

Prices Fall as Moscow Real Estate Market Stagnates

By [The Moscow Times](#)

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Moscow's residential real estate market has not experienced its typical September revival, as discriminating buyers hold out for better prices in the future, Vedomosti reported.

"Everyone expected that September would bring the traditional rise in demand and price for real estate, but this hasn't happened," said one developer contacted by the newspaper.

The Moscow real estate market experienced a boom earlier in the year as buyers wary of the steadily devaluating ruble decided to safeguard their earnings in real estate. A lull followed shortly after, however, and prices have begun to show it.

Over the course of September, dollar prices on apartments in Moscow lost 2.5 percent, falling from \$4,988 to \$4,863 per square meter, while ruble prices made a similar drop, according to data from analytics firm IRN.ru.

On the primarily ruble-denominated secondary market, prices have risen by about 0.5 percent, said Dmitry Taganov, head of analytical center Inkom.

Meanwhile, the secondary market is stagnating as properties wait up to three months for buyers — even longer than during the 2008-09 financial crisis, real estate analysts told Vedomosti.

Some properties elicit almost no interest from prospective buyers, one realtor said. The greatest demand is for properties in the relatively cheap price bracket of between 6 million and 7 million rubles (\$150,000 to \$175,000).

The stagnation in the secondary market is a result not only of low appetite among buyers, but investors' reluctance to part with properties at today's low prices, Best-Realty president Grigory Poltorak told Vedomosti.

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