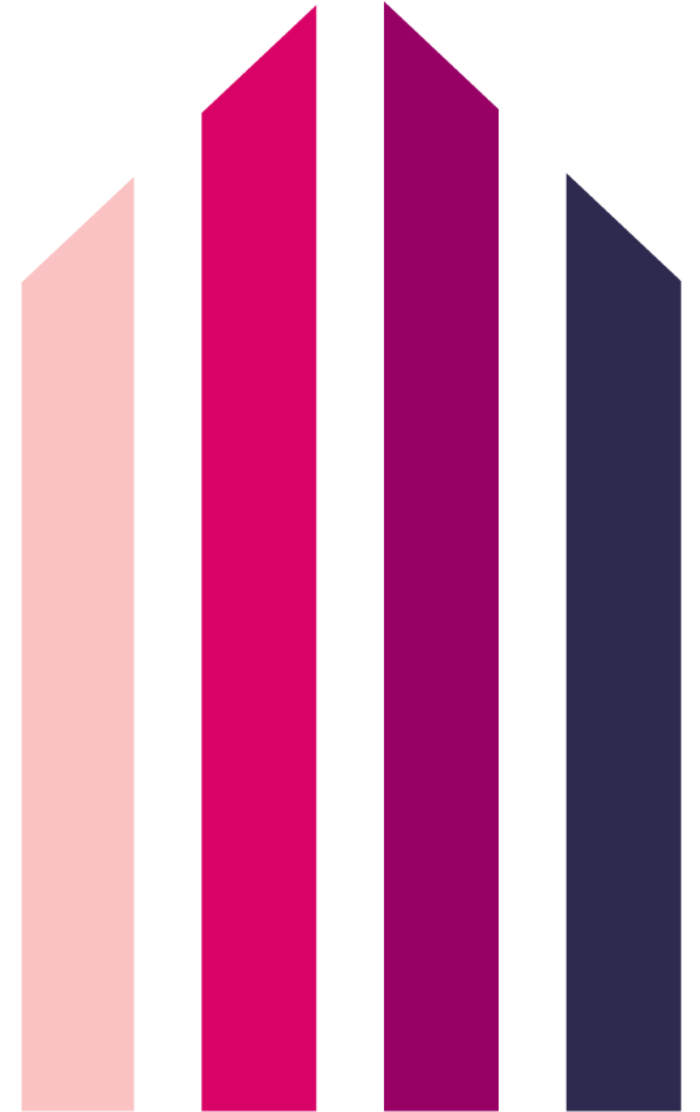




Valsts zemes
dienests

THE IMPACT OF COVID-19 ON THE REAL ESTATE MARKET OF LATVIA

STATE LAND SERVICE OF LATVIA



COVID-19 IN LATVIA

12.03.2020
Emergency situation
was announced
(until 09.06.2020)

Exports are declining,
significant decrease in
the sectors of tourism
and transport services

In summer
the situation
stabilizes

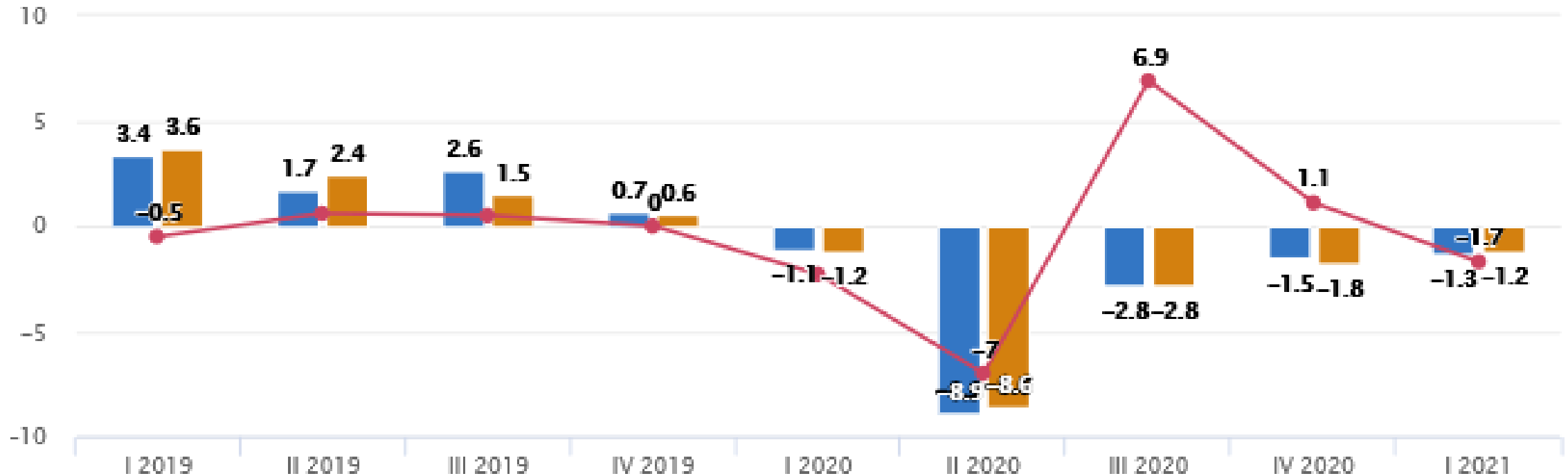
06.11.2020
Emergency situation
was announced (until
06.04.2021)

First wave

Second wave

ECONOMIC IMPACT OF THE COVID-19 PANDEMIC

GDP IN COMPARABLE PRICES (%)
(JANUARY 2019 – JANUARY 2021)



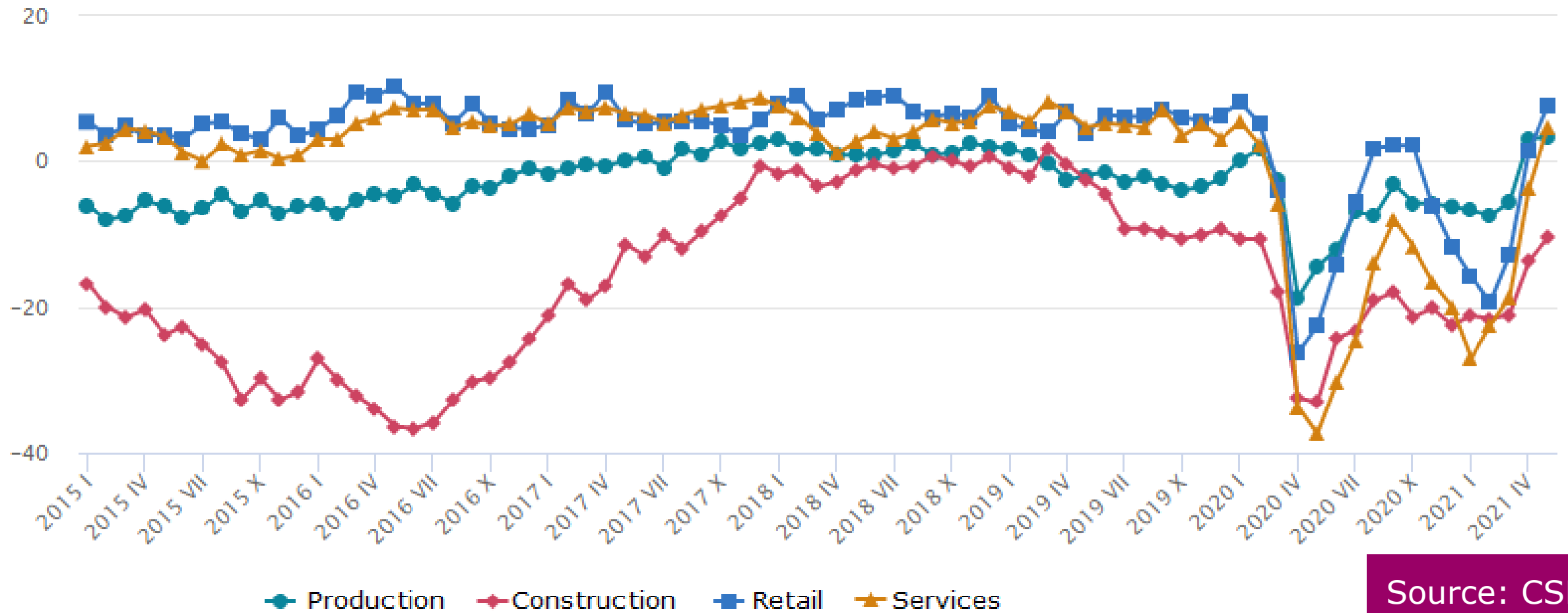
- against the corresponding period of the previous year (seasonally and calendar unadjusted)
- against the corresponding period of the previous year (seasonally and calendar adjusted)
- against the previous period (seasonally and calendar adjusted)

Source: CSB

ECONOMIC IMPACT OF THE COVID-19 PANDEMIC

CONFIDENCE INDICATORS (SEASONALLY ADJUSTED, SALDO, %)

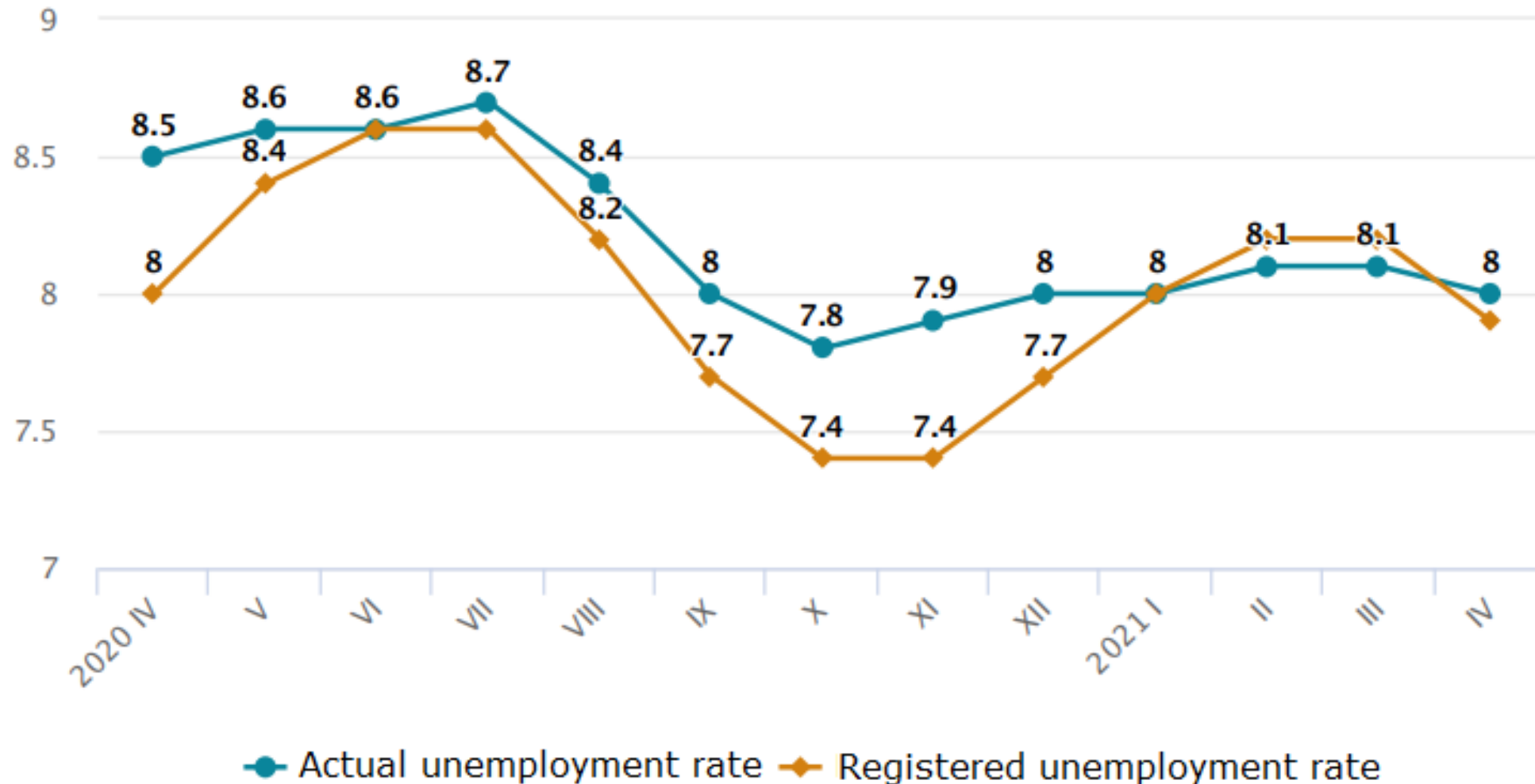
(JANUARY 2015 - APRIL 2021)



Source: CSB

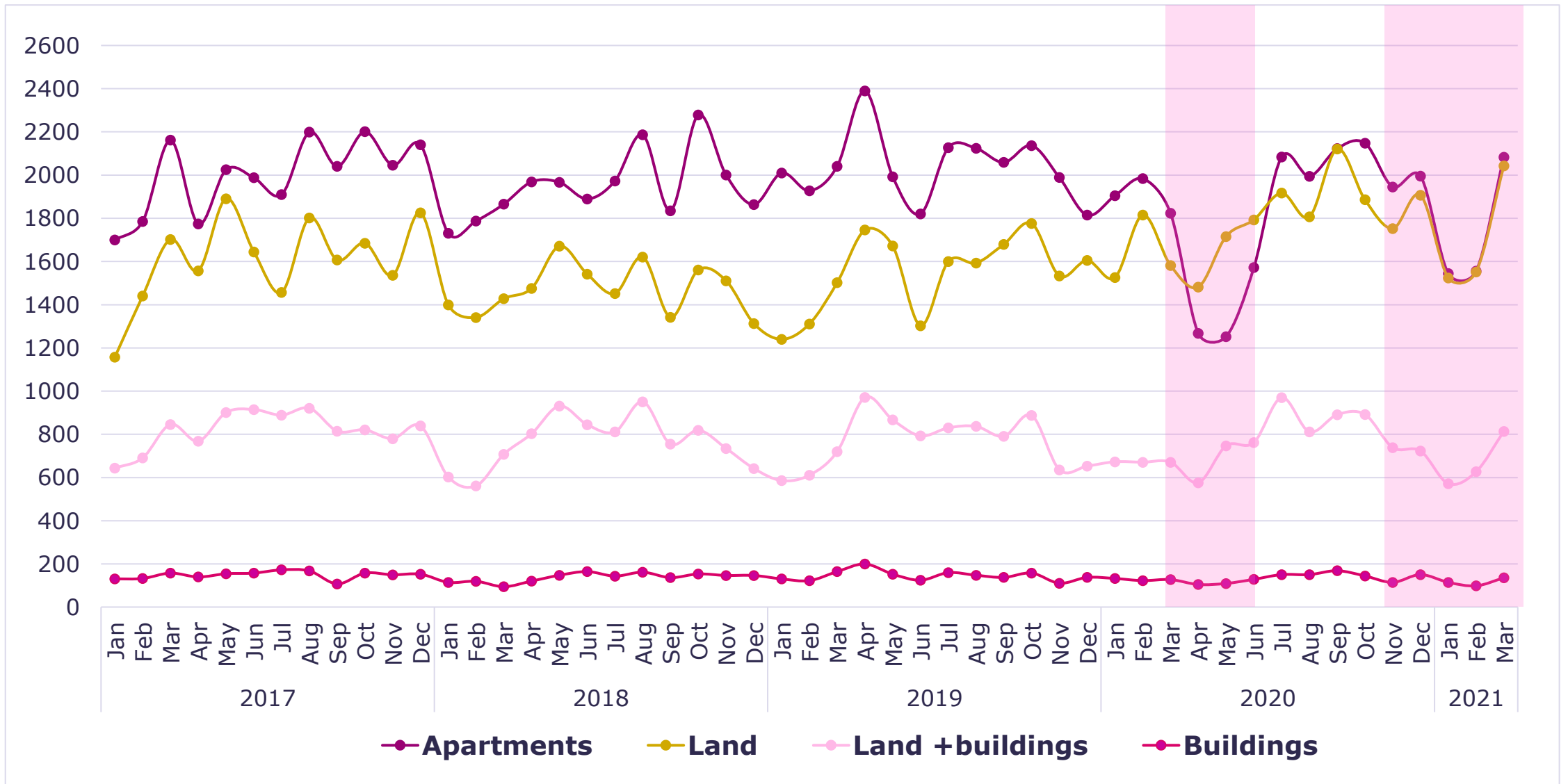
ECONOMIC IMPACT OF THE COVID-19 PANDEMIC

ACTUAL AND REGISTERED UNEMPLOYMENT RATE (% , SEASONALLY NON-ADJUSTED)
(APRIL 2020 - APRIL 2021)



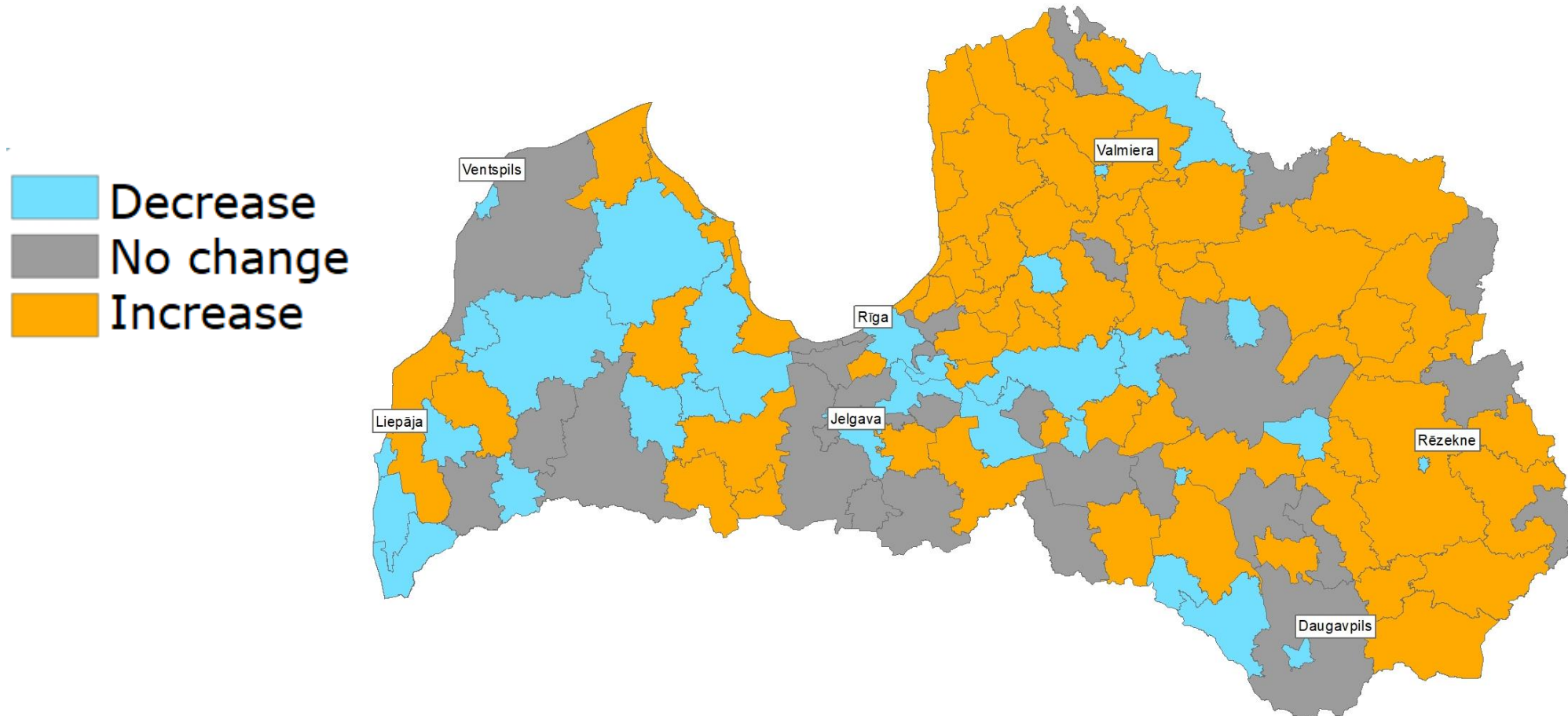
Source: CSB

NUMBER OF TRANSACTIONS (JANUARY 2017 – MARCH 2021)



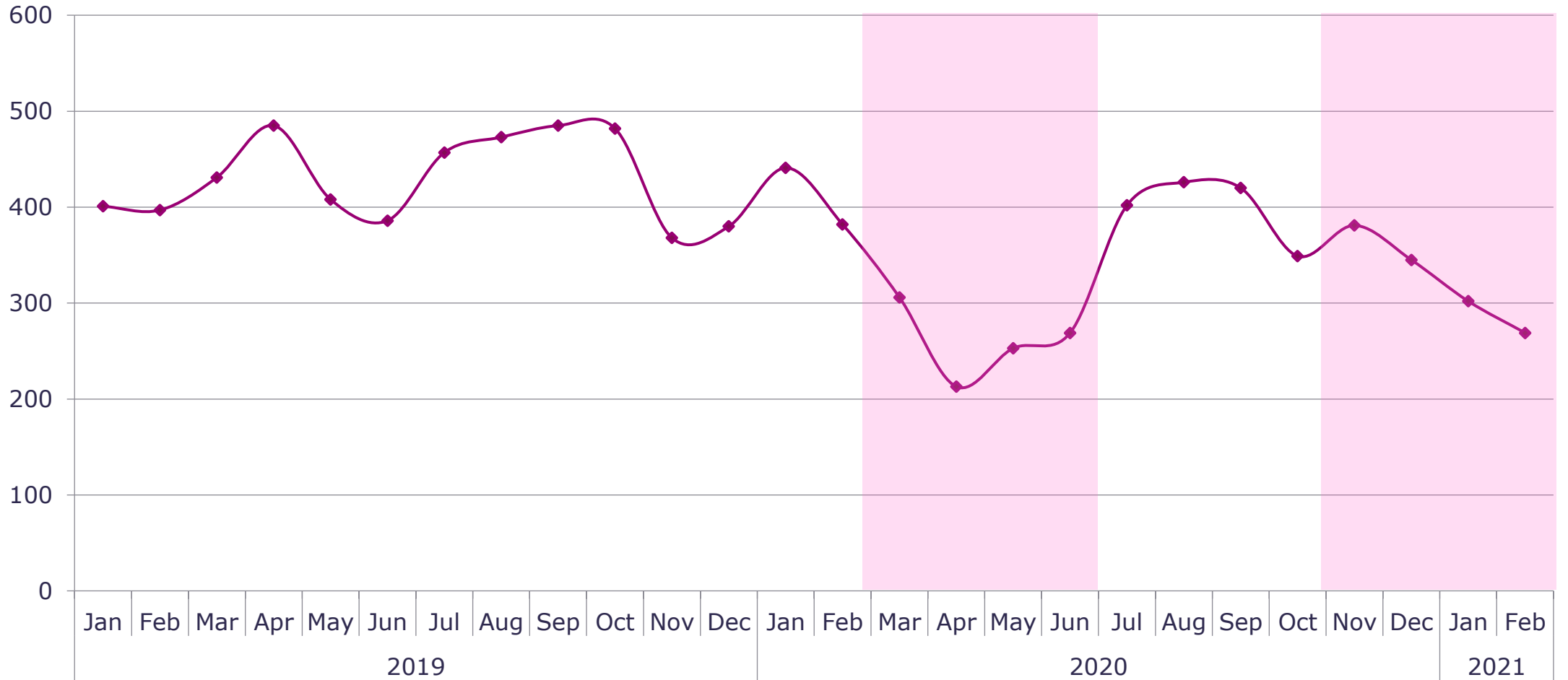


NUMBER OF TRANSACTIONS (2020 AGAINST 2019)





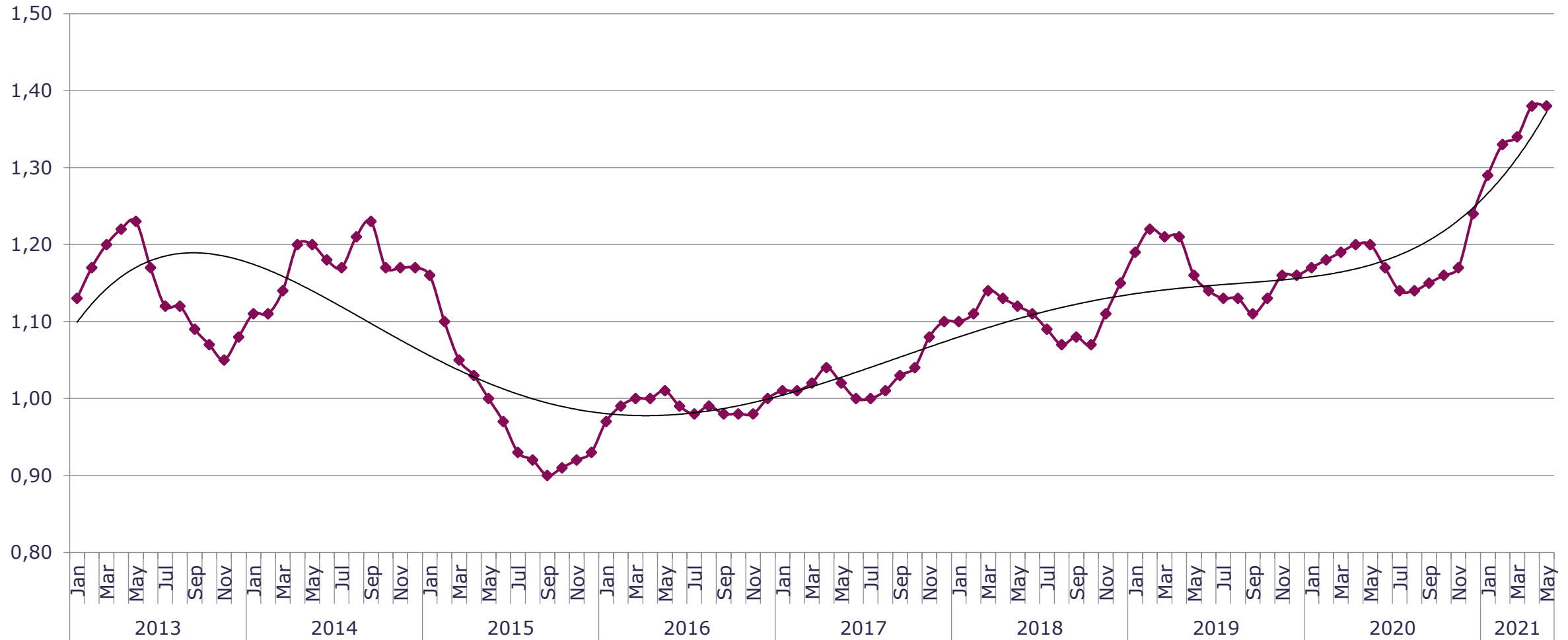
NUMBER OF TRANSACTIONS DONE BY FOREIGNERS (JANUARY 2019 - FEBRUARY 2021)





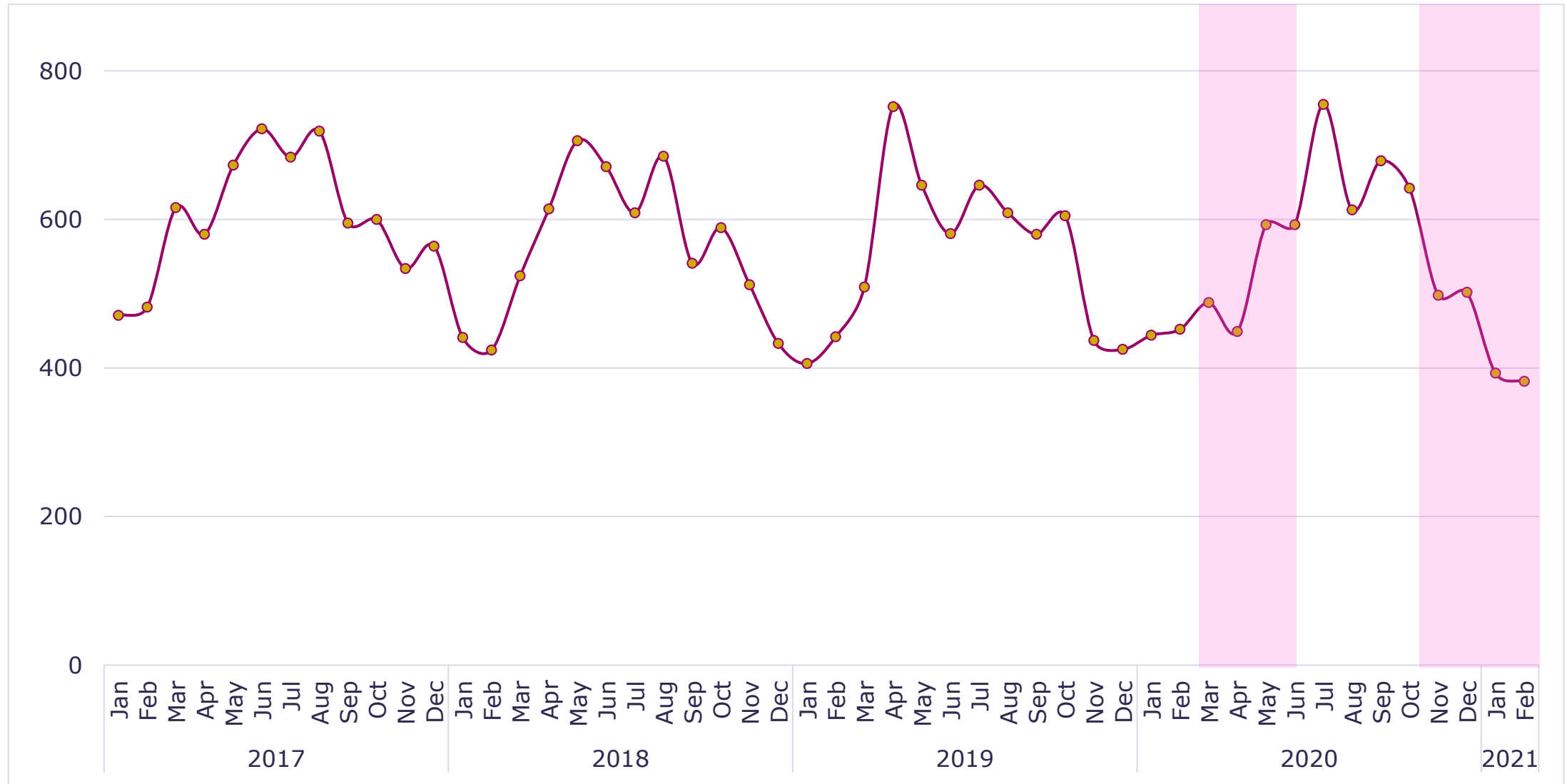
PRICE INDEX

(JANUARY 2013 - MAY 2021, AGAINST THE FIRST HALF OF 2012)

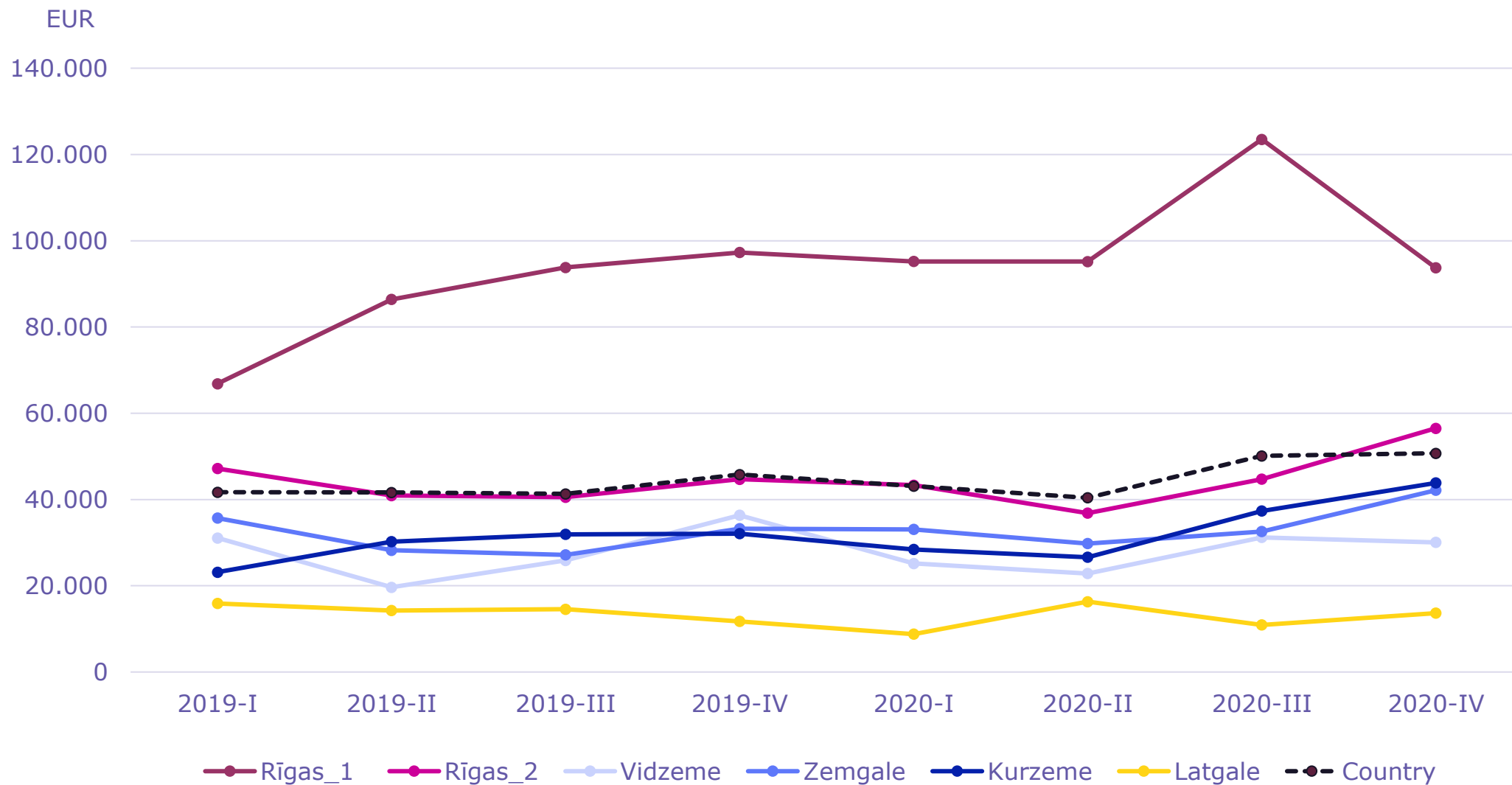




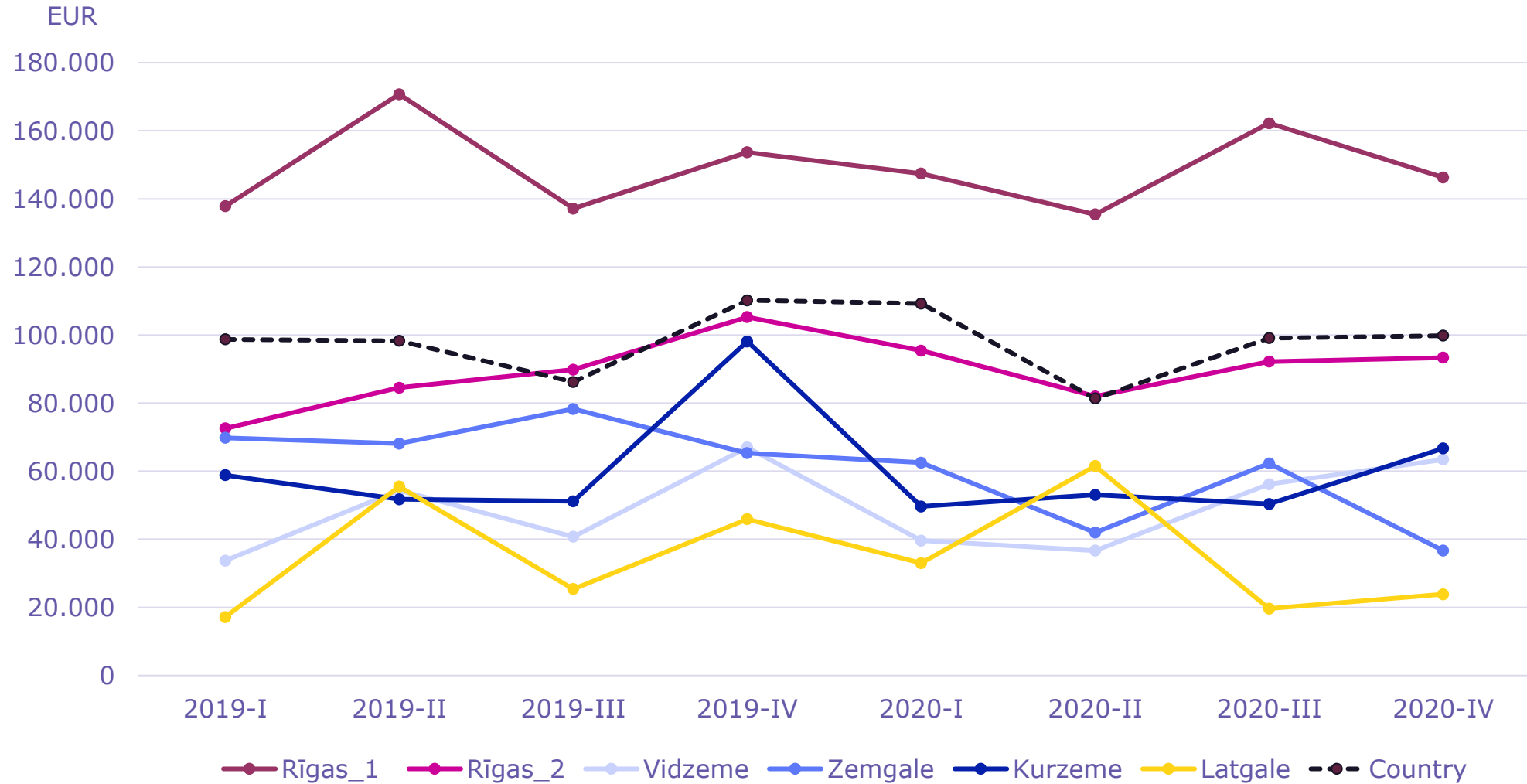
NUMBER OF TRANSACTIONS WITH SINGLE-FAMILY HOUSING (JANUARY 2017 – FEBRUARY 2021)



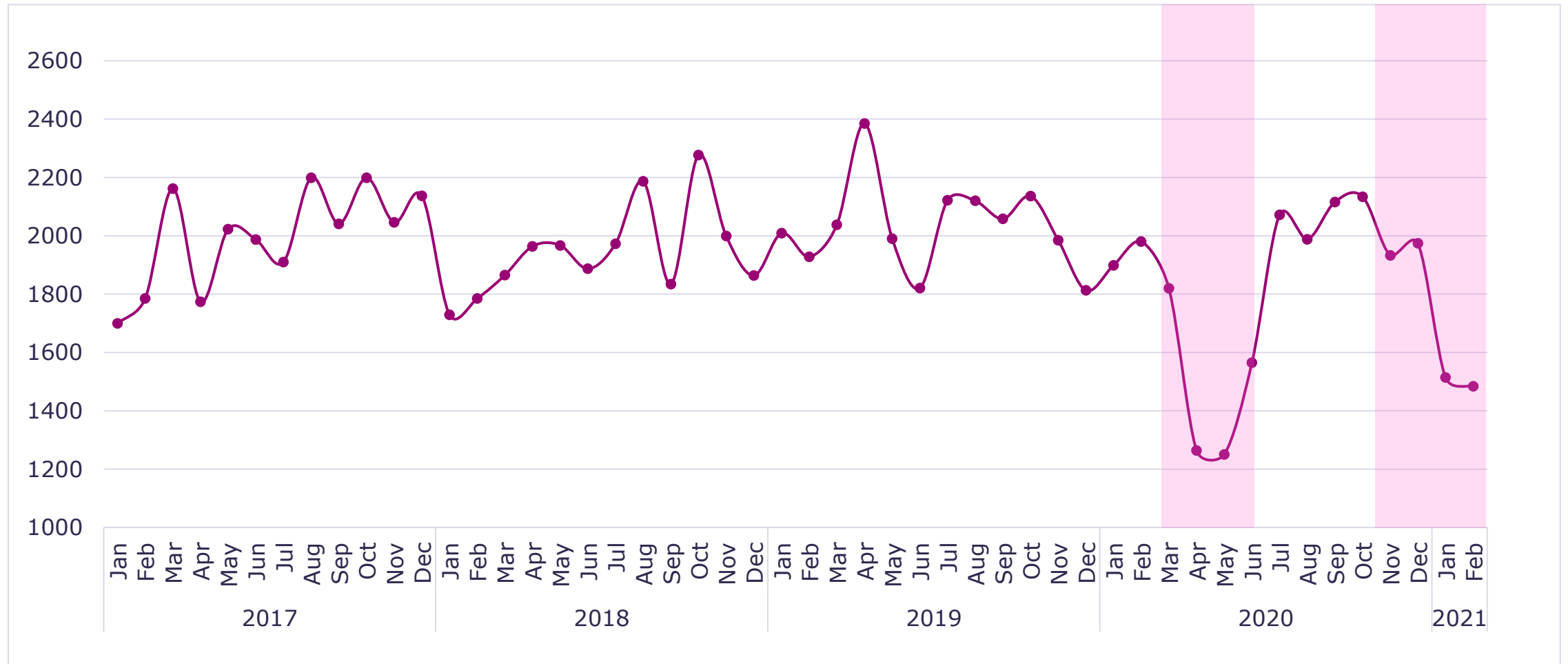
AVERAGE TRANSACTION SUM FOR SINGLE-FAMILY HOUSING, 80-150 m2 (2019-2020)



AVERAGE TRANSACTION SUM FOR SINGLE-FAMILY HOUSING, 150-220 m2 (2019-2020)

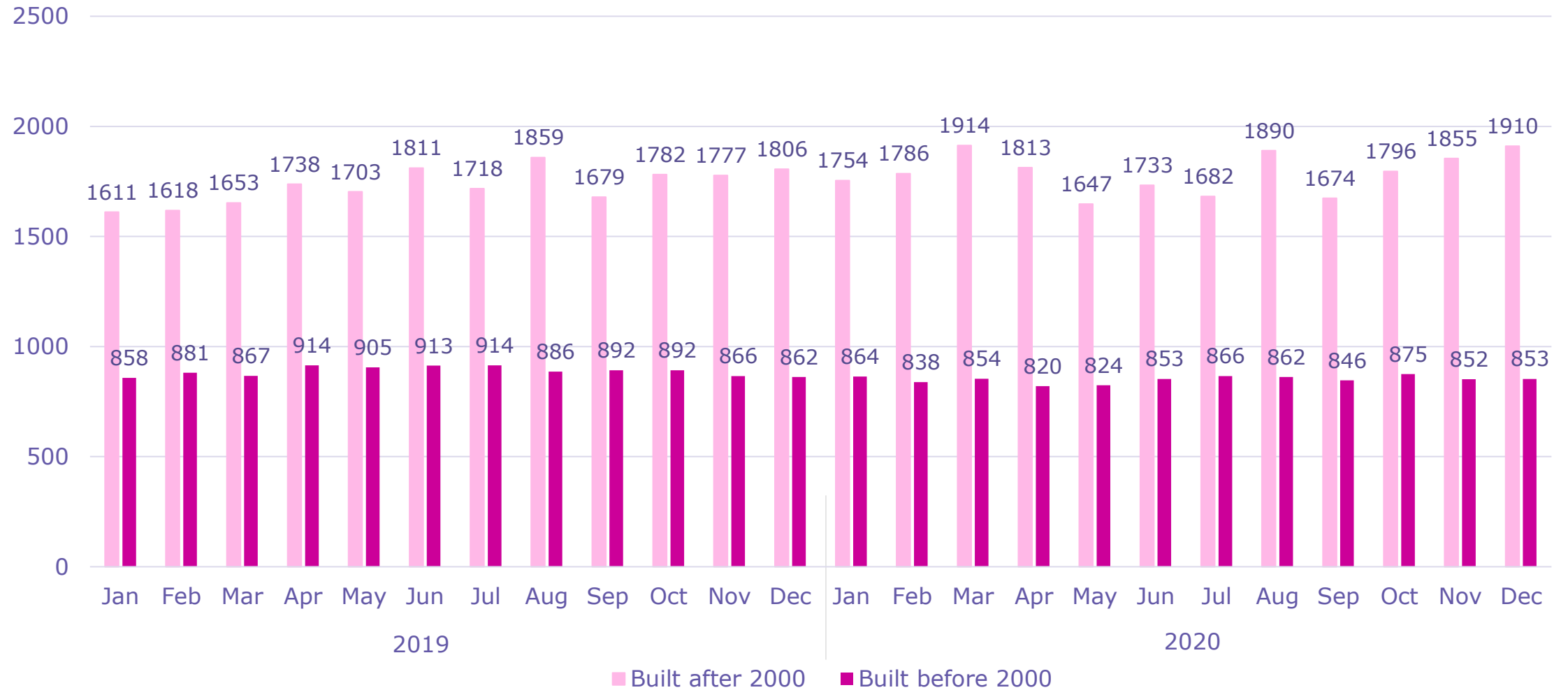


NUMBER OF TRANSACTIONS WITH APARTMENTS (JANUARY 2017 – FEBRUARY 2021)

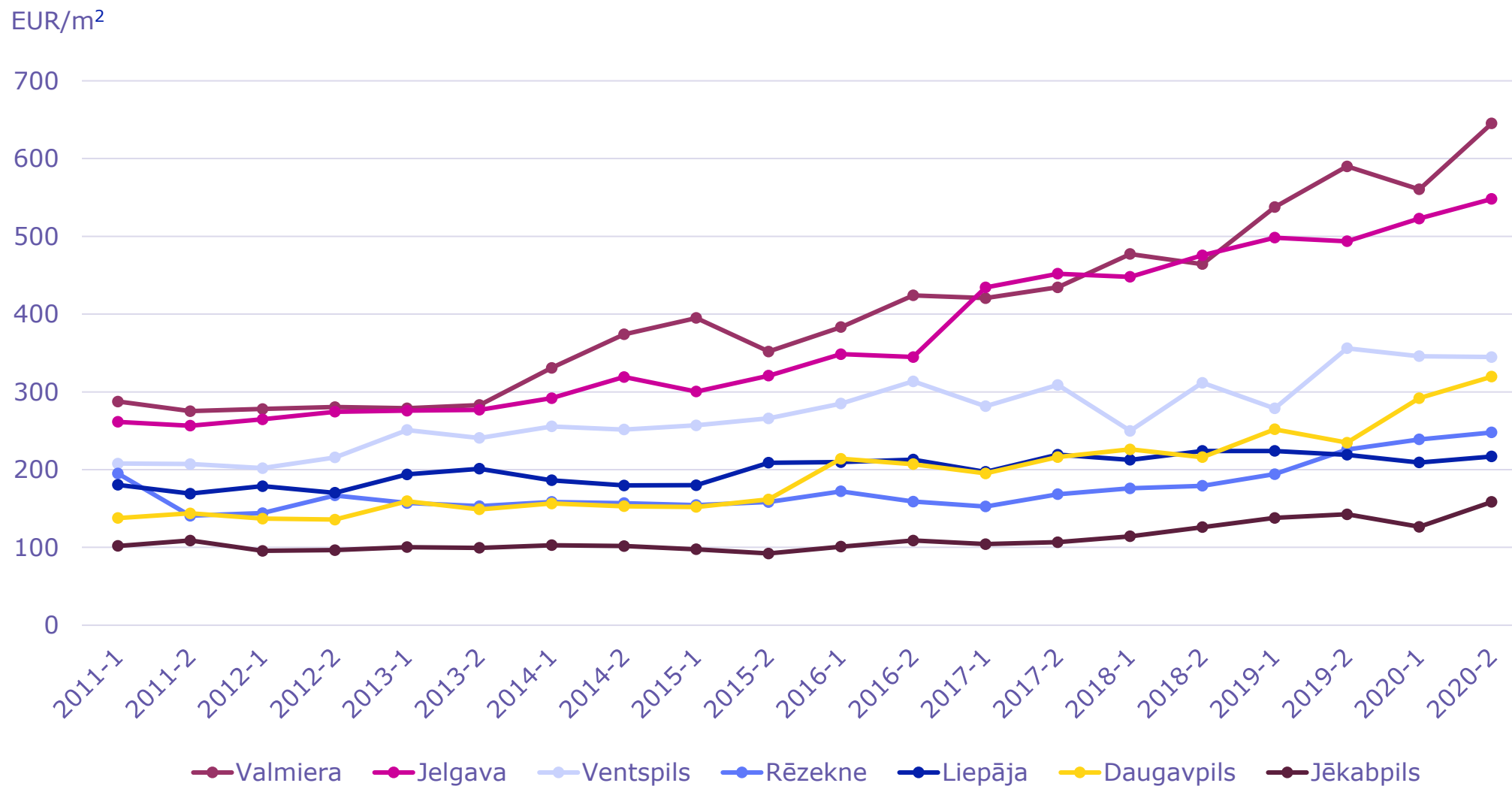


AVERAGE PRICES FOR APARTMENTS IN RIGA (2019 – 2020)

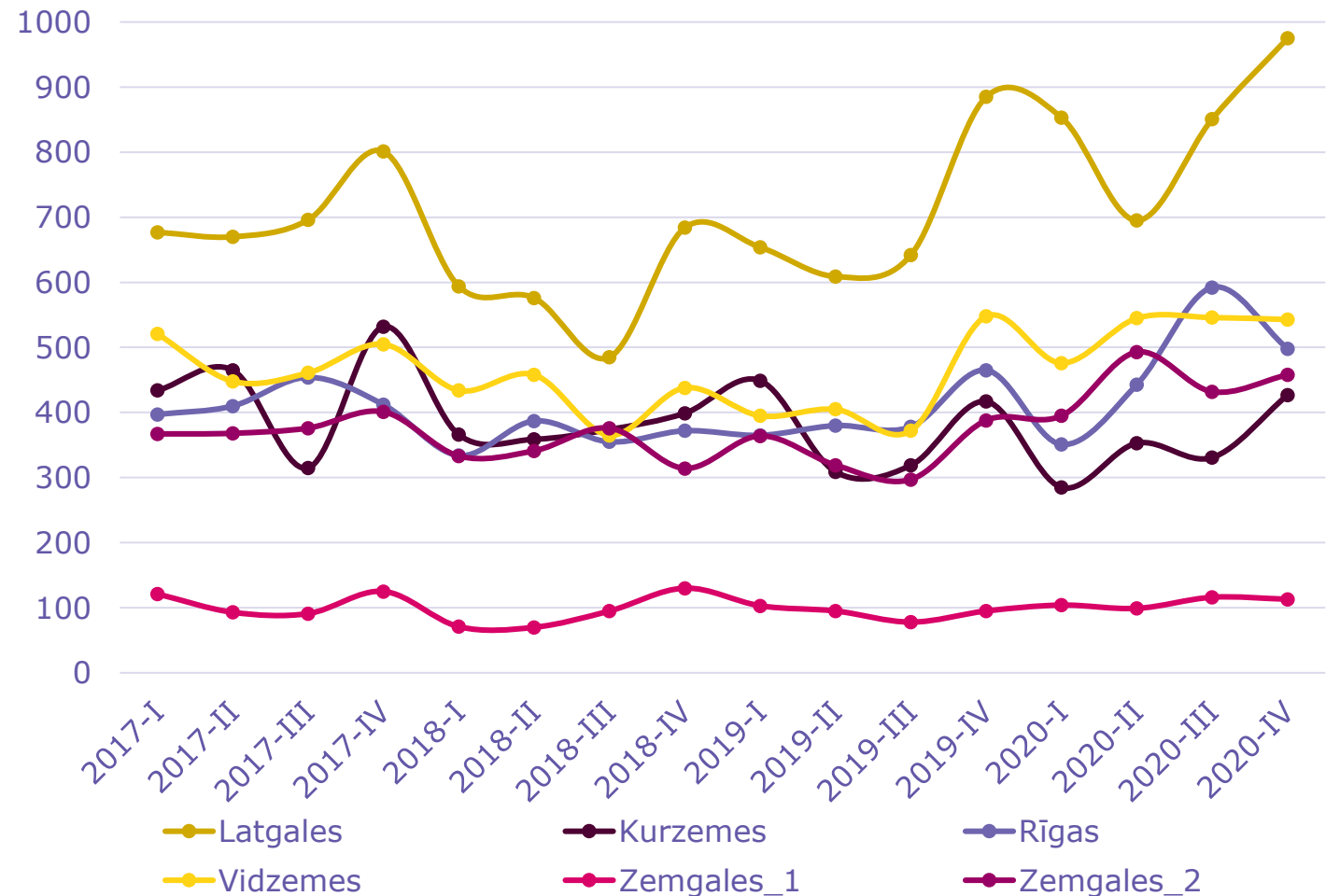
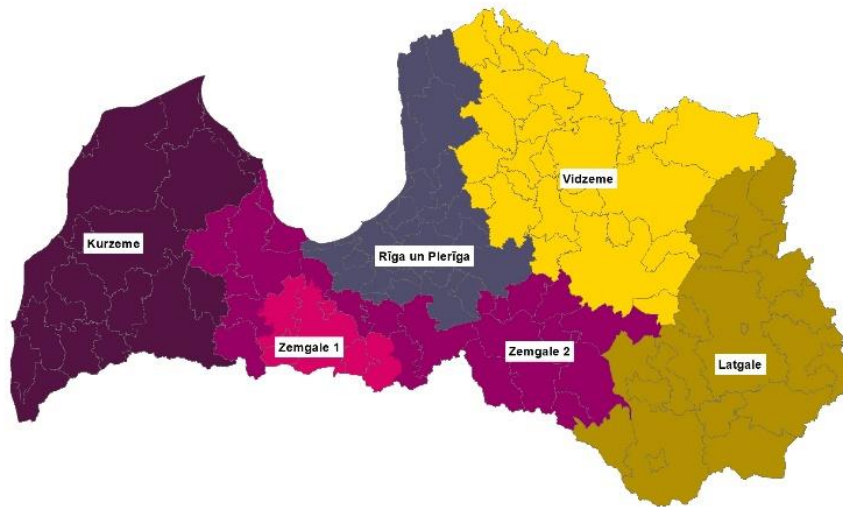
EUR/m²



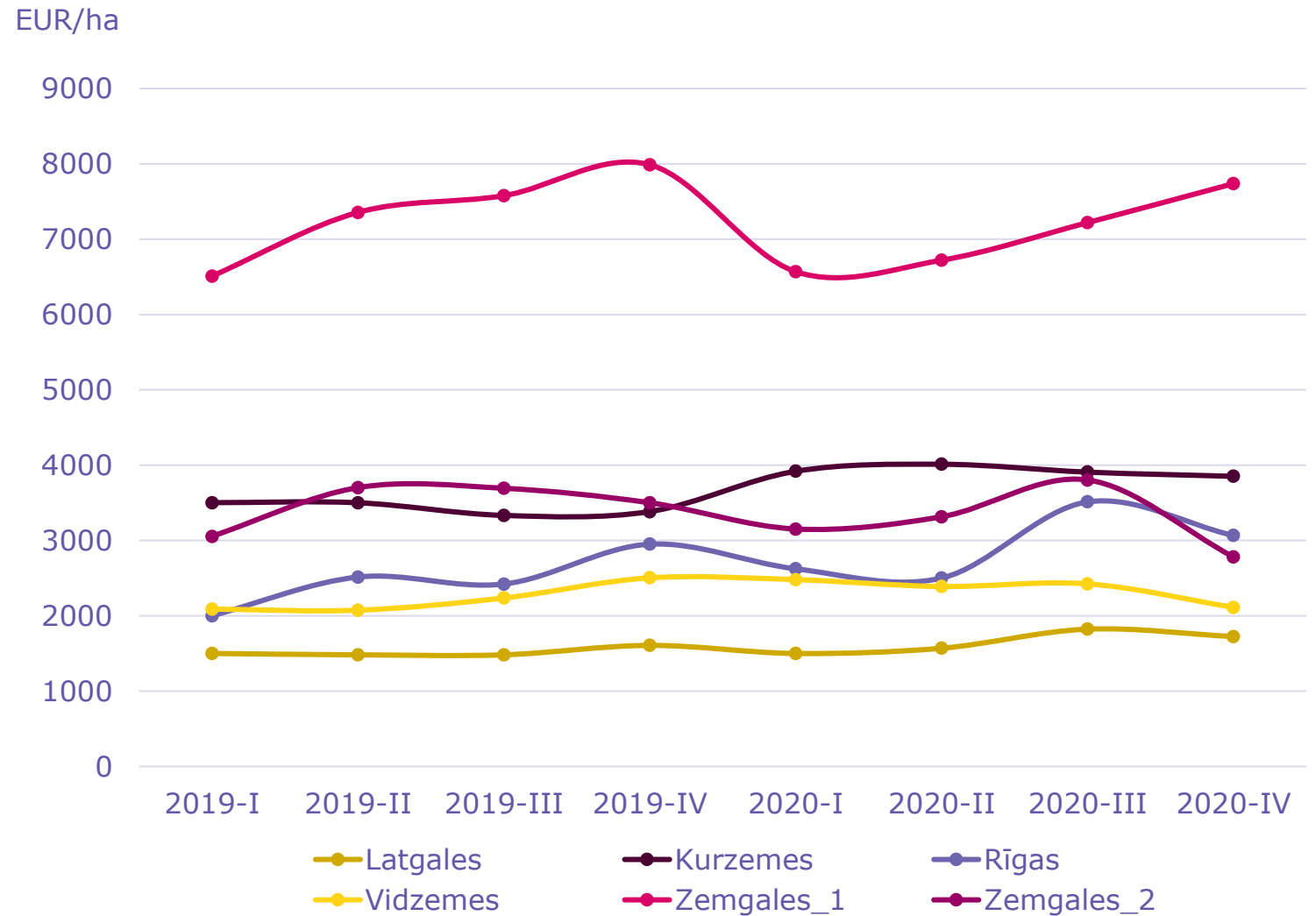
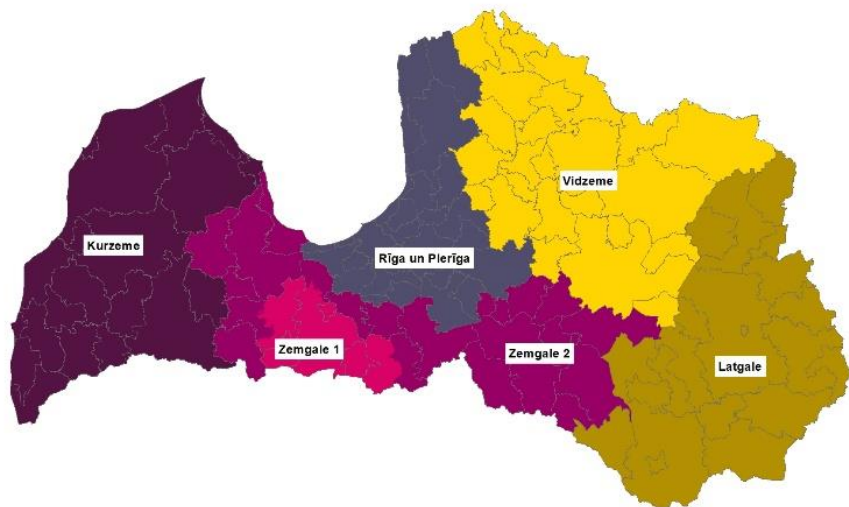
AVERAGE APARTMENT PRICES IN BIG CITIES (2011 – 2020)



NUMBER OF TRANSACTIONS WITH AGRICULTURAL LAND IN REGIONS (2017 – 2020)

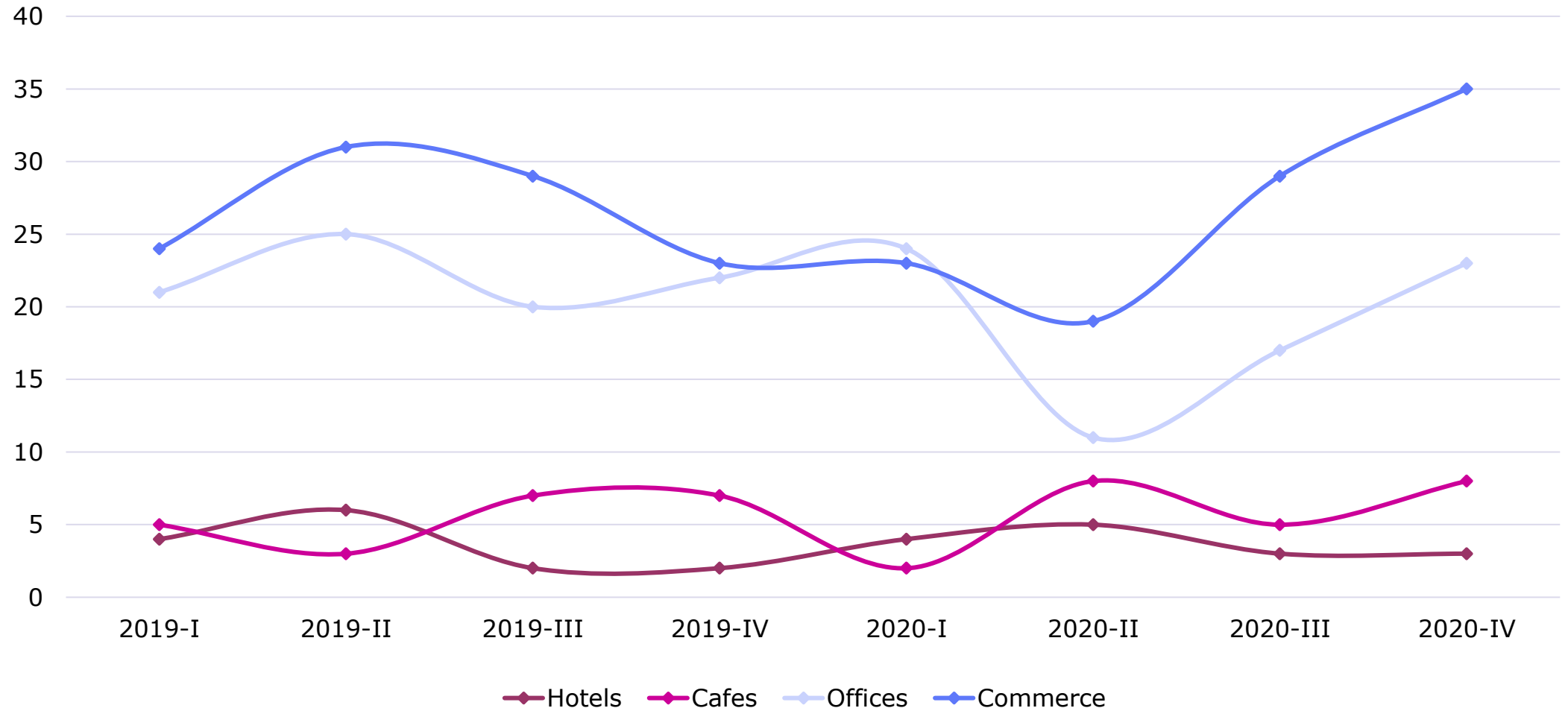


AVERAGE PRICES FOR AGRICULTURAL LAND IN REGIONS (2019 - 2020)



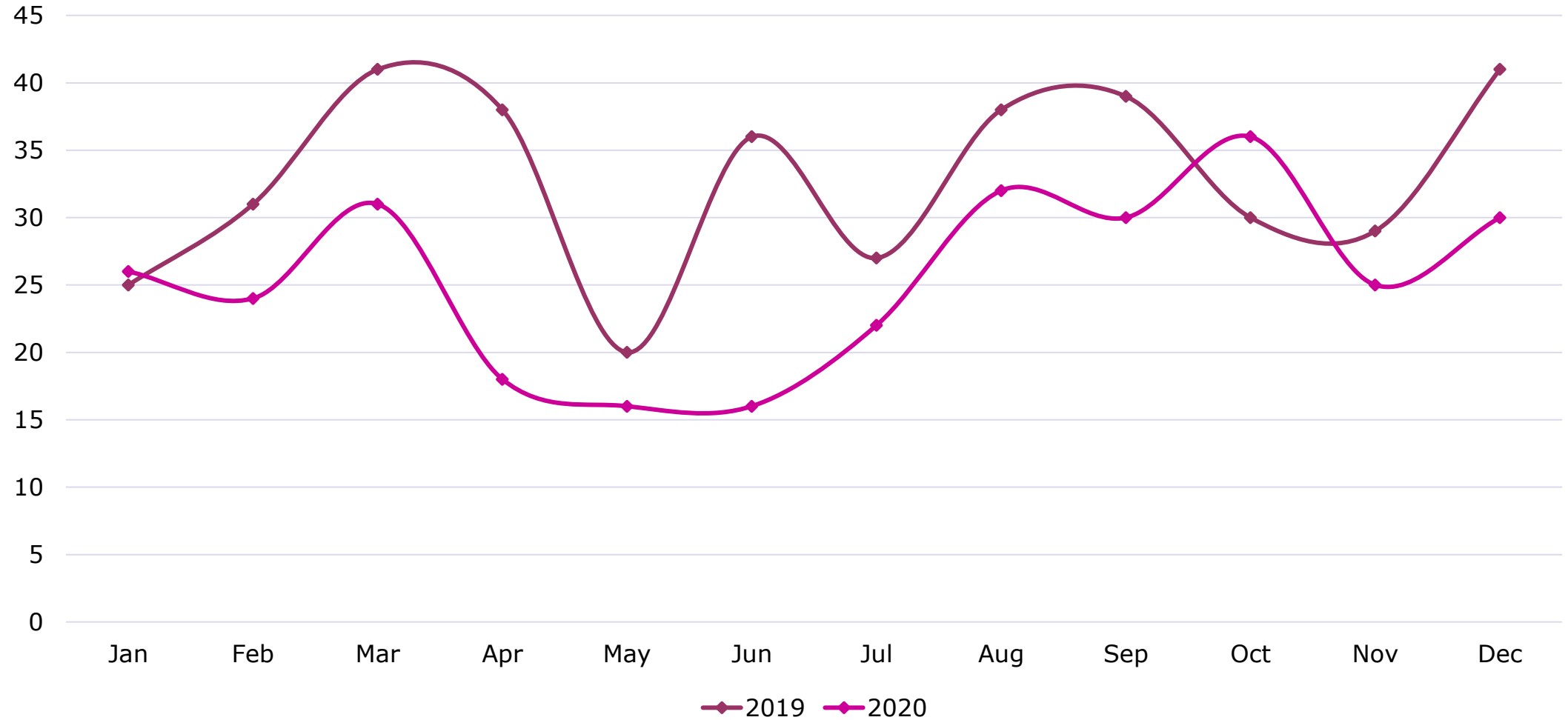


NUMBER OF TRANSACTIONS WITH COMMERCIAL BUILDINGS (2019-2020)





NUMBER OF TRANSACTIONS WITH INDUSTRIAL OBJECTS (2019 AGAINST 2020)



5 CONCLUSIONS





1.

THE COVID-19 PANDEMIC HASN'T HAD SIGNIFICANT IMPACT ON THE REAL ESTATE MARKET OF LATVIA – THE NUMBER OF TRANSACTIONS ISN'T CHANGING, PRICES CONTINUE TO INCREASE



2.

**FOR SINGLE-FAMILY HOUSING
AVERAGE DEAL SUM AND THE
NUMBER OF TRANSACTIONS
ARE INCREASING IN THE REGION
OF RIGA**



3.

**THE PANDEMIC HAS NO IMPACT ON
THE APARTMENT MARKET
APARTMENT PRICES ARE NOT
DECREASING**



4.

**FOR AGRICULTURAL LAND, THE
NUMBER OF TRANSACTIONS AND
AVERAGE PRICES **HAVE STABILIZED,**
THE INCREASING TREND HAS
REDUCED**



5.

FOR COMMERCIAL AND INDUSTRIAL OBJECTS THE NUMBER OF TRANSACTIONS IS **DECREASING**



DISCUSSION "HOW HAS THE COVID-19 PANDEMIC AFFECTED THE REAL ESTATE MARKET OF LATVIA?"

Experts from the Latvian Association of Real Estate Appraisers, the Alliance of Real Estate Developers and the Latvian Partnership of Construction Entrepreneurs also shared their observations.



DISCUSSION "HOW HAS THE COVID-19 PANDEMIC AFFECTED THE REAL ESTATE MARKET OF LATVIA?"



The number of issued building permits is increasing

”

”

It is expected that construction costs will continue to increase



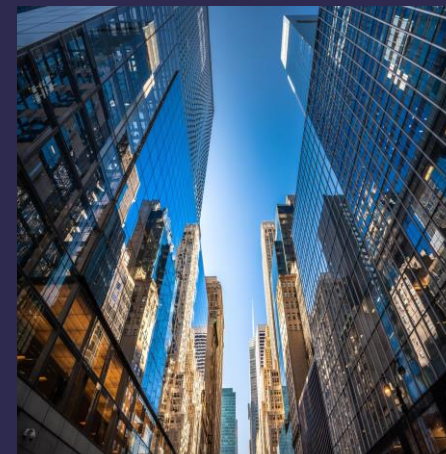
DISCUSSION "HOW HAS THE COVID-19 PANDEMIC AFFECTED THE REAL ESTATE MARKET OF LATVIA?"

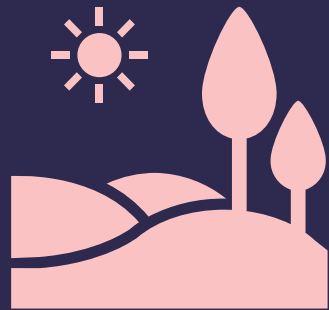


Logistics and warehousing segment is experiencing positive development



Rents in the commercial and retail segment are declining





PEOPLE SPEND MORE TIME AT HOME, CONSEQUENTLY THEY WANT TO BUY PROPERTIES OUTSIDE RIGA AND OTHER CITIES



Valsts zemes
dienests

**THANK YOU FOR
YOUR ATTENTION!**

Real estate valuation department
nivd@vzd.gov.lv

