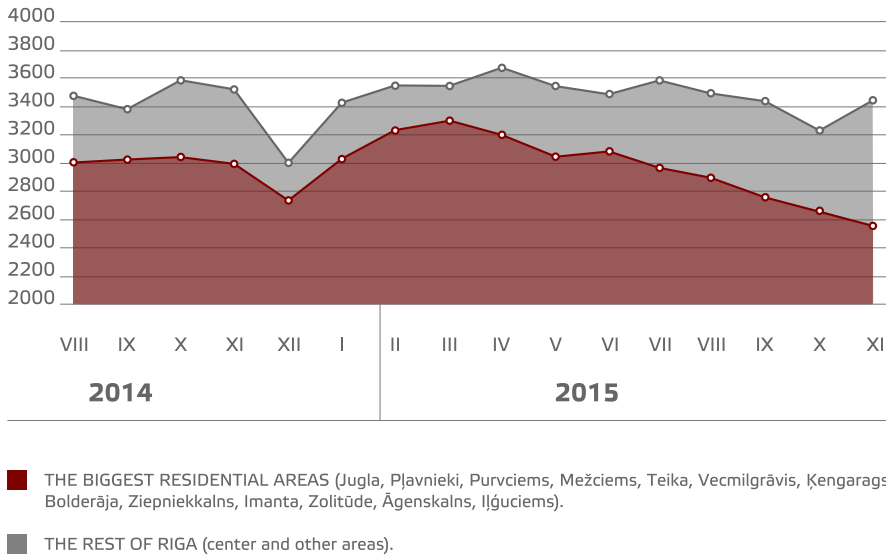
Average prices for standard apartments in Rīga districts by number of rooms, EUR/m²

	2013												2014												2015											
	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.	01.06.	01.07.	01.08.	01.09.	01.10.	01.11.	01.12.						
1 room	650	651	652	654	655	664	666	671	681	689	692	697	701	699	703	704	702	702	703	698	700	702	703	708	708	710	712	718	718	722						
2 rooms	612	614	616	619	618	623	625	628	631	638	641	645	649	650	652	654	651	647	644	644	645	647	650	652	656	656	659	663	664	667						
3 rooms	578	579	582	583	583	587	588	592	596	600	602	604	609	610	611	612	613	611	607	609	612	614	615	616	617	618	619	621	621	622						
4 rooms	562	563	564	567	568	571	573	577	581	586	588	590	592	594	594	592	594	595	593	596	597	596	597	598	598	596	596	598	599	602						

Source: ARCO REAL ESTATE

In November 2015, offer of apartments in Rīga in total increased by 1.3 %. Number of offers in districts analysed by ARCO REAL ESTATE decreased by 3.4 %. Compared to November of the last year, offer of apartments shrank: total number of apartment offers in November was 4.7 % higher, however, offer of apartments in largest districts was lower by 6 %.

Dynamics of apartment offers in Rīga, 2014 - 2015



Source: ARCO REAL ESTATE

After summarizing number of apartment offers in Rīga districts, we may conclude that the biggest number of offers in November was in Purvciems, Pļavnieki and Āgenskalns. In turn, the lowest number of offers was observed in Bolderāja and Vecmīlgrāvis.

Number of offers in most of Rīga districts in November decreased. The biggest decrease of offers was observed in Vecmīlgrāvis (- 21.1 %), while the most significant increase of apartment offers in November was observed in Jugla (+ 7.9 %).

After analysing number of offers in proportion to district size, i. e., population, the biggest offer was observed in Mežciems and Āgenskalns, in turn, number of offers in Bolderāja, Vecmīlgrāvis and Ķengarags was the lowest.

In November 2015, prices for standard apartments in most Rīga districts increased. The highest rise of apartment prices was observed in Teika (+ 1.5 %). No decrease or prices was observed in any district.

Changes in average prices of standard apartments in Rīga districts, %

	The average value per 1 m ² on 01.12.2015.	The average value per 1 m ² on 01.11.2015.	Changes, %
Jugla	664	657	1.1 ↑
Pļavnieki	683	680	0.5 ↑
Purvciems	706	700	0 →
Mežciems	677	675	0.3 ↑
Teika	804	792	1.5 ↑
Vecmīlgrāvis	536	536	0 →
Ķengarags	615	614	0.2 ↑
Bolderāja	465	465	0 →
Ziepniekkalns	668	667	0.2 ↑
Imanta	684	684	0 →
Zolitūde	714	714	0 →
Āgenskalns	701	699	0.3 ↑
Ilģuciems	631	628	0.6 ↑

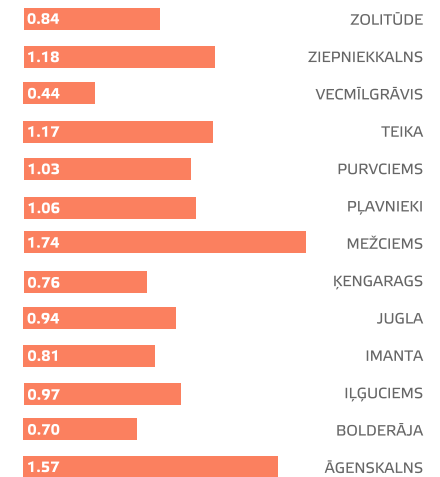
Source: ARCO REAL ESTATE

Number of apartment offers in Rīga in November 2015



Source: ARCO REAL ESTATE

Offer of apartments in proportion to size of Rīga districts in November 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

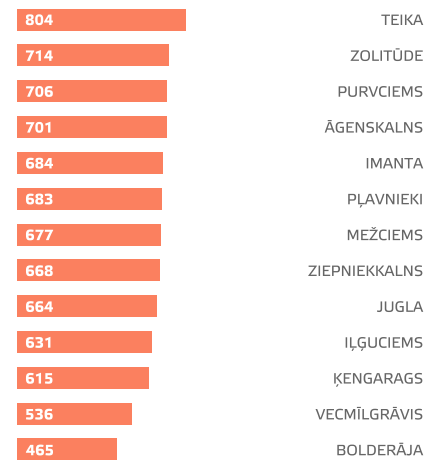
In November of this year, prices for standard apartments, compared to the beginning of 2012, were higher by 12.1 %. In turn, since the beginning of 2013, prices increased by 9.8 %. In November 2015, prices for standard apartments in Rīga districts were by 6.6 % higher than in the beginning of the last year. This year, prices increased by 2.6 %.

Average prices for standard apartments in Rīga districts, EUR/m²

	01.01.2012.	01.01.2013.	01.01.2014.	01.01.2015.	01.12.2015.
Bolderāja	477	473	450	454	465
Vecmīlgrāvis	508	514	524	531	536
Ķengarags	510	518	543	594	615
Iļģuciems	566	570	586	609	631
Ziepniekkalns	602	613	626	643	664
Jugla	556	583	610	639	668
Pļavnieki	603	622	651	664	677
Imanta	592	605	633	676	683
Mežciems	612	624	637	662	684
Purvciems	615	633	662	682	701
Āgenskalns	606	623	644	677	706
Zolitūde	640	644	663	697	714
Teika	728	757	787	798	804

Source: ARCO REAL ESTATE

Average prices for standard apartments in Rīga districts on 1 November 2015, EUR/m²

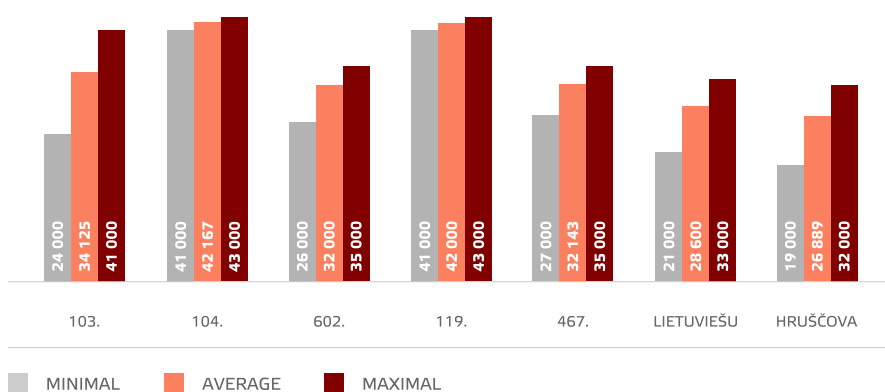


Source: ARCO REAL ESTATE

The highest prices for standard apartments in November 2015 were in Teika, where average price per one square metre rose to 804 EUR/m². The lowest average price per one square metre in November was in Bolderāja, where it still was 465 EUR/m².

In November 2015, the most expensive apartments still were in houses of series 119 and 104, where prices for two-room apartments in satisfactory condition varied from EUR 41 000 to EUR 43 000, depending on location. In turn, the cheapest were Lithuanian project houses, where amplitude of prices for two-room apartments was from EUR 21 000 to EUR 33 000, and Khrushchev's era houses, where prices for two-room apartments varied from EUR 19 000 to EUR 32 000, depending on district.

Prices for standard apartments in Rīga districts by series in November 2015 (for two-room apartments), EUR



Source: ARCO REAL ESTATE

Apartment market in Rīga vicinity

Ogre

In November 2015, prices for standard apartments in Ogre increased by 0.6 %. Average price has risen to 433 EUR/m². During 2015, prices in total increased by 2.2 %. Since November 2014, prices for apartments only increased by 0.9 %.

Kauguri, Jūrmala

In Jūrmala district, in November of this year, prices for standard apartments did not change. Average price per one square metre of apartments is 418 EUR/m². Although no price changes were observed in Kauguri during the last three months, prices for apartments in this district this year rose in total by 5.4 %.

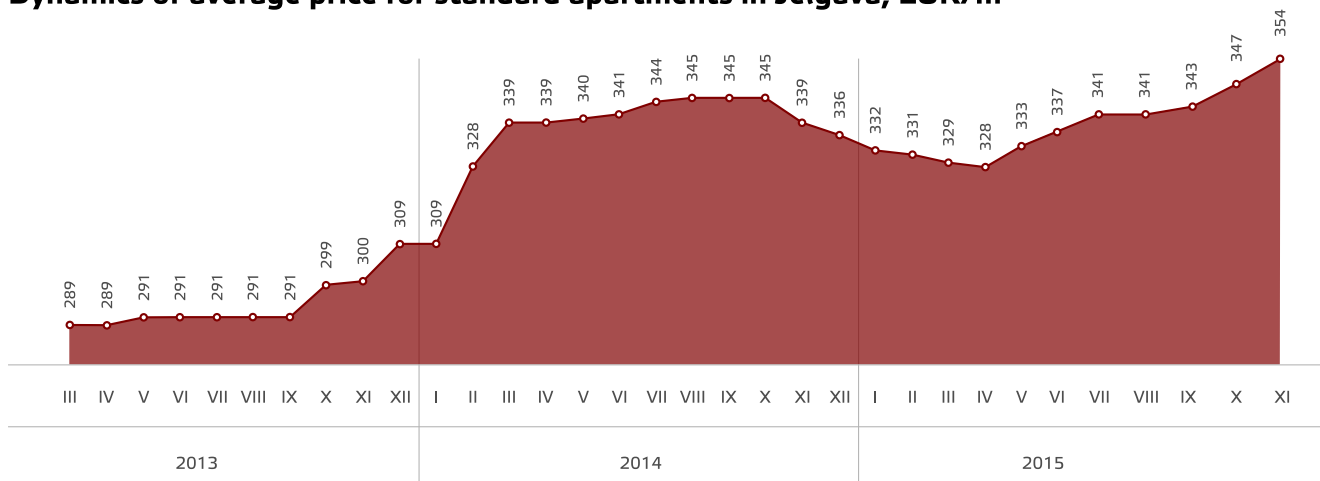
Salaspils

In November 2015, prices for apartments in Salaspils increased by 0.3 %. Average price for standard apartments in November increased to 471 EUR/m². During the year, prices for standard apartments in Salaspils rose in total by 0.2 %. Apartment prices in November were identical to those observed in April 2013.

Jelgava

Prices in Jelgava in November 2015 increased by 1.8 %. Average price for standard apartment in November rose to 354 EUR/m². Since November 2014, prices for Jelgava standard apartments rose by 4.4 %, in turn, this year prices for apartments in Jelgava increased by 3.9 %.

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



Source: ARCO REAL ESTATE

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