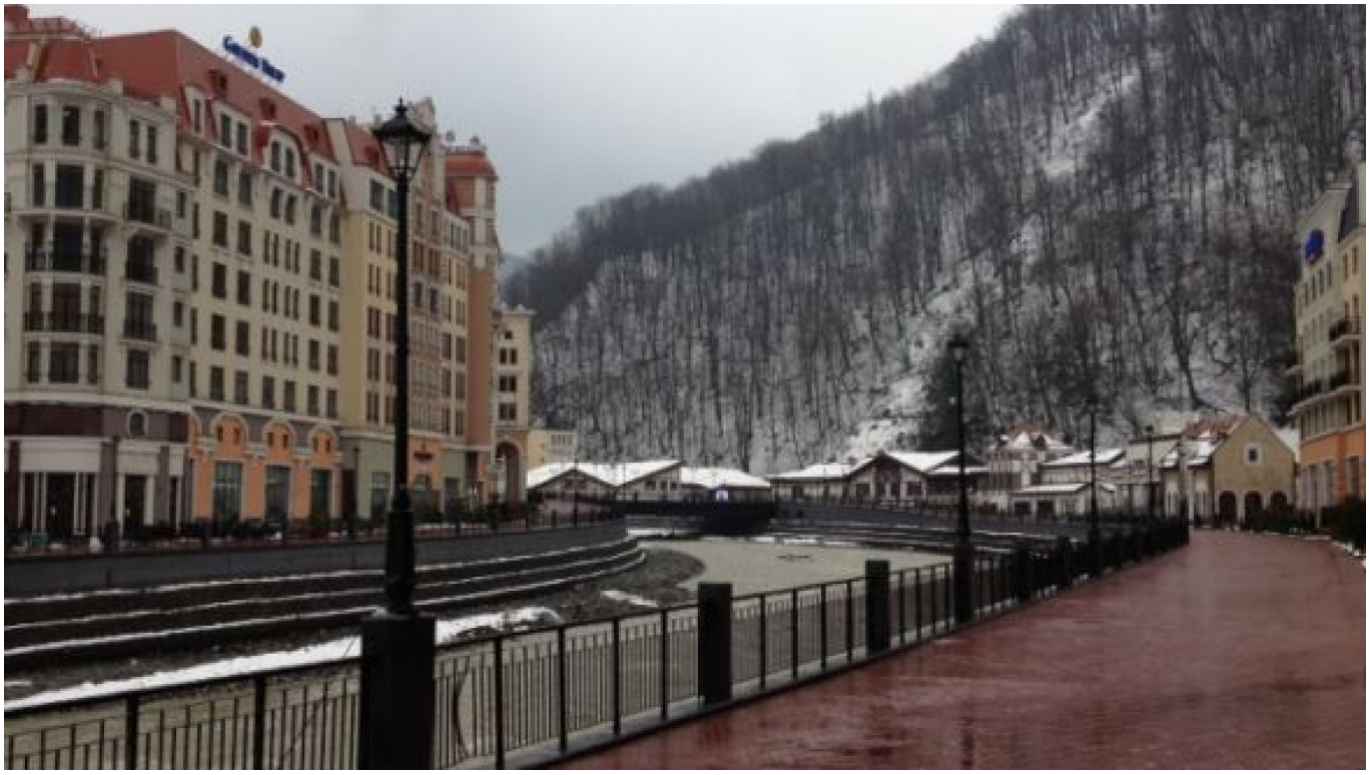
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# Sochi Hotel Room Seekers Come in Last Place

By Irina Filatova

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Hotels lining the Mzymta River at the foot of the mountain at Rosa Khutor. **Irina Filatova**

SOCHI — The paint on the walls of similarly designed hotels surrounded by the picturesque Caucasus Mountains at the Rosa Khutor ski resort built by billionaire Vladimir Potanin barely had time to dry before guests began to check in.

The properties — including brands like Radisson and Park Inn by Rezidor Hotel Group, Mercure by Accor and Tulip Inn by Golden Tulip Hospitality Group — are the result of the massive hotel development that has been taking place in Sochi over the last few years after the city won the bid to host the 2014 Winter Olympics.

But despite tens of billions of dollars spent on building hospitality facilities in the city, finding accommodation is likely to turn into a headache for average sports fans. A year before the Olympics actually kick off, all Rosa Khutor hotels are booked out from Feb. 7 through Feb. 23, when the games are taking place.

The situation is typical for other parts of the city, with no rooms available on either hotel websites or popular reservation services.

"The rooms have been booked by the organizing committee, and as of today there's no flexibility with that," said Alexis Delaroff, managing director for Russia and CIS for Accor, which opened its mid-market Mercure Rosa Khutor in late January.

As part of its agreement with development company Rosa Khutor — which built the eponymous resort — the organizing committee will have all property including the total room stock at its disposal for the period of the Games and during preparations, said Alexander Belokobylsky, chief executive of the company's Sochi unit.

"We have certain obligations to the organizing committee, ... and they will decide who will live here," he said, adding that the rooms had been reserved to accommodate organizers and VIP guests.

Rosa Khutor, owned by billionaire Vladimir Potanin's Interros holding, was established in 2003 for developing the ski resort in Krasnaya Polyana.

The mountainous Krasnaya Polyana settlement is one of the two sites where Sochi Olympic events will take place, with the other venue in the Imereti valley near the sea coast.

To meet the criteria of an Olympic host city, Sochi will have to have 42,000 rooms completed by the time the opening ceremony commences. The city's total room capacity was 26,000 rooms as of March 1, according to figures provided by the local administration's tourism department, Vedomosti reported.

### Other Options

Delaroff suggested that in the absence of available accommodation in existing hotels, regular visitors could live in apartment hotels, with a number of them expected to be completed by the start of the games.

But Belokobylsky was less optimistic, saying regular visitors would apparently have to live "in other places, because the close proximity to the Olympic site makes Rosa Khutor very convenient for the organizers."

A popular Black Sea resort, Sochi has traditionally offered tourists and business travelers a wide range of leased out private accommodation options for any taste and budget.

To help sports fans find housing for the period of the games, the Sochi authorities assigned accommodation bureau Bolshoi Sochi to handle the issue, giving it the status of an official reservation service for the Olympics.

The bureau includes three local tour operators, Rosyugkurort, Riviera-Sochi and SG Tours, which offer accommodation in guesthouses and two- to three-star hotels of up to 50 rooms.

Reservations for the period of the games are already possible. To book a room, one should fill in an online application form and pay the accommodation fees within five days after receiving payment details by e-mail, according to the Bolshoi Sochi website.

But searching accommodation through an officially accredited bureau does not guarantee a positive outcome. The website makes it clear that the option requested by a client might not be available by the time the payment is made, with the bureau promising to offer other options or return money.

Just like in big hotels managed by international chains, some offerings listed on the Bolshoi Sochi website turn out to be unavailable for ordinary guests.

"We have no rooms available. All rooms are reserved for the Sochi administration officials and Japanese sportsmen," a receptionist at the Tatyana three-star hotel said by telephone.

The hotel, which is on Bolshoi Sochi's accommodation list, is in Krasnaya Polyana and offers 16 rooms with a mountain view, according to its website.

She advised a Moscow Times reporter, who introduced herself as a sports fan seeking a place to stay during the Olympics, to rent an apartment in the city center, saying it was likely to be the most affordable option.

### Gouging Galore

But, unlike hotel rates that the federal government promised to control for the games period, private landlords are expected to set exorbitant prices for the thousands of visitors flowing to the city.

"Everyone will want to make as much money as possible," said Alexander Zorin, a realtor with Sochi-based real estate agency Olimp. Rental rates will gradually grow along with demand, until the start of the games, he said.

Prices in the private sector currently start at 300 rubles per person per night in a guest house, with a one-bedroom apartment available for between 1,400 rubles per night to 2,500 rubles per night, according to RentHome.ru website.

Those rates are expected to skyrocket by about 500 percent by next February, with landlords changing the payment terms as well, Zorin said. "According to my most modest estimates, they will charge between $300 and $500 per person per night," he said.

Natalya Sokolova, deputy chief executive of SG Tours, which is part of Bolshoi Sochi bureau, said her company avoids working with private landlords, who are likely to hike prices.

"We don't want to be responsible for that," she said.

To prevent hotel operators from hiking prices, the government set the rates range of between 2,900 rubles per night at a two-star hotel to 14,000 rubles per night for a five-star room.

Meanwhile, rates in the private sector have yet to be determined since many homeowners remain undecided on how much to charge.

Elvira, who owns a two-story guest house near the shore, sounded frustrated when asked about reserving a room for the period between Feb. 7 and Feb. 23.

"You're actually the first one to ask," she said by telephone.

A double room with shared amenities in her guesthouse currently costs 350 rubles per person per night, with the rate to rise to 400 rubles in summer, which is high season. The costs do not include meals, with guests having the option to cook for themselves at a common kitchen.

The Olympics are too far off, with rates being clear only for the summer season, said Elvira, who did not provide her last name. Prices for the time of the Games will be jointly decided by owners of similar guesthouses, but the final rates are unlikely to exceed 1,500 rubles per person per night, she said.

"Give me a call in July," she added.

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