



MARKET OVERVIEW

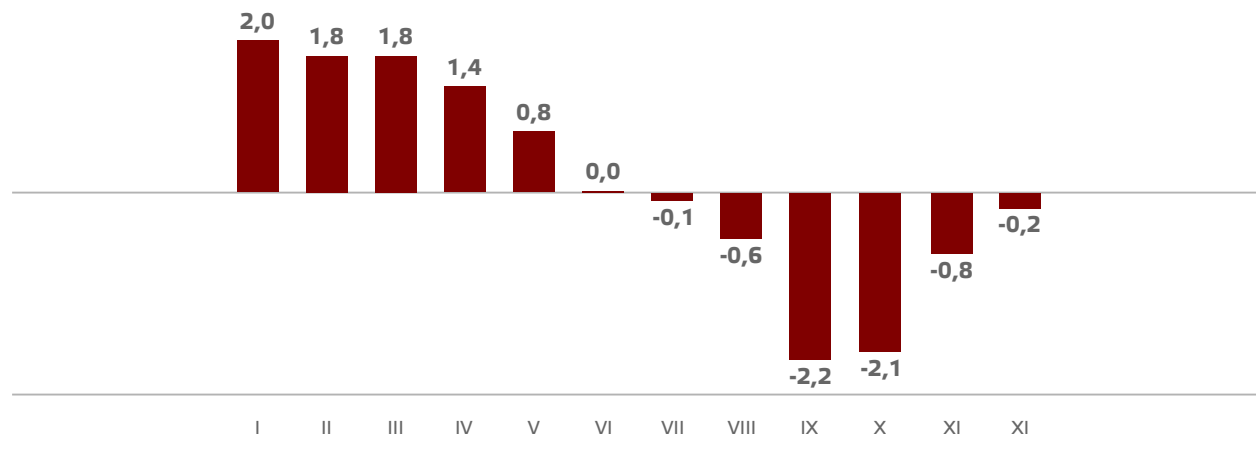
Standart-type apartments DECEMBER

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, January 1, 2023

In December 2022, changes were detected in the prices of standard-type apartments in Riga housing estates - during the month, the average price of standard-type apartments decreased by 0.2 %. The average price of standard-type apartments dropped to 916 EUR/m². However, compared to the beginning of 2022, apartment prices were 1.6 % higher in December.

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

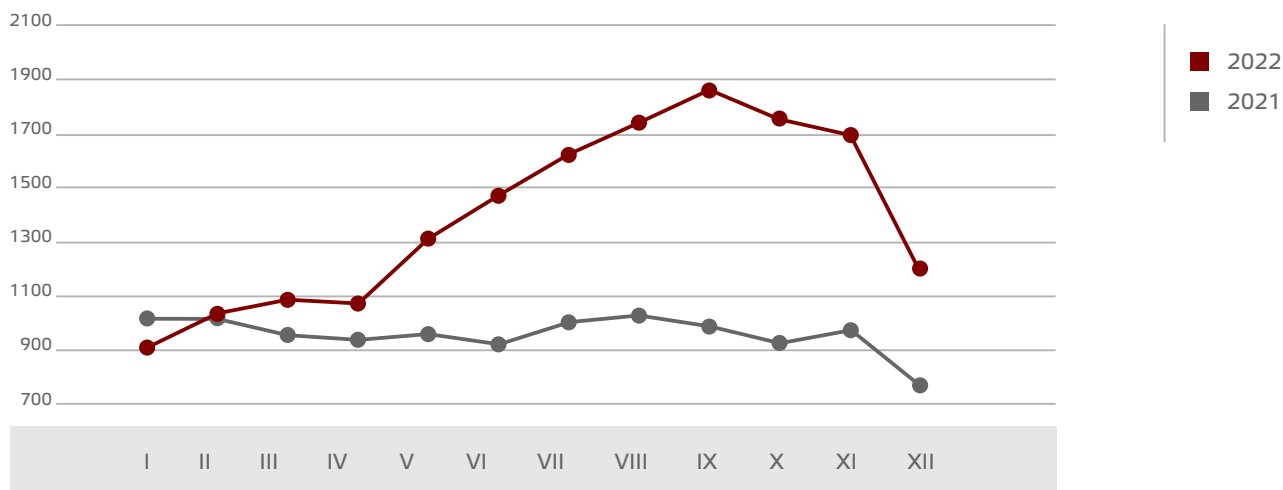


Source: ARCO REAL ESTATE

Negative price fluctuations were observed in Riga's largest housing estates in December. In December, the price drop was very small. In many housing estates of Riga, there were no changes in apartment prices in December. Also in the vicinity of Riga, only small fluctuations have been detected in the prices of standard-type apartments.

Until September, the number of apartments offered for sale in the largest housing estates of Riga increased rapidly, however, in the last quarter of the year, there was a downward trend. As is typical of the end of the year, the number of apartments offered for sale fell sharply in December, falling below the 1,300 mark. However, the level of supply in the largest housing estates of Riga was still much higher than a year ago (+56 %).

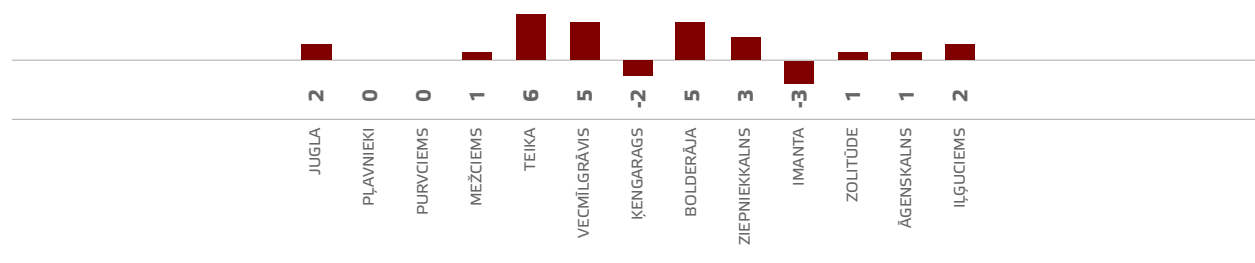
Dynamics of apartment supply in the largest housing estates of Riga



Source: ARCO REAL ESTATE

For the most part, prices for apartments in the largest housing estates of Riga were still higher than at the beginning of 2022. The biggest price increase since the beginning of the year in the housing estates of Riga was observed in Teika (+6 %). Compared to the beginning of the year, prices decreased in certain housing estates, such as Ķengarags and Imanta.

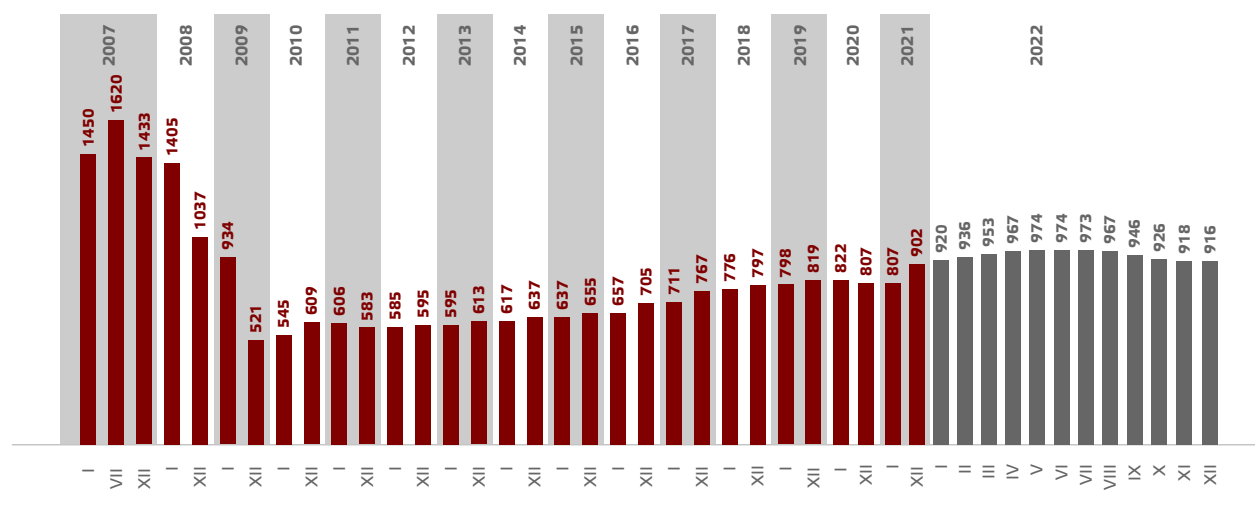
Price changes in the largest housing estates of Riga since January 1, 2022, %



Source: ARCO REAL ESTATE

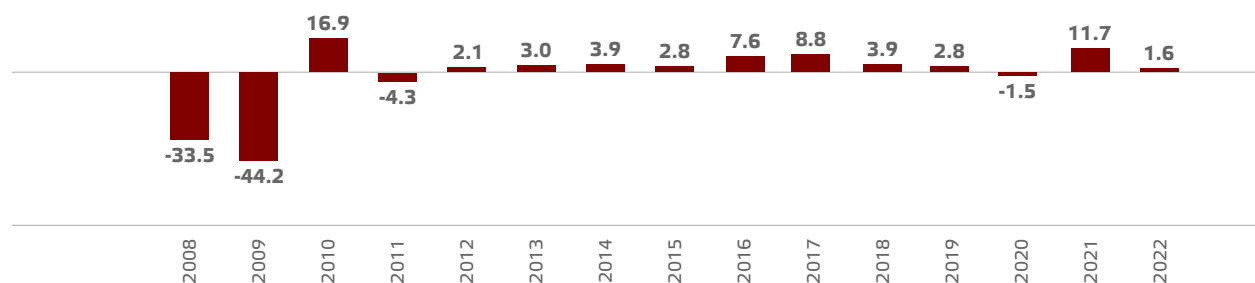
In December, the average price of standard-type apartments dropped to 916 EUR/m². The prices on average were by 43 % lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value – 1 620 EUR/m².

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 December, changes were found in apartment prices. The average price per square meter of standard-type apartments decreased for one-room (-0.5 %), two-room (-0.2 %), three-room (-0.2 %) and four-room (-0.2 %) apartments.

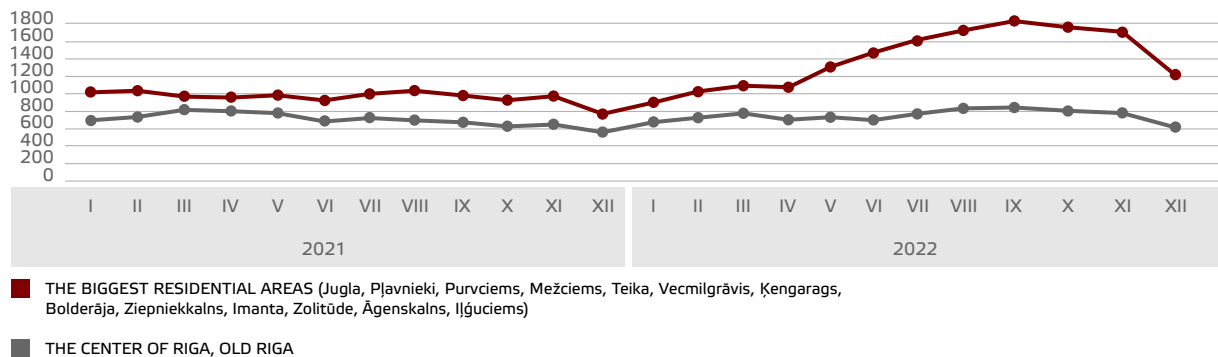
Average prices of standard-type apartments in Riga housing estates: breakdown by number of rooms, EUR/m²

	2021												2022												2023
1 room	881	887	903	925	937	955	964	967	976	980	1004	1024	1047	1059	1069	1069	1069	1062	1043	1017	1008	1003			
2 rooms	827	830	850	864	873	889	899	903	909	913	935	948	963	979	984	984	982	976	954	935	925	923			
3 rooms	785	787	797	811	822	838	850	854	860	865	879	896	906	920	927	927	927	920	900	881	876	874			
4 rooms	775	777	787	803	812	826	833	834	839	848	861	876	895	910	917	917	915	911	885	871	865	863			
	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.			

Source: ARCO REAL ESTATE

Compared to the previous month, the supply of apartments in Riga decreased by 25 % in December. The number of apartments offered for sale in the largest housing estates of Riga analyzed by ARCO REAL ESTATE decreased by 28 %. Compared to December 2021, the supply of apartments was generally higher: the total number of apartment offers was higher by 36 %, while the supply of apartments in the largest housing estates was 56 % higher than a year ago.

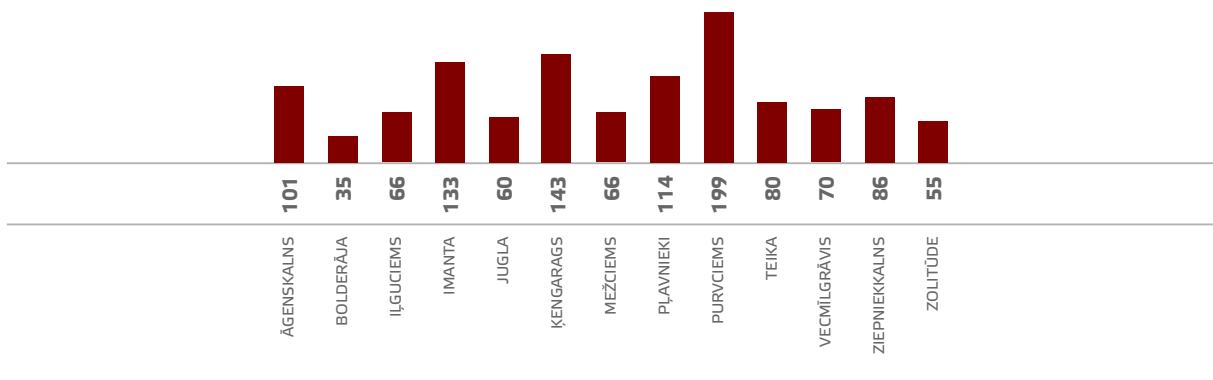
Dynamics of supply of apartments in Riga



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 December was in Purvciems, while the lowest - in Bolderāja.

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

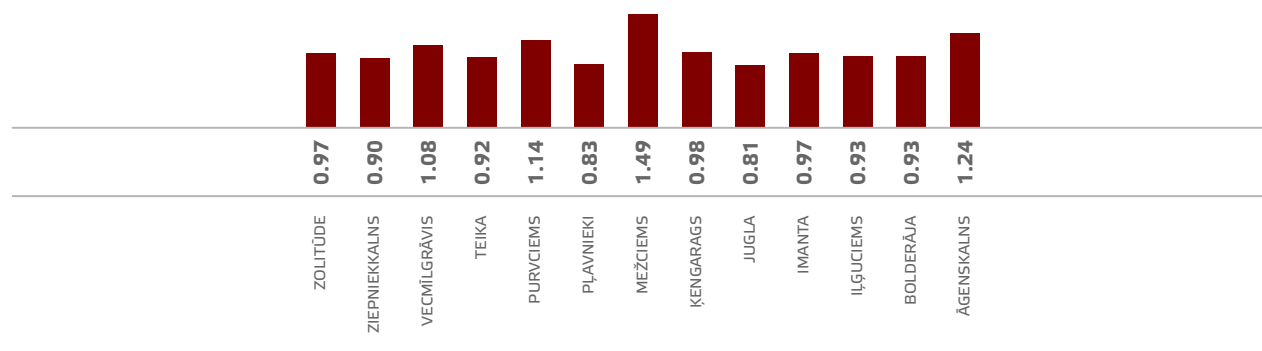


Source: ARCO REAL ESTATE

Last month, the number of apartments offered for sale decreased in all major housing estates of Riga. The number of apartments offered for sale decreased the most in Jugla and Pļavnieki (-39 %). The number of offers in December changed the least in Teika and Bolderāja (-15 %).

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

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



Source: ARCO REAL ESTATE

In December, there were changes in the prices of standard-type apartments in Riga housing estates. Negative price fluctuations were observed in almost half of Riga's largest housing estates. The most significant drop in prices was found in Āgenskalns, where prices fell by 2 % during the month. In one housing estate - Iļģuciems - the average price of a square meter of an apartment increased slightly in December (+0,1 %).

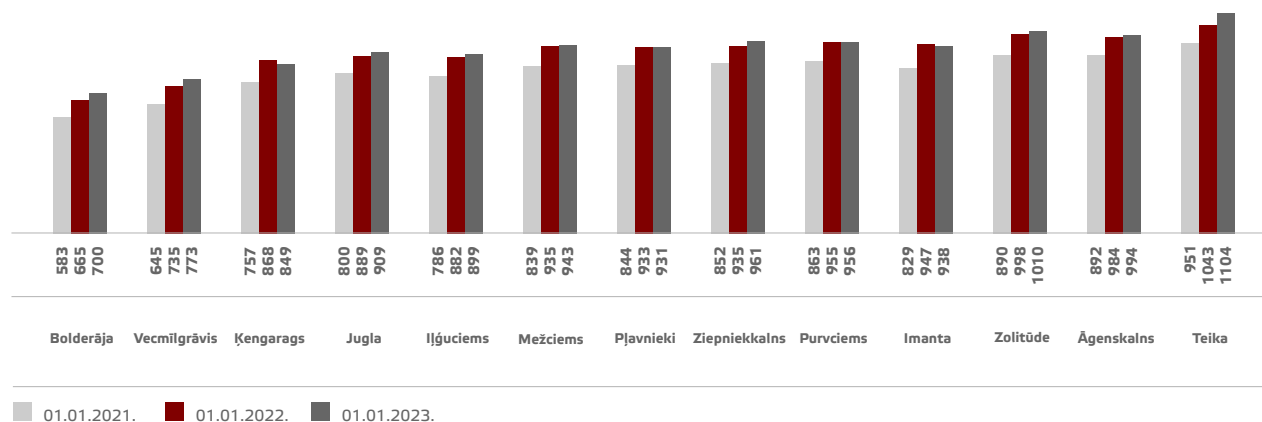
Average price changes of square meter of standard-type apartment in Riga housing estates, %

Housing Estate	The average value per 1 m ² on 01.01.2023.	The average value per 1 m ² on 01.12.2020.	Changes, %
Jugla	909	913	-0,4
Plāvnīki	931	931	0,0
Purvciems	956	957	-0,1
Mežciems	943	944	-0,1
Teika	1104	1104	0,0
Vecmīlgrāvis	773	773	0,0
Ķengarags	849	854	-0,5
Bolderāja	700	700	0,0
Ziepniekkalns	961	961	0,0
Imanta	938	947	-0,9
Zolitūde	1010	1010	0,0
Āgenskalns	994	1015	-2,1
Iļģuciems	899	898	0,1

Source: ARCO REAL ESTATE

Compared to the beginning of 2021, in December, standard-type apartment prices have increased by 14 %. On the other hand, since the beginning of 2022, prices have increased by 2 %.

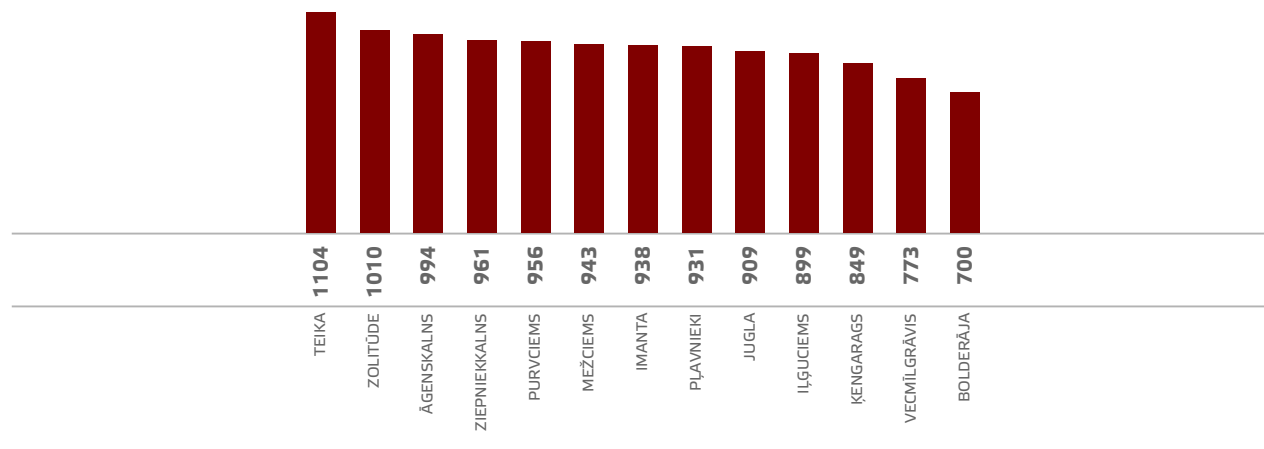
Average standard-type apartment prices in housing estates of Riga, EUR/m²



Source: ARCO REAL ESTATE

The highest prices of standard-type apartments remained in Teika in December, where the average price of one square meter did not change during the month - 1,104 EUR/m². The lowest average price per square meter in December was in Bolderāja (700 EUR/m²), which also did not change in December.

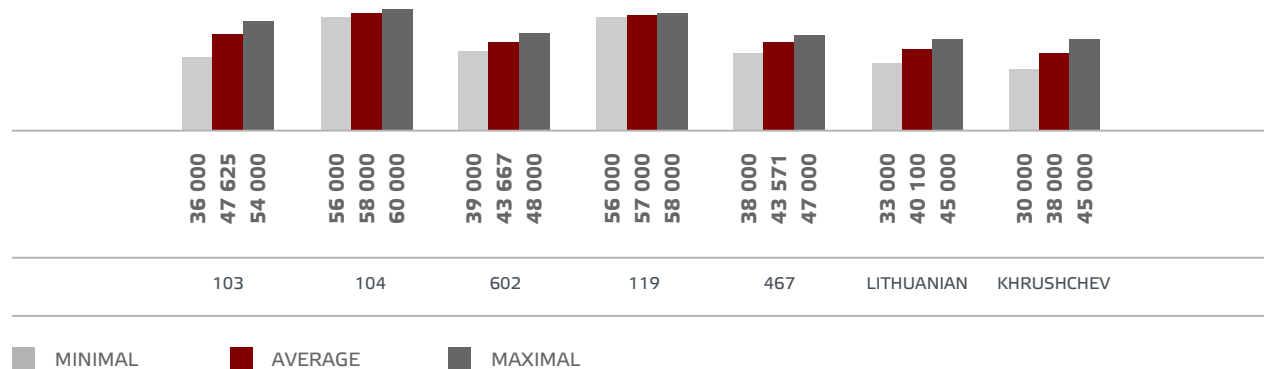
Average standard-type apartment prices in housing estates of Riga on January 1, 2023, EUR/m²



Source: ARCO REAL ESTATE

In December, 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 33 000 to 45 000 EUR, and the so-called Khrushchev-time houses, where the price of a 2-room apartment varied from 30 000 to 45 000 EUR depending on the housing estate.

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



Source: ARCO REAL ESTATE

Apartment market in the vicinity of Riga

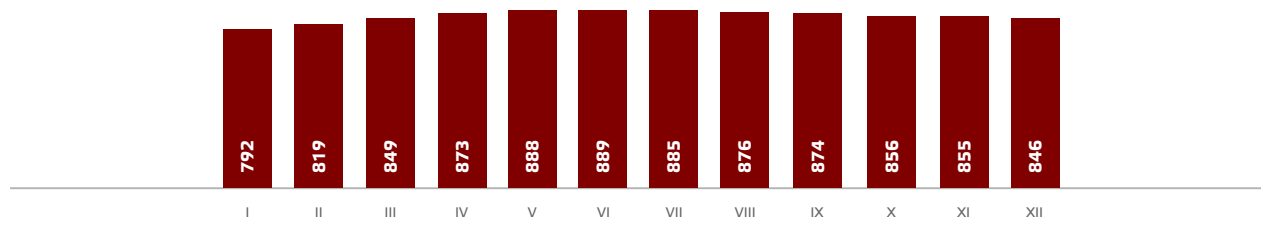
Ogre

In December, the prices of standard-type apartments in Ogre increased slightly - by 0.2 %, the average price of apartments rising to 889 EUR/m². In general, apartment prices in Ogre increased by 11 % in 2022.

Kauguri, Jūrmala

In Kauguri, standard-type apartment prices decreased by 1 % in December. The average price per square meter of apartments dropped to 846 EUR/m². In 2022, apartment prices in Kauguris increased by 9 %.

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

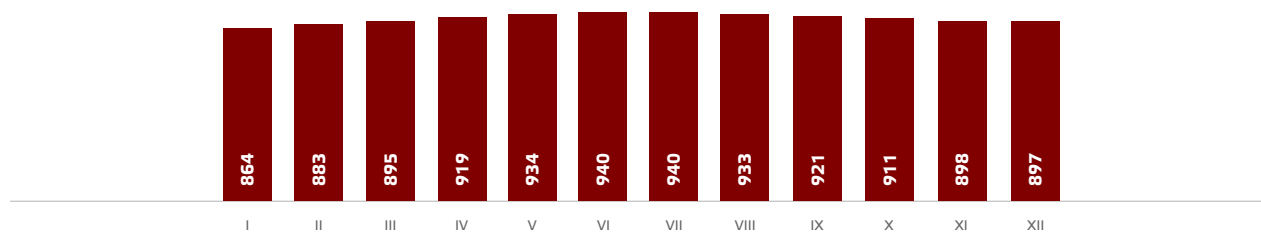


Source: ARCO REAL ESTATE

Salaspils

In December, apartment prices in Salaspils decreased by 0.2 %, the average price decreasing to 897 EUR/m². In December, standard-type apartment prices in Salaspils were 6% higher than at the beginning of the year.

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

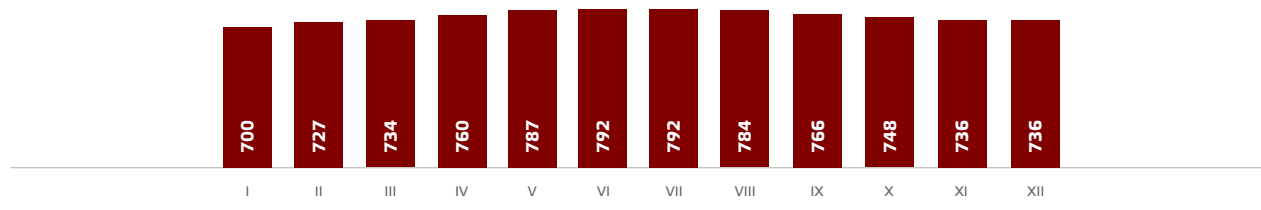


Source: ARCO REAL ESTATE

Jelgava

Apartment prices in Jelgava did not change in December. The average price of standard-type apartments in December was 736 EUR/m². In 2022, the prices of serial apartments in Jelgava increased by 9 %.

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



Source: ARCO REAL ESTATE

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