

MARKET OVERVIEW

Standard-type apartments | NOVEMBER



RIGA
2017

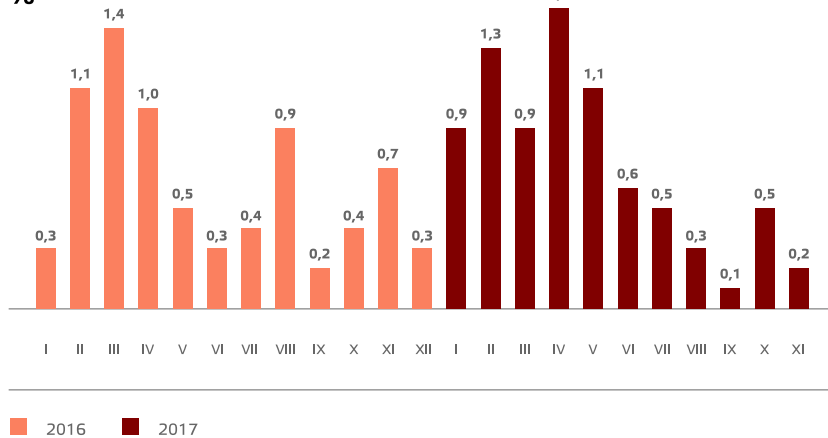


LATVIJAS
ĪPAŠUMU
VERTĒTAJU
ASOCIĀCIJA

Standard-type apartments, December 1, 2017

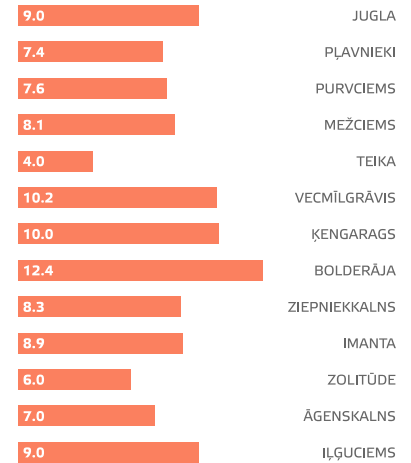
In November 2017, the prices of standard-type apartments located in Riga housing estates increased by 0.2 %. The average standard-type apartment price in November has increased to 762 EUR/m². In whole, since the beginning of 2017, the prices of standard-type apartments have grown by 8.1 %.

Standard-type apartment price changes since beginning of 2016, %



Source: ARCO REAL ESTATE

Price changes in the largest housing estates since January 1, 2017, %

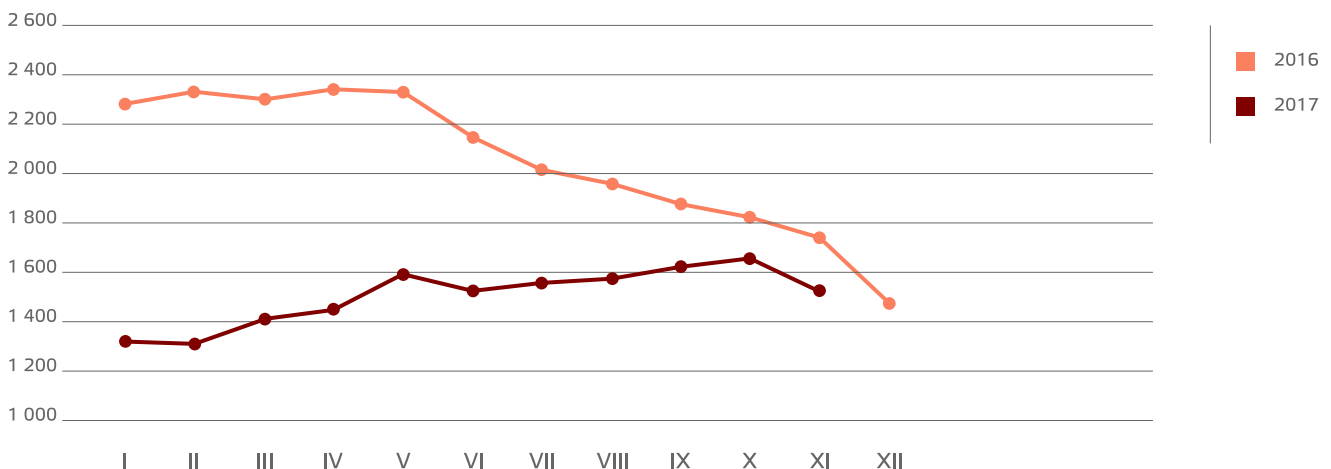


Source: ARCO REAL ESTATE

In Riga's largest housing estate, apartment prices increased also in November, but the growth is estimated to be negligible. This insignificant price increase has been observed in almost all of Riga's largest housing estates. Also in the previous years, the market activity was reduced at the end of the year. Normally, fluctuations in prices at the end of the year are not observed and apartment prices remain stable.

The supply of apartments at the end of the year tends to decrease: in November, as in the previous year, the supply showed a downturn. The overall supply of apartments dropped by 4 % in November, while the supply in the central part of Riga rose by 10 %. The number of apartments offered for sale in Riga's largest housing estates has fallen again - this time by around 8 %.

Dynamics of apartment supply in the largest housing estates of Riga, in 2016 – 2017

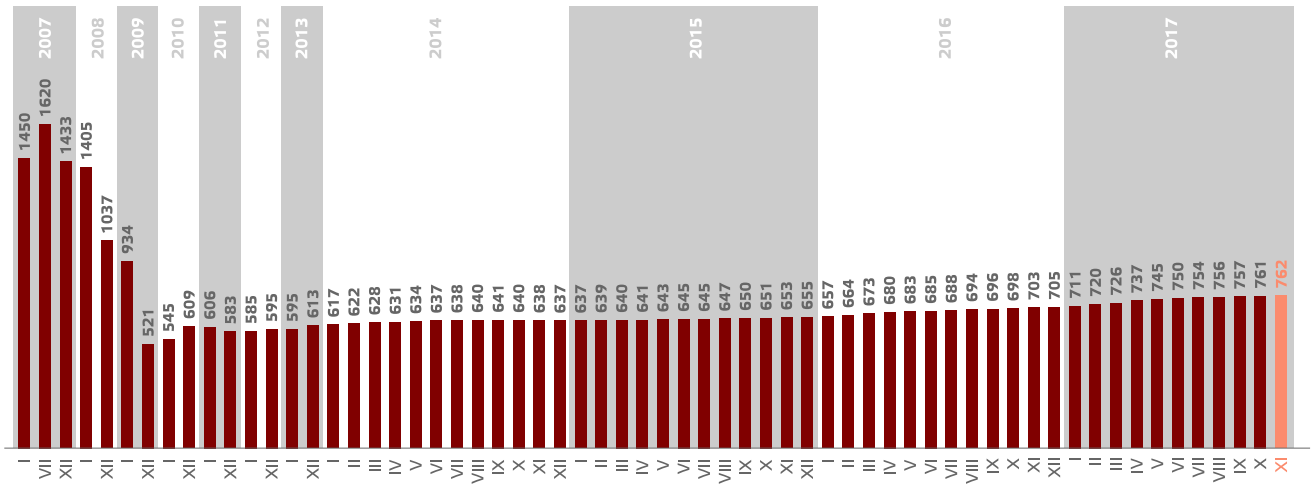


Source: ARCO REAL ESTATE

The largest growth of the average 1 m² price of an apartment in the housing estates of Riga since the beginning of 2017 was observed in Bolderāja (+ 12.4 %). Also in other major housing estates of Riga the prices tended to increase this year. The slowest apartment price growth since the beginning of the year was observed in Teika (+ 4 %).

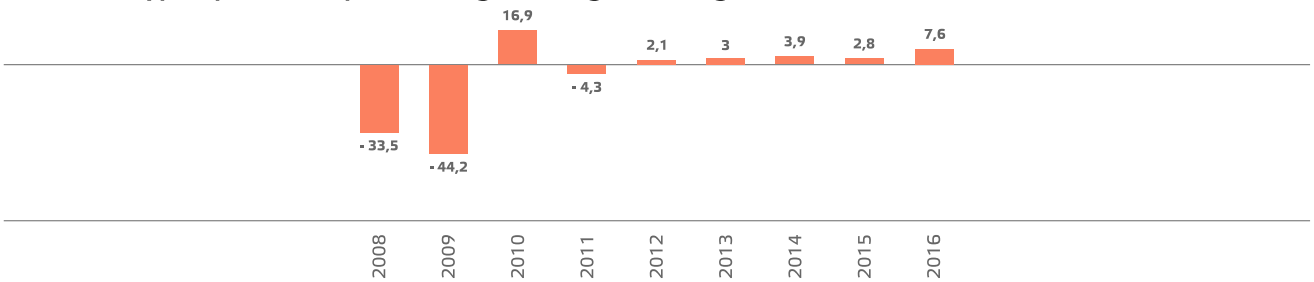
In November 2017, the average price of a standard-type apartment increased to the position of 766 EUR/m². The prices on average were by 52.9 % lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value – 1 620 EUR/m².

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



Source: ARCO REAL ESTATE

Standard-type apartment price changes in Riga housing estates, 2008 – 2016, %



Source: ARCO REAL ESTATE

In November 2017, the prices rated by number of rooms in apartment grew for 1–4-room apartments. The average price of one square meter of area increased for one-room (+ 0.1 %), two-room (+ 0.3 %), three-room (+ 0.3 %) and four-room (+ 0.4 %) standard-type apartments.

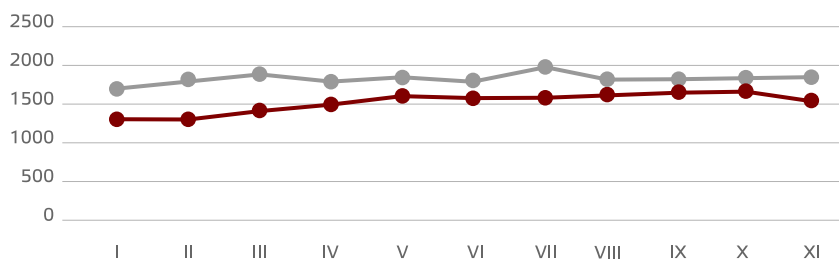
Average prices of standard-type apartments in Riga housing estates: breakdown by number of rooms, EUR/m²

	2015						2016						2017														
1 room	718	718	722	722	728	738	744	752	754	755	757	765	768	771	775	779	784	795	799	811	819	821	829	830	831	836	837
2 rooms	663	664	667	667	673	681	693	699	702	704	706	711	712	715	721	723	731	740	748	761	767	770	773	774	775	778	780
3 rooms	621	621	622	622	626	631	641	647	651	653	656	661	662	666	667	668	674	683	689	701	710	715	717	719	720	723	725
4 rooms	598	599	602	602	603	607	614	620	626	630	632	641	641	642	649	649	655	663	669	674	684	693	697	702	703	705	708
	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.	01.09.	01.10.	01.11.	01.12.

Source: ARCO REAL ESTATE

In November 2017, the overall supply of apartments in Riga compared to the previous month, decreased a bit, namely, by 3.8 %. Also the number of apartments offered for sale in the largest housing estates analyzed by ARCO REAL ESTATE decreased slightly – by 2 %. However, compared to November 2016, the apartment supply still was significantly lower: the total number of apartments offered was by 25 % lower, but the number of apartments offered for sale in the largest housing estates was by 12 % lower.

Apartment supply dynamics in Riga, 2017



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

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

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 November was in Purvciems, Ķengarags and Pļavnieki, but the lowest apartment supply was in Bolderāja.

Last month, the number of apartments offered for sale in most of Riga's housing estates decreased. In November, the supply of apartments fell most significantly in Ziepniekkalns (- 20 %), while the largest increase of the supply of apartments was observed in Teika (+ 12 %).

When analyzing the number of apartments offered for sale in proportion to the size of the housing estates, i. e., in proportion to the population, the highest number in November was still recorded in Āgenskalns, while in Bolderāja it was proportionally the lowest.

In November 2017, small positive changes were observed in standard-type apartment prices in almost all major housing estates in Riga. Prices in the housing estates increased by 0.2 – 0.6 %. The largest apartment price growth was seen in Imanta, where the prices grew by 0.6 % during this month. No price growth in November was seen in Jugla, Ķengarags and Ilģuciemis where the apartment prices remained to be on the same level as in the previous month.

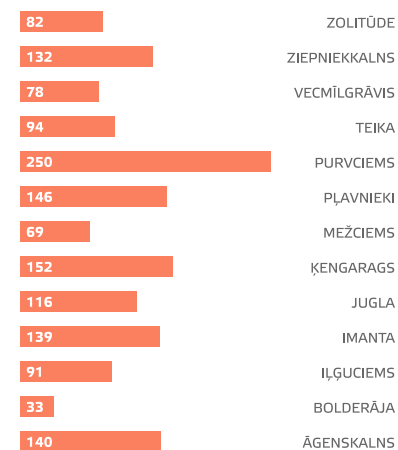
Changes in average standard-type apartment prices of 1 m² in Riga housing estates

	The average value per 1 m ² on 01.12.2017.	The average value per 1 m ² on 01.11.2017.	Changes, %
Jugla	770	770	0.0 ➡
Pļavnieki	802	801	0.2 ⬆
Purvciems	816	815	0.2 ⬆
Mežciems	796	794	0.2 ⬆
Teika	899	896	0.3 ⬆
Vecmīlgrāvis	618	616	0.3 ⬆
Ķengarags	720	720	0.0 ➡
Bolderāja	547	546	0.2 ⬆
Ziepniekkalns	797	796	0.2 ⬆
Imanta	824	819	0.6 ⬆
Zolitūde	821	818	0.4 ⬆
Āgenskalns	819	817	0.2 ⬆
Ilģuciemis	732	732	0.0 ➡

Source: ARCO REAL ESTATE

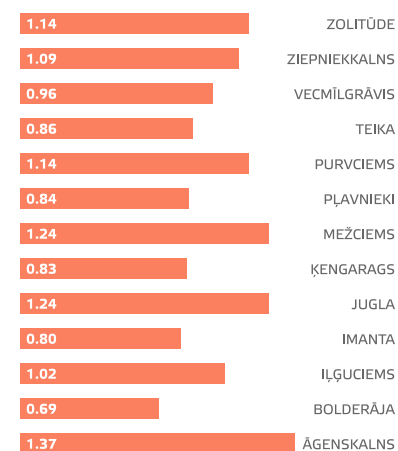
In November 2017, the standard-type apartment prices were by 16.4 % higher than the prices recorded in the beginning of 2016. But since the beginning of 2017, the prices have increased by 8.1 %.

Number of apartments offered for sale in Riga at the end of November 2017



Source: ARCO REAL ESTATE

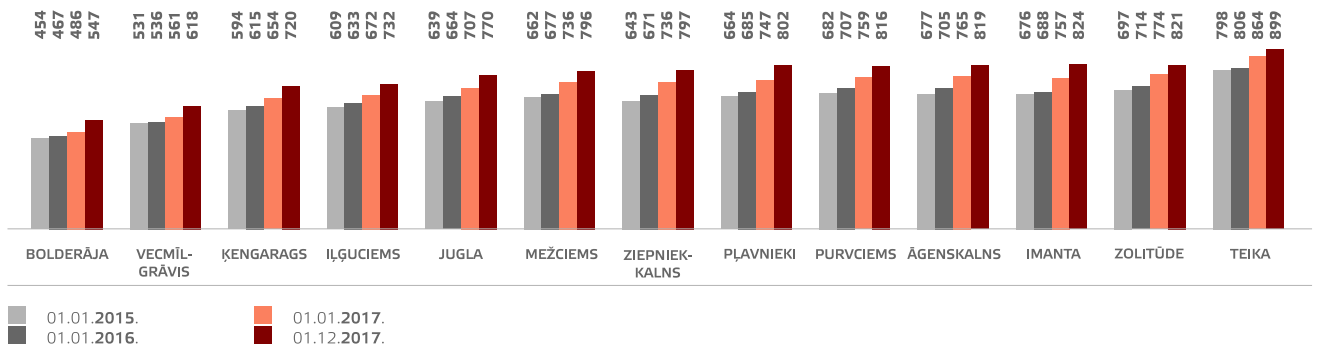
Number of apartments offered for sale in proportion to the size of the housing estates in Riga in November 2017



* Ja koeficients ir lielāks par 1, konkrētā mikrorajona dzīvokļu piedāvājuma attiecība pret iedzīvotāju skaitu ir lielāka. Ja koeficients ir mazāks par 1, konkrētā mikrorajona dzīvokļu piedāvājuma attiecība pret iedzīvotāju skaitu ir mazāka.

Source: ARCO REAL ESTATE

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

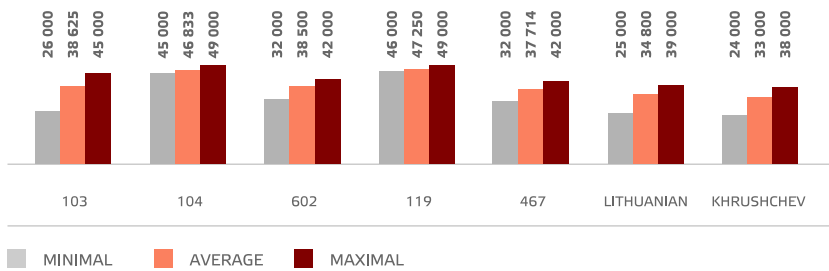


Source: ARCO REAL ESTATE

The highest standard-type apartment prices in November 2017 still were in Teika, where the average price of one square meter increased to 899 EUR/m². But the lowest average price of one square meter in November remained in Bolderāja, where it increased to 547 EUR/m².

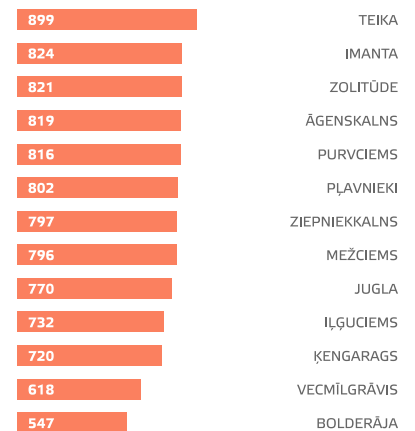
In November 2017, the most expensive apartments as usual were apartments in the houses of the 119th series and 104th series, where the price of 2-room apartments in satisfactory condition varied from 45 000 to 49 000 EUR, depending on the location. In turn, the so-called Lithuanian design were the cheapest ones, where the price of 2-room apartments varied from 25 000 to 39 000 EUR, and the so-called Khrushchev-time houses, where the price of 2-room apartments varied from 24 000 to 38 000 EUR, depending on the housing estate.

Standard-type apartment prices by series in Riga housing estates in November 2017 (2-room apartments), EUR



Source: ARCO REAL ESTATE

Average standard-type apartment prices in housing estates of Riga as per December 1, 2017, EUR/m²



Source: ARCO REAL ESTATE

Standard-type apartment market in the vicinity of Riga

Ogre

In November 2017, the standard-type apartment prices in Ogre increased by 1.6 %. The average price reached 552 EUR/m². In 2017, apartment prices in general in Ogre increased by 15 %. This year, in Ogre, the apartment prices have been rising for almost all months. The apartment supply in Ogre is still low, which could be considered as the main reason for rising prices.

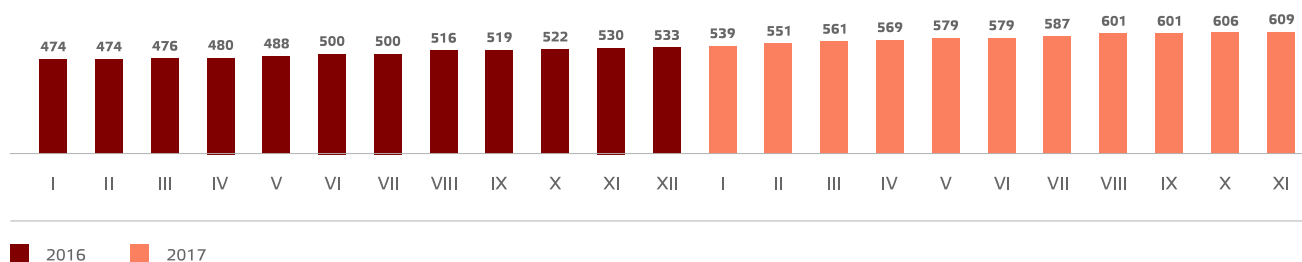
Kauguri, Jūrmala

In November 2017, the standard-type apartment prices in Kauguri remained unchanged. The average price of one square meter of apartment remained to be 522 EUR/m². Since the beginning of 2017, the prices in this part of Jūrmala have grown by 11 % in total. In comparison with other places in the vicinity of Riga the price growth in Kauguri has been the slowest. In November, the price growth stopped.

Salaspils

In November 2017, apartment prices in Salaspils increased by 0.4 %. The average price of standard-type apartments increased to 609 EUR/m². Since the beginning of 2017, the overall prices of standard-type apartments in Salaspils have increased by 14 %. Like in the majority of Riga housing estates, apartment prices in Salaspils continued to increase; however, the increase was insignificant.

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

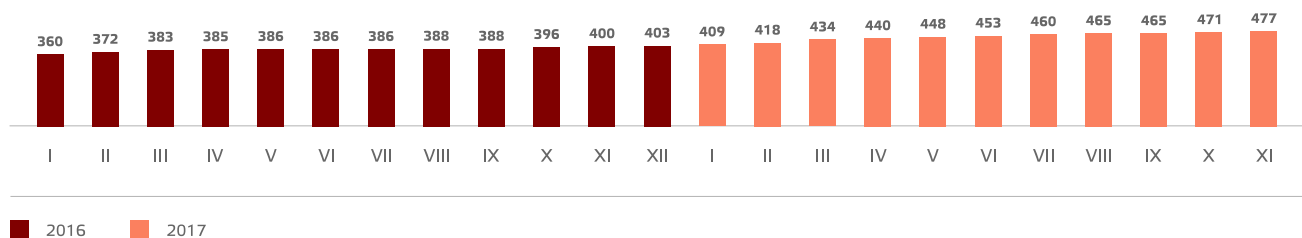


Source: ARCO REAL ESTATE

Jelgava

In November 2017, prices of apartments in Jelgava increased by 1.2 %, with the average price increasing to 477 EUR/m². Since the beginning of 2017, standard-type apartment prices in Jelgava have increased by 18 %.

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



Source: ARCO REAL ESTATE

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Māris Laukalējs | Member of the Board
 Head of Valuation Department No. 1

maris.laukalejs@arcoreal.lv
 5a Blaumaņa Street, Rīga
 LV-1011, Latvia
 Phone +371 6736 5555
 www.arcoreal.lv

