

MARKET OVERVIEW

Standart-type apartments AUGUST

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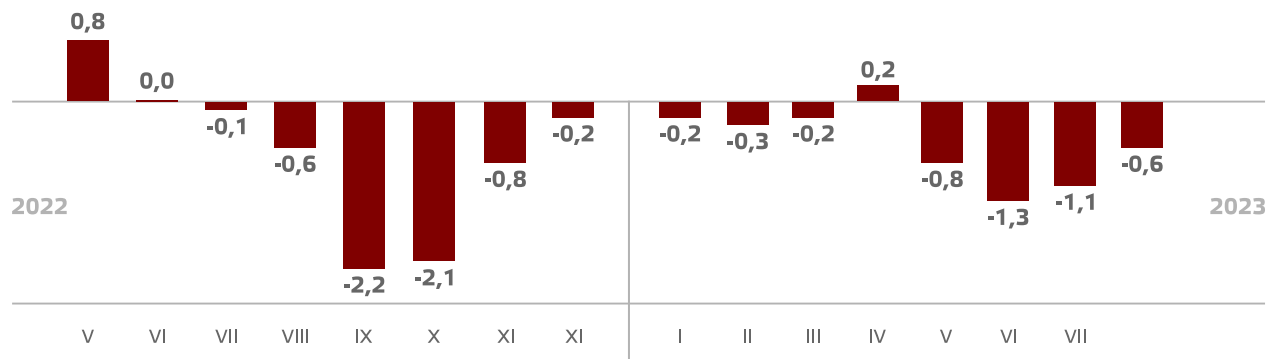
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ARCO REAL ESTATE is an international company with more than 25 years of experience in the Latvian real estate market. Since the establishment of the company in 1997, ARCO REAL ESTATE has been constantly developing and promoting the professional growth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

In August 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 0.6 %. The average price of standard-type apartments dropped to 878 EUR/m². In the first eight months of 2023, apartment prices in general have decreased by 4.2 %.

Standard-type apartment price changes, in %

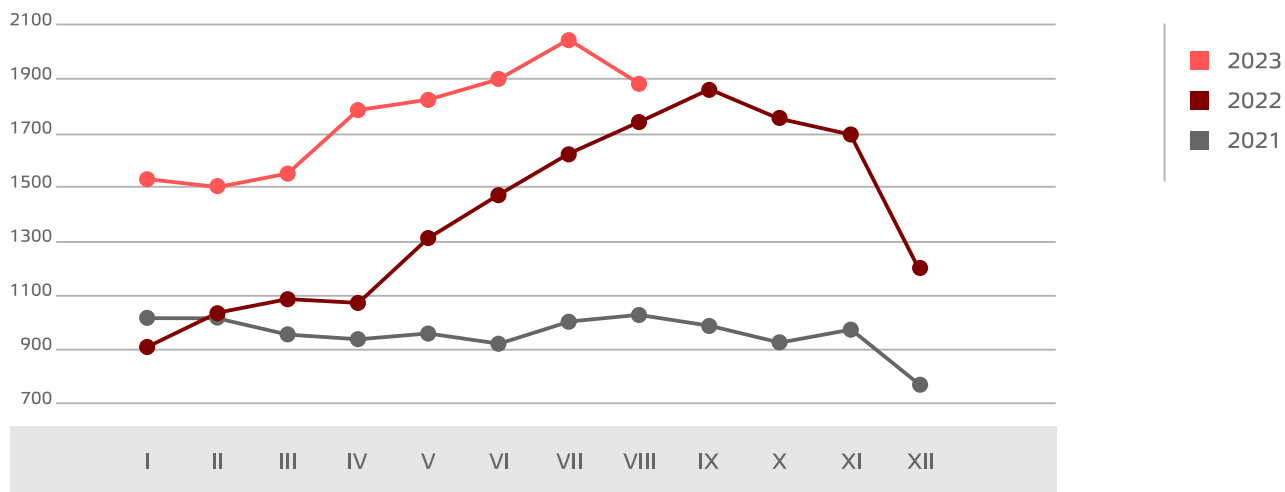


Source: ARCO REAL ESTATE

In August, positive price fluctuations were observed in certain housing estates, however, in general, the prices of apartments in standard-type buildings in Riga continued to decrease. In recent months, prices for standard-type apartments have been decreasing by an average of 1 % per month.

The number of apartments offered for sale in the largest housing estates of Riga this year was significantly higher than last year, however, it experienced a drop in August. In August, the supply of apartments fell below the 2,000 mark again. In Riga's largest housing estates, the supply level was still higher than a year ago (+7 %).

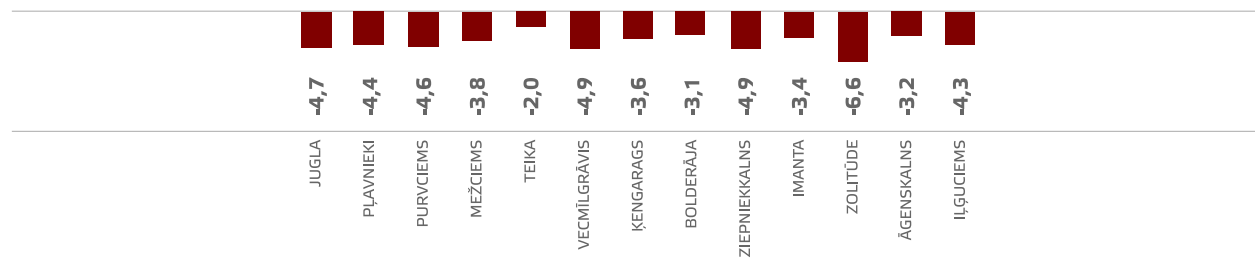
Dynamics of apartment supply in the largest housing estates of Riga



Source: ARCO REAL ESTATE

Since the beginning of 2023, apartment prices have decreased in all major housing estates of Riga. The biggest price decrease since the beginning of the year in Riga housing estates was observed in Zolitūde (-6.6 %). In other major housing estates of Riga, prices decreased by 2-5 % this year.

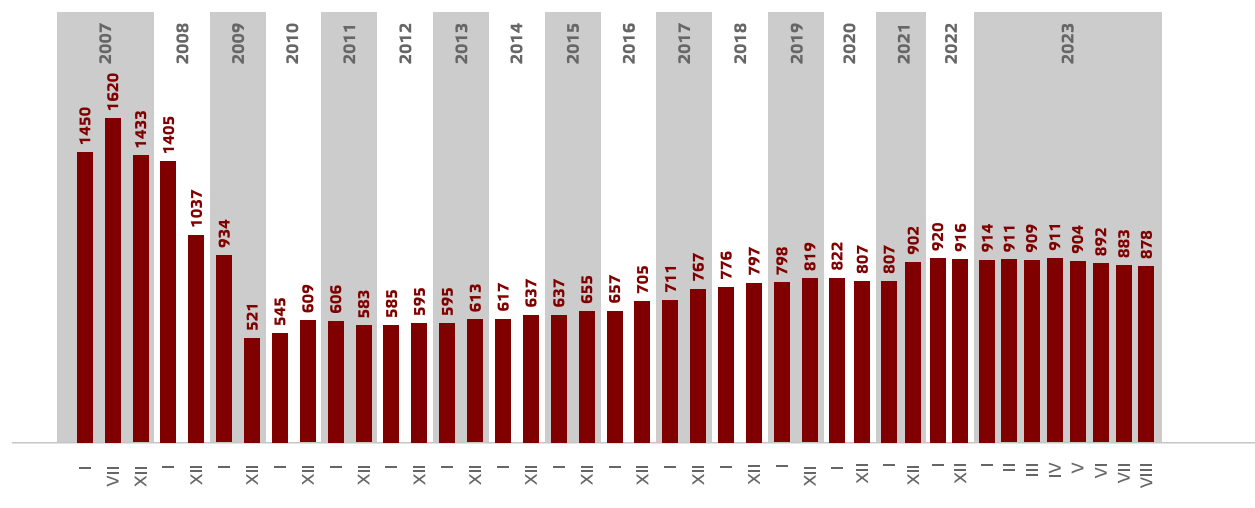
Price changes in the largest housing estates of Riga since January 1, 2023, in %



Source: ARCO REAL ESTATE

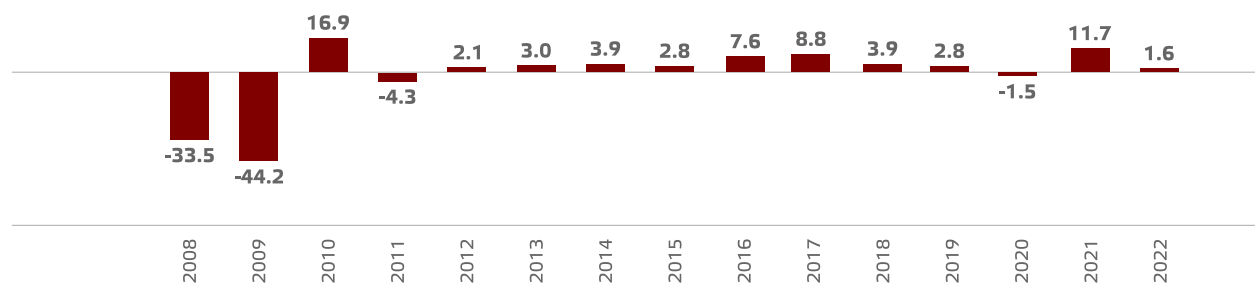
In August, the average price of standard-type apartments fell to 878 EUR/m². The prices on average were by 46 % lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value – 1 620 EUR/m².

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, in %



Source: ARCO REAL ESTATE

In August, the following changes were observed in apartment prices: the average price per square meter of standard-type apartments decreased for one-room (-0.4 %), two-room (-0.8 %), three-room (-0.4 %) and four-room (-0.6 %) apartments.

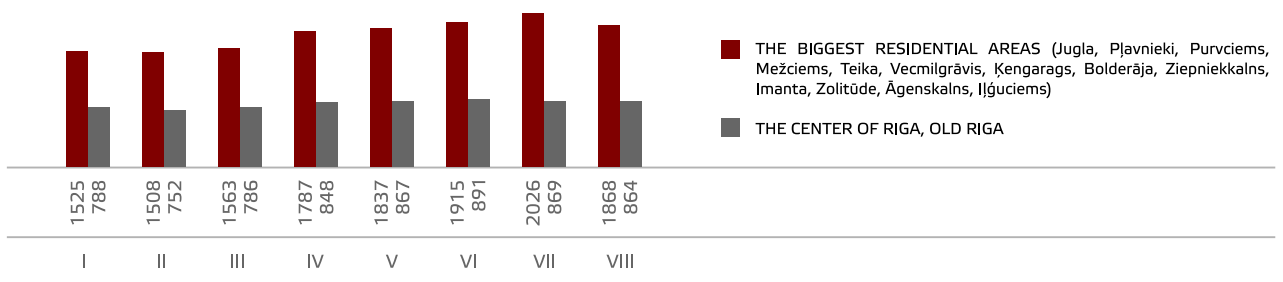
Average prices of standard-type apartments in Riga housing estates: breakdown by number of rooms, EUR/m²

	2022												2023								
1 room	980	1004	1024	1047	1059	1069	1069	1069	1062	1043	1017	1008	1003	1003	997	993	995	989	976	964	960
2 rooms	913	935	948	963	979	984	984	982	976	954	935	925	923	920	920	919	920	912	896	887	880
3 rooms	865	879	896	906	920	927	927	927	920	900	881	876	874	873	871	869	870	862	854	844	841
4 rooms	848	861	876	895	910	917	917	915	911	885	871	865	863	860	858	856	857	850	841	835	830
	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.

Source: ARCO REAL ESTATE

Compared to the previous month, the supply of apartments in Riga decreased by 4 % in August. The supply in the largest housing estates of Riga analysed by ARCO REAL ESTATE decreased by 8 %. Compared to August 2022, the supply of apartments was generally higher: the total number of apartments offered for sale was higher by 9 %, while the number of apartments offered for sale in the largest housing estates was 7 % higher than a year ago.

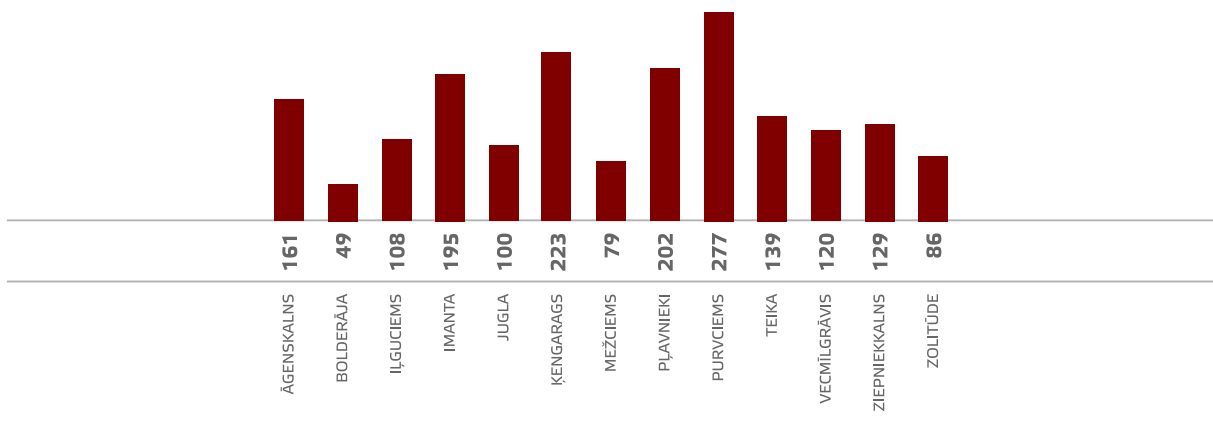
Dynamics of supply of apartments in Riga in 2023



Source: ARCO REAL ESTATE

Summarizing the number of apartments offered for sale in Riga housing estates, it can be concluded that the largest supply in August was in Purvciems, while the smallest was in Bolderāja.

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

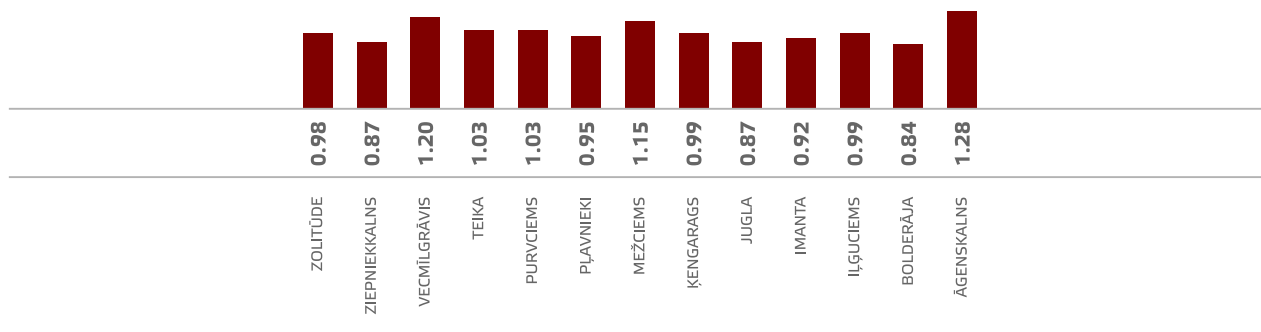


Source: ARCO REAL ESTATE

Last month, the number of apartments offered for sale decreased in almost all major housing estates of Riga. The number of apartments offered for sale decreased the most in Ziepniekalns (-15 %). Only in Bolderāja and Vecmīlgrāvis did the supply of apartments slightly increase in August.

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

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



Source: ARCO REAL ESTATE

In August, there were changes in the prices of standard-type apartments in the housing estates of Riga. Negative price fluctuations were observed in most of Riga's largest housing estates. The most significant decrease in prices was observed in Vecmīlgrāvis, where prices decreased by 1.7 % during the month. In August, only in Purvciems the prices of standard-type apartments remained unchanged. Small positive price fluctuations were observed in Jugla and Pļavnieki.

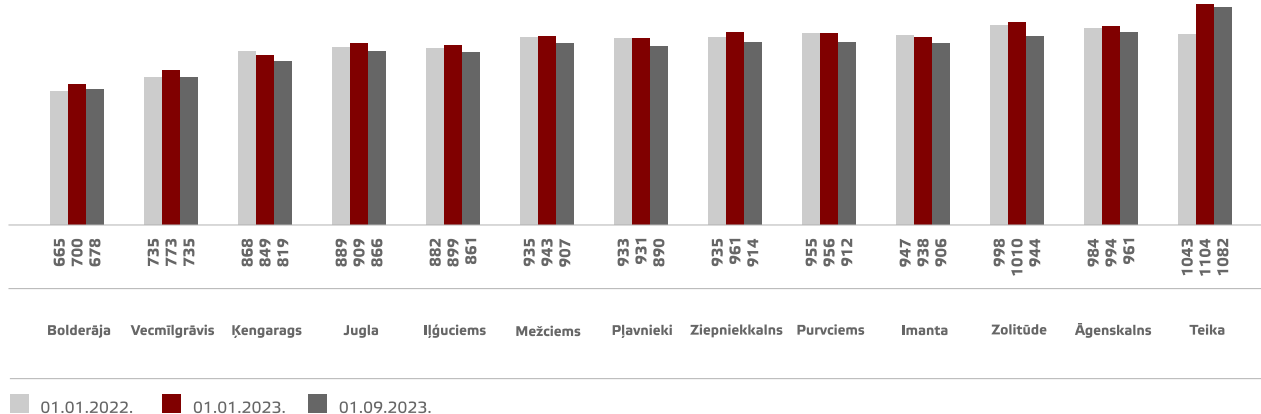
Average price changes of square meter of standard-type apartment in Riga housing estates, %

Housing Estate	The average value per 1 m ² on 01.09.2023.	The average value per 1 m ² on 01.08.2023.	Changes, %
Jugla	866	866	0.1
Pļavnieki	890	889	0.1
Purvciems	912	911	0.0
Mežciems	907	911	-0.4
Teika	1082	1082	0.0
Vecmīlgrāvis	735	748	-1.7
Ķengarags	819	826	-0.8
Bolderāja	678	687	-1.3
Ziepniekkalns	914	919	-0.5
Imanta	906	914	-0.9
Zolitūde	944	955	-1.2
Āgenskalns	961	965	-0.4
Ilģuciems	861	865	-0.5

Source: ARCO REAL ESTATE

Compared to the beginning of 2023, in August the prices of standard-type apartments were lower by 4 %, but compared to the beginning of 2022, the prices were lower by 3 %.

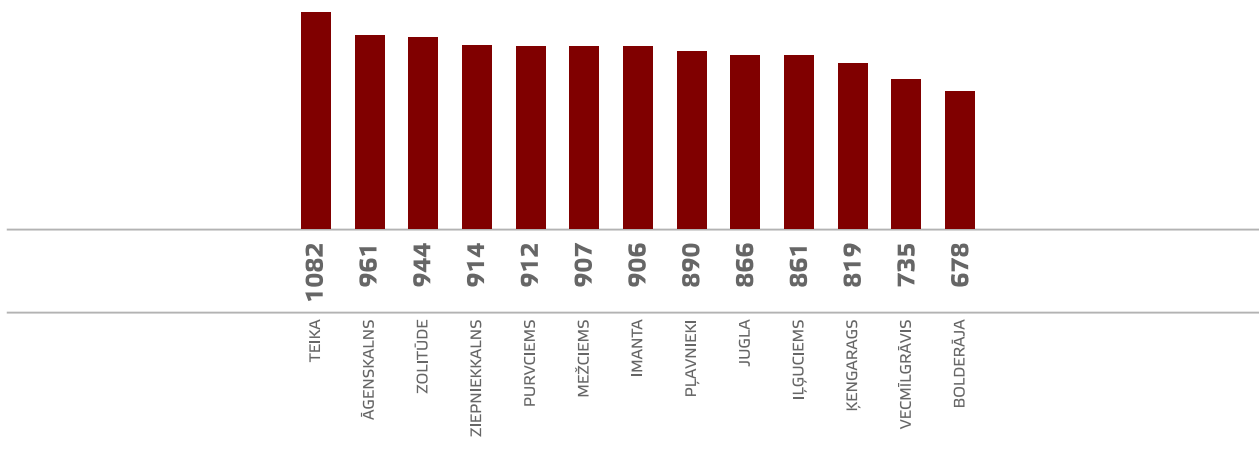
Average standard-type apartment prices in housing estates of Riga, EUR/m²



Source: ARCO REAL ESTATE

The highest prices of standard-type apartments remained in Teika in August, where the average price of one square metre remained unchanged during the month – 1,082 EUR/m². The lowest average price per square meter in August was in Bolderāja – 678 EUR/m², which experienced a decrease in August.

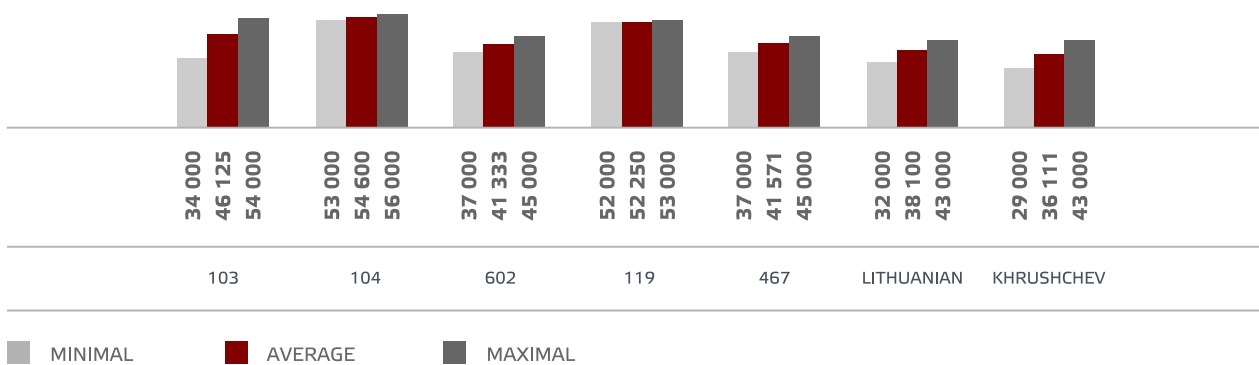
Average standard-type apartment prices in housing estates of Riga on September 1, 2023, EUR/m²



Source: ARCO REAL ESTATE

In August, 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 52 000 to 56 000 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 32 000 to 43 000 EUR, and the so-called Khrushchev-time houses, where the price of a 2-room apartment varied from 29 000 to 43 000 EUR depending on the housing estate.

Standard-type apartment prices by series in Riga housing estates in August 2023 (2-room apartments), EUR

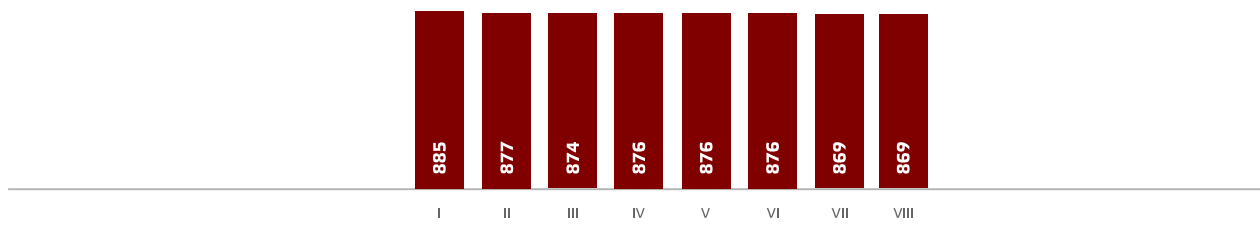


Source: ARCO REAL ESTATE

Apartment market in the vicinity of Riga

Ogre In August, standard-type apartment prices in Ogre did not change, the average price remaining at 869 EUR/m². Since the beginning of 2023, apartment prices in Ogre have decreased by 2 %.

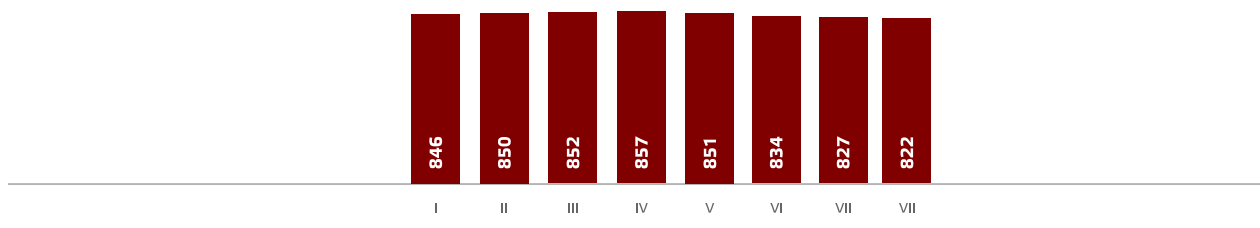
Dynamics of the average price of standard-type apartments in Ogre, EUR/m²



Source: ARCO REAL ESTATE

Kauguri, Jūrmala In Kauguri, standard-type apartment prices decreased slightly in August - by 0.7 %. The average price per square metre of apartments dropped to 822 EUR/m². Since the beginning of 2023, apartment prices in Kauguri have decreased by 3 % overall.

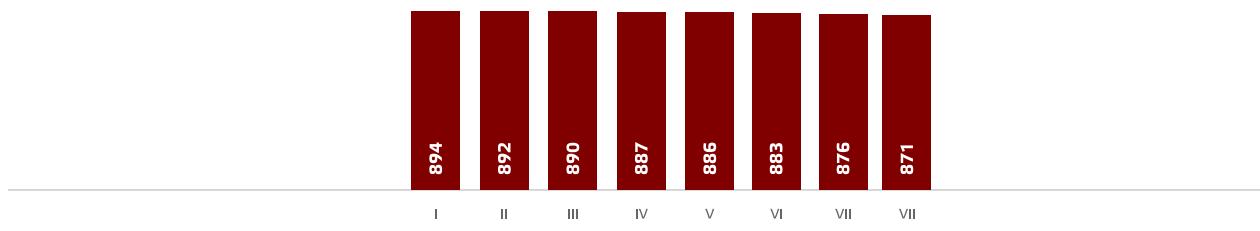
Dynamics of the average price of standard-type apartments in Jūrmala, Kauguri, EUR/m²



Source: ARCO REAL ESTATE

Salaspils In August, apartment prices in Salaspils decreased by 0.6%, the average price decreasing to 871 EUR/m². In August, standard-type apartment prices in Salaspils were 3 % lower than at the beginning of 2023.

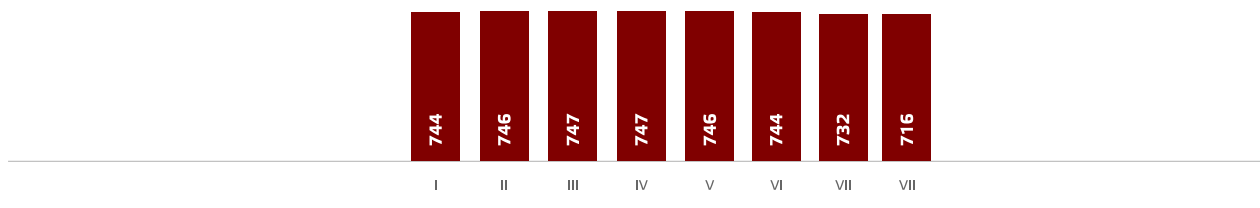
Dynamics of average price of standard-type apartments in Salaspils, EUR/m²



Source: ARCO REAL ESTATE

Jelgava Apartment prices in Jelgava decreased by 2.2 % in August. The average price of standard-type apartments in August was 716 EUR/m². Compared to the beginning of 2023, the prices of standard-type apartments in Jelgava are 3 % lower.

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



Source: ARCO REAL ESTATE