

Moscow to Lead Housing Price Growth

By [The Moscow Times](#)

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Not all property will appreciate, but prices for luxury homes and apartments in Moscow will go up 10 percent. **Vladimir Filonov**

LONDON — Moscow will have the steepest price growth next year among the world's most expensive cities for luxury homes because of a shortage of properties for sale, Knight Frank said.

Prices for prime houses and apartments in the Russian capital will probably rise about 10 percent next year after a gain of less than 5 percent this year, the London-based real estate broker said in a report predicting home values for 25 cities. St. Petersburg ranked third, with values likely to gain 5 percent to 10 percent, the report showed.

"There's a stock shortage in Moscow following the change of mayor last year, which has caused a freeze in new development," said Patrick Dring, head of the firm's international residential arm, at a presentation last week.

Knight Frank predicts that steps taken by the authorities in China and Hong Kong, such as

restricting mortgages and clamping down on speculative investment, will cool their housing markets. Prices in Shanghai and Hong Kong will fall by as much as 10 percent next year after "low interest rates supercharged growth," said Liam Bailey, the firm's head of residential research.

Knight Frank predicts that values will gain less than 5 percent in London's prime residential market, Paris's will rise by as much as 10 percent and New York's will be little changed next year.

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