



MARKET OVERVIEW

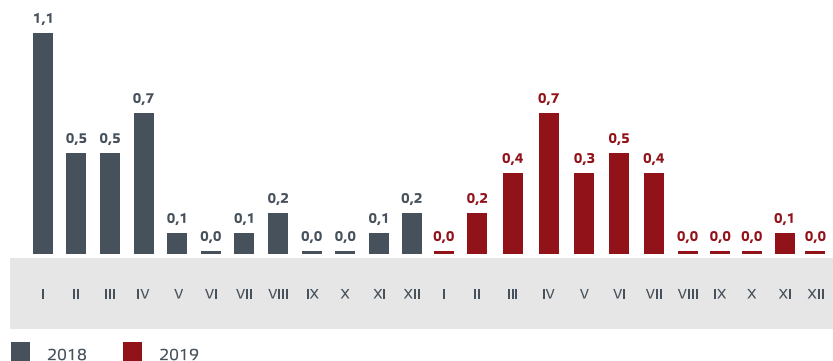
Standart-type apartments **DECEMBER**

RIGA
2019

Standard-Type Apartments, January 1, 2020

In December 2019, standard-type apartment prices in Riga housing estates did not change, with the average price remaining at 819 EUR/m². In 2019, the prices of standard-type apartments increased by 2.8 % overall.

Standard-type apartment price changes, %

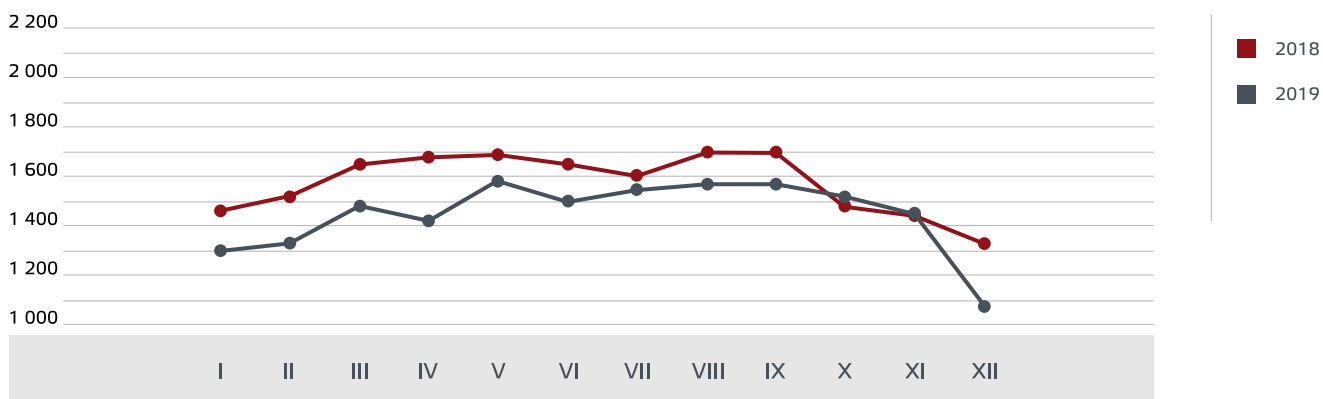


Source: ARCO REAL ESTATE

It has to be concluded that the prices of standard-type apartments have stagnated, as no significant price changes have been observed for the fifth consecutive month, and no price fluctuations have been observed in most of the housing estates of Riga. In some housing estates, prices have risen slightly over the past month. But in Vecmīlgrāvis, for the second month in a row, apartment prices tended to decline.

At the end of 2019, the supply of apartments in Riga's housing estates fell sharply and fell to a lower level than at the end of the previous year. At the end of the year, the largest housing estates in Riga had just over 1,000 apartments in the supply.

Dynamics of apartment supply in the largest housing estates of Riga

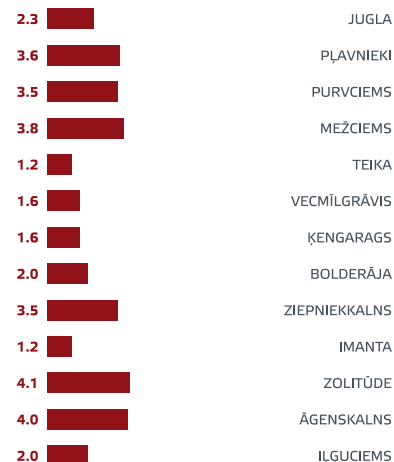


Source: ARCO REAL ESTATE

During 2019, the largest increase in the average price per square meter of apartments in Riga housing estates was observed in Āgenskalns, Zolitūde, Mežciems and Pļavnieki (+ 4 %). Prices in other major housing estates of Riga have also increased since the beginning of the year. The smallest changes this year have been observed in Teika and Imanta, where prices have increased by only 1 % since the beginning of the year.

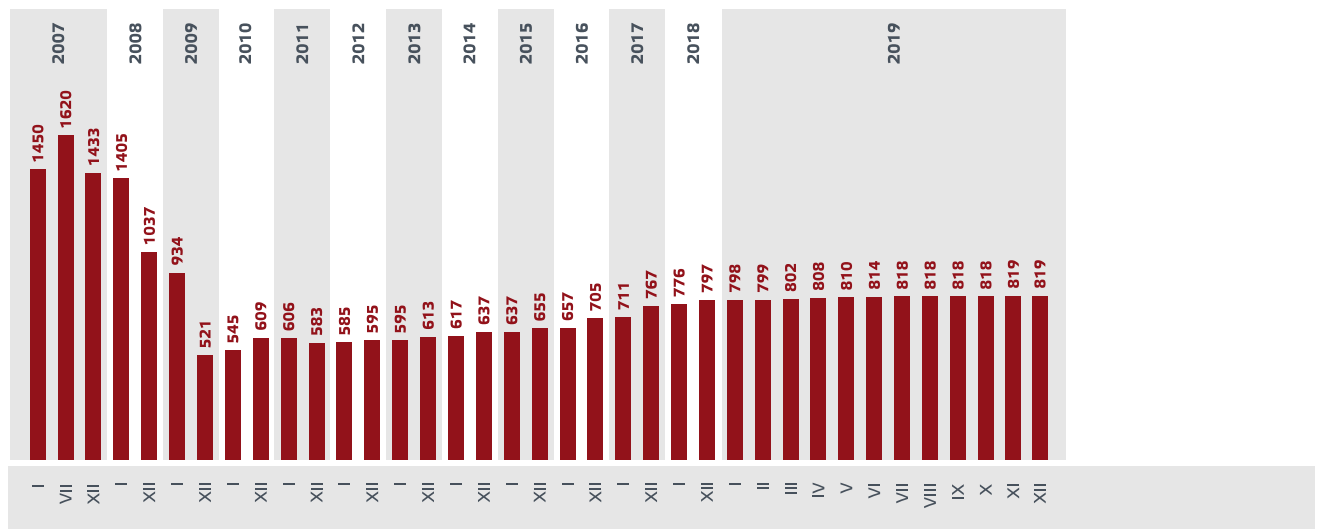
In December 2019, the average price of a standard type apartment remained unchanged at 819 EUR/m². The prices on average were by 50 % lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value - 1 620 EUR/m².

Price changes in the largest housing estates of Riga since January 1, 2019, %



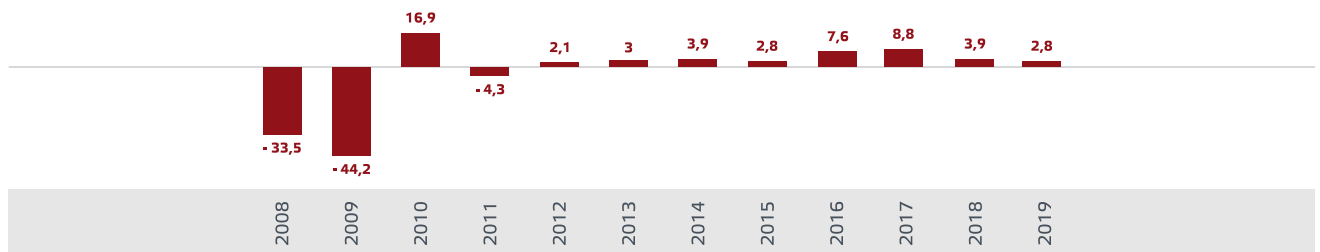
Source: ARCO REAL ESTATE

Dynamics of average price of standard-type apartments in the largest 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 2019, if evaluating according to the number of rooms, the price of four-room apartments changed slightly. Average price per square meter for standard-type apartments increased by 0.3 % for four-room apartments, but for other apartments the average price per square meter remained unchanged.

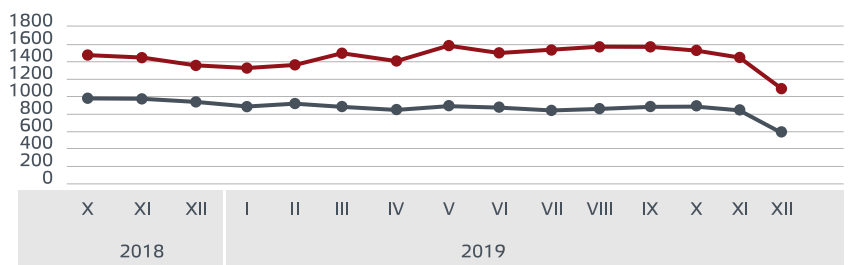
Average prices of standard-type apartments in Riga housing estates: breakdown by number of rooms, EUR/m²

	2018												2019												
	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.
1 room	840	853	855	858	864	865	865	866	867	868	868	869	870	871	872	875	878	880	885	890	890	889	888	888	888
2 rooms	787	797	800	805	812	814	815	815	817	817	817	818	822	822	823	826	830	830	832	835	835	835	835	835	835
3 rooms	730	736	741	745	748	749	750	750	752	752	752	754	756	757	759	765	773	777	781	785	785	785	786	786	786
4 rooms	711	718	725	728	734	735	735	736	738	738	738	738	739	740	742	743	751	755	758	761	762	763	764	766	768

Source: ARCO REAL ESTATE

In December 2019, the supply of apartments in Riga decreased by 26 % compared to the previous month. The number of apartments offered for sale in the largest housing estates analyzed by "ARCO REAL ESTATE" decreased similarly - by 26 %. Compared to December 2018, the supply of apartments in December 2019 was generally lower: the total number of apartments offered in the previous month was by 25 % lower, while the supply of apartments in the largest housing estates was by 19 % lower than a year ago.

Dynamics of supply of apartments in Riga



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

■ THE CENTER OF RIGA, OLD RIGA

Source: ARCO REAL ESTATE

Having summarized the number of apartments offered in the housing estates of Riga, it can be concluded that the largest supply of apartments in December was in Purvciems, while the lowest apartment supply was in Bolderāja.

Last month, the number of apartments offered for sale in all major housing estates in Riga decreased. The largest decrease was observed in Vecmīlgrāvis, where the supply decreased by 38 %. In December, when analyzing the supply in proportion to the size of the housing estate, namely, by population, the largest supply was found in Āgenskalns. In Bolderāja, by contrast, the supply was proportionally the lowest.

In December 2019, no significant changes took place in the prices of standard-type apartments in Riga housing estates. In almost all housing estates, prices remained unchanged. Price increases were observed only in Ziepniekkalns and Mežciems, where they increased respectively by 0.1 % and 0.6 % during the month. But in Vecmīlgrāvis, apartment prices decreased slightly – by 0.1 %.

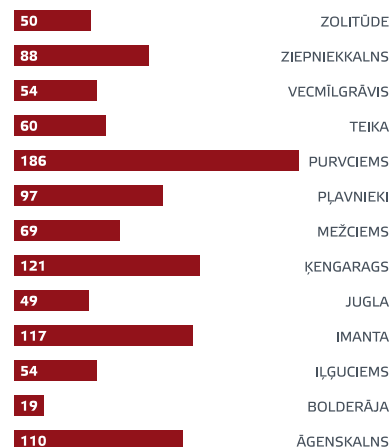
Average price changes of square meter of standard-type apartments in Riga housing estates, %

	The average value per 1 m ² on 01.01.2020.	The average value per 1 m ² on 01.12.2019.	Changes, %
Jugla	813	813	0.0
Pļavnieki	870	870	0.0
Purvciems	883	883	0.0
Mežciems	862	858	+ 0.6
Teika	966	966	0.0
Vecmīlgrāvis	652	653	- 0.1
Ķengarags	767	767	0.0
Bolderāja	583	583	0.0
Ziepniekkalns	862	861	+ 0.1
Imanta	854	854	0.0
Zolitūde	893	893	0.0
Āgenskalns	902	902	0.0
Ilģuciems	789	789	0.0

Source: ARCO REAL ESTATE

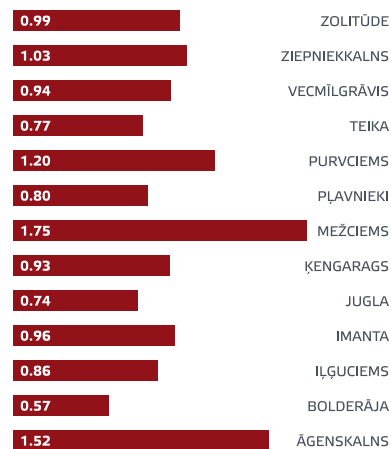
In December 2019, the standard-type apartment prices, compared with the beginning of 2018, were by 7 % higher. In turn, since the beginning of 2019, the prices have increased by 3 %.

Number of apartments offered for sale in Riga at the end of December 2019



Source: ARCO REAL ESTATE

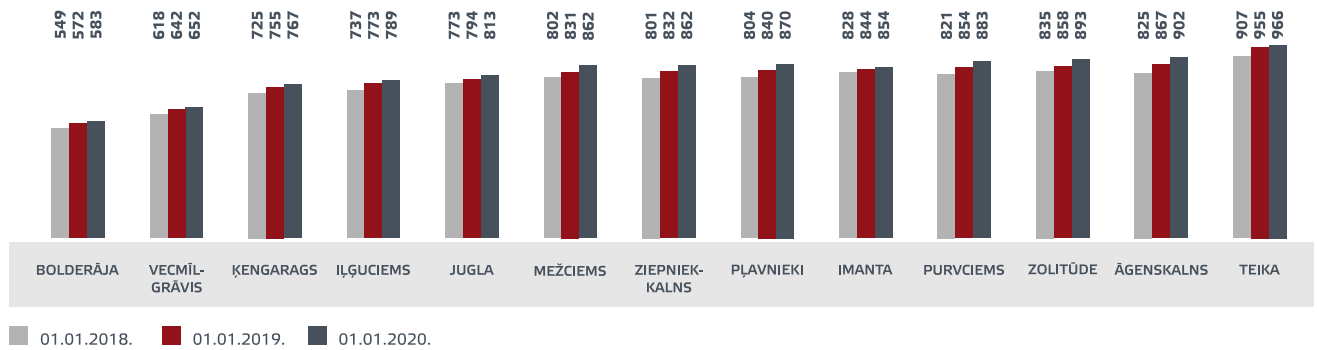
Number of apartments offered for sale in proportion to the size of the housing estates in Riga in December 2019



* 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

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

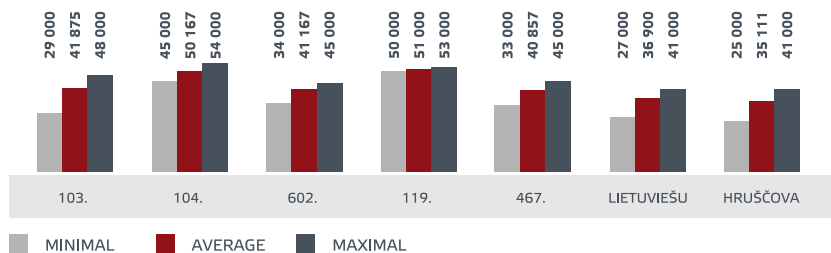


Source: ARCO REAL ESTATE

As usual, the highest prices for standard-type apartments in December 2019 were in Teika, where the average price per square meter remained at 966 EUR/m². The lowest average price per square meter in December was found in Bolderāja – 583 EUR/m².

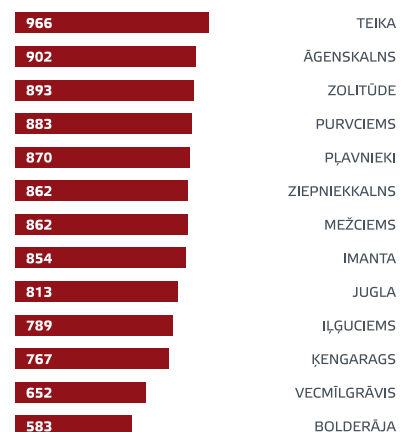
In December 2019, the most expensive apartments still were apartments in the houses of the series 119 and 104, where the price of 2-room apartments in a satisfactory condition varied from 45 000 to 54 000 EUR depending on the location. In turn, the so-called Lithuanian design were the cheapest ones, where the price of 2-room apartments varied from 27 000 to 41 000 EUR, and the so-called Khrushchev-time houses, where the price of 2-room apartments varied from 25 000 to 41 000 EUR, depending on the housing estate.

Standard-type apartment prices by series in Riga housing estates in December 2019 (2-room apartments), EUR



Source: ARCO REAL ESTATE

Average standard-type apartment prices in housing estates of Riga as per January 1, 2020 EUR/m²



Source: ARCO REAL ESTATE

Apartment market in the vicinity of Riga

Ogre

In December 2019, the prices of standard apartments in Ogre remained unchanged. The average price of apartments was 644 EUR/m². In 2019, overall apartment prices in Ogre have increased by 7 %.

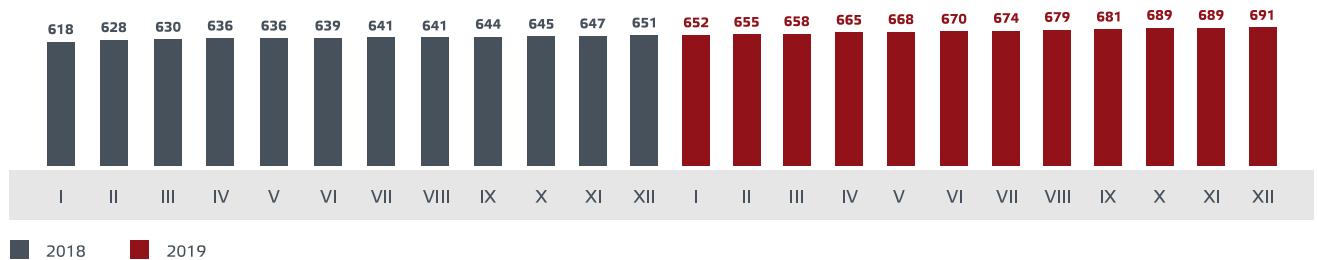
Kauguri, Jūrmala

Also in Kauguri, in December 2019, the prices of standard-type apartments did not change. There, the average price per square meter was 610 EUR/m². Since the beginning of 2019, apartment prices in Kauguri have increased by 7 % overall.

Salaspils

In December 2019, apartment prices in Salaspils increased by 0.2 %, with the average price per square meter rising to 691 EUR/m². Since the beginning of 2019, the prices of standard-type apartments in Salaspils have increased by 6 %.

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

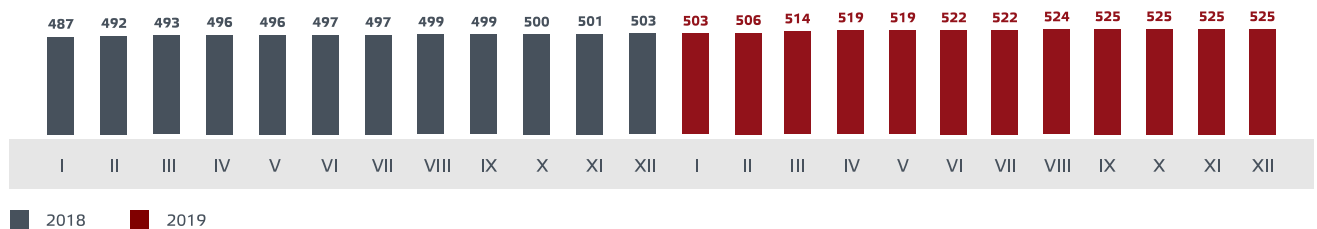


Source: ARCO REAL ESTATE

Jelgava

In December 2019, apartment prices in Jelgava remained unchanged. The average price of a standard type apartment in December remained to be 525 EUR/m². Since the beginning of 2019, prices of standard-type apartments in Jelgava have increased by 4 %.

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



Source: ARCO REAL ESTATE

ARCO REAL ESTATE is the leading real estate company of the Baltic states, founded in 1992 in Estonia, the offices are today in cities in Latvia, Estonia and Bulgaria. ARCO REAL ESTATE is listed in Tallinn Stock Exchange since June, 2007. ARCO REAL ESTATE Latvia is founded in 1997 and today we are able to offer services in Riga, Jūrmala, Saulkrasti, Daugavpils, Jelgava as well as in Limbaži and Liepāja. More than 70 highly-qualified employees work in the company.

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