

Ukraine Housing Market Hits Record Low

By [The Moscow Times](#)

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Housing sales in Ukraine have fallen to their lowest levels in five years due to currency devaluation and the difficulty of acquiring loans, news web site Gazeta.ru reported Monday.

Kiev, whose housing problems began with the Euromaidan protests last year, registered 100,820 housing sale transactions in the first nine months of this year, down from 242,300 during the same period last year, Gazeta.ru reported, citing figures from ARPA Real Estate company.

Despite interventions from Ukraine's Central Bank over the past month and a half, the hryvna fell to historic lows against the dollar last week, hitting nearly 14 to the dollar, Reuters reported.

In many cases banks are also unwilling to provide long-term housing loans due to liquidity problems, and those that do may charge exorbitant interest rates. Prostobank Consulting company told Gazeta.ru that the weighted average interest rate for mortgage loans was 21.8 percent.

To make matters worse, businesspeople who may have the money to buy property in Kiev have been choosing to buy elsewhere. Demand for high-end apartments in Moscow has risen 10 to 15 percent due to purchases made by Ukrainian businesspeople, a study found last month.

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