

MARKET OVERVIEW

Standart-type apartments FEBRUARY

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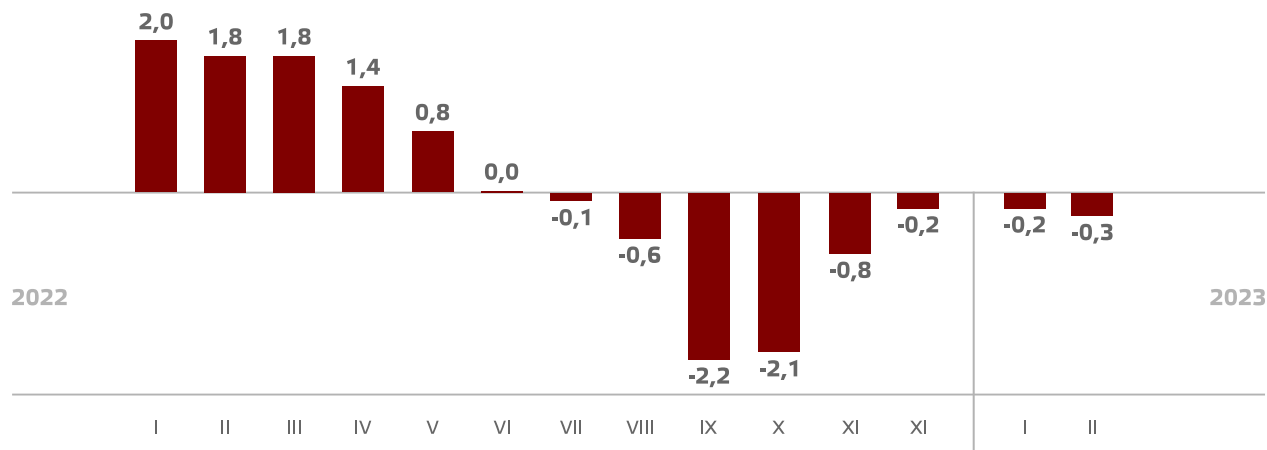
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ARCO REAL ESTATE is an international company with more than 20 years of experience in the Latvian real estate market. Since the establishment of the company in 1997, ARCO REAL ESTATE has been constantly developing and promoting the professional growth 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 Rīga, 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, March 1, 2023

In February 2023, 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 0.3 %. The average price of standard-type apartments dropped to 911 EUR/m². In the first two months of 2023, apartment prices overall decreased by 0.5 %.

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

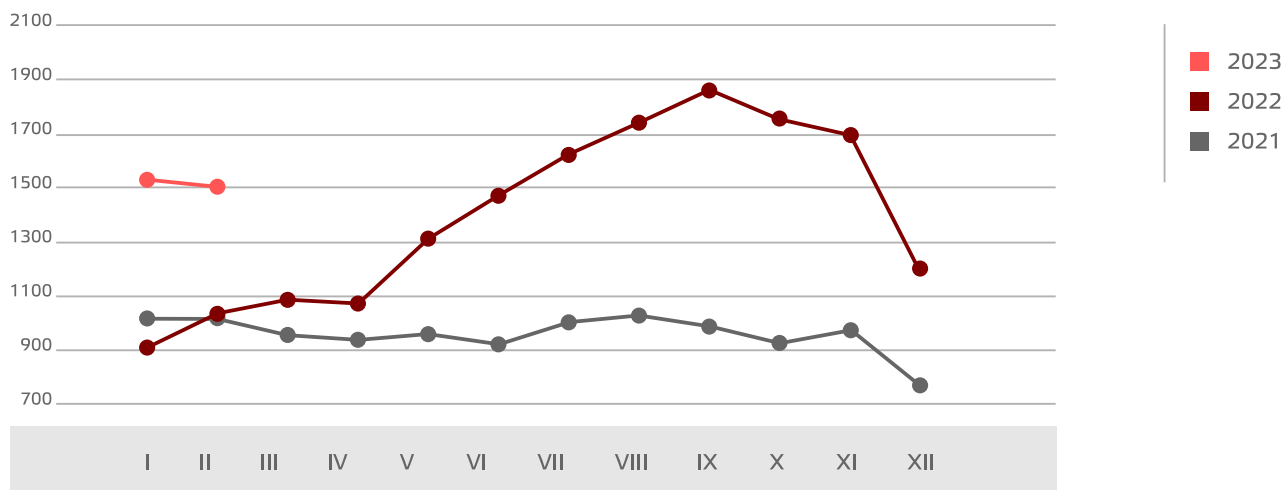


Source: ARCO REAL ESTATE

Negative price fluctuations were mainly observed in the largest housing estates of Riga in February. Standard-type apartment prices decreased for the eighth month in a row. However, it was possible to observe that in many housing estates of Riga there were no more cheap apartments on offer in February. Both positive and negative price changes could be observed in the surroundings of Riga in February.

The number of apartments offered for sale in the largest housing estates of Riga in the first two months of the year was significantly higher than in the same period last year. However, after the rapid rise in January, the supply decreased slightly in February. However, the number of apartments offered for sale remained above the 1,500 mark in February. In the largest housing estates of Riga, the supply level was much higher than a year ago (+46 %).

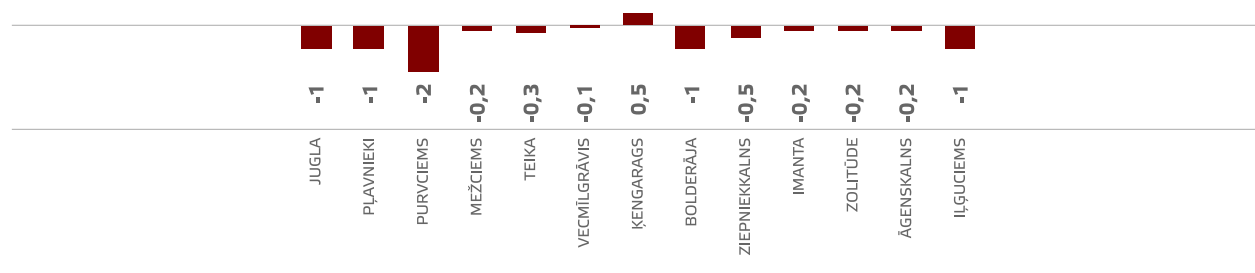
Dynamics of apartment supply in the largest housing estates of Riga



Source: ARCO REAL ESTATE

Mostly in the biggest housing estates of Riga, prices for apartments decreased in the last two months. The exception is Ķengarags, where at the end of last year there was the biggest price decline, but positive price fluctuations have been observed this year. The biggest price decrease since the beginning of the year in housing estates was observed in Purvciems (-2 %). In other major housing estates of Riga, prices decreased by 0.1-1 % this year.

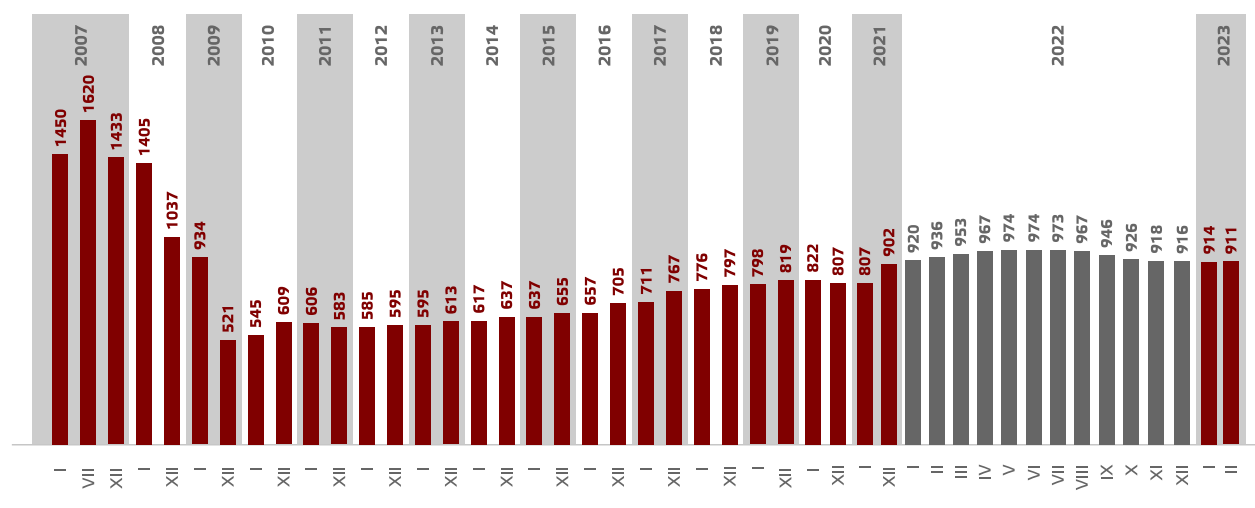
Price changes in the largest housing estates of Riga since January 1, 2023, in %



Source: ARCO REAL ESTATE

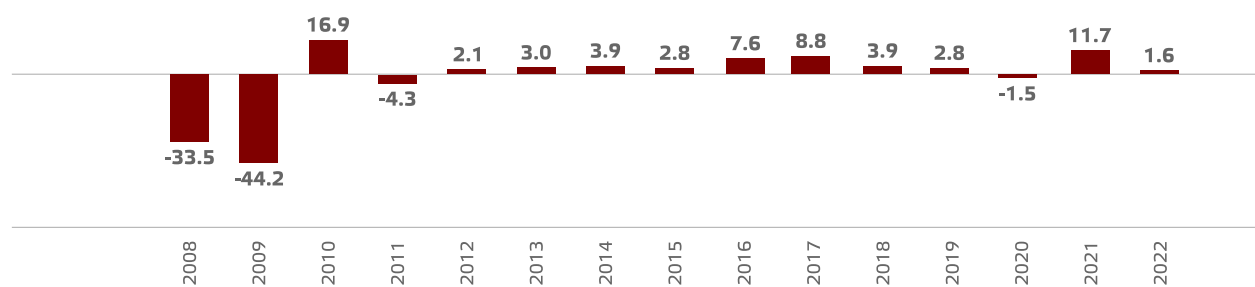
In February, the average price of standard-type apartments dropped to 911 EUR/m². The prices on average were by 44 % lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value – 1 620 EUR/m².

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 February, changes were found in apartment prices. The average price per square meter of standard-type apartments decreased for one-room (-0.6 %), three-room (-0.2 %) and four-room (0.3 %) apartments. Only the average price of two-room apartments remained stable.

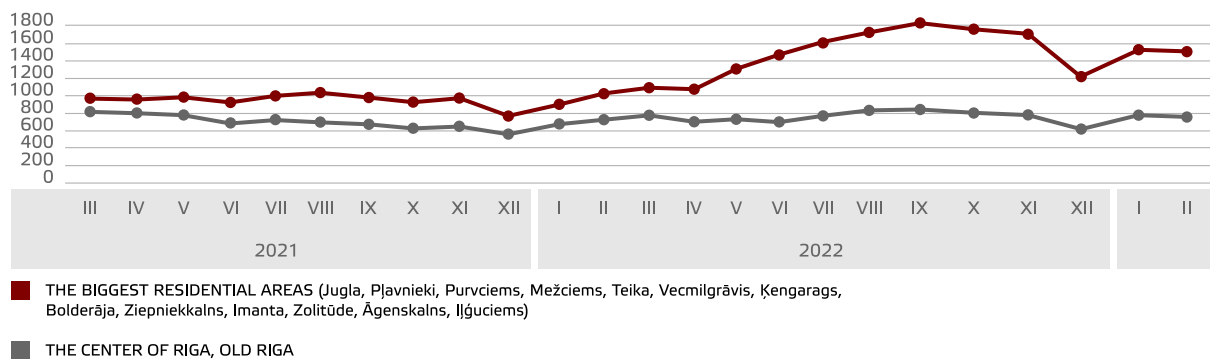
Average prices of standard-type apartments in Riga housing estates: breakdown by number of rooms, EUR/m²

	2021							2022							2023							
1 room	903	925	937	955	964	967	976	980	1004	1024	1047	1059	1069	1069	1069	1062	1043	1017	1008	1003	1003	997
2 rooms	850	864	873	889	899	903	909	913	935	948	963	979	984	984	982	976	954	935	925	923	920	920
3 rooms	797	811	822	838	850	854	860	865	879	896	906	920	927	927	927	920	900	881	876	874	873	871
4 rooms	787	803	812	826	833	834	839	848	861	876	895	910	917	917	915	911	885	871	865	863	860	858
	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.

Source: ARCO REAL ESTATE

Compared to the previous month, in February, the supply of apartments in Riga decreased by 1 %. The number of apartments offered for sale in the largest housing estates of Riga analyzed by ARCO REAL ESTATE also decreased by 1 %. Compared to January 2022, the supply of apartments was generally higher: the total number of apartments offered for sale was higher by 32 %, while the number of apartments offered for sale in the largest micro-districts was 46 % higher than a year ago.

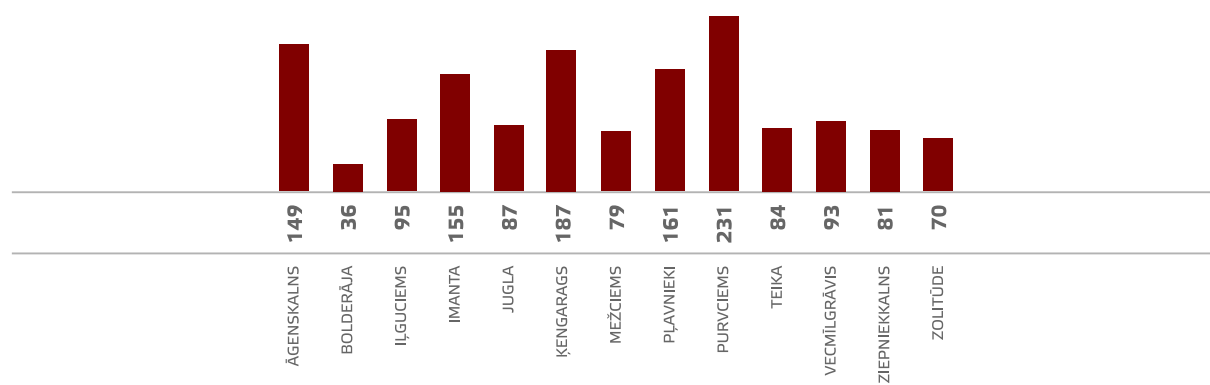
Dynamics of supply of apartments in Riga



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

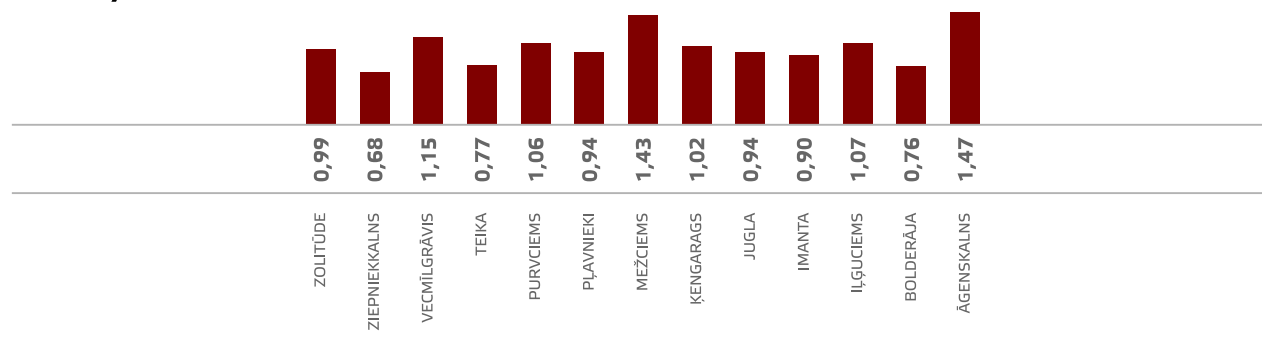
Number of apartments offered for sale in Riga at the end of February 2023



Source: ARCO REAL ESTATE

Last month, the number of apartments offered for sale increased in many housing estates of Riga. The number of apartments offered for sale increased the most in Imanta (+16 %). The number of apartments offered for sale also decreased in many places in February - the biggest decrease in number of apartments offered for sale was found in Ziepniekalns (-20 %). When analysing the supply of apartments in proportion to the size of the housing estate, i.e., by population, the largest supply in February was found in Āgenskalns. On the other hand, the number of apartments offered for sale was proportionally the lowest in Ziepniekalns.

Number of apartments offered for sale in proportion to the size of the housing estates in Riga in February 2023



Source: ARCO REAL ESTATE

In February, there were changes in the prices of standard-type apartments in Riga housing estates. Negative price fluctuations were mostly observed in the largest housing estates of Riga. The most significant drop in prices was found in Ilģuciems, where prices fell by 1 % during the month. No price changes were detected in Imanta and Āgenskalns in February.

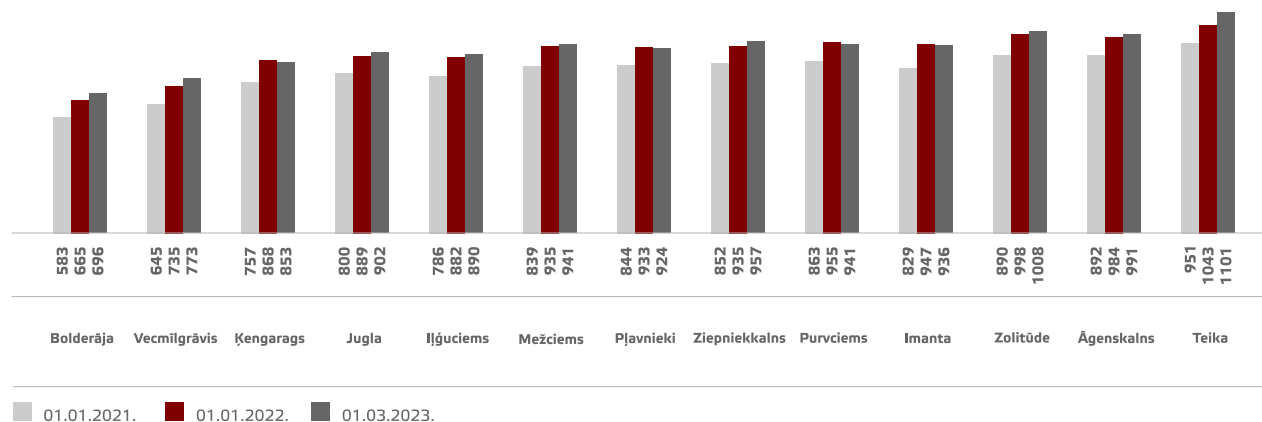
Average price changes of square meter of standard-type apartment in Riga housing estates, %

Housing Estate	The average value per 1 m ² on 01.03.2023.	The average value per 1 m ² on 01.02.2023.	Changes, %
Jugla	902	906	-0,5
Plāvnīki	924	926	-0,2
Purvciems	941	945	-0,3
Mežciems	941	943	-0,2
Teika	1101	1104	-0,3
Vecmīlgrāvis	773	774	-0,1
Ķengarags	853	852	0,1
Bolderāja	696	700	-0,6
Ziepniekkalns	957	959	-0,3
Imanta	936	936	0,0
Zolitūde	1008	1010	-0,2
Āgenskalns	991	991	0,0
Ilģuciems	890	898	-1,0

Source: ARCO REAL ESTATE

Compared to the beginning of 2023, standard-type apartment prices were higher by 0.5 % in February. On the other hand, since the beginning of 2022, prices have increased by 1 %.

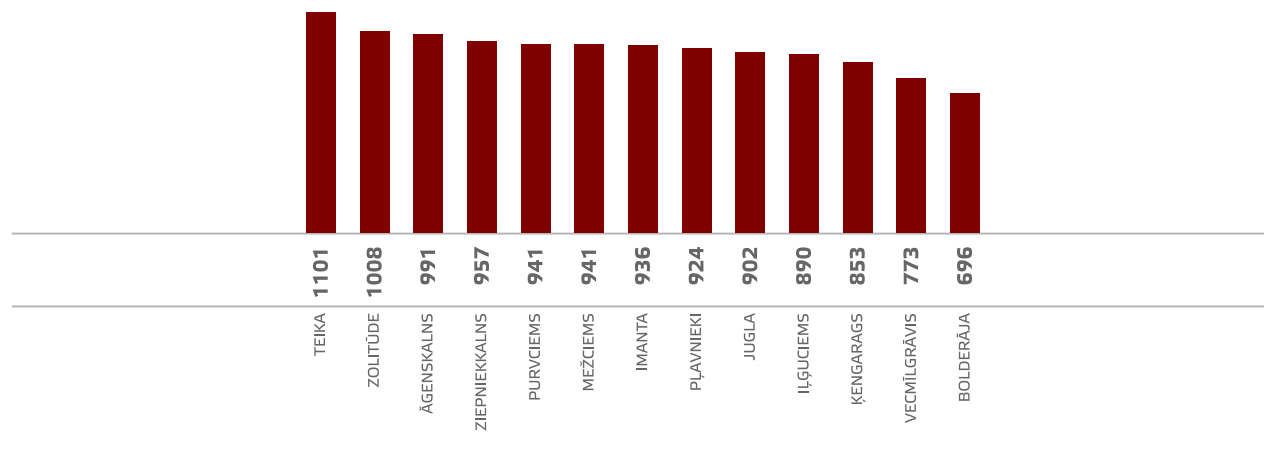
Average standard-type apartment prices in housing estates of Riga, EUR/m²



Source: ARCO REAL ESTATE

The highest prices of standard-type apartments remained in Teika in February, where the average price of one square meter dropped to 1,101 EUR/m² during the month. The lowest average price per square meter was in Bolderāja – 696 EUR/m², which also slightly decreased in February.

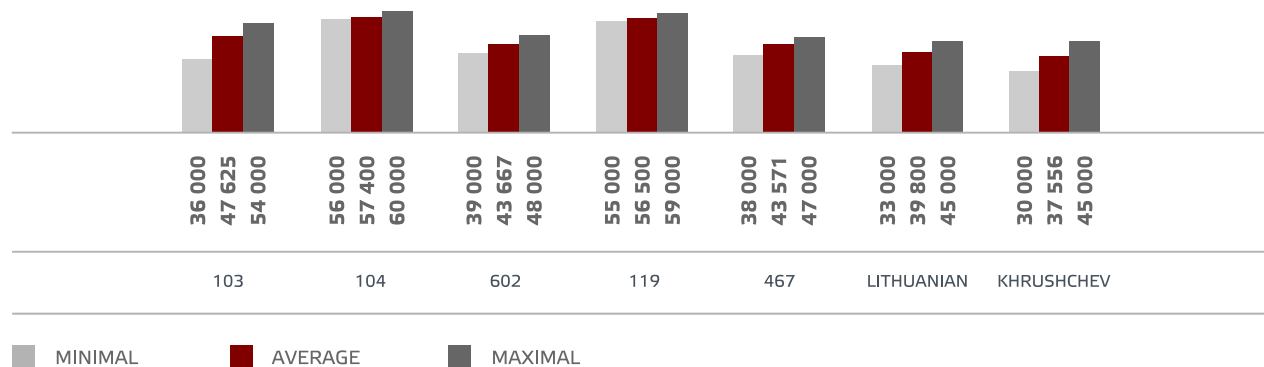
Average standard-type apartment prices in housing estates of Riga on March 1, 2023, EUR/m²



Source: ARCO REAL ESTATE

In February, 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 55 000 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 February 2023 (2-room apartments), EUR

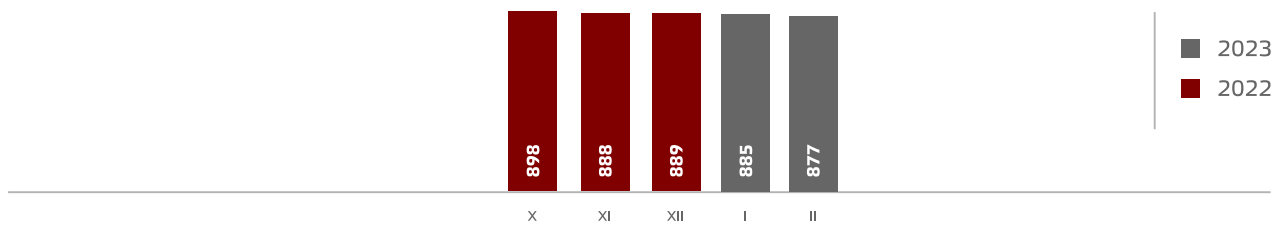


Source: ARCO REAL ESTATE

Apartment market in the vicinity of Riga

Ogre In February, the prices of standard-type apartments in Ogre decreased slightly - by 1 %, the average price of apartments decreasing to 877 EUR/m². Since the beginning of 2023, apartment prices in Ogre have become 1 % lower.

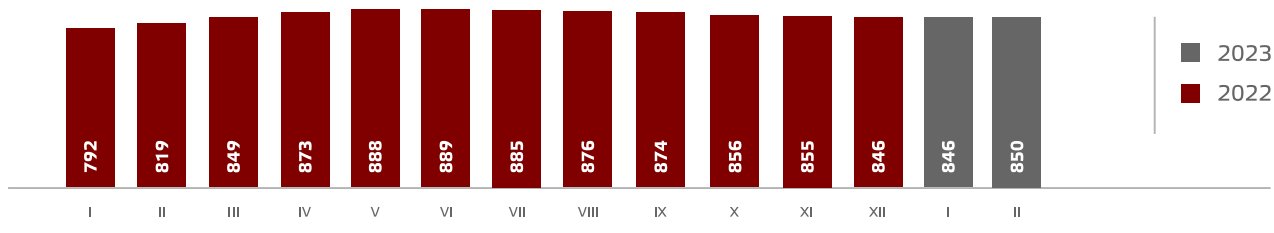
Dynamics of the average price of standard-type apartments in Ogre, EUR/m²



Source: ARCO REAL ESTATE

Kauguri, Jūrmala In Kauguri, standard-type apartment prices increased minimally - by 0.5 % in February. The average price of one square meter of apartments rose to 850 EUR/m². Since the beginning of 2023, apartment prices in Kauguri have increased by a total of 0.5 %.

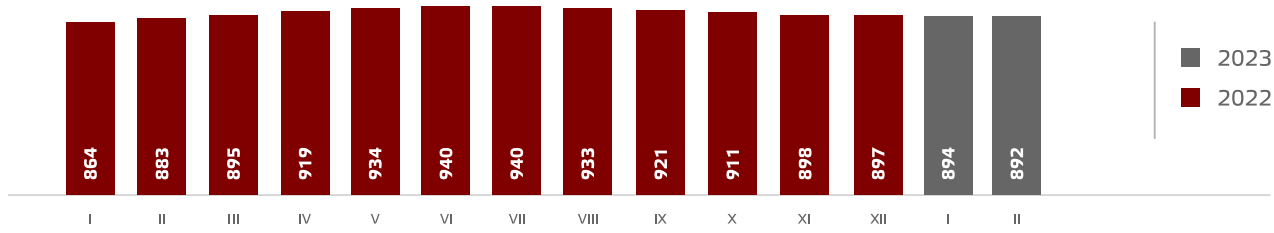
Dynamics of the average price of standard-type apartments in Jūrmala, Kauguri, EUR/m²



Source: ARCO REAL ESTATE

Salaspils In February, apartment prices in Salaspils decreased by 0.2 %, the average price decreasing to 892 EUR/m². In February, standard-type apartment prices in Salaspils were 0.5 % lower than at the beginning of 2023.

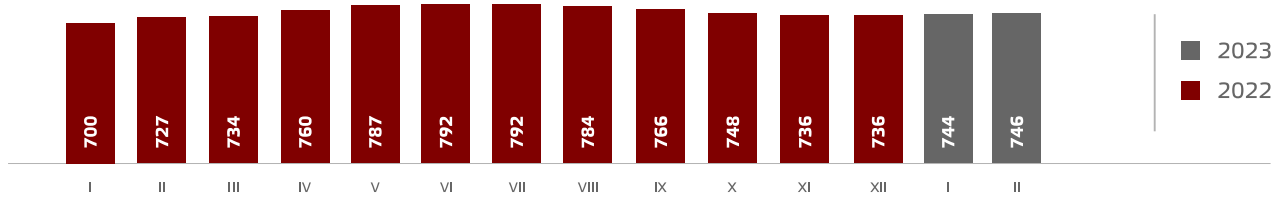
Dynamics of average price of standard-type apartments in Salaspils, EUR/m²



Source: ARCO REAL ESTATE

Jelgava Apartment prices in Jelgava increased minimally in February - by 0.2 %. The average price of standard-type apartments in February was 746 EUR/m². Since the beginning of 2023, the prices of standard-type apartments in Jelgava have increased by 1 %.

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



Source: ARCO REAL ESTATE