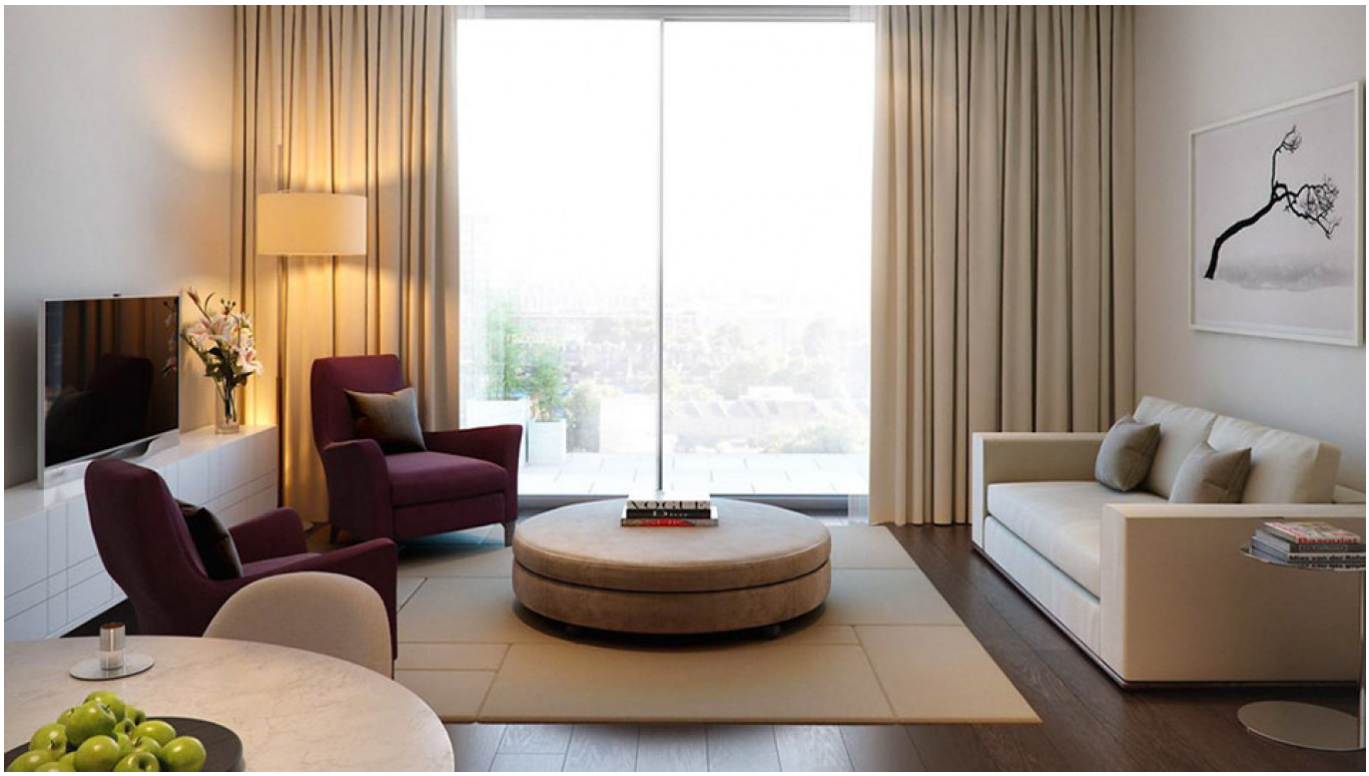
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# Moscow Luxury Apartment Prices Rising at World's Second-Fastest Rate

## The top end of the market is recovering after a five-year depression.

By bne IntelliNews

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Prices rose by 12 percent in the first quarter. **Condos CCSCA / Flickr**

Moscow has the second-fastest rising prices for luxury apartments in the world, according to a survey by real estate agent Knight Frank, Kommersant reported.

The Russian real estate market has been depressed for about five years following a number of shocks to the economy, including the 2008 global financial crisis and a steep devaluation of the ruble after oil prices collapsed at the end of 2014.

Now the real estate market has begun to revive, and luxury housing is leading the way.

Knight Frank's Prime Global Cities Index (PGCI), a quarterly survey of property prices, found that between January and March of this year the cost of luxury housing in Moscow increased

by 12 percent compared with the first quarter of 2018. Only the German capital of Berlin has seen a faster increase in prices, with a rise of 14.1 percent over the same period.  The increase in the absolute cost of luxury accommodation has seen Moscow move up the PGCI ranking by 34 positions in the last year.

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According to Knight Frank, the average cost of luxury housing in the primary market is now 815,000 rubles ($12,472) per square metre.

Price rises in the elite segment of the luxury market — top end apartments for millionaires — rose even faster and were up 22 percent over the same period, according to Knight Frank.

Price growth in the more modest business class housing sector is more sedate — prices rose by 3 percent to an average 268,000 rubles per square metre over the same period.

The increases in price at the top of the market are limited to Moscow. In Russia's second-largest city, St  Petersburg, prices for luxury housing fell by 0.3 percent year-on-year in the first quarter.

Knight Frank CEO in St. Petersburg Nikolai Pashkov, told Kommersant the drop was due to a marking down of properties that had been on the market for a long time.

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