



MARKET OVERVIEW

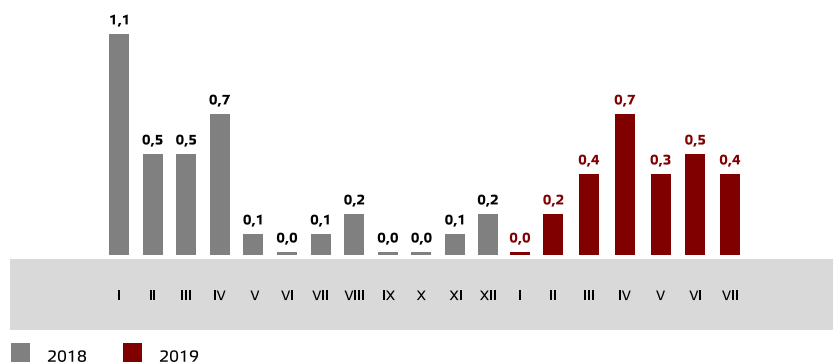
Standard-Type Apartments JULY

RIGA
2019

Standard-Type Apartments, August 1, 2019

In July 2019, the prices of standard-type apartments continued to grow in the housing estates of Riga: they grew by 0.4% during the month, reaching an average price of 818 EUR/m² in July. Since early 2019, standard-type apartment prices have generally increased by 2.6 %.

Standard-type apartment price changes, %

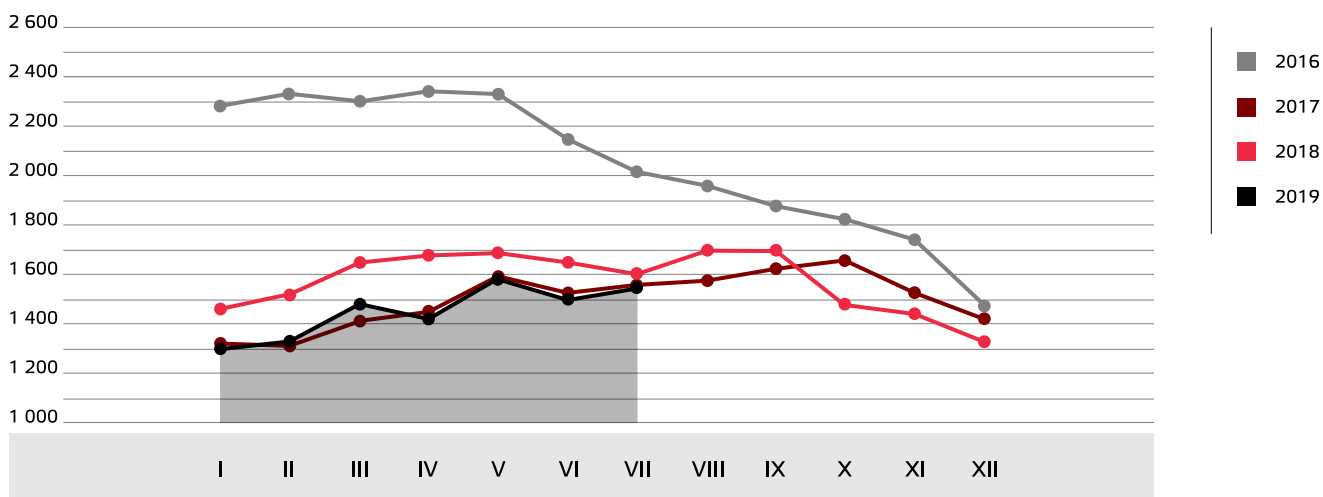


Source: ARCO REAL ESTATE

In 2019, standard-type apartment prices continued to rise steadily. In July, the average price of standard-type apartments increased the most in Āgenskalns - it exceeded 900 EUR/m². As a result, Āgenskalns has become the second most expensive residential area after Teika in terms of apartment prices.

Apartment prices continued to increase in the vicinity of Riga as well - Ogre and Salaspils saw the highest rise in July, with prices rising by 0.7 and 0.6 % respectively. In the first half of 2019 the supply of apartments in Riga housing estates both increased and decreased. In July the supply increased and approached the level of July 2018. The supply was still lower (- 4 %) than a year ago.

Dynamics of apartment supply in the largest housing estates of Riga

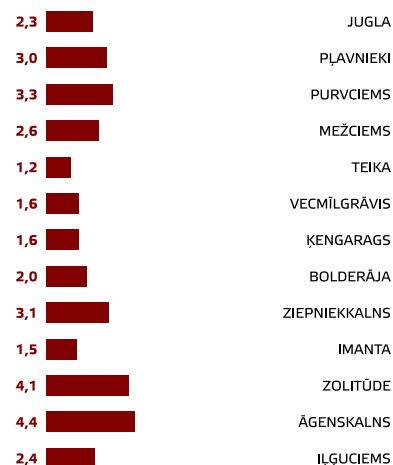


Source: ARCO REAL ESTATE

The largest increase in the average price of one square meter of apartments in Riga housing estates since the beginning of 2019 was observed in Āgenskalns (+ 4 %). Prices in other major housing estates in Riga have also increased since the beginning of the year. The smallest changes in the first four months of the year were observed in Teika - the prices have increased by only 1 % since the beginning of the year.

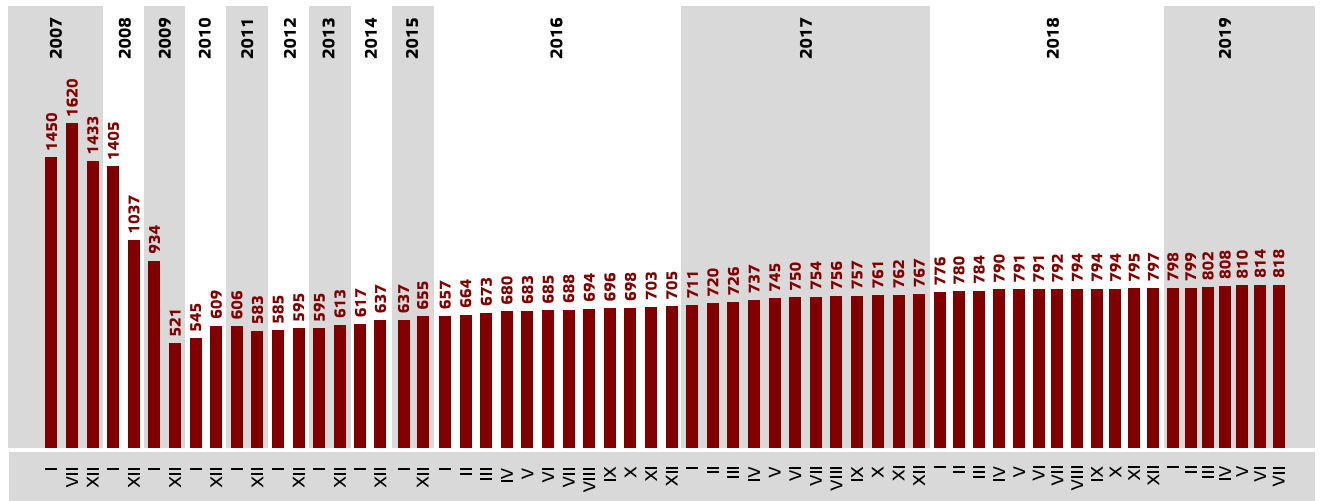
In July 2019, the average price of standard-type apartments increased slightly achieving the level of 818 EUR/m². The prices on average were by 50 % lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value - 1 620 EUR/m².

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



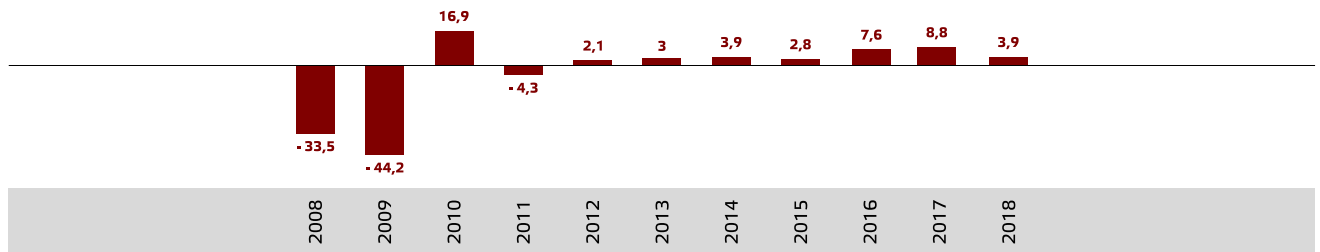
Source: ARCO REAL ESTATE

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



Source: ARCO REAL ESTATE

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



Source: ARCO REAL ESTATE

In July 2019, prices for apartments by the number of rooms slightly increased. The average price per square meter of standard-type apartments increased for one-room (+ 0.6 %), two-room (+ 0.4 %), three-room (+ 0.5 %) and four-room (+ 0.4 %) apartments.

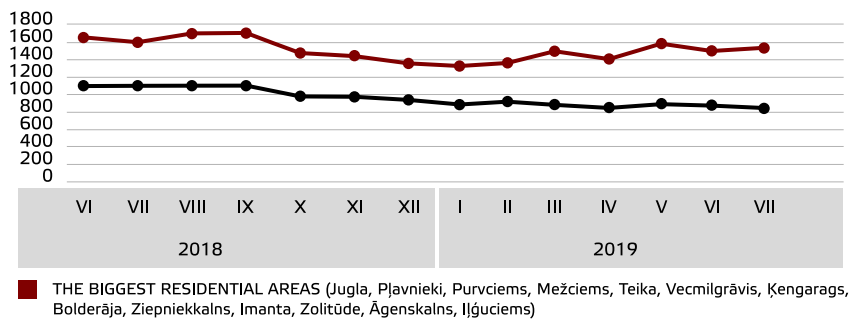
Average prices of standard-type apartments in Riga housing estates: breakdown by number of rooms, EUR/m²

	2018												2019							
1 room	840	853	855	858	864	865	865	866	867	868	868	869	870	871	872	875	878	880	885	890
2 rooms	787	797	800	805	812	814	815	815	817	817	817	818	822	822	823	826	830	830	832	835
3 rooms	730	736	741	745	748	749	750	750	752	752	752	754	756	757	759	765	773	777	781	785
4 rooms	711	718	725	728	734	735	735	736	738	738	738	738	739	740	742	743	751	755	758	761
	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 2019, the total supply of apartments in Riga decreased by 1 % compared to the previous month. But the number of apartments offered for sale in the largest housing estates analyzed by ARCO REAL ESTATE increased by 2.5 %. Compared to July 2018, the apartment supply in July 2019 was lesser: the total number of apartments offered for sale was by 13 % lower, but the number of apartments offered for sale in the largest housing estates was by 4 % lower.

Dynamics of supply of apartments in 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 July was in Purvciems, while the lowest apartment supply was in Bolderāja.

Last month, the number of apartments offered for sale increased in most of Riga housing estates. The supply increased the most in Vecmīlgrāvis (+ 42 %), while the supply of apartments decreased the most in Mežciems (- 12 %).

In July, when analyzing the supply in proportion to the size of the housing estate, namely, by population, the largest supply was found in Āgenskalns. In Pļavnieki, by contrast, the supply was proportionally the lowest.

In July 2019, the prices of standard-type apartments in Riga housing estates changed positively. Prices increased slightly in all major and most popular housing estates. The biggest price increase was observed in Āgenskalns, where prices increased by 1.1 % during the month. The lowest price increase in July was observed in Teika and Ilģuciemis.

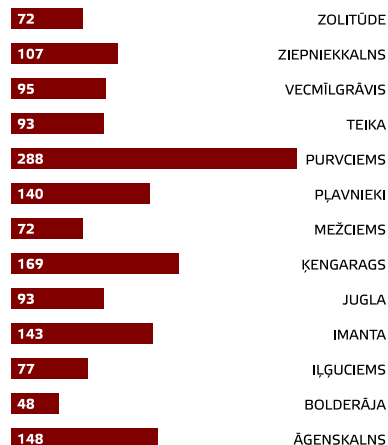
Average price changes of square meter of standard-type apartments in Riga housing estates, %

	The average value per 1 m ² on 01.08.2019.	The average value per 1 m ² on 01.07.2019.	Changes, %
Jugla	813	808	0,6 ↑
Pļavnieki	865	862	0,4 ↑
Purvciems	882	877	0,5 ↑
Mežciems	852	849	0,4 ↑
Teika	966	965	0,1 ↑
Vecmīlgrāvis	652	650	0,4 ↑
Ķengarags	767	762	0,6 ↑
Bolderāja	583	582	0,3 ↑
Ziepniekkalns	858	855	0,4 ↑
Imanta	857	855	0,2 ↑
Zolitūde	893	885	0,9 ↑
Āgenskalns	905	896	1,1 ↑
Ilģuciemis	792	791	0,1 ↑

Source: ARCO REAL ESTATE

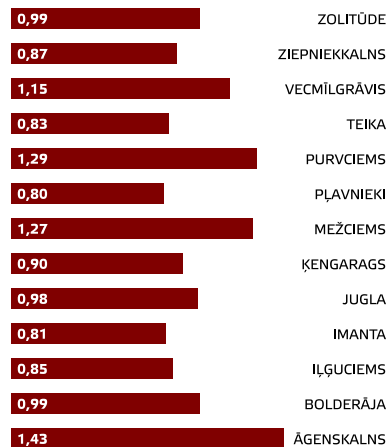
In July 2019, the standard-type apartment prices, compared with the beginning of 2018, were by 7 % higher. In turn, since the beginning of 2019, the prices have increased by 3 %.

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



Source: ARCO REAL ESTATE

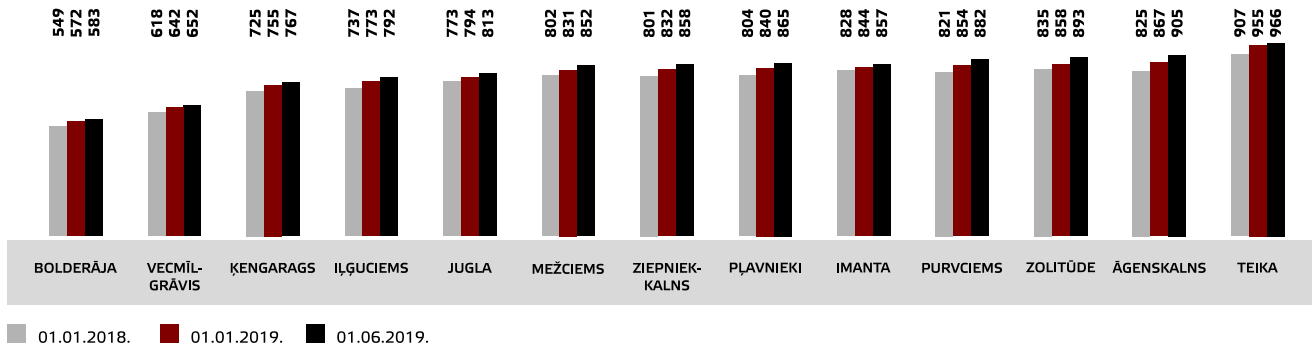
Number of apartments offered for sale in proportion to the size of the housing estates in Riga in July 2019



* 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

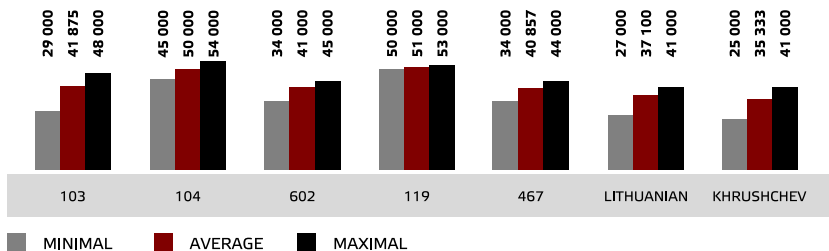


Source: ARCO REAL ESTATE

The highest prices for standard-type apartments in July remained in Teika, where the average price per square meter increased to 966 EUR/m². The lowest average price per square meter in July was in Bolderāja - 583 EUR/m².

In July 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 July 2019 (2-room apartments), EUR



Source: ARCO REAL ESTATE

Average standard-type apartment prices in housing estates of Riga as per August 1, 2019, EUR/m²



Source: ARCO REAL ESTATE

Apartment market in the vicinity of Riga

Ogre

In July 2019, standard-type apartment prices in Ogre increased by 0.7 %. The average price of apartments reached 642 EUR/m². In 2019, apartment prices in total in Ogre have increased by 7 %.

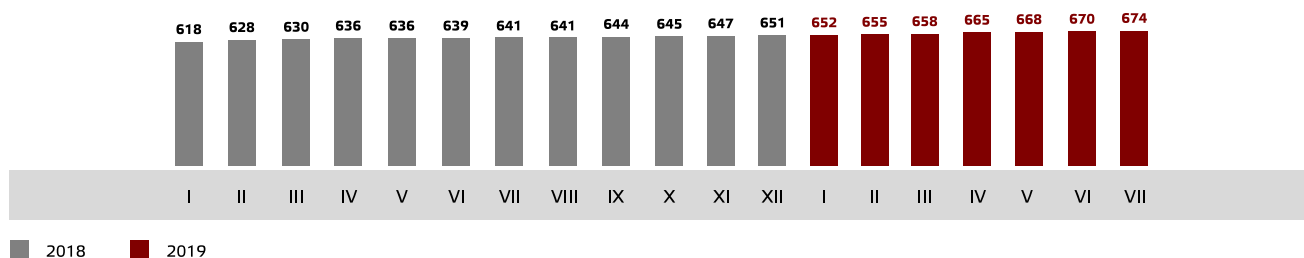
Kauguri, Jūrmala

In July 2019, the prices of standard-type apartments in Kauguri did not change. The average price per square meter of apartments is 600 EUR/m². Since the beginning of 2019, apartment prices in Kauguri have generally increased by 6 %.

Salaspils

In July 2019, the apartment prices in Salaspils increased by 0.6 %. The average price of standard-type apartments in Salaspils has increased to 674 EUR/m². Since the beginning of 2019, standard-type apartment prices in Salaspils have increased by 3 %.

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

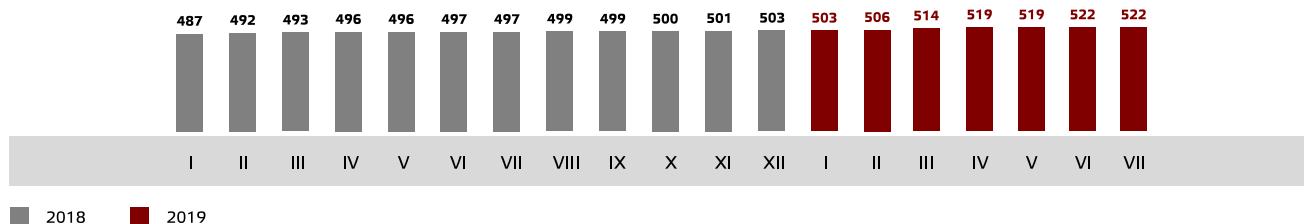


Source: ARCO REAL ESTATE

Jelgava

In July 2019, the prices of standard-type apartments in Jelgava did not change. The average price of standard-type apartments in July was 522 EUR/m². Since the beginning of 2019, the 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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