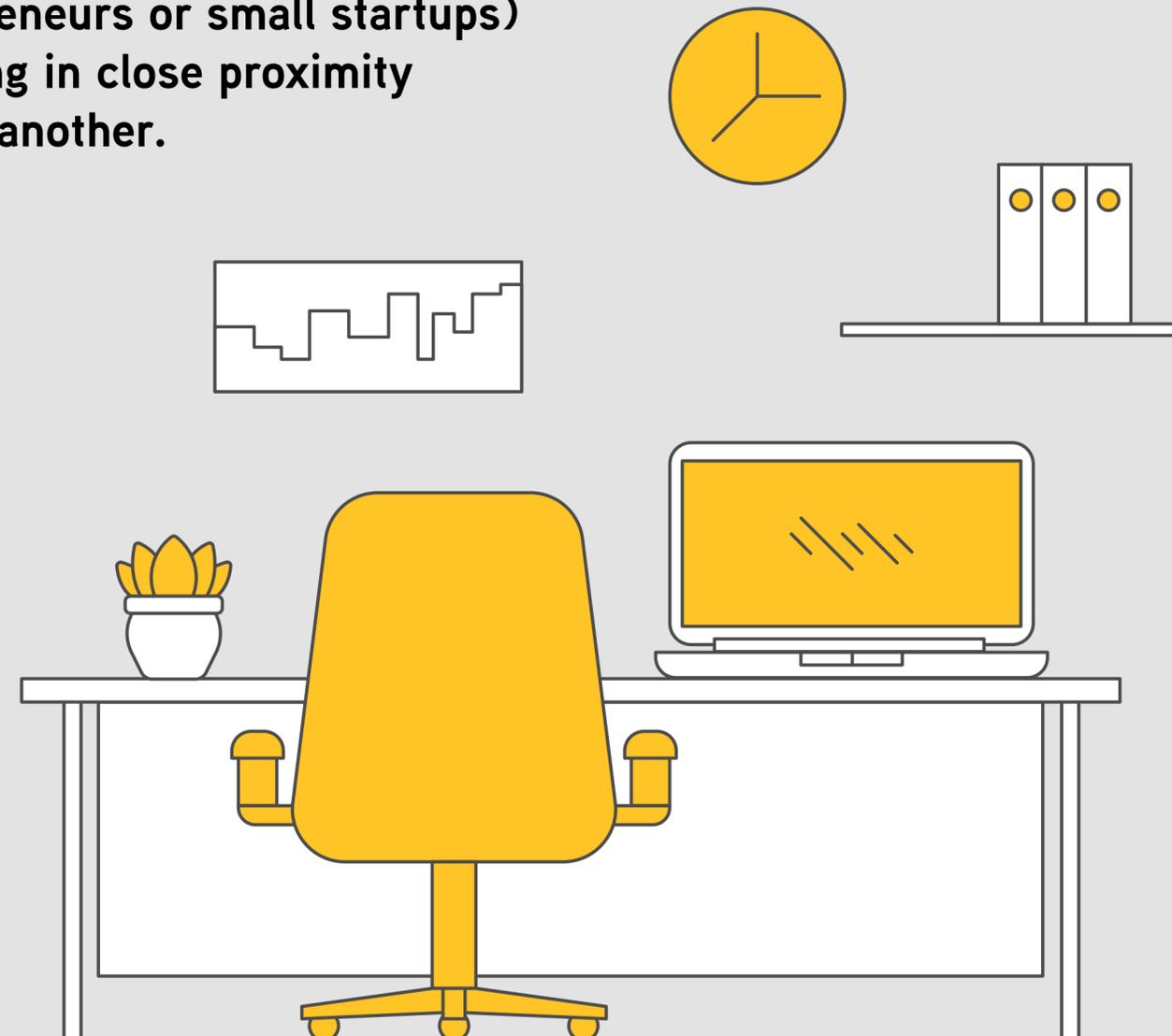


# WHAT IS COWORKING?

**Coworking is a shared workspace that businesses (many of them individual entrepreneurs or small startups) can use on flexible terms, working in close proximity and often collaborating with one another.**

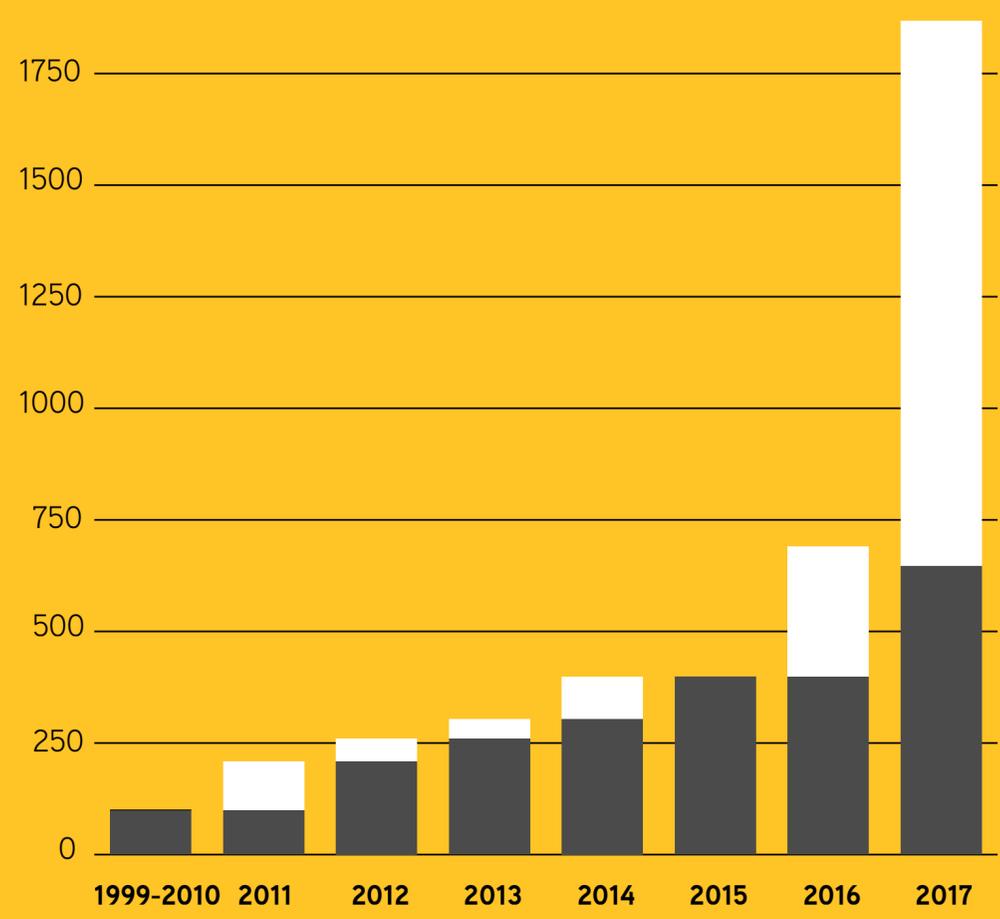
The coworking trend appeared around the 2000s, though the coworking movement is credited as being started in 2005 by Brand Neuberg in San Francisco. Coworking spaces are now popping up regularly in major cities nationwide. Names that have staked their claim in the coworking landscape include WeWork, Serendipity Labs, LiquidSpace, Coffice, Soho Works, Polygon and Ahoy! WeWork is now estimated to be worth USD 20 billion after its latest round of private funding.



In Latvia the coworking trend has gained popularity in the last few years. So, what does coworking really mean? Coworking sites usually give members the option of renting a desk that becomes their own reserved space. But most also provide a drop-in option, where people can stop by and work in an unreserved common area for a lower fee. In other words, coworking is a workplace that allows short-term leases, with a minimum size of one seat, fully-furnished and ready-to-use. Coworking operators strive to create a sense of community among members and encourage tenants with similar interests to collaborate in a shared working environment. The uniqueness of each coworking space allows for others to compete and differentiate each site based on location, design, community, and profile of tenants.

# COWORKING SUPPLY IN RIGA

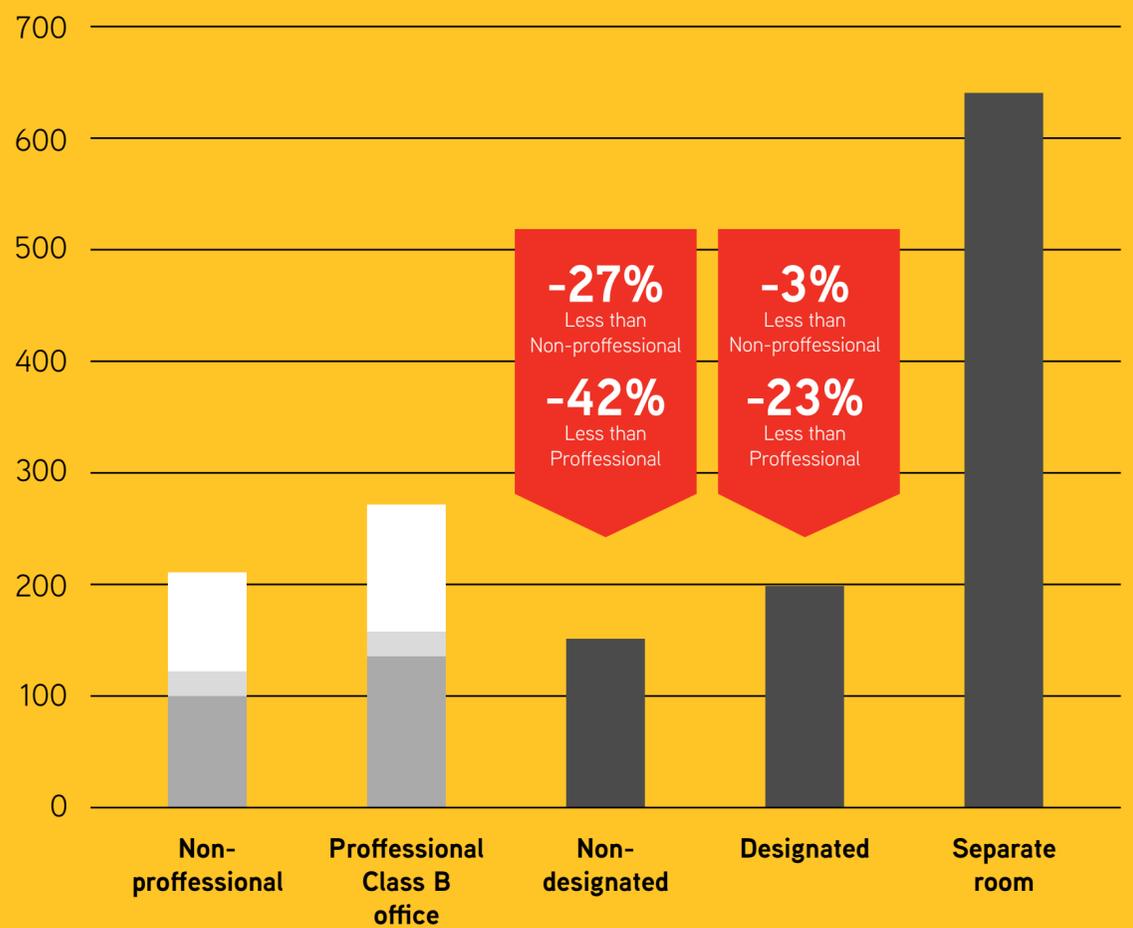
(NO. OF WORKSTATIONS)



At the beginning of the year (dark grey bar), New additions (white bar)

# TOTAL COSTS PER WORKSTATION

(EUR/MONTH)



Rent (light blue), Management costs (grey), Other costs (white), Monthly desk cost (dark grey)

**-27%**  
Less than Non-professional  
**-42%**  
Less than Professional

**-3%**  
Less than Non-professional  
**-23%**  
Less than Professional

## DYNAMICS OF COWORKING SUPPLY

The first full-service hotel offices in Riga appeared in 1999, though the name of the concept was coined much later. The Valdemara Centre offered private workstations **for 100 people**. By the end of **2016** the **number of flexible workspaces reached 650** and then **doubled by the end of 2017**.

# COWORKING MAP RIGA



## DIFFERENT TYPES

Colliers International has differentiated the main types of flexible workspaces in Riga – full-service hotel offices and coworking spaces. **Full service hotel offices**, like **Regus or Workland**, offer private offices and conference rooms that can be rented for short periods of time. Regus is located across multiple countries and offers the possibility to access offices worldwide. **Full-service hotel offices** are common in central locations and offer many facilities such as administrative support, meeting rooms and use of kitchen on a “pay-per-use” basis. **Coworking spaces, such as Teikums or People Work, provide the possibility to rent a workstation or workstations, depending on needs.** These workstations can be designated (with a fixed workplace), non-designated or a separate room accommodating a specific number of individuals. Coworking spaces focus on fostering interactions and communication between members, creating a community. Thus, coworking spaces with the specific profiles of their members, like tech or start-ups, have naturally appeared.

# COWORKING SERVICES



Internet



Telephone



Tea/Coffee



Kitchen



Meeting rooms



Printing facilities



Administrator



Access 24/7



Facility and Cleaning services



Parking\*

## SERVICES INCLUDED

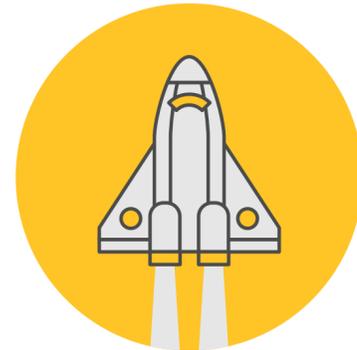
Almost all coworking spaces provide **all-inclusive services**, which is not common in traditional office centres. Services included in the rent rate are: **internet, shared kitchen, stationery, printing facilities, meeting rooms, electricity, reception/administrator, furniture. In addition, property management and cleaning service costs are included in the rent rate.** Most coworking space operators organize regular networking events which all coworking members are eligible to attend. Some offices provide parking possibilities at additional cost. The difference is seen in full-service hotel offices, where the following services are included in the rent rate: workplace with furniture, reception, utilities, property management and cleaning. **Besides, services such as internet, telephone, shared kitchen, stationery, printing facilities and use of conference rooms are available at additional cost.**

\* Not for all offices

# MAIN TRENDS



The number of workstations in **coworking spaces is almost twice as big as the number of workstations** in full-hotel serviced offices in Riga.



Segmentation by industries will continue (**tech, marketing, start-ups** – profiles of coworking members).



Developers of new office buildings are starting to dedicate **a share of total area for coworking spaces and offer coworking workplaces as a service.**



Total stock of coworking spaces has **doubled over the last 2 years**, and Colliers International expect that the pace of growth in coworking spaces will continue.



Coworking brings positive impact to new businesses: **helping to find new contacts/partners, ensuring information exchange and providing a creative environment**, which encourages generation of new ideas.

## WHAT TO CHOOSE?

The expenses of coworking spaces are **slightly lower than non-professional office premises**, while coworking provides the greatest flexibility in terms of lease. Many small companies or individual entrepreneurs seeking office premises under 100 sqm encounter a problem in finding office space. **Choosing coworking spaces allows them to eliminate leasing capacious permanent space for a long period and buying their own furniture and equipment.** Coworking spaces allow daily or hourly usage and thus can be most ideal for flexible workspace users in an increasingly expensive leasing market. Coworking spaces are an improvement on typical conventional choice due to the absence of administrative routine, though this is partly outweighed by relative lack of privacy.

# WANT TO LEARN MORE?

**Colliers**  
INTERNATIONAL

People Work



Teikums



OracleTang Space



## Ēriks Bergmans

Partner | Director | Brokerage  
Direct: +371 6778 3333  
Mobile: +371 2643 0099  
eriks.bergmans@colliers.com

## Jevgenija Gricenko

Associate Director | Brokerage  
Direct: +371 6778 3333  
Mobile: +371 2968 9996  
jevgenija.gricenko@colliers.com

## Olga Šišlova

Consultant | Brokerage  
Direct: +371 6778 3333  
Mobile: +371 2635 6734  
olga.sislova@colliers.com

## Kristīna Kovale

Analyst | Research and Advisory  
Direct: +371 6778 3333  
kristina.kovale@colliers.com

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