



MARKET OVERVIEW

Standard-Type Apartments JANUARY

RIGA
2019

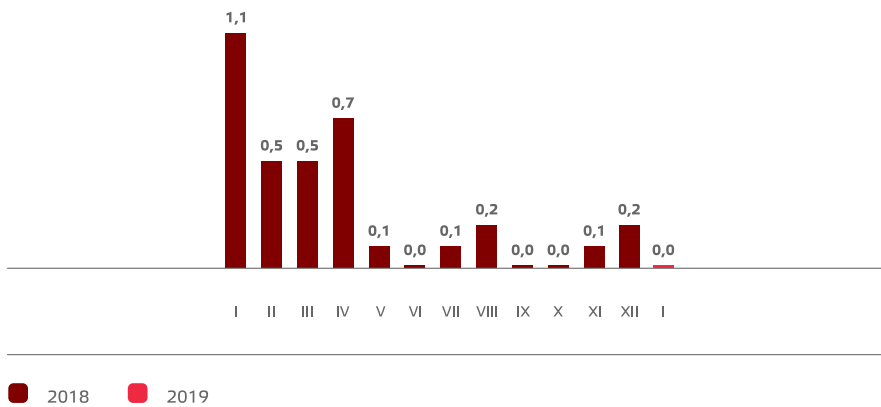


LATVIJAS
ĪPAŠUMU
VĒRTĒTĀJU
ASOCIĀCIJA

Standard-Type Apartments, February 1, 2019

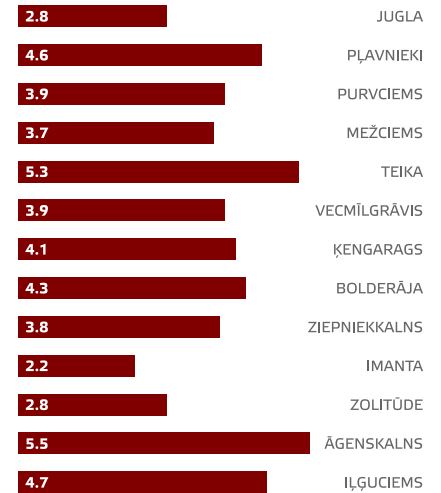
In January 2019, there were minimal fluctuations in standard-type apartment prices in the housing estates of Riga. The average price of standard-type apartments in January was 797 EUR/m². Since early 2018, standard-type apartment prices have generally increased by 4 %.

Standard-type apartment price changes, %



Source: ARCO REAL ESTATE

Price changes in the largest housing estates of Riga since January 1, 2018, %



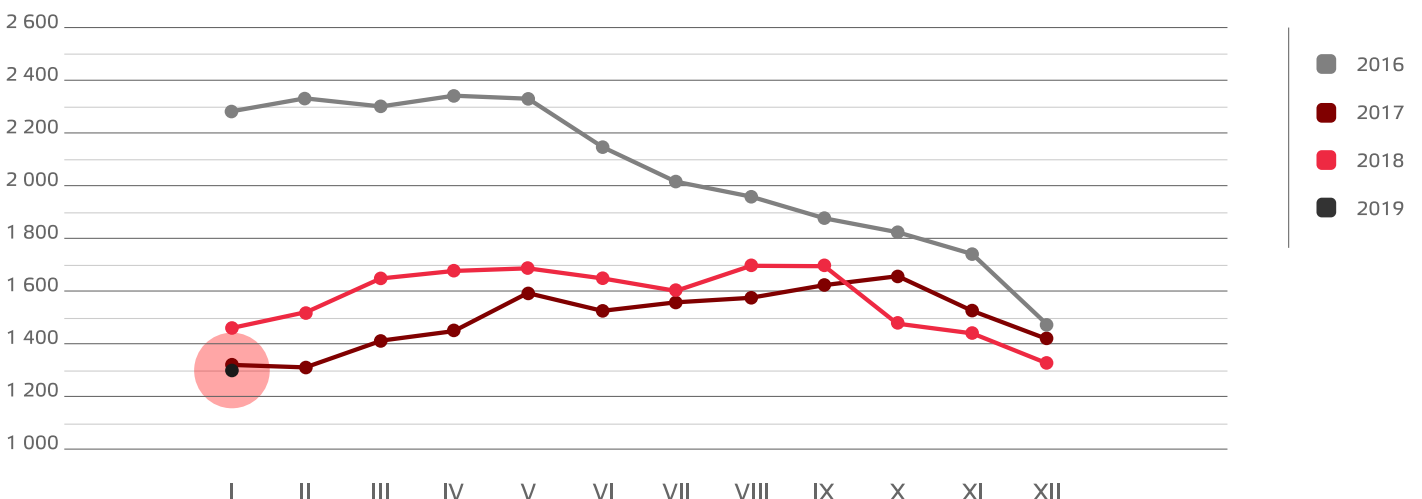
Source: ARCO REAL ESTATE

In January 2019, the average price of standard-type apartments increased slightly in some housing estates, but this did not cause an increase of the average price of standard-type apartments. In January, the average price of apartments in Iļģuciems even decreased slightly.

On the other hand, apartment prices in the vicinity of Riga continued to increase - in January, the most rapid increase was observed in Jūrmala, Kauguri (+ 1 %). In Ogre and Salaspils, the prices of standard-type apartments also increased slightly - by 0.2 - 0.3 %.

In the housing estates of Riga, the supply of apartments at the beginning of 2019 was by 11% lower than at the beginning of 2018. Like other years, the supply was low at the beginning of the year and then tended to increase.

Dynamics of apartment supply in the largest housing estates of Riga

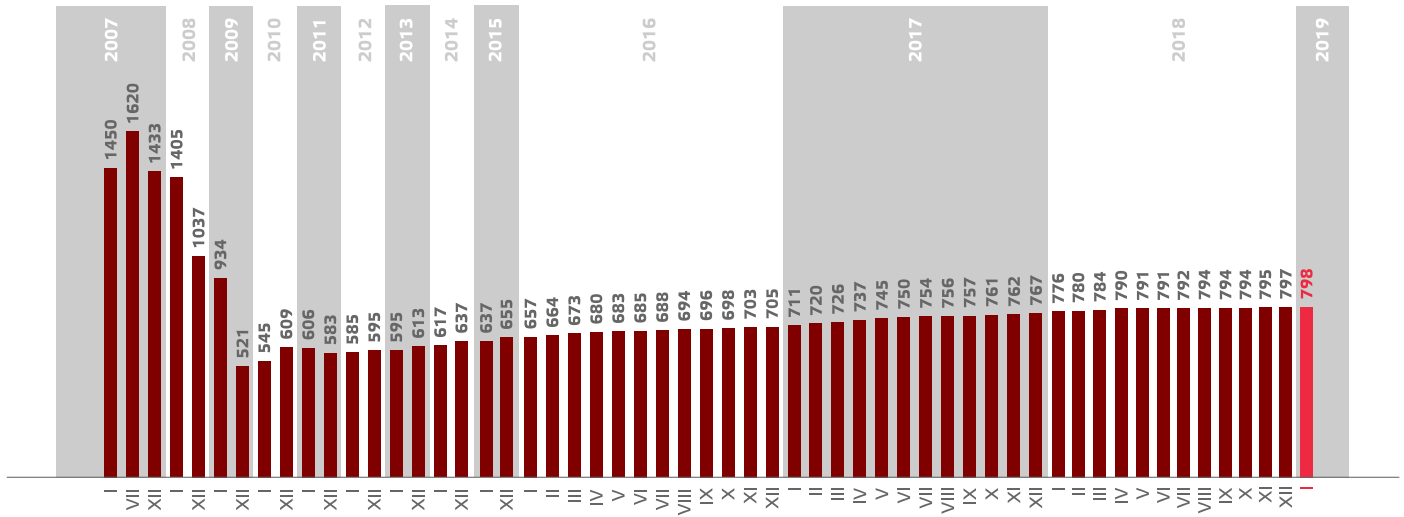


Source: ARCO REAL ESTATE

The largest growth of the average one square meter price of an apartment in the housing estates of Riga since the beginning of 2018 was observed in Āgenskalns (+ 5.35 %). Also in other major housing estates of Riga the prices increased since the beginning of the previous year. The slowest apartment price growth was observed in Imanta (+ 2 %).

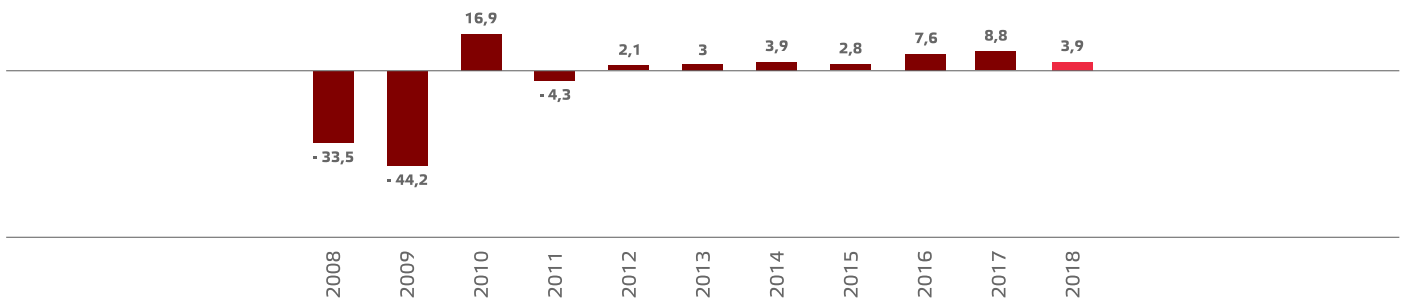
In January 2019, the average price of standard-type apartments remained to be at the same position – 797 EUR/m². The prices on average are by 51 % lower than on July 1, 2007, when the average price of a non-renovated standard-type apartment reached the highest ever value – 1 620 EUR/m².

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, %



Source: ARCO REAL ESTATE

In January 2019, the price of almost all apartments increased slightly, according to the number of rooms. The average price per square meter of standard-type apartments increased for one-room (+ 0.1 %), three-room (+ 0.1 %) and four-room (+ 0.1 %) apartments. There were no changes to the two-room apartment prices.

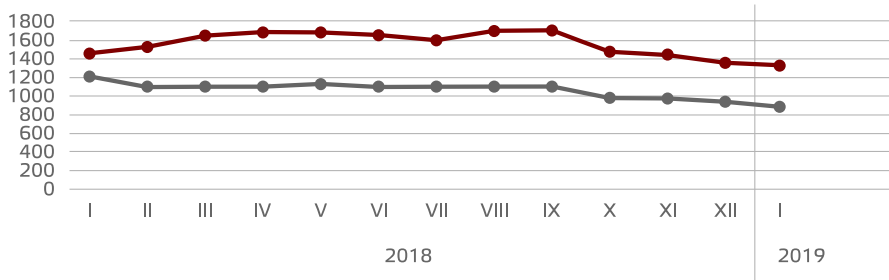
Average prices of standard-type apartments in Riga housing estates: breakdown by number of rooms, EUR/m²

	2016				2017								2018								2019							
1 room	771	775	779	784	795	799	811	819	821	829	830	831	836	837	840	853	855	858	864	865	865	866	867	868	868	869	870	871
2 rooms	715	721	723	731	740	748	761	767	770	773	774	775	778	780	787	797	800	805	812	814	815	815	817	817	817	818	822	822
3 rooms	666	667	668	674	683	689	701	710	715	717	719	720	723	725	730	736	741	745	748	749	750	750	752	752	752	754	756	757
4 rooms	642	649	649	655	663	669	674	684	693	697	702	703	705	708	711	718	725	728	734	735	735	736	738	738	738	738	739	740
	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.	01.01.	01.02.

Source: ARCO REAL ESTATE

In January 2019, the total supply of apartments in Riga decreased by 4 % compared to the previous month. But the number of apartments offered for sale in the largest housing estates analyzed by ARCO REAL ESTATE decreased by 2 %. Compared to January 2018, the apartment supply was lesser: the total number of apartments offered for sale was by 18 % lower, but the number of apartments offered for sale in the largest housing estates was by 11 % 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 January 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 decreased. The number of supply of apartments in Bolderāja dropped the most (- 19 %). By contrast, the supply of apartments has increased most in Zolitūde (+ 12 %).

When analyzing the number of apartments offered for sale in January 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 Ziepniekkalns.

In January 2019, changes in the prices of standard-type apartments in the largest housing estates of Riga were observed only in a small part of the housing estates. In most housing estates, prices remained at the previous month's level. The biggest price increase was observed in Āgenskalns, where prices increased by 0.4 % during the month. But in Ilģuciems, a slight decrease of the average price was observed - by 0.2 %.

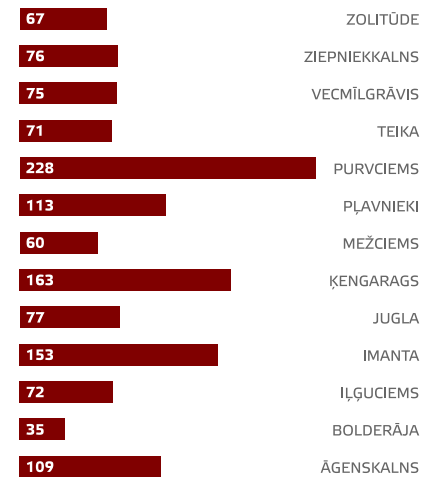
Average price changes of square meter of standard-type apartments in Riga housing estates, %

	The average value per 1 m ² on 01.02.2019.	The average value per 1 m ² on 01.01.2019.	Changes, %
Jugla	794	794	0.0 →
Pļavnieki	841	840	0.1 ↑
Purvciems	853	854	0.0 →
Mežciems	831	831	0.0 →
Teika	955	955	0.0 →
Vecmīlgrāvis	642	642	0.0 →
Ķengarags	755	755	0.0 →
Bolderāja	573	572	0.2 ↑
Ziepniekkalns	832	832	0.0 →
Imanta	846	844	0.2 ↑
Zolitūde	858	858	0.0 →
Āgenskalns	871	867	0.4 ↑
Ilģuciems	772	773	- 0.2 ↓

Source: ARCO REAL ESTATE

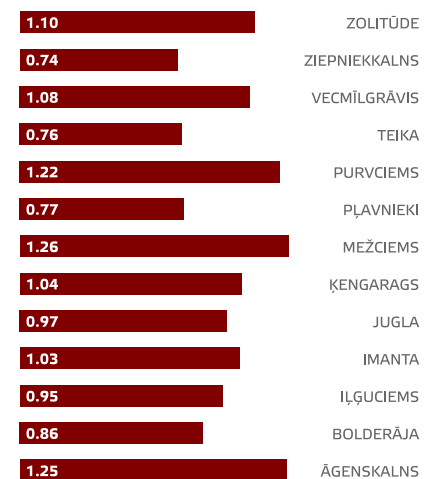
In January 2019, the standard-type apartment prices, compared with the beginning of 2017, were by 13 % higher. In turn, since the beginning of 2018, the prices have increased by 4 %.

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



Source: ARCO REAL ESTATE

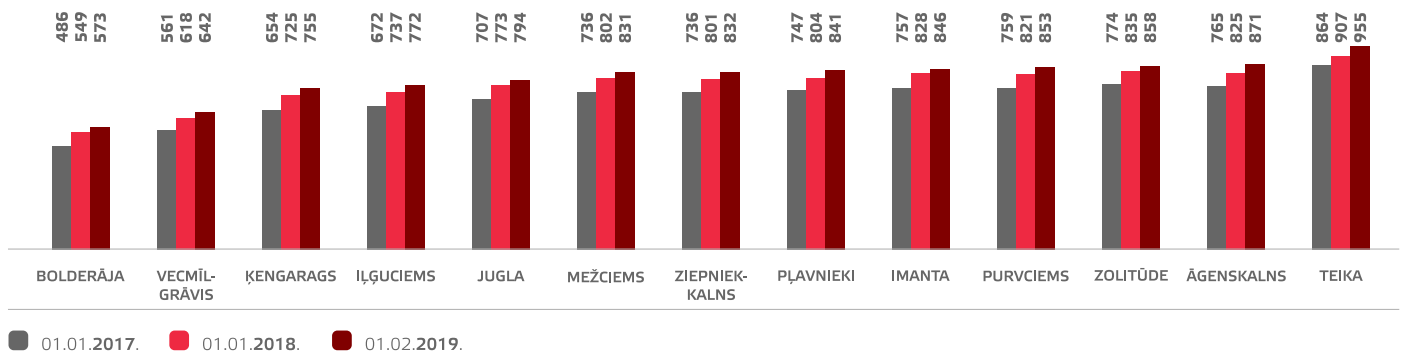
Number of apartments offered for sale in proportion to the size of the housing estates in Riga in January 2019



* 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

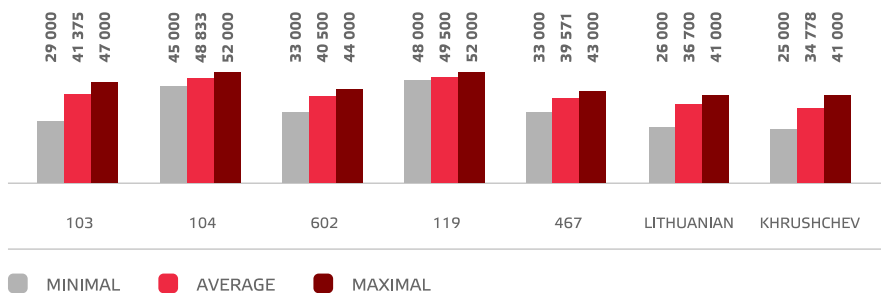


Source: ARCO REAL ESTATE

The highest prices for standard-type apartments in January remained in Teika, where the average price per square meter remained unchanged - 955 EUR/m². The lowest average price per square meter in January was in Bolderāja (573 EUR/m²).

In January 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 52 000 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 26 000 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 January 2019 (2-room apartments), EUR



Source: ARCO REAL ESTATE

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



Source: ARCO REAL ESTATE

Apartment market in the vicinity of Riga

Ogre

In January 2019, standard-type apartment prices in Ogre increased by 0.3 %. The average price of apartments reached 602 EUR/m². In 2018, apartment prices in total in Ogre increased by 7 %.

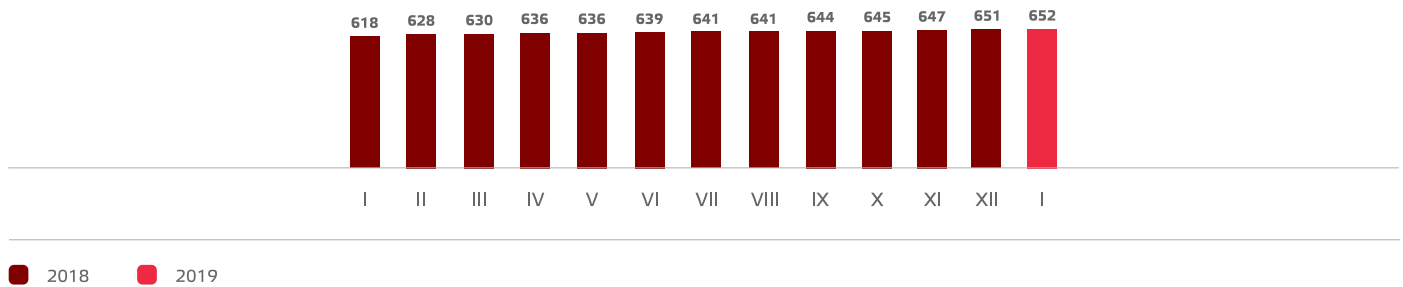
Kauguri, Jūrmala

In Kauguri in January, standard-type apartment prices rose by 1 %. The average price per square meter of apartments is 573 EUR/m². Since the beginning of 2018, apartment prices in Kauguri generally increased by 9 %.

Salaspils

In January 2019, the apartment prices in Salaspils increased by 0.2 %. The average price of standard-type apartments in Salaspils has increased to 652 EUR/m². Since the beginning of 2018, standard-type apartment prices in Salaspils have increased by 7 %.

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

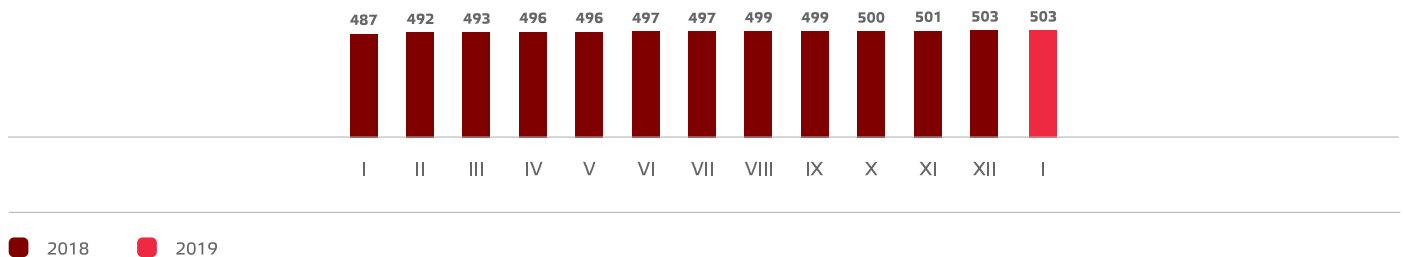


Source: ARCO REAL ESTATE

Jelgava

In January 2019, apartment prices remained unchanged in Jelgava. The average price of standard-type apartments is 503 EUR/m². Since early 2018, the price of standard-type apartments in Jelgava increased by 5 %.

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 Rīga, 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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