

MARKET OVERVIEW

Standard-type apartments | DECEMBER



RIGA
2017

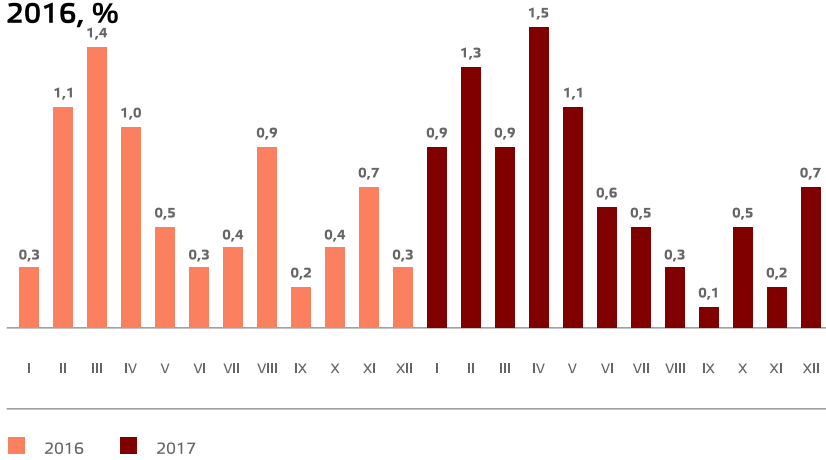


LATVIJAS
ĪPAŠUMU
VERTĒTAJU
ASOCIĀCIJA

Standard-type apartments, January 1, 2018

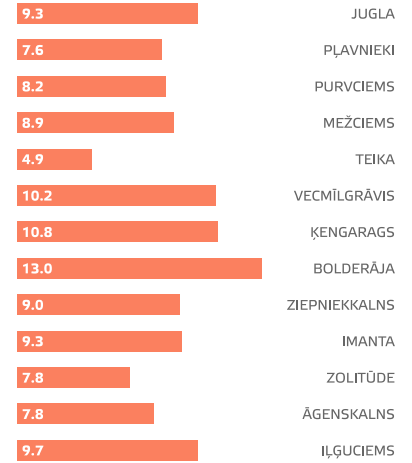
In December 2017, the prices of standard-type apartments located in Riga housing estates increased by 0.7 %. The average standard-type apartment price in December has increased to 767 EUR/m². In whole, since the beginning of 2017, the prices of standard-type apartments have grown by 8.8 %.

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



Source: ARCO REAL ESTATE

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

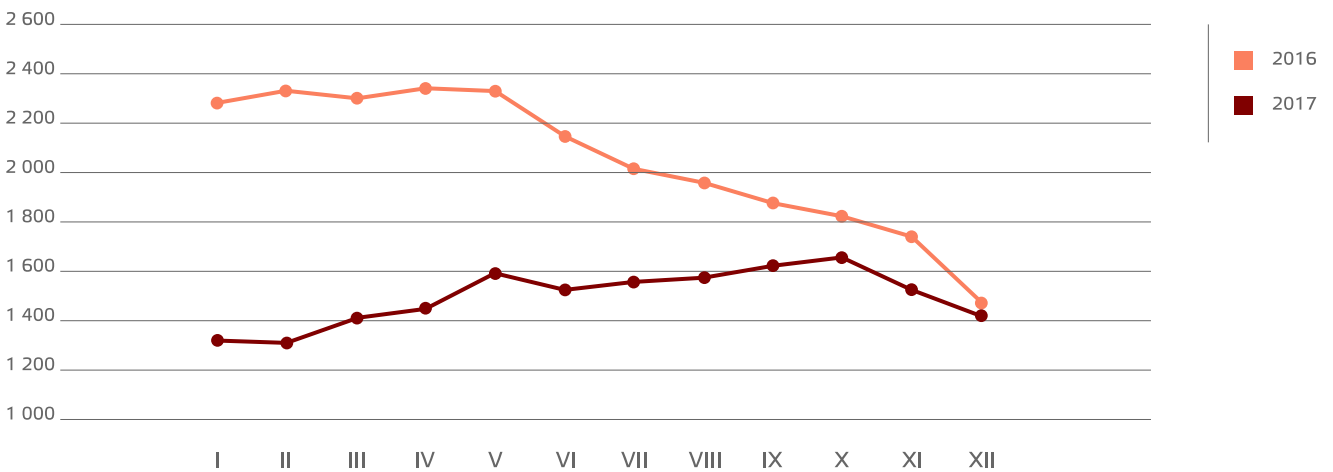


Source: ARCO REAL ESTATE

In Riga's largest housing estates, apartment prices increased also at the end of the year. Mostly, in all of Riga's largest housing estates, there were minimal price fluctuations, including in Zolitūde, where the price increase was the highest during the month, i. e., 1.7 %. Consequently, the apartment price level in Zolitūde was once again the second highest among the Riga housing estates.

The supply of apartments tends to decline at the end of the year. Also, in December, as in the past year, the supply fell into decline. The supply of apartments in December dropped by 8 %, while in central Riga it dropped by 9 %. Also in the largest housing estates of Riga, the number of apartments offered for sale continued to decrease, this time by 7 %, and at the end of the year it was similar to that registered at the end of 2016.

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

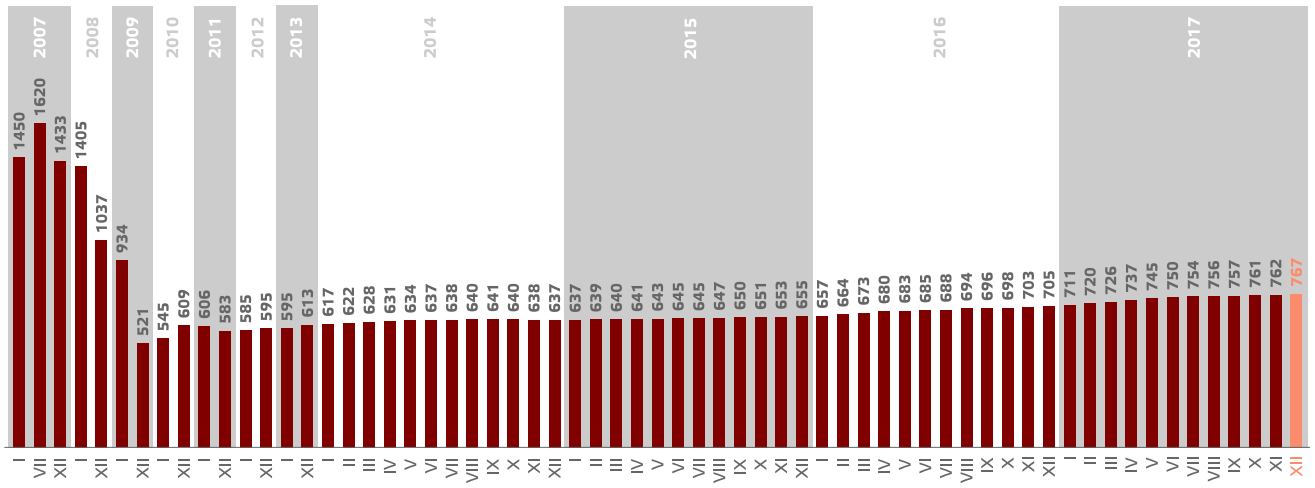


Source: ARCO REAL ESTATE

The largest growth of the average one square meter price of an apartment in the housing estates of Riga since the beginning of 2017 was observed in Bolderāja (+ 13 %). Also in other major 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 (+ 4.9 %).

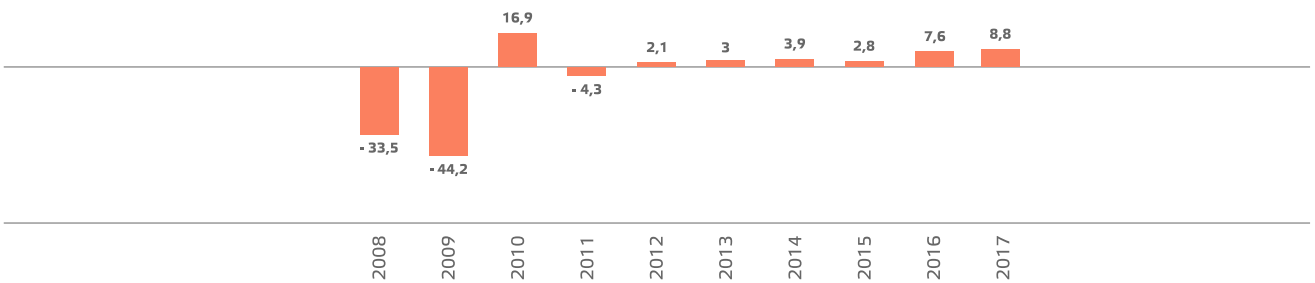
In December 2017, the average price of a standard-type apartment increased to the position of 767 EUR/m². The prices on average were by 52.6 % lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value – 1 620 EUR/m².

Dynamics of average price of standard-type apartments in the largest housing estates of Riga, EUR/m²



Source: ARCO REAL ESTATE

Standard-type apartment price changes in Riga housing estates, 2008 – 2017, %



Source: ARCO REAL ESTATE

In December 2017, the prices rated by number of rooms in apartment grew for 1–4-room apartments. The average price of one square meter of area increased for one-room (+ 0.4 %), two-room (+ 0.9 %), three-room (+ 0.7 %) and four-room (+ 0.4 %) standard-type apartments.

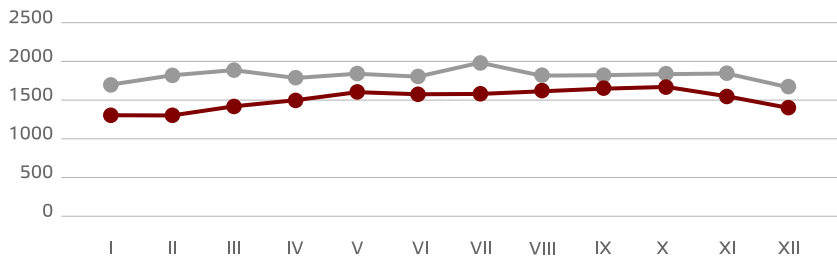
Average prices of standard-type apartments in Riga housing estates: breakdown by number of rooms, EUR/m²

	2015												2016												2017											
1 room	718	722	722	728	738	744	752	754	755	757	765	768	771	775	779	784	795	799	811	819	821	829	830	831	836	837	840									
2 rooms	664	667	667	673	681	693	699	702	704	706	711	712	715	721	723	731	740	748	761	767	770	773	774	775	778	780	787									
3 rooms	621	622	622	626	631	641	647	651	653	656	661	662	666	667	668	674	683	689	701	710	715	717	719	720	723	725	730									
4 rooms	599	602	602	603	607	614	620	626	630	632	641	641	642	649	649	655	663	669	674	684	693	697	702	703	705	708	711									
	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.	01.01.									

Source: ARCO REAL ESTATE

In December 2017, the overall supply of apartments in Riga compared to the previous month, decreased by 8 %. Also the number of apartments offered for sale in the largest housing estates analyzed by ARCO REAL ESTATE decreased slightly– by 7 %. Compared to December 2016, the apartment supply still was significantly lower: the total number of apartments offered was by 13 % lower, but the number of apartments offered for sale in the largest housing estates was by 4 % lower.

Apartment supply dynamics in Riga, 2017



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

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

Avots: 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, Ķengarags and Imanta, but the lowest apartment supply was in Bolderāja.

Last month, the number of apartments offered for sale in most of Riga's housing estates decreased. In December, the supply of apartments fell most significantly in Zolitūde (- 21 %), while the largest increase of the supply of apartments was observed in Mežciems (+ 14 %).

When analyzing the number of apartments offered for sale in proportion to the size of the housing estates, i. e., in proportion to the population, the highest number in December was registered in Mežciems, while in Pļavnieki it was proportionally the lowest.

In December 2017, small positive changes were observed in standard-type apartment prices in almost all major housing estates in Riga. Prices in the housing estates increased mostly by 0.2 – 1.7 %. The largest apartment price growth was seen in Zolitūde, where the prices grew by 1.7 % during this month. No price growth in December was seen in Vecmīlgrāvis where the apartment prices remained to be on the same level as in the previous month.

Changes in average standard-type apartment prices of one square meter in Riga housing estates, %

	The average value per 1 m ² on 01.01.2018.	The average value per 1 m ² on 01.12.2017.	Changes, %
Jugla	773	770	0.3 ↑
Pļavnieki	804	802	0.2 ↑
Purvciems	821	816	0.6 ↑
Mežciems	801	796	0.8 ↑
Teika	907	899	0.9 ↑
Vecmīlgrāvis	618	618	0.0 →
Ķengarags	725	720	0.7 ↑
Bolderāja	549	547	0.5 ↑
Ziepniekkalns	802	797	0.6 ↑
Imanta	828	824	0.4 ↑
Zolitūde	835	821	1.7 ↑
Āgenskalns	825	819	0.8 ↑
Ilģuciemis	737	732	0.7 ↑

Source: ARCO REAL ESTATE

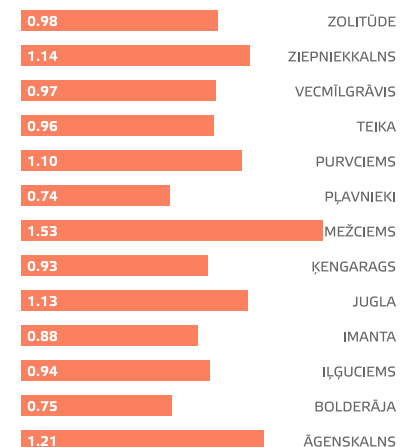
In December 2017, the standard-type apartment prices were by 17.1 % higher than the prices recorded in the beginning of 2016. But since the beginning of 2017, the prices have increased by 8,8 %.

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



Source: ARCO REAL ESTATE

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

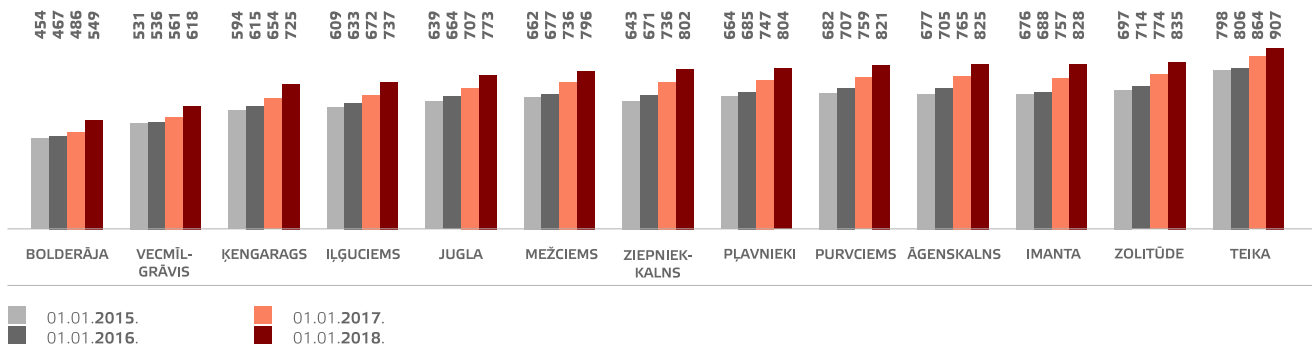


* If the coefficient is greater than 1, the relation of the supply of apartments in the specific housing estate to the number of population in that housing estate is higher. If the coefficient is less than 1, the relation of the supply of apartments in the specific housing estate to the number of population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

Source: ARCO REAL ESTATE

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

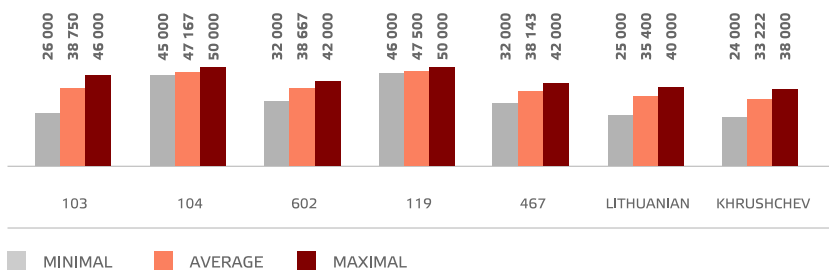


Source: ARCO REAL ESTATE

The highest standard-type apartment prices in December 2017 still were in Teika, where the average price of one square meter increased to 907 EUR/m². But the lowest average price of one square meter in December remained in Bolderāja, where it increased to 549 EUR/m².

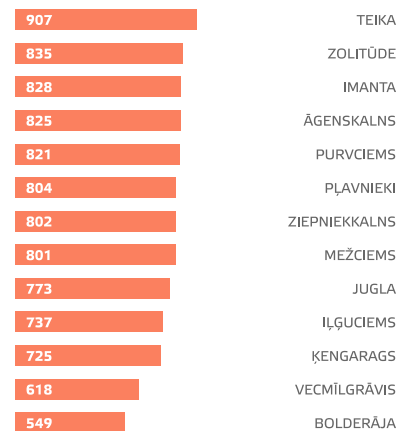
In December 2017, the most expensive apartments as usual were apartments in the houses of the 119th series and 104th series, where the price of 2-room apartments in satisfactory condition varied from 45 000 to 50 000 EUR, depending on the location. In turn, the so-called Lithuanian design were the cheapest ones, where the price of 2-room apartments varied from 25 000 to 40 000 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 December 2017 (2-room apartments), EUR



Source: ARCO REAL ESTATE

Average standard-type apartment prices in housing estates of Riga as per January 1, 2018, EUR/m²



Source: ARCO REAL ESTATE

Standard-type apartment market in the vicinity of Riga

Ogre

In December 2017, the standard-type apartment prices in Ogre increased by 1.1 %. The average price reached 558 EUR/m². In 2017, apartment prices in Ogre increased by 17 % in general. This year, in Ogre, the apartment prices have been rising for almost all months. The apartment supply in Ogre in December was still low, which could be considered as the main reason for rising prices.

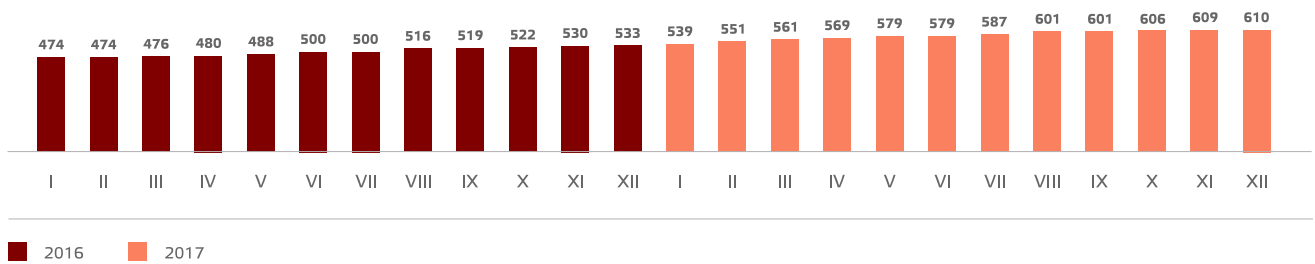
Kauguri, Jūrmala

In December 2017, standard-type apartment prices increased by 0.2 % in Kauguri, with the average price reaching 523 EUR/m². In general, since the beginning of 2017, apartment prices in Kauguri have increased by 11 %. Apartment prices in Kauguri, compared to other places in the vicinity of Riga, have so far grown slower. In December, the price increase stopped.

Salaspils

In December 2017, apartment prices in Salaspils increased by 0.2 %. The average price of standard-type apartments increased to 610 EUR/m². Since the beginning of 2017, the overall prices of standard-type apartments in Salaspils have increased by 14 %. Like in the majority of Riga housing estates, apartment prices in Salaspils continued to increase; however, the increase was insignificant.

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

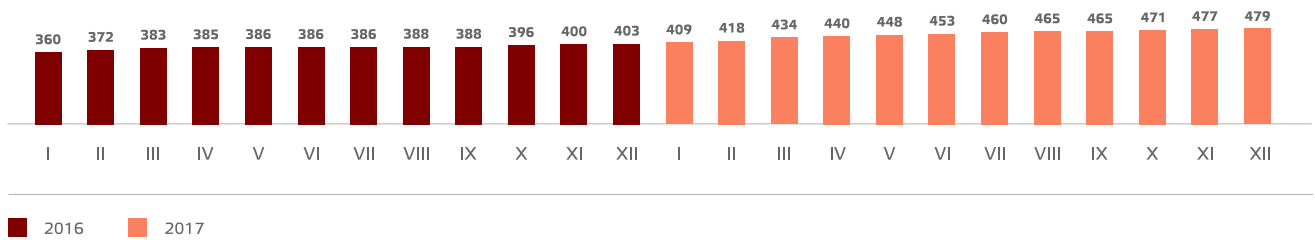


Source: ARCO REAL ESTATE

Jelgava

In December 2017, prices of apartments in Jelgava increased by 0.6 %. In December, the average price per square meter of a standard-type apartment went up to 479 EUR/m². Since the beginning of 2017, standard-type apartment prices in Jelgava have increased by 19 %.

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



Source: ARCO REAL ESTATE

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