

ESTONIA

LATVIA

MARKET OVERVIEW

Standart-type apartments **SEPTEMBER**

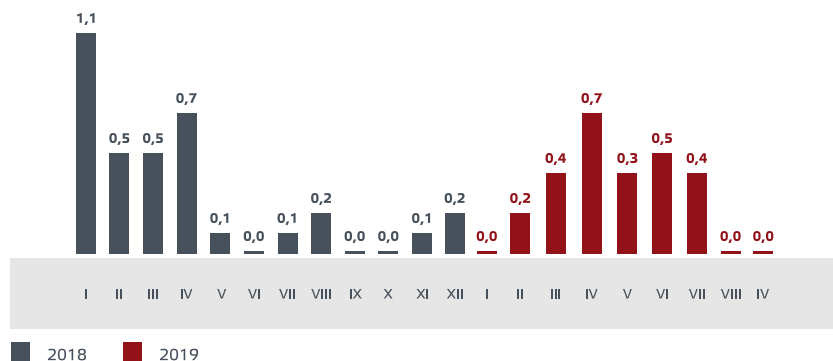
BULGARIA

RIGA
2019

Standard-Type Apartments, October 1, 2019

In September 2019, the prices of standard-type apartments in Riga housing estates did not change - the average price of a standard type apartment remained to be unchanged (818 EUR/m²). Since early 2019, standard-type apartment prices have generally increased by 2.7 %.

Standard-type apartment price changes, %

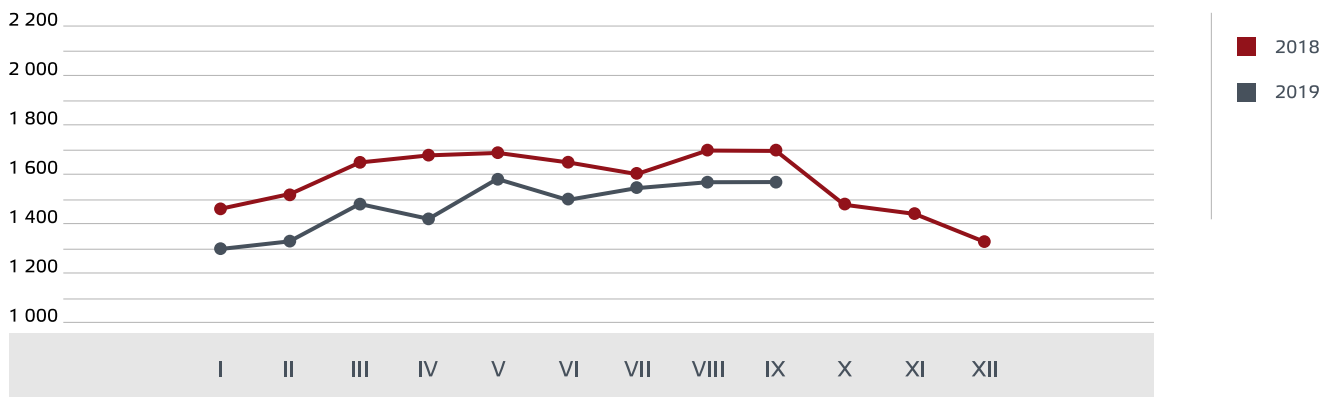


Source: ARCO REAL ESTATE

In September 2019, the average price of a standard-type apartment remained unchanged for the second consecutive month. A similar situation was observed last autumn. At the same time, negative price changes could be observed in two housing estates in September - prices decreased by 0.2 % in Āgenskalns and by 0.4 % in Ilģuciemis. However, as prices are rising slightly in several other housing estates, it is too early to talk about a price decline. Rather, in recent months, the prices of standard-type apartments have stabilized. Still, no price fluctuations were observed in the majority of Riga housing estates.

In the first half of 2019 the supply of apartments in Riga housing estates both increased and decreased. The supply of apartments tended to increase in July and August, but stabilized in September. Supply was still lower (- 8 %) than a year ago - in September 2018.

Dynamics of apartment supply in the largest housing estates of Riga

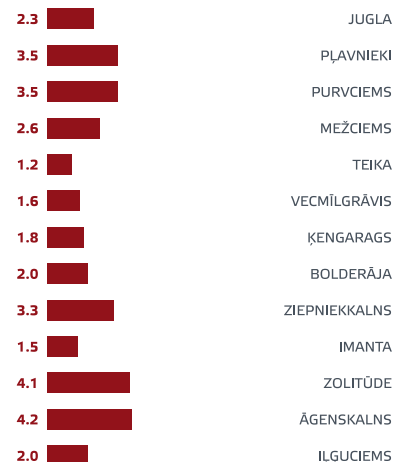


Source: ARCO REAL ESTATE

The largest increase in the average price per square meter in Riga housing estates since the beginning of 2019 has been observed in Āgenskalns and Zolitūde (+ 4 %). Prices in other major housing estates of Riga have also increased since the beginning of the year. The smallest change in the first three quarters of the year occurred in Teika, where prices increased by only 1 % since the beginning of the year.

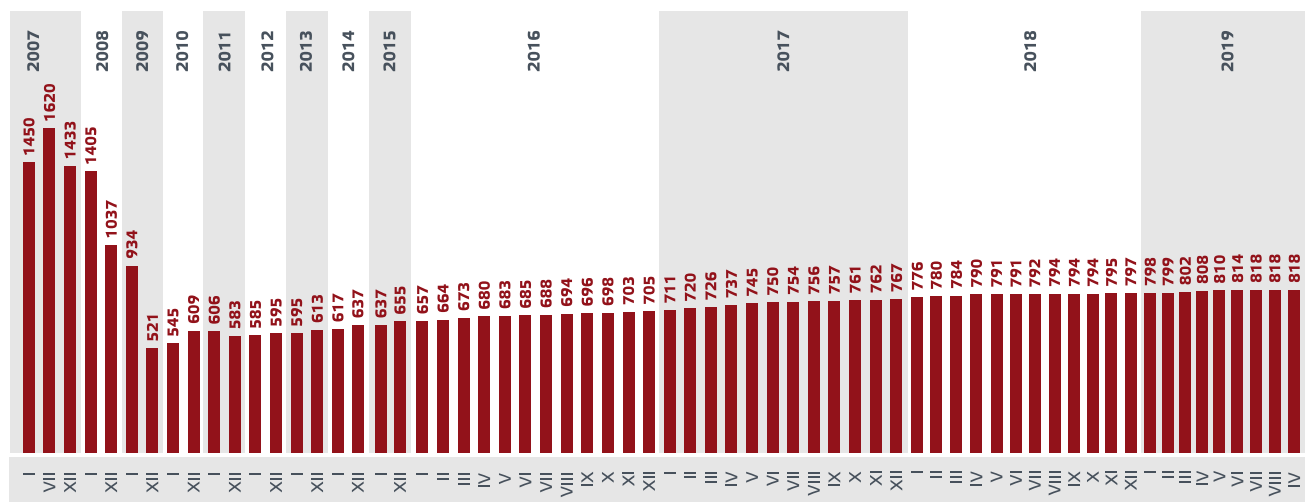
In September 2019, the average price of a standard type apartment remained unchanged at 818 EUR/m². The prices on average were by 50 % lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value – 1 620 EUR/m².

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



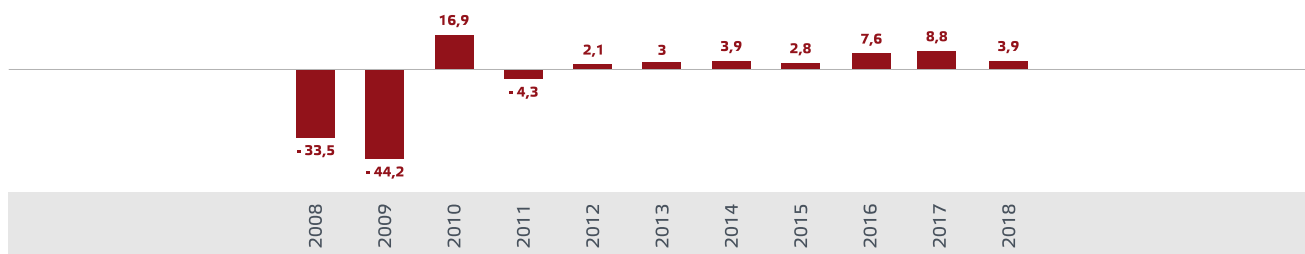
Source: ARCO REAL ESTATE

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



Source: ARCO REAL ESTATE

Changes in prices of standard-type apartments in Riga housing estates, %



Source: ARCO REAL ESTATE

In September 2019, if evaluating according to the number of rooms, only the price of one-room and four-room apartments changed slightly. Average price per square meter for standard-type apartments decreased for one-room apartments (- 0.1 %), while for four-room apartments increased (+ 0.1 %).

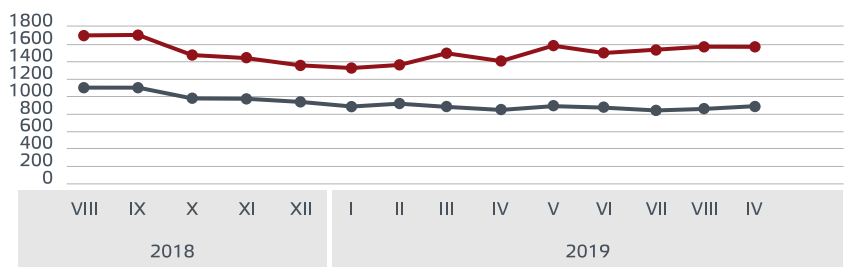
Average prices of standard-type apartments in Riga housing estates (breakdown by number of rooms), EUR/m²

	2018												2019									
	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.
1 room	840	853	855	858	864	865	865	866	867	868	868	869	870	871	872	875	878	880	885	890	890	889
2 rooms	787	797	800	805	812	814	815	815	817	817	817	818	822	822	823	826	830	830	832	835	835	835
3 rooms	730	736	741	745	748	749	750	750	752	752	752	754	756	757	759	765	773	777	781	785	785	785
4 rooms	711	718	725	728	734	735	735	736	738	738	738	738	739	740	742	743	751	755	758	761	762	763

Source: ARCO REAL ESTATE

In September 2019, the total supply of apartments in Riga increased by 1 % compared to the previous month. The number of apartments offered for sale in the largest housing estates analyzed by ARCO REAL ESTATE remained unchanged. Compared to September 2018, the apartment supply was lower: the total number of apartments offered for sale was by 11 % lower, but the number of apartments offered for sale in the largest housing estates was by 8 % lower.

Dynamics of supply of apartments in Riga



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

■ 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 September was in Purvciems, while the lowest apartment supply was in Bolderāja.

Last month, the number of apartments offered in most housing estates in Riga decreased. The number of offers decreased the most in Imanta (- 9 %). In contrast, the supply of apartments increased most in Purvciems (+ 9 %).

In September, when analyzing the supply in proportion to the size of the housing estate, namely, by population, the largest supply was found in Purvciems. In Bolderāja, by contrast, the supply was proportionally the lowest.

In September 2019, no significant changes took place in the prices of standard-type apartments in Riga housing estates. In almost all housing estates, prices remained unchanged. Price increases were observed in Pļavnieki, Purvciems, Ķengarags and Ziepniekkalns where they increased by 0.1 - 0.2 % during the month. But in Āgenskalns and Ilģuciemis, apartment prices decreased slightly – by 0.2 and 0.4 %, respectively.

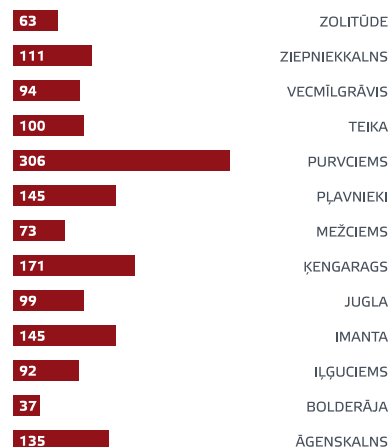
Average price changes of square meter of standard-type apartments in Riga housing estates, %

	The average value per 1 m ² on 01.10.2019.	The average value per 1 m ² on 01.09.2019.	Changes, %
Jugla	813	813	0.0 ➡
Pļavnieki	869	868	0.1 ⬆
Purvciems	883	882	0.1 ⬆
Mežciems	852	852	0.0 ➡
Teika	966	966	0.0 ➡
Vecmīlgrāvis	652	652	0.0 ➡
Ķengarags	768	767	0.2 ⬆
Bolderāja	583	583	0.0 ➡
Ziepniekkalns	860	858	0.2 ⬆
Imanta	857	857	0.0 ➡
Zolitūde	893	893	0.0 ➡
Āgenskalns	903	905	- 0.2 ⬇
Ilģuciemis	789	792	- 0.4 ⬇

Source: ARCO REAL ESTATE

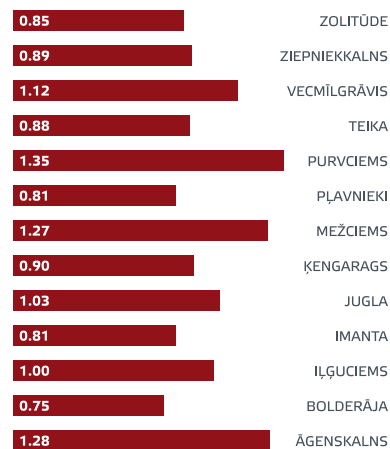
In September 2019, the standard-type apartment prices, compared with the beginning of 2018, were by 7 % higher. In turn, since the beginning of 2019, the prices have increased by 3 %.

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



Source: ARCO REAL ESTATE

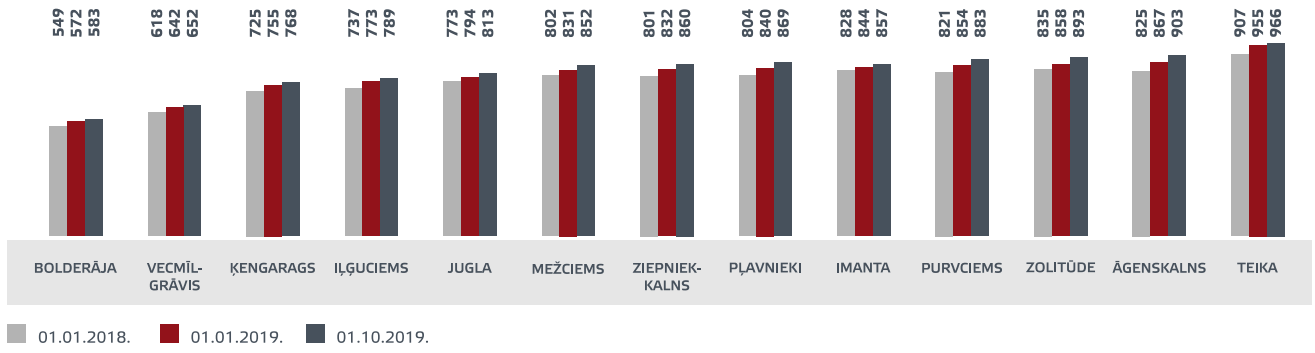
Number of apartments offered for sale in proportion to the size of the housing estates in Riga in September 2019



* 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

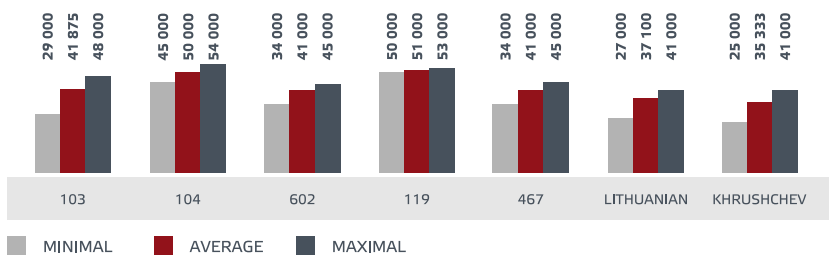


Source: ARCO REAL ESTATE

The highest prices for standard-type apartments remained in Teika in September 2019, where the average price per square meter remained at 966 EUR/m². The lowest average price per square meter in August was in Bolderāja – 583 EUR/m².

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



Source: ARCO REAL ESTATE

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



Source: ARCO REAL ESTATE

Apartment market in the vicinity of Riga

Ogre

In September 2019, the prices of standard apartments in Ogre remained unchanged. The average price of apartments was 644 EUR/m². In 2019, overall apartment prices in Ogre have increased by 7 %.

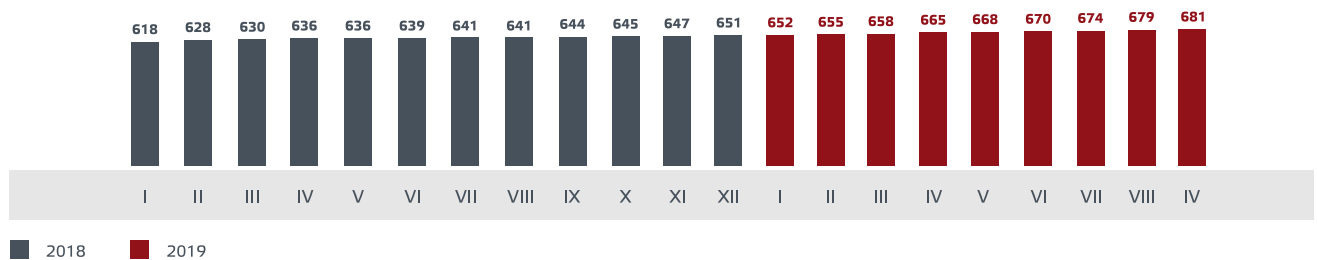
Kauguri, Jūrmala

In Kauguri, the prices of standard-type apartments increased by 0.3 % in September. The average price per square meter was 604 EUR/m². Since the beginning of 2019, apartment prices in Kauguri have increased by 6 % overall.

Salaspils

In September 2019, apartment prices in Salaspils increased by 0.2 %. The average price of a standard type apartment in Salaspils increased to 681 EUR/m². Since the beginning of 2019 the prices of standard-type apartments in Salaspils have increased by 5 % overall.

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

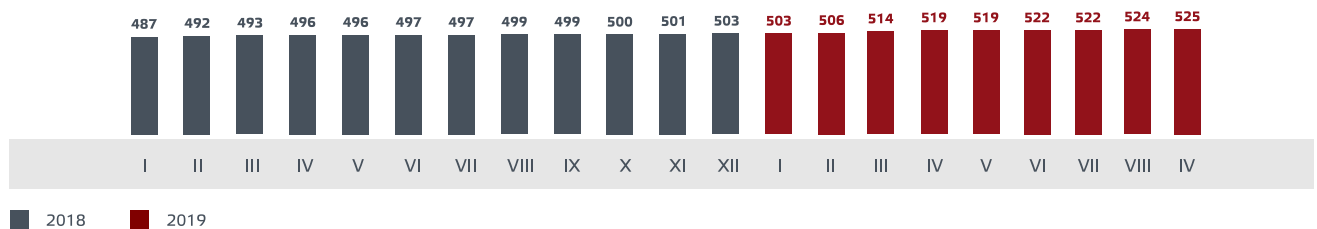


Source: ARCO REAL ESTATE

Jelgava

In September 2019, apartment prices in Jelgava increased by 0.2 %. The average price of a standard type apartment in September reached 525 EUR/m². Since the beginning of 2019 prices in 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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