

Moscow Malls Vacancy Rate Exceeds 8 Percent

By [The Moscow Times](#)

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The total amount of vacant space in Moscow shopping malls reached 8.3 percent last year as many retailers were forced to close their outlets due to plummeting sales, a report published Thursday revealed.

Over the past year, the share of vacant space rose by 2.3 percent points, the report by real estate consultancy Jones Lang LaSalle (JLL) showed.

The JLL experts link increased vacancy rates with a significant supply of new retail space that totaled 560 square meters in 2015 and the difficulties tenants face due to the falling purchasing power of Russians.

In the first eleven months of 2015, retail sales in Russia dropped by 9.3 percent, according to data from Rosstat state statistics service. Moscow saw an even bigger decline with retail sales falling by 13 percent last year, the report said.

According to JLL, in the third quarter of last year, rental prices in malls dropped by 15 percent. The average monthly lease in Moscow's shopping centers currently stands between \$300 and \$1,200 per square meter.

According to JLL experts' forecasts, in 2016 the vacancy rate may reach 10 percent, approaching the record low of 2010, when 11 percent of space in the capital's shopping centers remained vacant.

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