

MARKET OVERVIEW

# Standard-Type Apartments JULY

RIGA  
2018

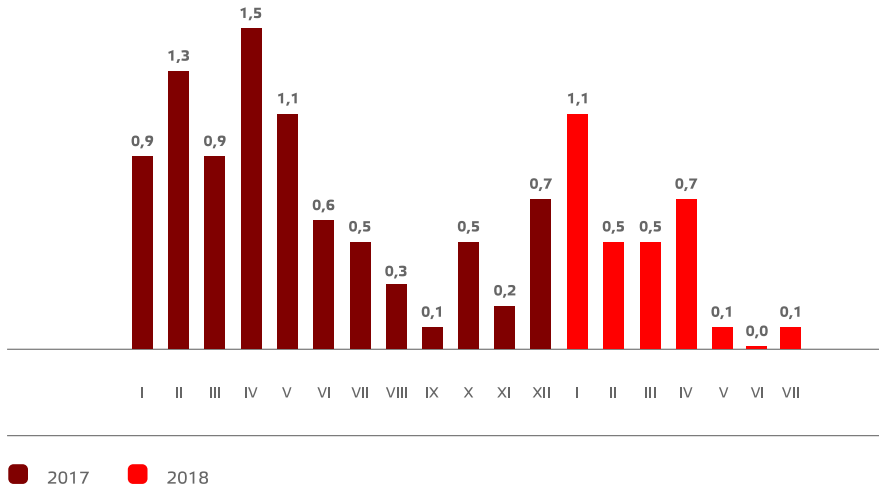


LATVIJAS  
ĪPAŠUMU  
VĒRTĒTĀJU  
ASOCIĀCIJA

## Standard-Type Apartments, August 1, 2018

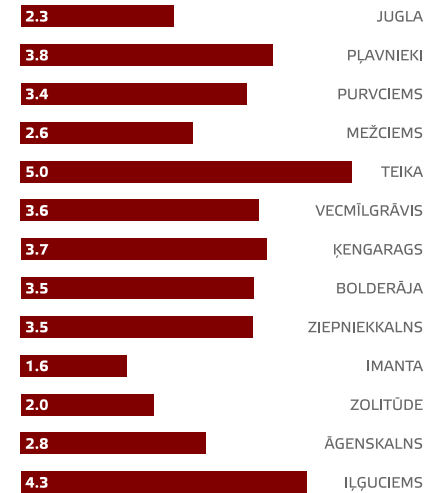
In July 2018, standard apartment prices in Riga housing estates increased slightly - by an average of 0.1 %. The average price of standard-type apartments in July increased to 792 EUR/m<sup>2</sup>. Since the beginning of 2018, standard-type apartment prices have increased by 3.2 % overall.

### Standard-type apartment price changes, %



Source: ARCO REAL ESTATE

### Price changes in the largest housing estates of Riga since January 1, 2018, %

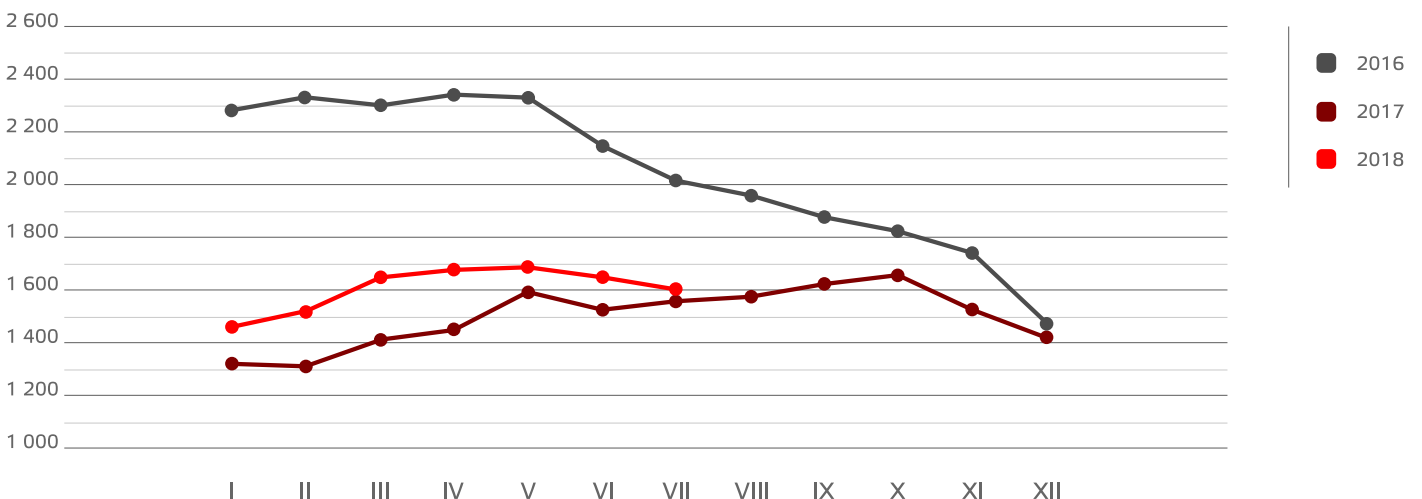


Source: ARCO REAL ESTATE

In July 2018, the price increase was low. In most of the housing estates, changes in prices have not been observed for the second consecutive month. Similar to other years in the summer months, market activity declined. In Imanta, there was observed a slight decrease in the apartment average price (- 0.1 %). The price increase of apartments in the vicinity of Riga continued in both Ogre and Salaspils, where prices increased by 0.8 % and 0.6 %, respectively.

In the first half of the year, the supply of Riga's largest housing estates was steadily higher than in the first half of last year. However, in July, the supply was approaching the indicators of 2017.

### Dynamics of apartment supply in the largest housing estates of Riga

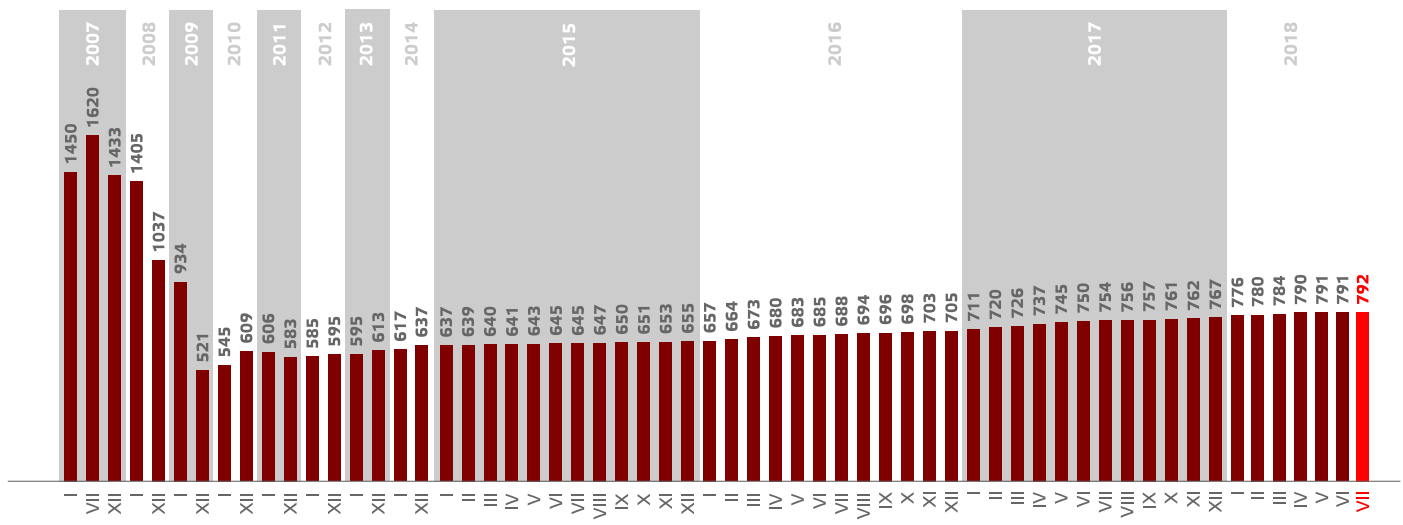


Source: ARCO REAL ESTATE

The largest growth of the average one square meter price of an apartment in the housing estates of Riga since the beginning of 2018 was observed in Teika (+ 5 %). Also in other major housing estates of Riga the prices increased this year. The slowest apartment price growth since the beginning of this year was observed in Imanta (+ 1.6 %).

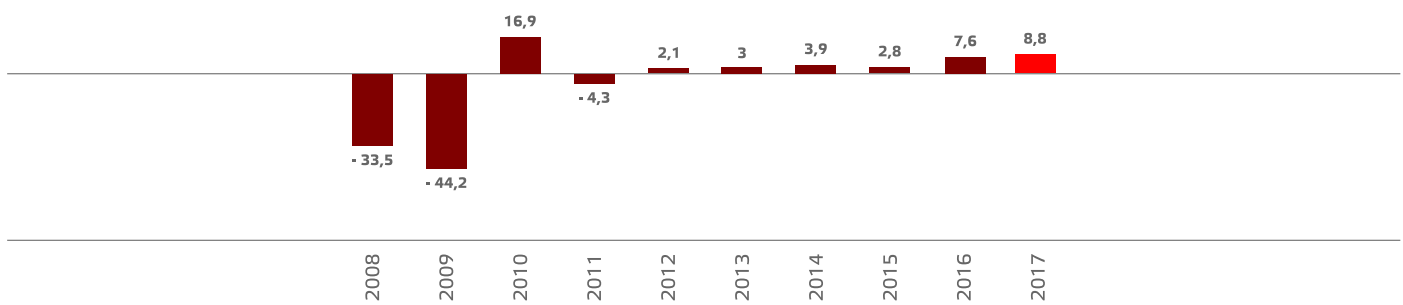
In July 2018, the average price of a standard-type apartment increased to 792 EUR/m<sup>2</sup>. The prices on average are by 51.1 % lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value – 1 620 EUR/m<sup>2</sup>.

## 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, %



Source: ARCO REAL ESTATE

In July 2018, the prices rated by number of rooms in apartment, remained unchanged for 2- and 3-room apartments. The average price of one square meter of standard type apartment increased for one-room apartments (+ 0.1 %) and four-room apartments (+ 0.1 %).

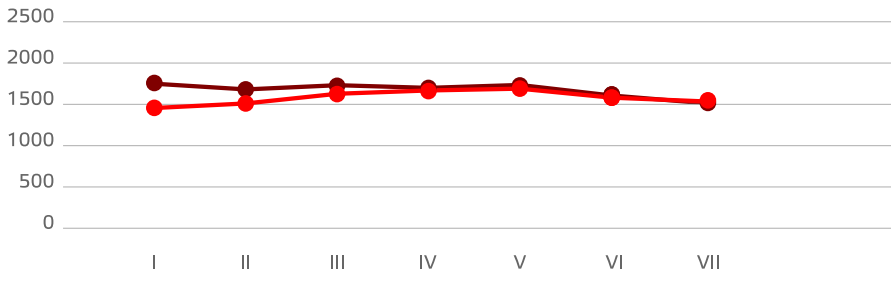
## Average prices of standard-type apartments in Riga housing estates: breakdown by number of rooms, EUR/m<sup>2</sup>

	2016												2017												2018											
<b>1 room</b>	752	754	755	757	765	768	771	775	779	784	795	799	811	819	821	829	830	831	836	837	840	853	855	858	864	865	865	866								
<b>2 rooms</b>	699	702	704	706	711	712	715	721	723	731	740	748	761	767	770	773	774	775	778	780	787	797	800	805	812	814	815	815								
<b>3 rooms</b>	647	651	653	656	661	662	666	667	668	674	683	689	701	710	715	717	719	720	723	725	730	736	741	745	748	749	750	750								
<b>4 rooms</b>	620	626	630	632	641	641	642	649	649	655	663	669	674	684	693	697	702	703	705	708	711	718	725	728	734	735	735	736								
	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.	01.02.	01.03.	01.04.	01.05.	01.06.	01.07.	01.08.								

Source: ARCO REAL ESTATE

In July 2018, supply of apartments in Riga compared to the previous month in total decreased by 2 %. But the number of apartments offered for sale in the largest housing estates analyzed by ARCO REAL ESTATE decreased by 3 %. Compared to July 2017, the apartment supply was lower: the total number of apartments offered for sale was by 4 % lower, but the number of apartments offered for sale in the largest housing estates was by 3 % higher.

## Dynamics of supply of apartments in Riga



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

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

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 July was in Purvciems, but the lowest apartment supply was in Bolderāja.

Last month, the apartment supply in Riga housing estates was characterized by both an increase in the number and a decrease: the most significant decrease in July was in Jugla (- 16 %). But the most significant increase was seen in Teika (+ 13 %).

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

In July 2018, no significant changes in standard apartment prices were observed in the largest housing estates in Riga. In most of the housing estates prices remained at the level of the previous month. Prices in individual housing estates increased by 0.2 - 0.4 %. The biggest price increase was registered in Ķengarags, where apartment prices rose by 0.4 % during the month. But in Imanta, the prices decreased slightly – by 0.1 %.

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

	The average value per 1 m <sup>2</sup> on 01.08.2018.	The average value per 1 m <sup>2</sup> on 01.07.2018.	Izmaiņas, %
Jugla	<b>791</b>	791	0.0 ➡
Pļavnieki	<b>834</b>	834	0.0 ➡
Purvciems	<b>849</b>	849	0.0 ➡
Mežciems	<b>823</b>	823	0.0 ➡
Teika	<b>952</b>	952	0.0 ➡
Vecmīlgrāvis	<b>640</b>	639	0.3 ⬆
Ķengarags	<b>752</b>	749	0.4 ⬆
Bolderāja	<b>569</b>	569	0.0 ➡
Ziepniekkalns	<b>831</b>	829	0.2 ⬆
Imanta	<b>841</b>	842	- 0.1 ⬇
Zolitūde	<b>851</b>	851	0.0 ➡
Āgenskalns	<b>848</b>	848	0.0 ➡
Iļģuciems	<b>769</b>	769	0.0 ➡

Source: ARCO REAL ESTATE

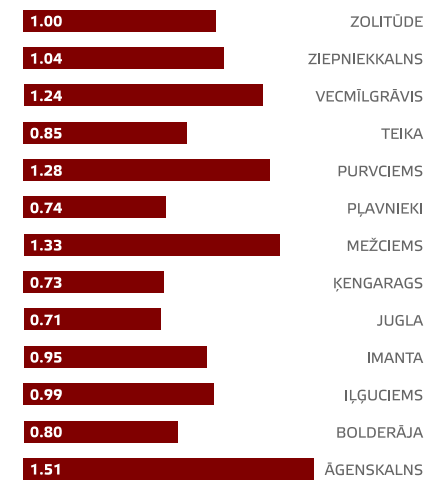
In July, standard-type apartment prices, compared with the beginning of 2017, were by 12 % higher. In turn, since the beginning of this year, prices have increased by 3 %.

## Number of apartments offered for sale in Riga at the end of July 2018



Source: ARCO REAL ESTATE

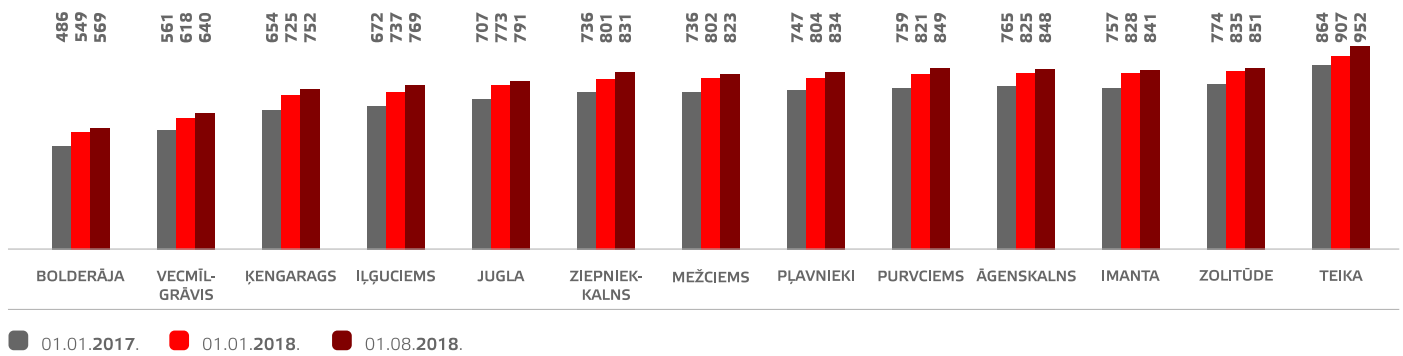
## Number of apartments offered for sale in proportion to the size of the housing estates in Riga in July 2018



\* 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/m<sup>2</sup>

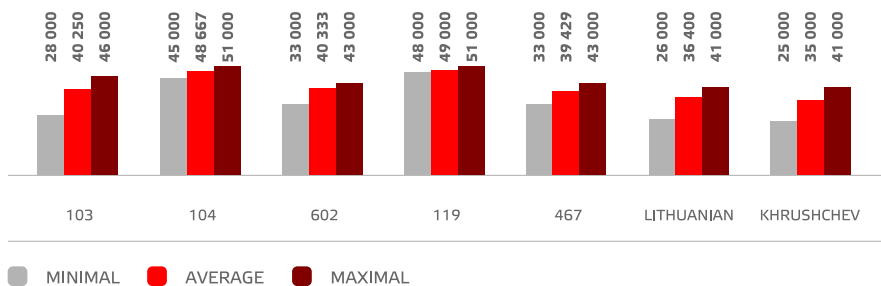


Source: ARCO REAL ESTATE

The highest prices of standard-type apartments remained in Teika in July 2018, where the average price per square meter remained unchanged at 952 EUR/m<sup>2</sup>. The lowest price per square meter in July remained in Bolderāja - 569 EUR/m<sup>2</sup>.

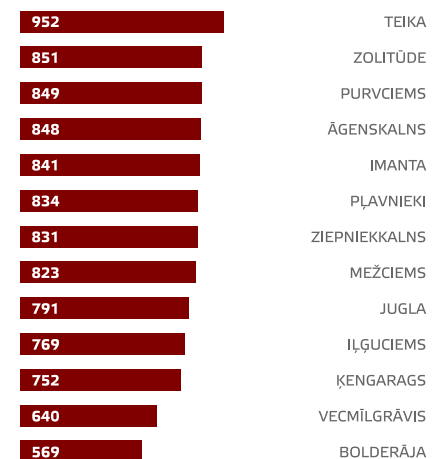
In July 2018, the most expensive apartments still were apartments in the houses of the 119th series and 104th series, where the price of 2-room apartments in a satisfactory condition varied from 45 000 to 51 000 EUR depending on the location. In turn, the so-called Lithuanian design were the cheapest ones, where the price of 2-room apartments varied from 25 000 to 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 July 2018 (2-room apartments), EUR



Source: ARCO REAL ESTATE

### Average standard-type apartment prices in housing estates of Riga as per July 1, 2018, EUR/m<sup>2</sup>



Source: ARCO REAL ESTATE

## Apartment market in the vicinity of Riga

### Ogre

In July 2018, standard-type apartment prices in Ogre increased by 0.8 %. The average price of apartments has increased to 591 EUR/m<sup>2</sup>. In 2017, apartment prices in total in Ogre increased by 17 %, but since the beginning of this year prices have increased by 5.8 %.

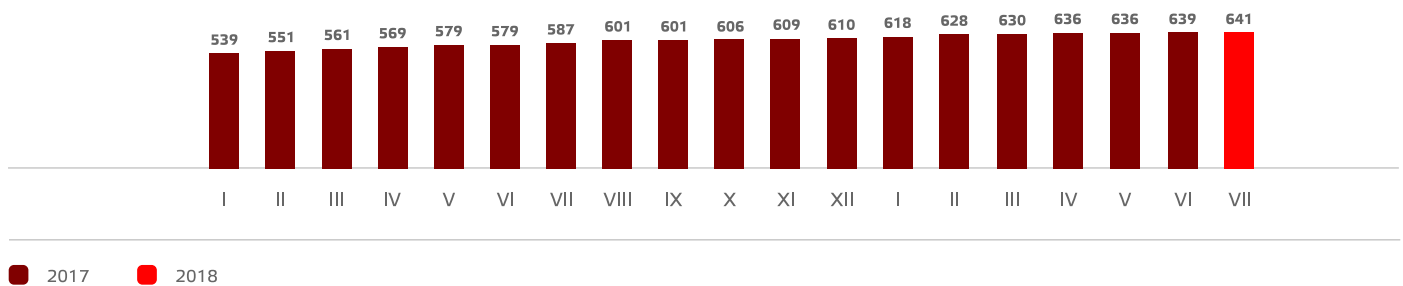
### Kauguri, Jūrmala

In Kauguri, in July, standard-type apartment prices did not change. The average price of apartments per square meter was 564 EUR/m<sup>2</sup>. Since the beginning of 2018, apartment prices in Kauguri have increased by 7.8 % overall. Apartment prices in Kauguri, compared to other places in Riga and vicinity of Riga, grew the fastest this year. For two consecutive months no price changes have been observed there.

### Salaspils

In July 2018, apartment prices in Salaspils increased by 0.4 %. The average price of standard-type apartments in Salaspils was 641 EUR/m<sup>2</sup>. Since the beginning of 2018, standard-type apartment prices in Salaspils have increased by 5.1 % in total. In spite of the stabilization of apartment prices in Riga, apartment prices in Salaspils increased also in July.

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

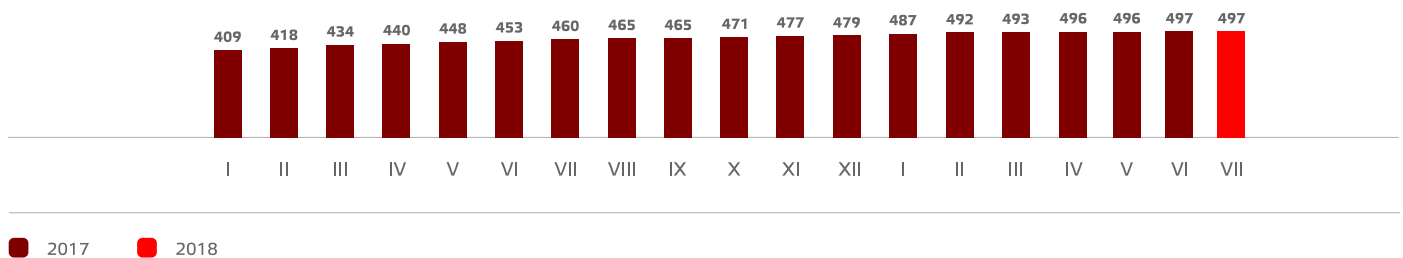


Source: ARCO REAL ESTATE

### Jelgava

In July 2018, apartment prices did not change in Jelgava. The average price of standard-type apartments remained at 497 EUR/m<sup>2</sup>. Since the beginning of 2018, standard-type apartment prices have increased by 3.7 % in Jelgava.

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



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 Rīga, Jūrmala, Saulkrasti, Daugavpils, Jelgava as well as in Limbaži and Liepāja. More than 80 highly-qualified employees work in the company.

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