

No New Construction as Office Space Stands Empty

By [The Moscow Times](#)

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Not one new Class-A office building was built in Moscow during the second quarter, according to analysts at Cushman & Wakefield.

Similarly, since the start of the year, no plans have been announced for the construction of any new business centers. Nevertheless, projects that have already been started continue to be built, Cushman & Wakefield said in a report.

"Over the next few years, several large and notable projects should be started," the report said.

During the first half of the year, 355,000 square meters of office space went into use, according to data from CB Richard Ellis. In the same period last year, that number was 1.1 million square meters. Of that figure, Class-A office space made up about 50 percent, and a third was in Moscow's central business district. Nevertheless, more than 40 percent of the

empty Class-A business centers are located in the center of the city, according to CB Richard Ellis.

Renting space that is under construction — popular before the crisis — does not happen any more, said brokers at Jones Lang LaSalle. There are too many choices of locations in already completed projects.

In the second quarter, 210,000 square meters were leased, according to data from Knight Frank. That figure is 20,000 square meters more than the first quarter, but still far from the pre-crisis level.

The amount of vacant office space currently stands at more than 1.7 million square meters, according to data from Cushman & Wakefield.

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