



MARKET OVERVIEW

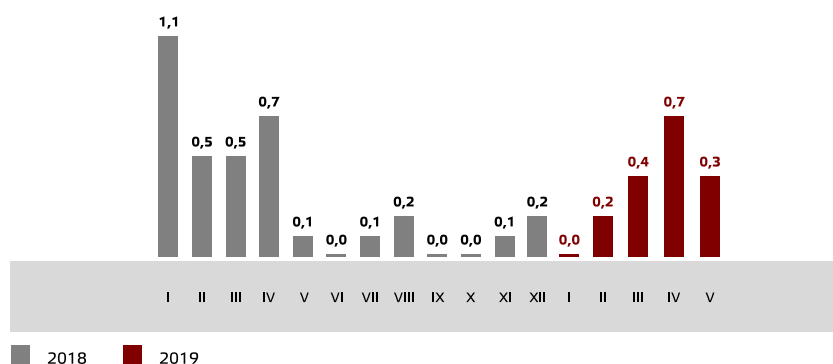
# Standard-Type Apartments MAY

RIGA  
2019

## Standard-Type Apartments, June 1, 2019

In May 2019, the prices of standard-type apartments continued to grow in the housing estates of Riga: they grew by 0.3 % during the month, reaching an average price of 810 EUR/m<sup>2</sup>. Since early 2019, standard-type apartment prices have generally increased by 1.7 %.

### Standard-type apartment price changes, %

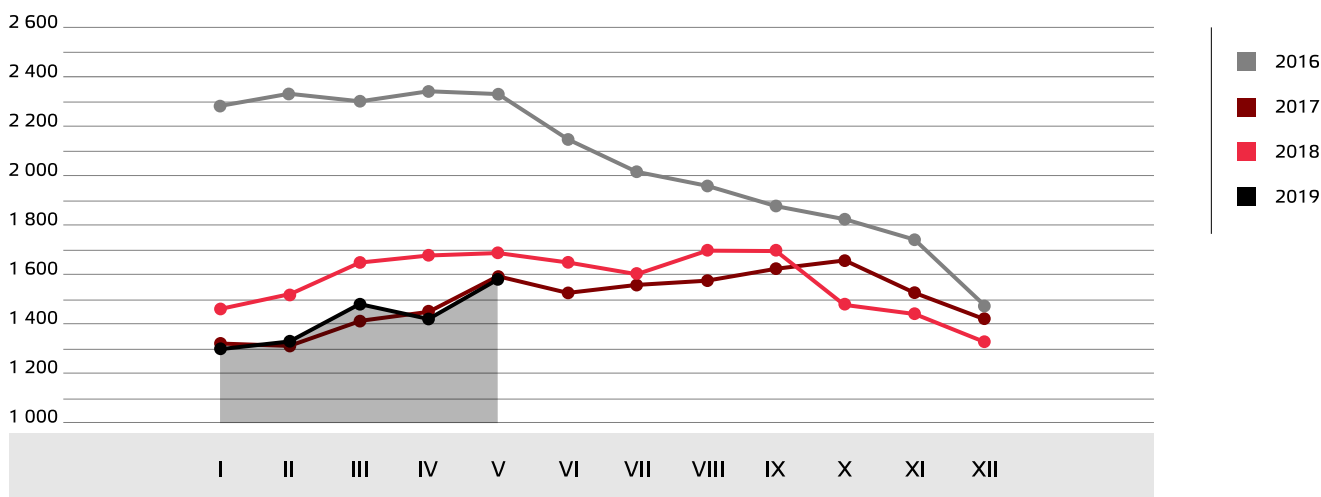


Source: ARCO REAL ESTATE

In May 2019, the average price of standard-type apartments increased in almost all of Riga's largest housing estates, but the increase was no longer as significant as in April. Two-room apartment prices remained unchanged in May, while prices of bigger and smaller apartments tended to increase.

Housing prices continued to rise also in the vicinity of Riga. The biggest price increase in May was seen in Ogre (0.7 %) and in Kauguri district, Jūrmala (0.9 %). In the first quarter of 2019, the housing supply in Riga housing estates showed similar trends as in 2018, however, after a sharp drop in supply in April, a sharp increase followed. The supply was still lower than in May last year (- 6 %).

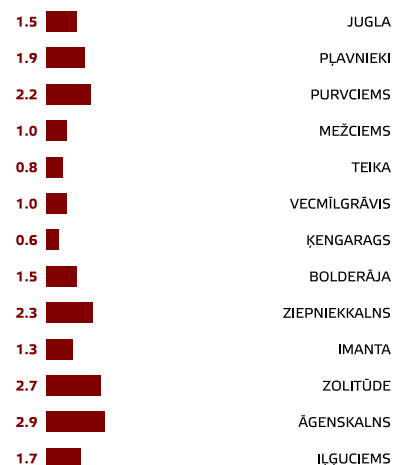
### Dynamics of apartment supply in the largest housing estates of Riga



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 (+ 2.9 %). 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 Ķengarags – the prices have increased by only 0.6 % since the beginning of the year.

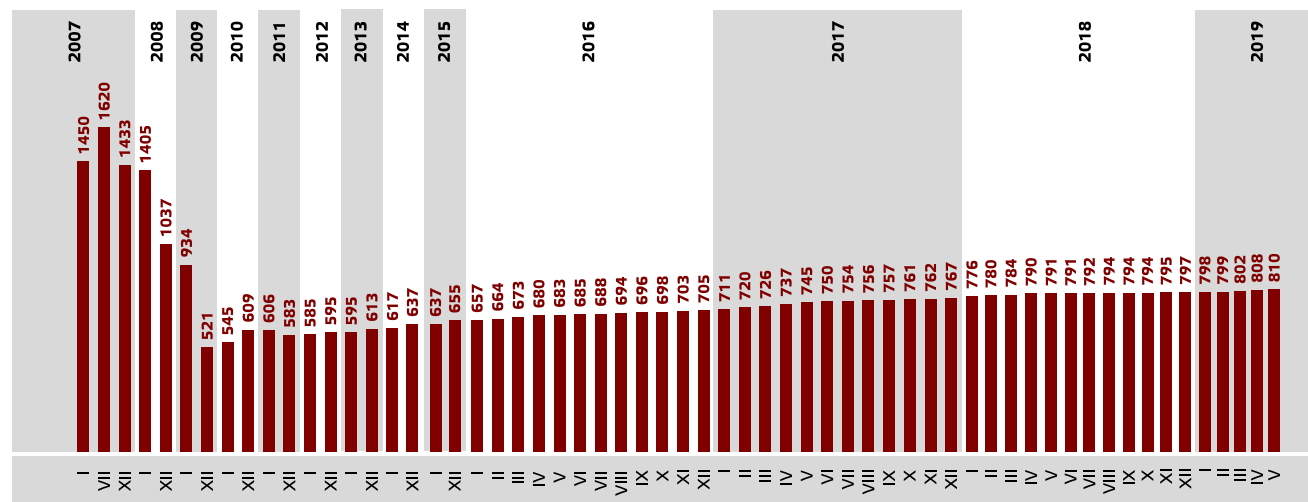
### Price changes in the largest housing estates of Riga since January 1, 2019, %



Source: ARCO REAL ESTATE

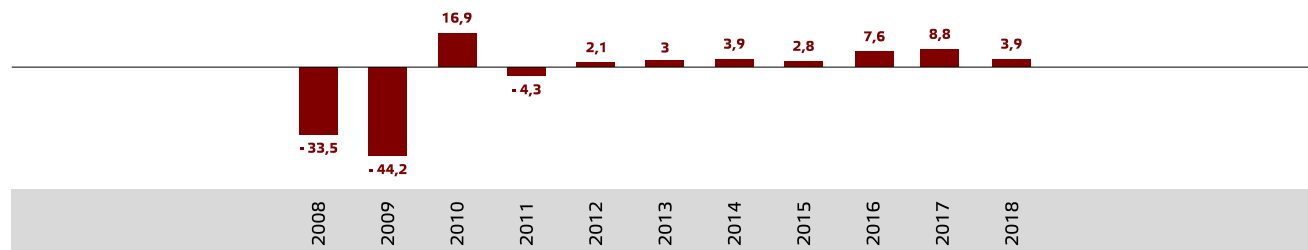
In May 2019, the average price of standard-type apartments increased slightly - to 810 EUR/m<sup>2</sup>. The prices on average were by 50 % lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value - 1 620 EUR/m<sup>2</sup>.

## 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 May 2019, prices for apartments by the number of rooms slightly increased for all apartments. The average price per square meter of standard-type apartments increased for one-room (+ 0.2 %), three-room (+ 0.5 %) and four-room (+ 0.5 %) apartments. The average price of two-room apartments did not change in May.

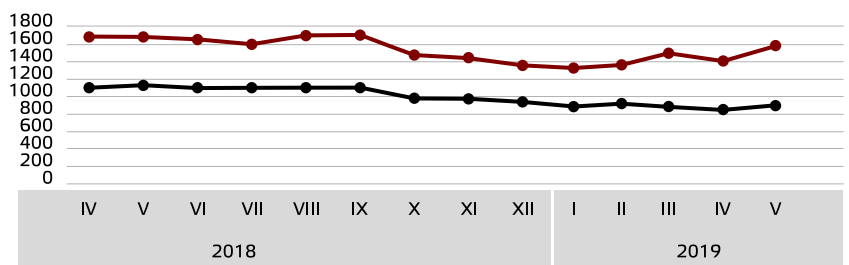
## Average prices of standard-type apartments in Riga housing estates: breakdown by number of rooms, EUR/m<sup>2</sup>

	2018												2019					
1 room	840	853	855	858	864	865	865	866	867	868	868	869	870	871	872	875	878	880
2 rooms	787	797	800	805	812	814	815	815	817	817	817	818	822	822	823	826	830	830
3 rooms	730	736	741	745	748	749	750	750	752	752	752	754	756	757	759	765	773	777
4 rooms	711	718	725	728	734	735	735	736	738	738	738	738	739	740	742	743	751	755
	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.

Source: ARCO REAL ESTATE

In May 2019, the total supply of apartments in Riga increased by 9 % 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 12 %. Compared to May 2018, the apartment supply in May 2019 was lesser: the total number of apartments offered for sale was by 12 % lower, but the number of apartments offered for sale in the largest housing estates was by 6 % lower.

## Dynamics of supply of apartments in Riga



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

● THE CENTER OF RIGA, OLD 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 May was in Purvciems, while the lowest apartment supply was in Bolderāja.

Last month, the number of apartments offered for sale in the most of Riga's housing estates increased. The number of supply of apartments in Teika increased the most (+ 34 %). By contrast, the supply of apartments has decreased most in Ilģuciems (- 7 %).

When analyzing the number of apartments offered for sale in May in proportion to the size of the housing estate, 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 Pļavnieki and Ilģuciems.

In May 2019, positive changes in prices of standard-type apartments took place in the housing estates of Riga. In all largest and most popular housing estates, the prices increased slightly. The biggest price increase was observed in Ķengarags and Ziepniekkalns, where prices rose by 0.5 % during the month. In Bolderāja, on the other hand, no price change was observed.

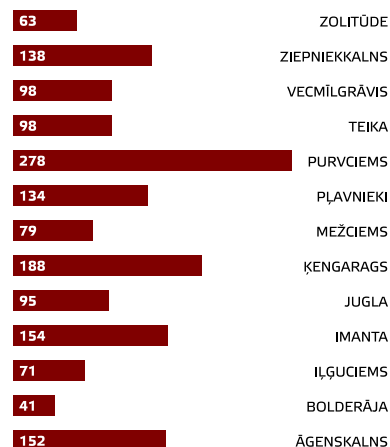
## Average price changes of square meter of standard-type apartments in Riga housing estates, %

	The average value per 1 m <sup>2</sup> on 01.06.2019.	The average value per 1 m <sup>2</sup> on 01.05.2019.	Changes, %
Jugla	806	802	0.5 ↑
Pļavnieki	856	854	0.2 ↑
Purvciems	873	871	0.2 ↑
Mežciems	839	838	0.2 ↑
Teika	962	961	0.1 ↑
Vecmīlgrāvis	648	647	0.2 ↑
Ķengarags	759	755	0.5 ↑
Bolderāja	580	580	0.0 →
Ziepniekkalns	852	847	0.5 ↑
Imanta	855	853	0.2 ↑
Zolitūde	881	878	0.3 ↑
Āgenskalns	893	890	0.3 ↑
Ilģuciems	786	784	0.3 ↑

Source: ARCO REAL ESTATE

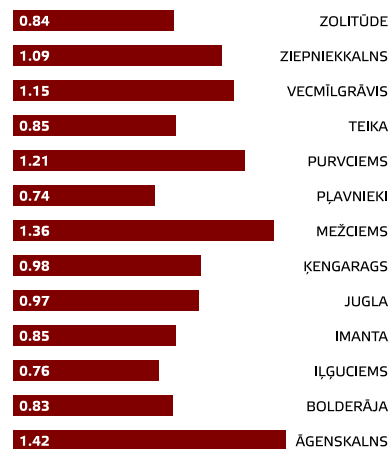
In May 2019, the standard-type apartment prices, compared with the beginning of 2018, were by 6 % higher. In turn, since the beginning of 2019, the prices have increased by 2 %.

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



Source: ARCO REAL ESTATE

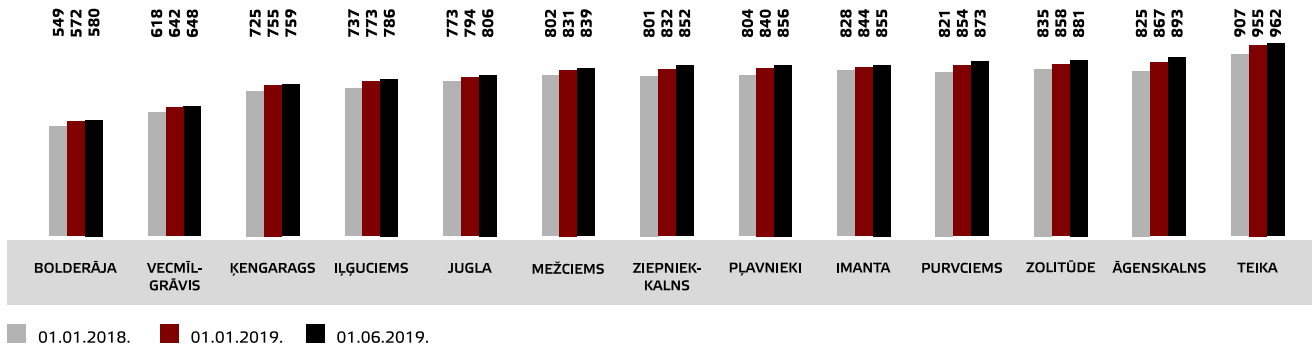
## Number of apartments offered for sale in proportion to the size of the housing estates in Riga in May 2019



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

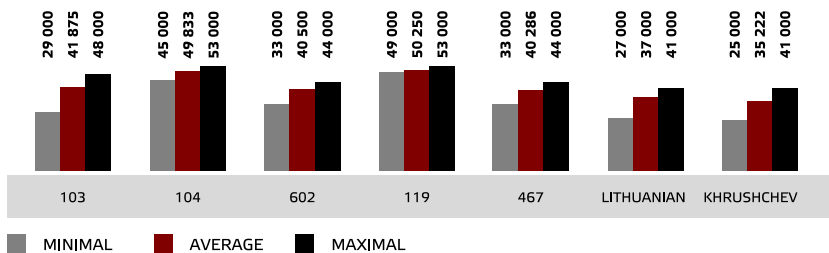


Source: ARCO REAL ESTATE

The highest prices for standard-type apartments in May remained in Teika, where the average price per square meter increased to 962 EUR/m<sup>2</sup>. The lowest average price per square meter in May was in Bolderāja - 580 EUR/m<sup>2</sup>.

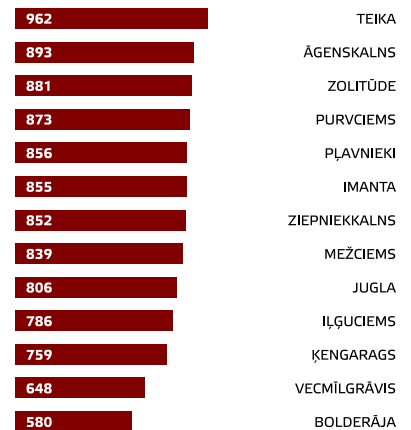
In May 2019, the most expensive apartments still were apartments in the houses of the series 119 and 104, where the price of 2-room apartments in a satisfactory condition varied from 45 000 to 53 000 EUR depending on the location. In turn, the so-called Lithuanian design were the cheapest ones, where 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 May 2019 (2-room apartments), EUR



Source: ARCO REAL ESTATE

## Average standard-type apartment prices in housing estates of Riga as per May 1, 2019, EUR/m<sup>2</sup>



Source: ARCO REAL ESTATE

# Apartment market in the vicinity of Riga

## Ogre

In May 2019, standard-type apartment prices in Ogre increased by 0.7 %. The average price of apartments reached 622 EUR/m<sup>2</sup>. In 2019, apartment prices in total in Ogre increased by 4 %.

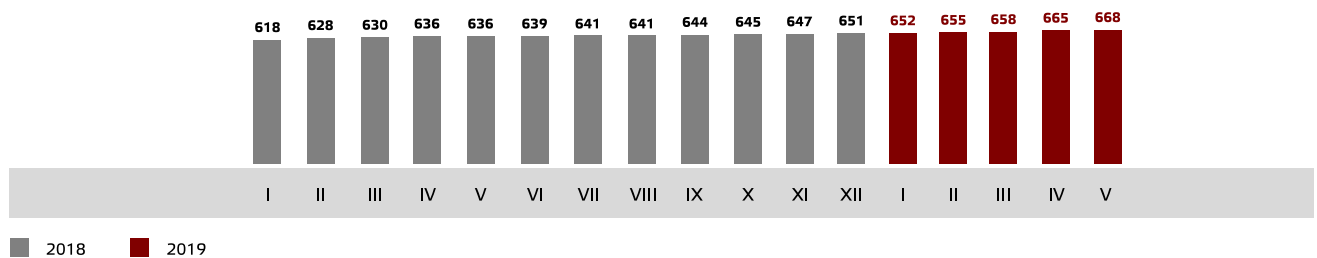
## Kauguri, Jūrmala

In Kauguri in May 2019, standard-type apartment prices rose by 0.9 %. The average price per square meter of apartments has reached 600 EUR/m<sup>2</sup>. Since the beginning of 2019, apartment prices in Kauguri have generally increased by 6 %.

## Salaspils

In May 2019, the apartment prices in Salaspils increased by 0.5 %. The average price of standard-type apartments in Salaspils has increased to 668 EUR/m<sup>2</sup>. 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/m<sup>2</sup>

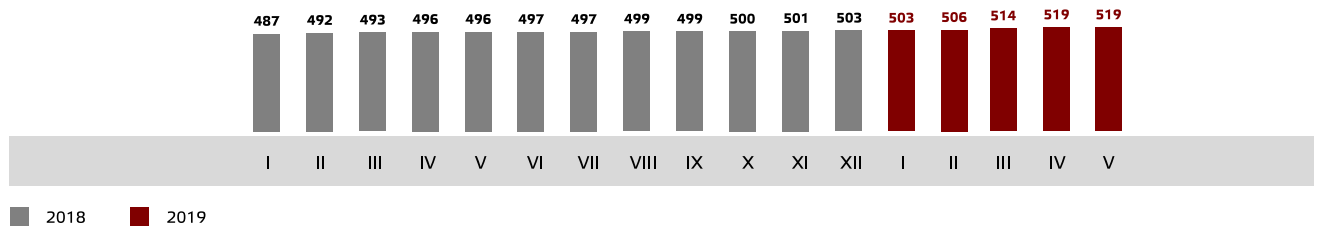


Source: ARCO REAL ESTATE

## Jelgava

In May 2019, apartment prices did not change in Jelgava. The average price of standard-type apartments in May, as in April, was 519 EUR/m<sup>2</sup>. Since early 2019, the price of standard-type apartments in Jelgava has increased by 3 %.

### 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 Riga, 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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