

Chinese Builders Offer to Supply Russia With Affordable Housing

By [The Moscow Times](#)

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A man rows a boat on a river in front of new properties in Taiyuan, Shanxi province, China.

Chinese construction companies are ready to help Russia boost its stock of affordable housing if domestic builders cannot rise to the task, Deputy Housing Minister Alexander Plutnik said after a meeting of a new Russia-China investment commission.

Russia aims to build 25 million square meters of affordable housing by 2018 under the "Housing for Russian Families" program.

"We are banking on Russian builders showing interest and initiative to go out and get long-term orders ... but if they don't, there are Chinese builders that are ready to come," Plutnik was quoted as saying by news agency TASS following the meeting last week.

Plutnik said the Chinese construction firms had committed to selling the housing at under 30,000 rubles (\$800) per square meter. At that price, the Chinese investors would still achieve

margins of 8 to 10 percent, he added.

The average 2-bedroom apartment in Russia is about 55 square meters.

Although Chinese companies build 1.5 billion square meters of residential housing in China and abroad each year, they have only minimal presence in Russia, TASS said.

According to the Vzglyad newspaper, a square meter of new residential real estate in Moscow costs on average 188,000 rubles (\$5,000). Outside the capital, average costs range from 40,000 to 70,000 rubles (\$1,000 to \$1,850).

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