

MARKET OVERVIEW

# Standard-type apartments | JULY



RIGA  
2017

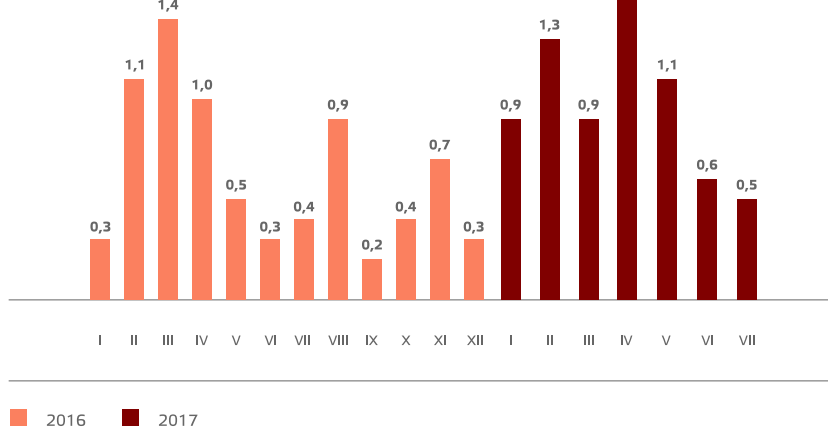


LATVIJAS  
ĪPAŠUMU  
VERTĒTAJU  
ASOCIĀCIJA

## Standard-type apartments, August 1, 2017

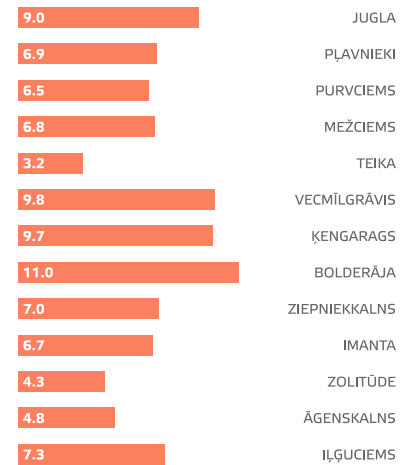
In July 2017, the prices of standard-type apartments located in Riga housing estates increased by 0.5 %. The average standard-type apartment price in July has increased to 754 EUR/m<sup>2</sup>. In whole, since the beginning of 2017, the prices of standard-type apartments have grown by 6.9 %.

### Standard-type apartment price changes since beginning of 2016, %



Source: ARCO REAL ESTATE

### Price changes in the largest housing estates since January 1, 2017, %

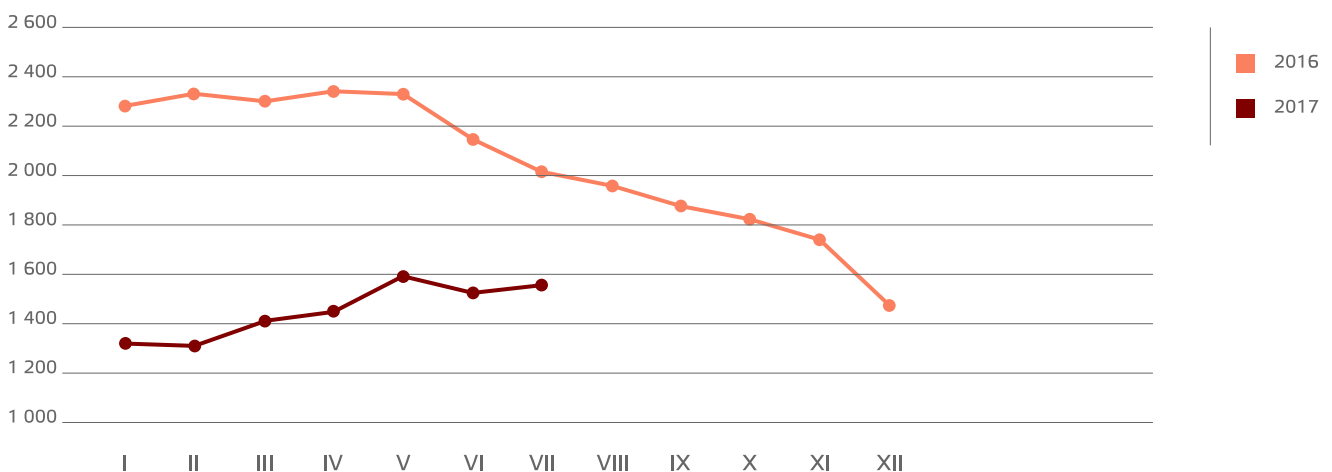


Source: ARCO REAL ESTATE

Apartment prices in Riga's largest housing estates continued to increase, however, price growth in the summer months decreased – the growth was no longer as significant as at the beginning of the year. The fastest rise in apartment prices this year was in Riga's cheapest housing estates - Bolderāja, Vecmīlgrāvis and Ķengarags where prices increased by 10 % and more. According to observations, the largest price growth in July was registered for one-room apartments. The prices of non-renovated one-room apartments located in the most expensive housing estates of Riga reached 1000 EUR/m<sup>2</sup> and even more.

The overall supply of apartments in July increased slightly: the number of apartments offered for sale in the central part of Riga increased significantly, while the supply in Riga housing estates increased only slightly.

### Dynamics of apartment supply in the largest housing estates of Riga, 2016 – 2017

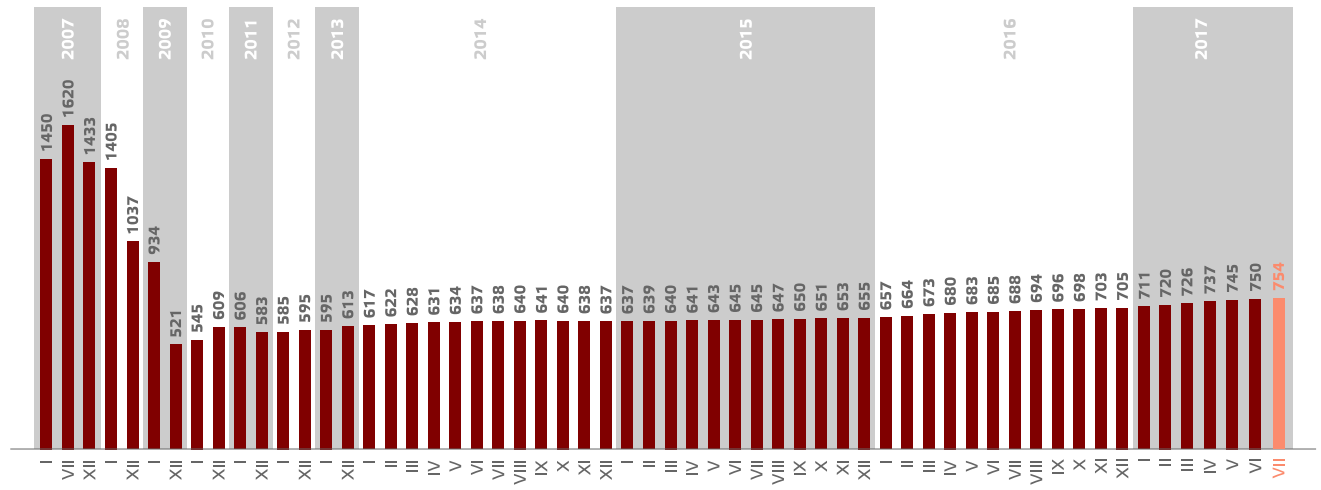


Source: ARCO REAL ESTATE

The largest growth of the average one square metre price of an apartment in the housing estates of Riga since the beginning of 2017 was observed in Bolderāja (+ 11 %). Also in other biggest housing estates of Riga the prices tended to increase this year. The slowest apartment price growth since the beginning of the year was observed in Teika (+ 3.2 %).

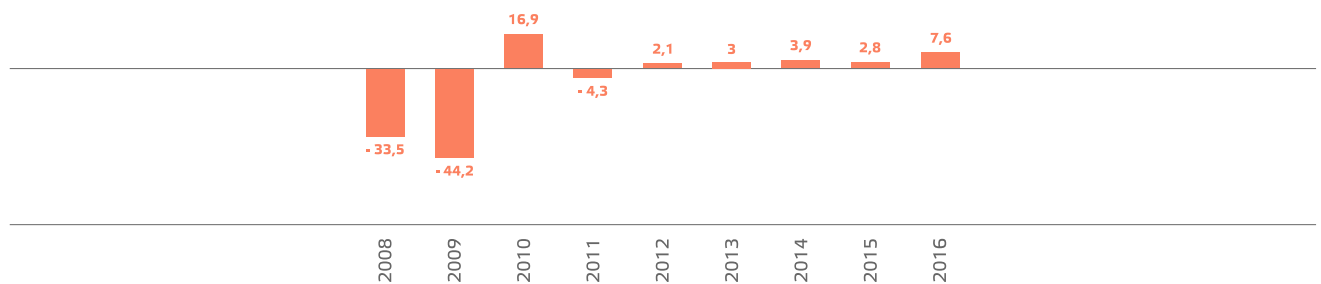
In July 2017, the average price of a standard-type apartment increased to position of 754 EUR/m<sup>2</sup>. The prices on average were by 53.5 % lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value – 1 620 EUR/m<sup>2</sup>.

### Dynamics of average price of standard-type apartments in the largest housing estates of Riga, EUR/m<sup>2</sup>



Source: ARCO REAL ESTATE

### Standard-type apartment price changes in Riga housing estates, 2008 – 2016, %



Source: ARCO REAL ESTATE

In July 2017, the prices rated by number of rooms in apartment grow for 1-4 room apartments. The average price of standard-type apartment increased by 1 % for one-room, by 0.4 % for two-room, by 0.3% for three-room, and by 0.6 % for four-room apartments.

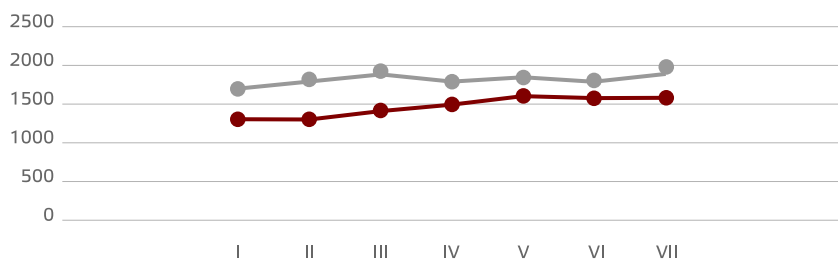
### Average prices of standard-type apartments in Riga housing estates: breakdown by number of rooms, EUR/m<sup>2</sup>

	2015								2016								2017										
<b>1 room</b>	708	708	710	712	718	718	722	722	728	738	744	752	754	755	757	765	768	771	775	779	784	795	799	811	819	821	829
<b>2 rooms</b>	652	656	656	659	663	664	667	667	673	681	693	699	702	704	706	711	712	715	721	723	731	740	748	761	767	770	773
<b>3 rooms</b>	616	617	618	619	621	621	622	622	626	631	641	647	651	653	656	661	662	666	667	668	674	683	689	701	710	715	717
<b>4 rooms</b>	598	598	596	596	598	599	602	602	603	607	614	620	626	630	632	641	641	642	649	649	655	663	669	674	684	693	697
	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.	01.06.	01.07.	01.08.

Source: ARCO REAL ESTATE

In July 2017, the supply of apartments compared to the previous month, in Riga increased a bit, namely, by 3.5 %. The number of apartments offered for sale in the largest housing estates analyzed by ARCO REAL ESTATE also increased slightly in July – by 1.3 %. Compared to July 2016, the apartment supply was significantly lower: the total number of apartments offered was lower by 29 %, but the number of apartments offered for sale in the largest housing estates was by 23 % lower.

## Apartment supply dynamics in Riga, 2017



■ THE BIGGEST RESIDENTIAL AREAS (Jugla, Pļavnieki, Purvciems, Mežciems, Teika, Vecmīlgrāvis, Ķengarags, Bolderāja, Ziepniekkalns, Imanta, Zolitūde, Āgenskalns, Ilģuciems).

■ THE REST OF RIGA (center and other areas).

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 July was in Purvciems, Ķengarags, Āgenskalns and Imanta. But the lowest apartment supply was in Bolderāja.

During the last month the number of apartments offered for sale in most of housing estates of Riga decreased. In July, the most significant decrease of supply of apartments was seen in Ilģuciems (- 16 %). But the most significant increase of supply of apartments was seen in Mežciems (+ 33 %).

When analyzing the number of apartments offered for sale in proportion to the size of the housing estates, i. e., by population, the highest number in July was still recorded in Āgenskalns and Ilģuciems. By contrast, the number of apartments offered for sale proportionally was lowest in Bolderāja.

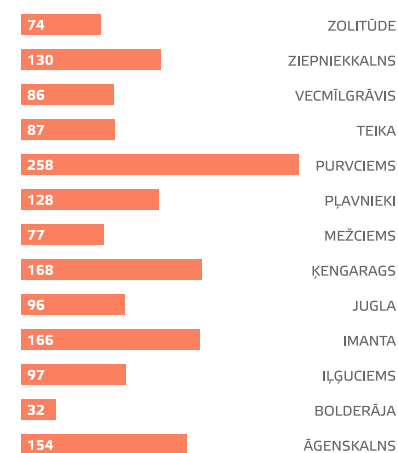
In July 2017, the standard-apartment prices grew almost in all of the largest housing estates of Riga. Prices grew by 0.2 - 1 %. The largest apartment price growth was seen in Ķengarags, where the prices grew by 1 % during this month. No price growth was seen in Vecmīlgrāvis where the apartment prices remained to be on the same level as in June.

## Changes in average standard-type apartment prices of 1 m<sup>2</sup> in Riga housing estates, %

	The average value per 1 m <sup>2</sup> on 01.08.2017.	The average value per 1 m <sup>2</sup> on 01.07.2017.	Changes, %
Jugla	<b>770</b>	768	0.3 ↑
Pļavnieki	<b>799</b>	795	0.5 ↑
Purvciems	<b>809</b>	802	0.8 ↑
Mežciems	<b>786</b>	781	0.6 ↑
Teika	<b>892</b>	887	0.5 ↑
Vecmīlgrāvis	<b>616</b>	616	0.0 →
Ķengarags	<b>717</b>	710	1.0 ↑
Bolderāja	<b>540</b>	535	0.9 ↑
Ziepniekkalns	<b>787</b>	782	0.6 ↑
Imanta	<b>808</b>	805	0.4 ↑
Zolitūde	<b>808</b>	805	0.4 ↑
Āgenskalns	<b>802</b>	800	0.2 ↑
Ilģuciems	<b>721</b>	715	0.8 ↑

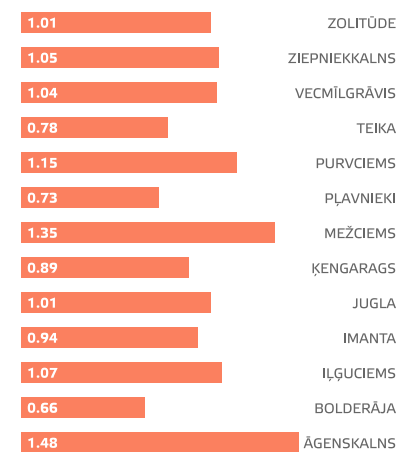
Source: ARCO REAL ESTATE

## Number of apartments offered for sale in Riga at the end of July 2017



Source: ARCO REAL ESTATE

## Number of apartments offered for sale in proportion to the size of the housing estates in Riga in July 2017

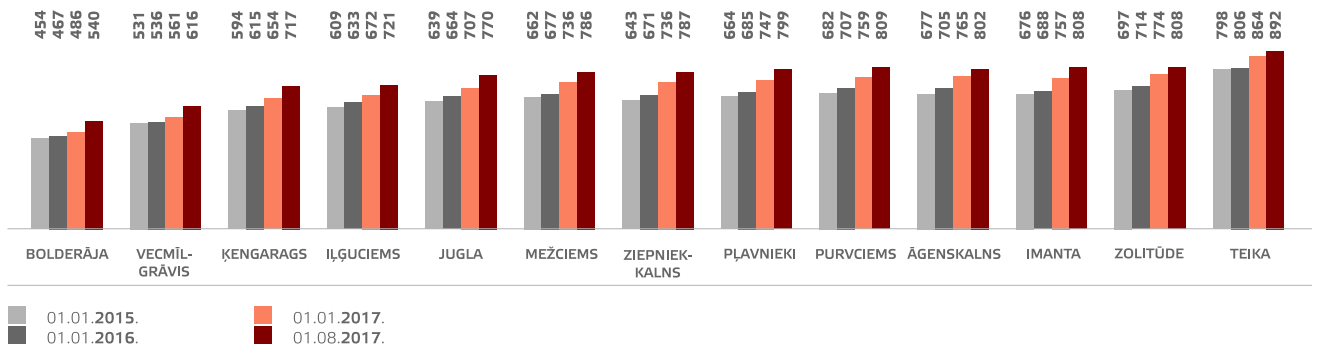


\* If the coefficient is greater than 1, the relation of the supply of apartments in the specific housing estate to the number of population in that housing estate is higher. If the coefficient is less than 1, the relation of the supply of apartments in the specific housing estate to the number of population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

Source: ARCO REAL ESTATE

In July 2017, the standard-type apartment prices were by 15.1 % higher than the prices recorded in the beginning of 2016. But since the beginning of 2017, the prices have increased by 6.9 %.

## Average standard-type apartment prices in housing estates of Riga, EUR/m<sup>2</sup>

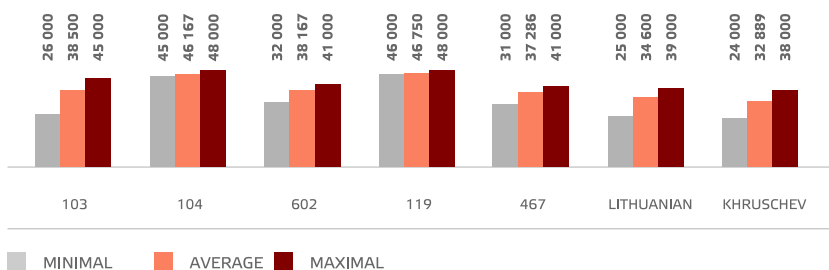


Source: ARCO REAL ESTATE

The highest standard-type apartment prices in July 2017 still were in Teika, where the average price of one square metre increased to 892 EUR/m<sup>2</sup>. But the lowest average price of one square metre in July remained in Bolderāja, where it increased to 540 EUR/m<sup>2</sup>.

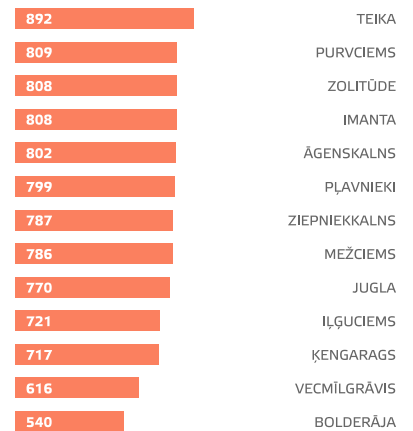
In July 2017, the most expensive apartments as usual were apartments in the houses of the 119<sup>th</sup> series and 104<sup>th</sup> series, where the price of 2-room apartments in satisfactory condition varied from 45 000 to 48 000 EUR, depending on the location. In turn, the so-called Lithuanian design houses have been the cheapest ones, where the price of 2-room apartments varied from 25 000 to 39 000 EUR, and the so-called Khrushchev-time houses, where the price of 2-room apartments varied from 24 000 to 38 000 EUR, depending on the housing estate.

## Standard-type apartment prices by series in Riga housing estates in July 2017 (2-room apartments), EUR



Avots: ARCO REAL ESTATE

## Average standard-type apartment prices in housing estates of Riga as per July 1, 2017, EUR/m<sup>2</sup>



Source: ARCO REAL ESTATE

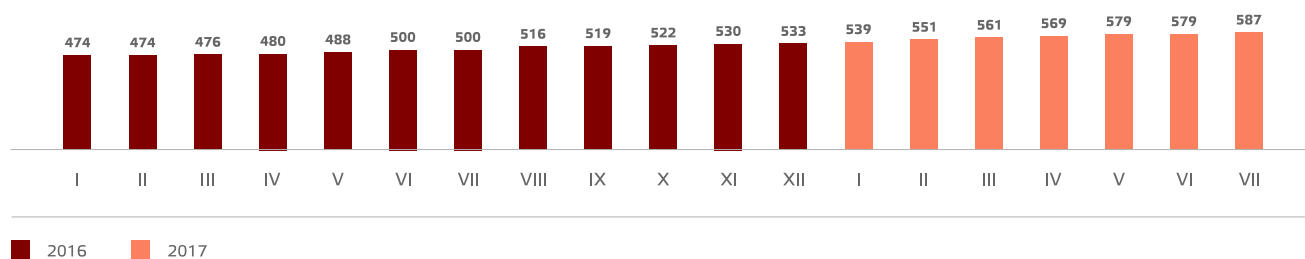
## Apartment market in the vicinity of Riga

**Ogre.** In July 2017, the standard-type apartment prices in Ogre increased by 1.1 %. The average price reached 527 EUR/m<sup>2</sup>. In 2017, the apartment prices in Ogre in total have grown by 10.1 %. In the first five months of the year, the apartment prices tended to increase. Although the price growth stopped in June, housing prices continued to increase in July. In July, Ogre still had an insufficient supply of apartments that could be considered one of the main reasons for price growth.

**Kauguri, Jūrmala.** In July 2017, the standard-type apartment prices in Kauguri increased by 0.6 %. The average price of one square meter of apartment grew up to 511 EUR/m<sup>2</sup>. Since the beginning of 2017, the prices in Kauguri have grown in total by 8.8 %. In comparison with other places in the vicinity of Riga the price growth in Kauguri has been the slowest.

**Salaspils.** In July 2017, the standard-type apartment prices in Salaspils increased by 1.4 %. The average price of a standard-type apartment increased to 587 EUR/m<sup>2</sup>. Since the beginning of 2017, the average price of a standard-type apartment in Salaspils in total has grown by 10.2 %. Like the largest housing estates in Riga, the apartment prices in Salaspils continued to rise.

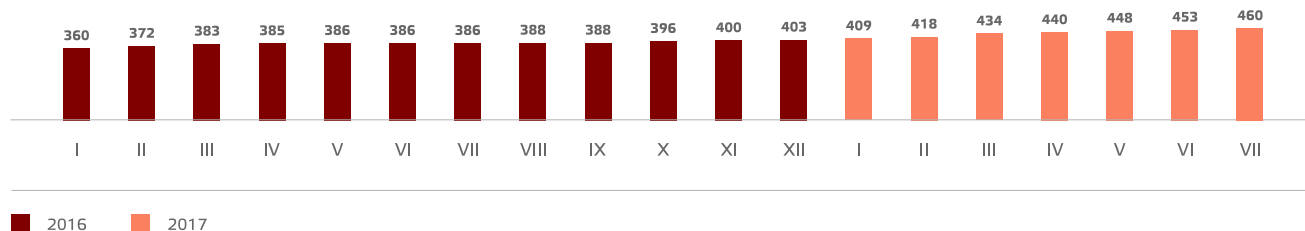
### Dynamics of average price of standard-type apartments in Salaspils, EUR/m<sup>2</sup>



Source: ARCO REAL ESTATE

**Jelgava.** Apartment prices continued to grow in Jelgava in July 2017: during this month the prices grew by 1.5 %. The average price of a standard-type apartment in July reached 460 EUR/m<sup>2</sup>. Since the beginning of 2017, the prices in Jelgava have increased by 14 %.

### Dynamics of average price of standard-type apartments in Jelgava, EUR/m<sup>2</sup>



Source: ARCO REAL ESTATE

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