

MARKET OVERVIEW

Standart-type apartments MARCH

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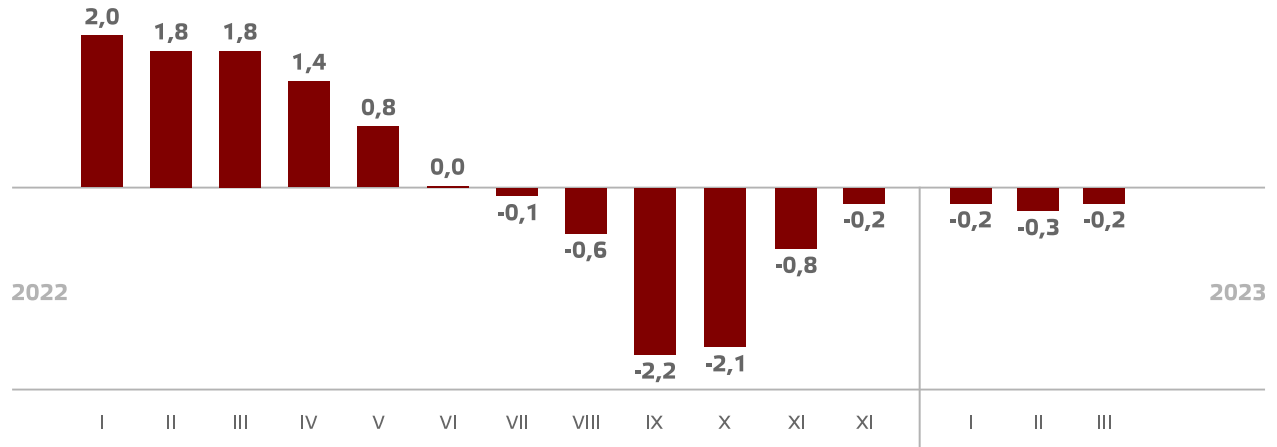
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ARCO REAL ESTATE is an international company with more than 25 years of experience in the Latvian real estate market. Since the establishment of the company in 1997, ARCO REAL ESTATE has been constantly developing and promoting the professional growth 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, April 1, 2023

In March 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 0.2 %. The average price of standard-type apartments dropped to 909 EUR/m². In the first quarter of 2023, apartment prices have decreased by 0.7 %.

Standard-type apartment price changes, %

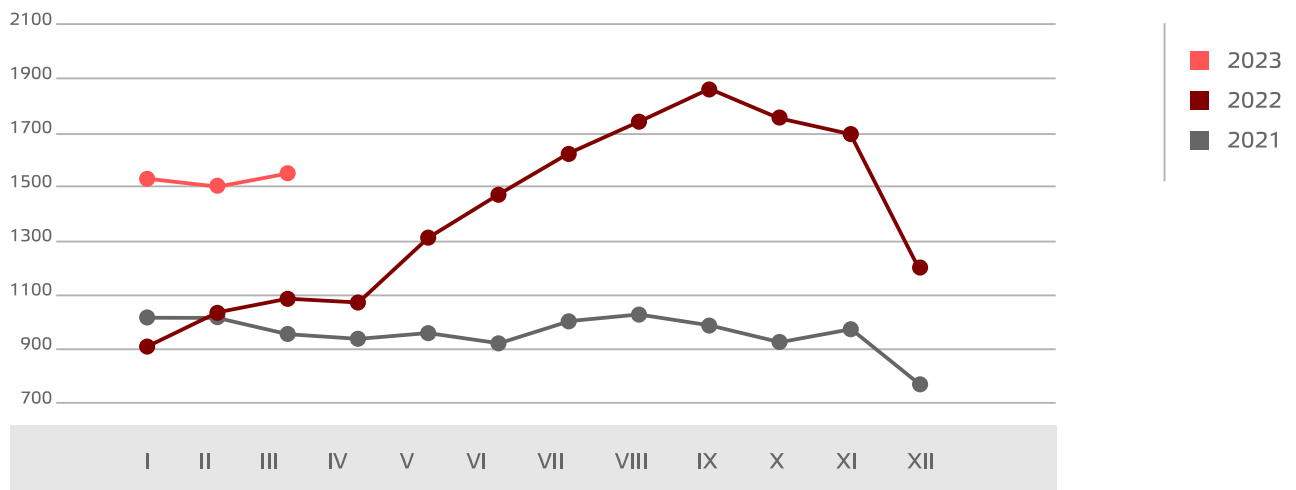


Source: ARCO REAL ESTATE

Negative price fluctuations were mainly observed in the largest housing estates of Riga in March. Standard-type apartment prices have been falling since the middle of last year - for the ninth month in a row. Both positive and negative price changes could be observed in the vicinity of Riga in March.

The number of apartments offered for sale in the largest housing estates of Riga in the first quarter of 2023 was significantly higher than last year in this time period. This year, the supply of apartments remains above the 1,500 mark. In the largest housing estates of Riga, the supply level was much higher than a year ago (+44 %).

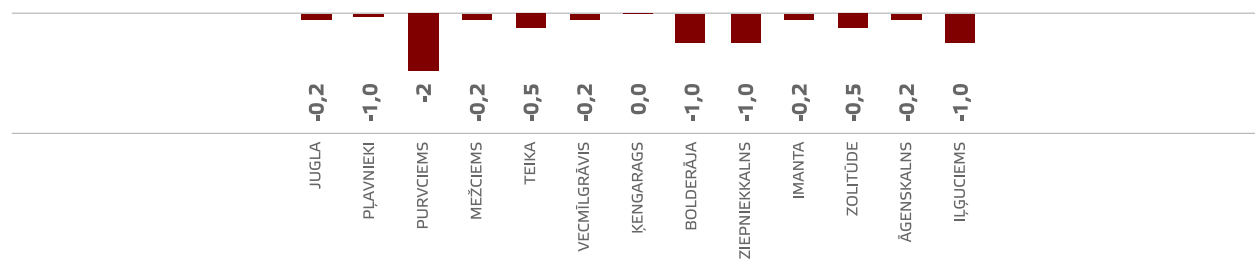
Dynamics of apartment supply in the largest housing estates of Riga



Source: ARCO REAL ESTATE

In almost all the largest housing estates of Riga, prices for apartments decreased in the first quarter of 2023. The only exception was Ķengarags, where at the end of last year there was the biggest decline in prices, but this year apartment prices have remained stable. The biggest price decrease since the beginning of the year in Riga's housing estates was observed in Purvciems and Jugla (- 2 %). In other major housing estates of Riga, prices decreased by 0.2-1 % this year.

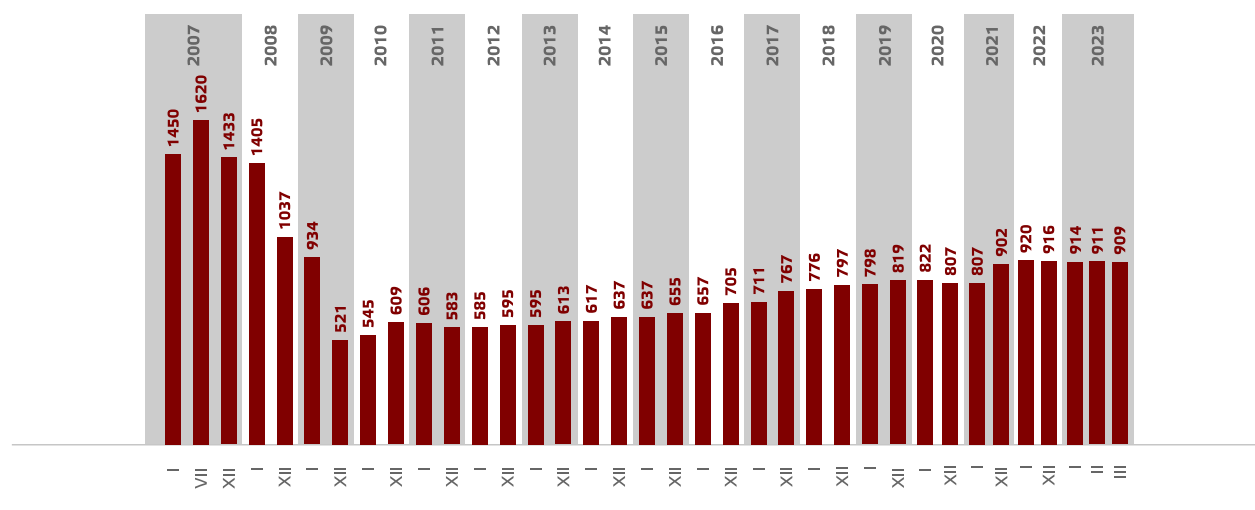
Price changes in the largest housing estates of Riga since January 1, 2023, %



Source: ARCO REAL ESTATE

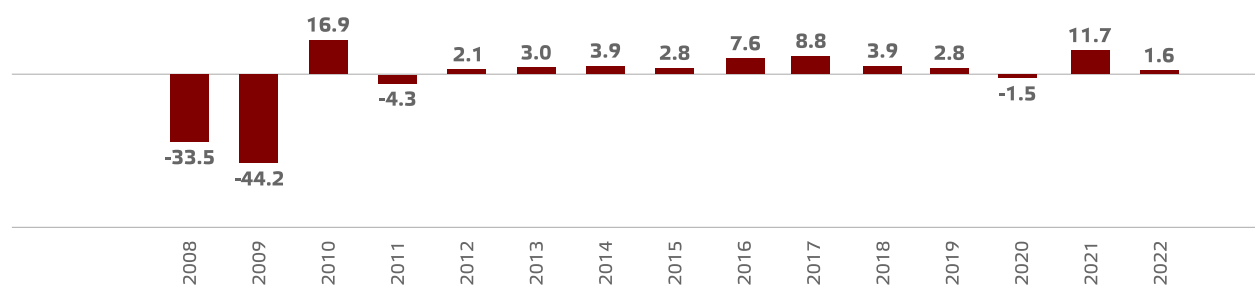
In March, the average price of standard-type apartments dropped to 909 EUR/m². The prices on average were by 44 % lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value – 1 620 EUR/m².

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 March, changes were noted in apartment prices. The average price per square meter of standard-type apartments decreased for one-room (-0.4 %), two-room (-0.1 %), three-room (-0.2 %) and four-room (-0.2 %) apartments.

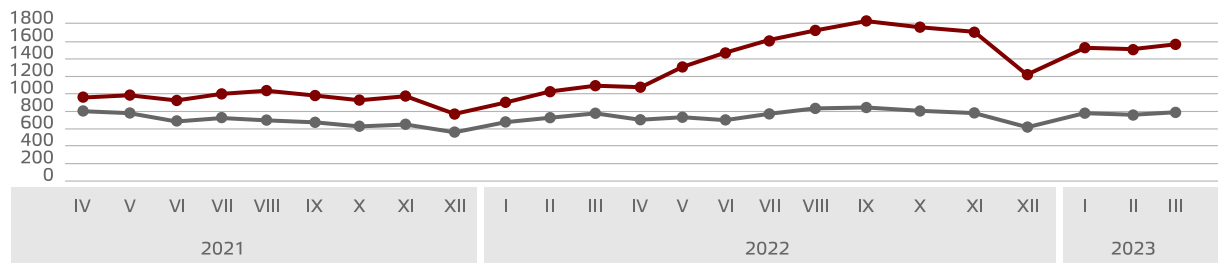
Average prices of standard-type apartments in Riga housing estates: breakdown by number of rooms, EUR/m²

	2021						2022						2023									
1 room	925	937	955	964	967	976	980	1004	1024	1047	1059	1069	1069	1062	1043	1017	1008	1003	1003	997	993	
2 rooms	864	873	889	899	903	909	913	935	948	963	979	984	984	982	976	954	935	925	923	920	920	919
3 rooms	811	822	838	850	854	860	865	879	896	906	920	927	927	920	900	881	876	874	873	871	869	
4 rooms	803	812	826	833	834	839	848	861	876	895	910	917	917	915	911	885	871	865	863	860	858	856
	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.

Source: ARCO REAL ESTATE

Compared to the previous month, the supply of apartments in Riga increased by 4 % in March. The number of apartments offered for sale in the largest housing estates of Riga analysed by ARCO REAL ESTATE also increased by 4 %. Compared to March 2022, the supply of apartments was generally higher: the total number of apartments offered for sale was higher by 30 %, while the number of apartments offered for sale in the largest housing estates was 44 % higher than a year ago.

Dynamics of supply of apartments in Riga



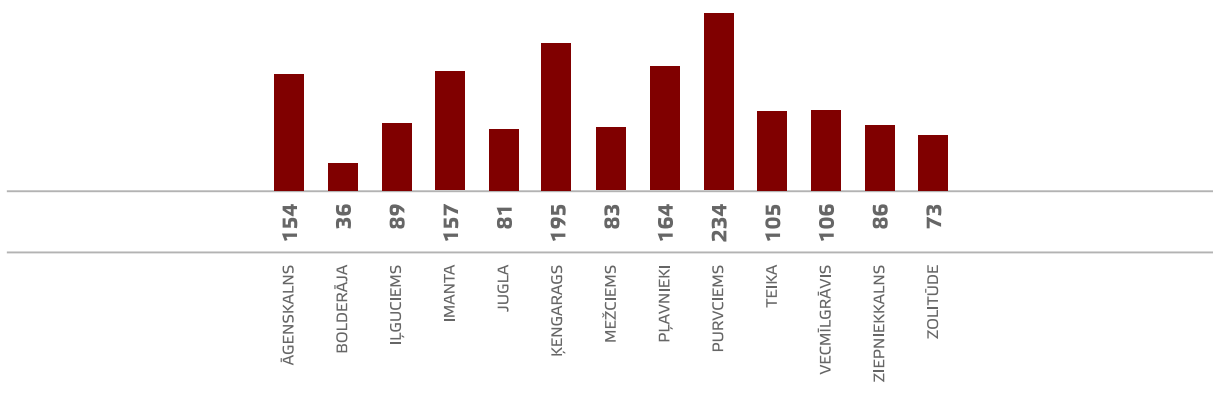
■ THE BIGGEST RESIDENTIAL AREAS (Jugla, Pļavnieki, Purvciems, Mežciems, Teika, Vecmilgrāvis, Ķengarags, Bolderāja, Ziepniekkalns, Imanta, Zolitūde, Āgenskalns, Ilģuciems)

■ THE CENTER OF RIGA, OLD 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 March was in Purvciems, while the lowest - in Bolderāja.

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

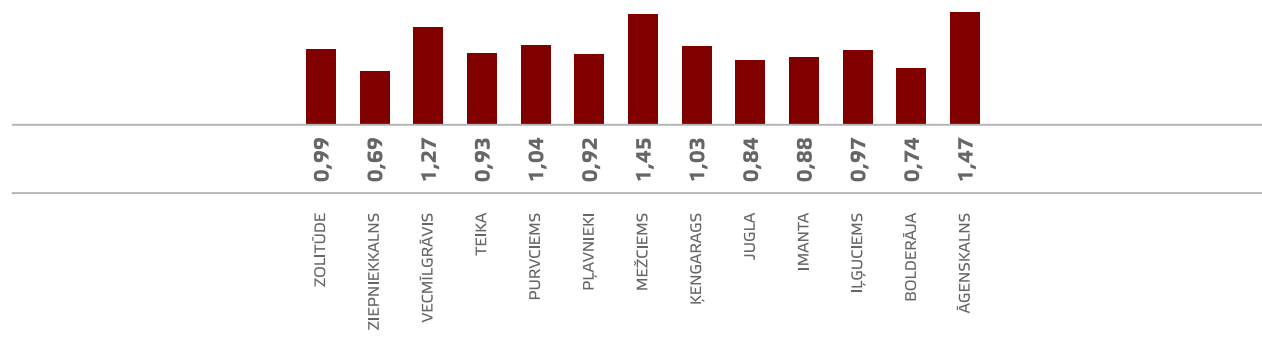


Source: ARCO REAL ESTATE

Last month, the number of apartments offered for sale increased in almost all major housing estates of Riga. The number of apartments offered for sale increased the most in Teika (+ 25%). The number of apartments offered for sale in certain housing estates also had negative trends - in March it decreased in Ilģuciems (-6 %) and Jugla (-7 %).

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

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



Source: ARCO REAL ESTATE

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

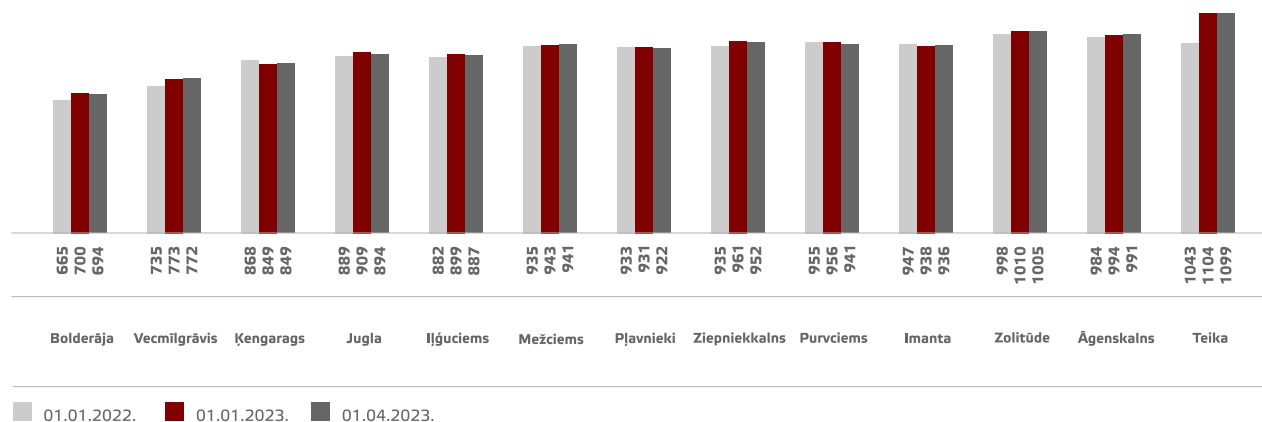
Average price changes of square meter of standard-type apartment in Riga housing estates, %

Housing Estate	The average value per 1 m ² on 01.04.2023.	The average value per 1 m ² on 01.03.2023.	Changes, %
Jugla	894	902	-0,9
Plāvnīki	922	924	-0,2
Purvciems	941	941	0,0
Mežciems	941	941	0,0
Teika	1099	1101	-0,2
Vecmīlgrāvis	772	773	0,0
Ķengarags	849	853	-0,5
Bolderāja	694	696	-0,3
Ziepniekkalns	952	957	-0,5
Imanta	936	936	0,0
Zolitūde	1005	1008	-0,3
Āgenskalns	991	991	0,0
Ilģuciems	887	890	-0,3

Source: ARCO REAL ESTATE

Compared to the beginning of 2023, standard-type apartment prices were lower by 0.7 % in March. On the other hand, since the beginning of 2022, prices have increased by 1 %.

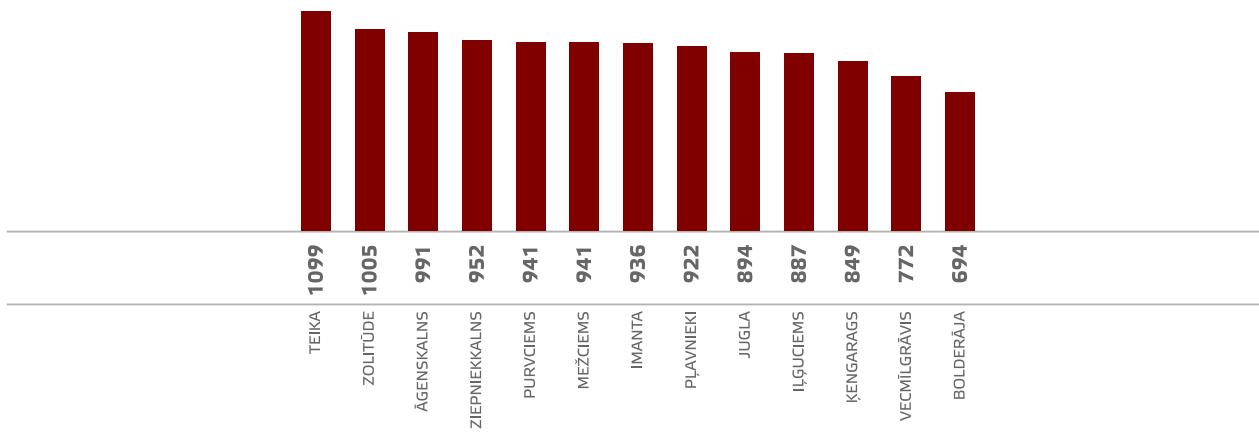
Average standard-type apartment prices in housing estates of Riga, EUR/m²



Source: ARCO REAL ESTATE

The highest prices of standard-type apartments remained in Teika in March, where the average price of one square meter dropped to 1,099 EUR/m² during the month. The lowest average price per square meter in March was in Bolderāja – 694 EUR/m², which also slightly decreased in March.

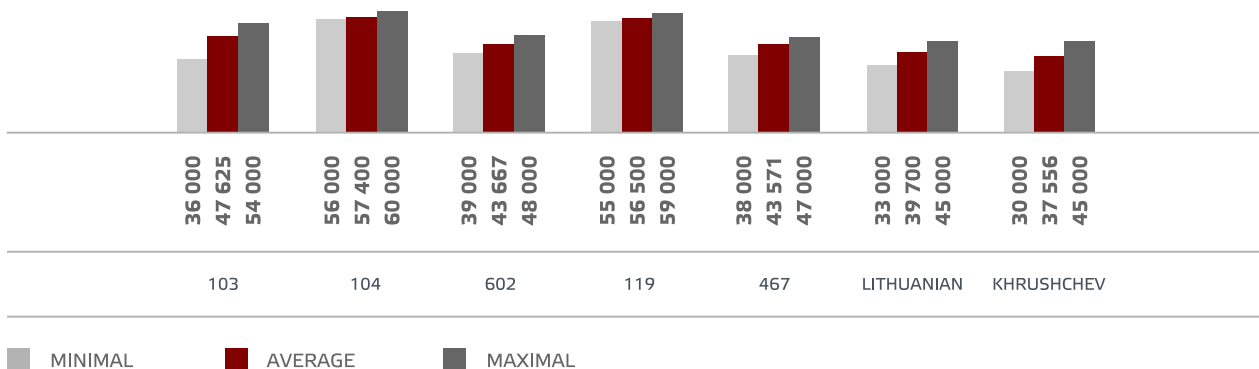
Average standard-type apartment prices in housing estates of Riga on April 1, 2023, EUR/m²



Source: ARCO REAL ESTATE

In March, 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 March 2023 (2-room apartments), EUR

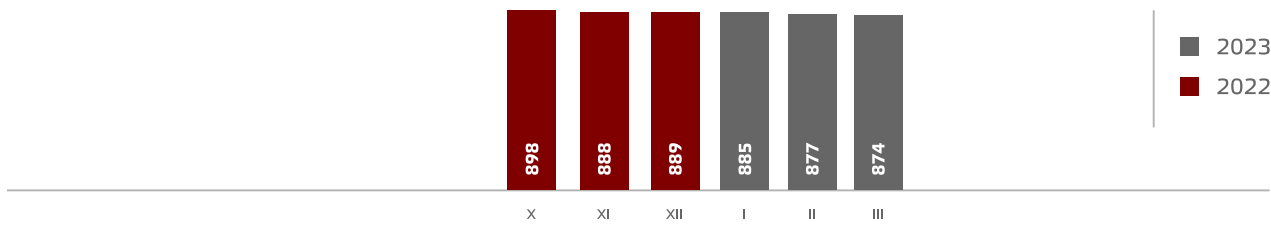


Source: ARCO REAL ESTATE

Apartment market in the vicinity of Riga

Ogre In March, standard-type apartment prices in Ogre decreased slightly - by 0.3 %. The average price of apartments decreased to 874 EUR/m². Since the beginning of 2023, apartment prices in Ogre have become 1.7 % lower.

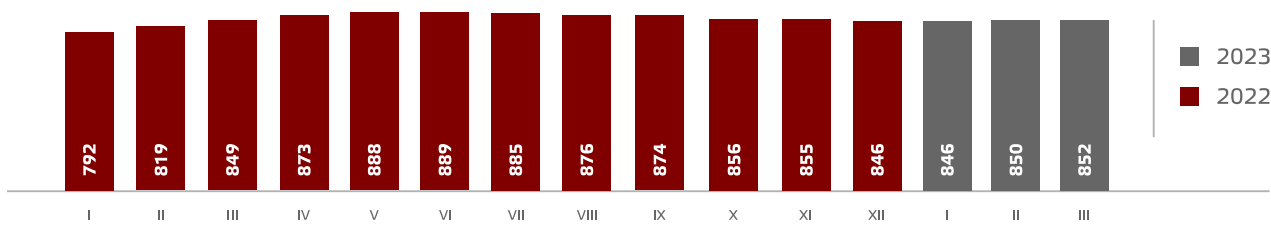
Dynamics of the average price of standard-type apartments in Ogre, EUR/m²



Source: ARCO REAL ESTATE

Kauguri, Jūrmala In Kauguri, standard-type apartment prices increased minimally in March - by 0.2 %. The average price of one square meter of apartments rose to 852 EUR/m². Since the beginning of 2023, apartment prices in Kauguri have increased by a total of 0.7 %.

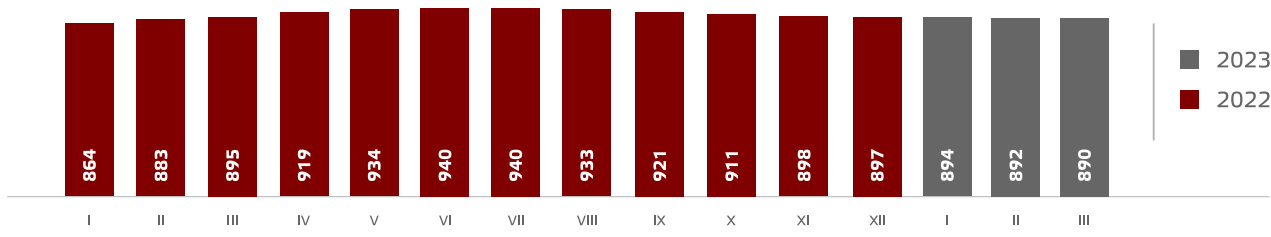
Dynamics of the average price of standard-type apartments in Jūrmala, Kauguri, EUR/m²



Source: ARCO REAL ESTATE

Salaspils In March, apartment prices in Salaspils decreased by 0.3 %, the average price decreasing to 890 EUR/m². In March, standard-type apartment prices in Salaspils were 0.8 % lower than at the beginning of 2023.

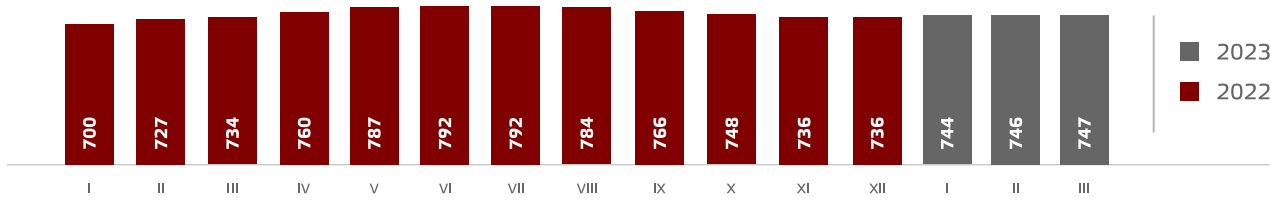
Dynamics of average price of standard-type apartments in Salaspils, EUR/m²



Source: ARCO REAL ESTATE

Jelgava Apartment prices in Jelgava increased minimally in March - by 0.2 %. The average price of standard-type apartments in March was 747 EUR/m². Since the beginning of 2023, the prices of standard-type apartments in Jelgava have increased by 1.5 %.

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



Source: ARCO REAL ESTATE