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Number of New Moscow Housing Projects Falls to 12-Year Low – Vedomosti

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The number of new housing projects launched in Moscow has fallen to its lowest level in 12 years after the end of subsidized mortgage programs and record-high market rates hit demand, the Vedomosti business daily reported Monday.

Only seven new residential developments began sales in the third quarter of 2025, compared with 12 in the same period last year, 13 in 2023 and 16 in 2022, Vedomosti reported, citing data from property consultancy Metrium.

The number of new buildings within existing developments also dropped 26.7% year-on-year to 66, according to real estate data firm BnMap.pro.

New project launches so far in 2025 have more than halved compared with the first nine months of 2024, Metrium said.

The total amount of new housing available on the primary market shrank 17.8% year-on-year in September to 3.3 million square meters, according to NDV Real Estate Supermarket.

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Developers have scaled back new projects due to falling buyer activity and the high Central Bank key rate, Ilya Kolunov, head of Sadovoe Koltso Group, told Vedomosti.

Even if the key rate drops, purchasing power is still significantly limited by mortgage costs, which are over 21% on average, added BnMap.pro founder Irina Dobrokhotova.

The high rate has also driven up the cost of project financing and bridge loans, squeezing margins on new builds, said MR chief executive Maria Litinetskaya.

Developers are currently focusing on completing existing projects rather than starting new ones, Dars Group commercial director Dmitry Sofronov told Vedomosti.

The market is unlikely to rebound until mortgage rates fall to around 14-15%, according to Stone's commercial director Kristina Nedrya.

Sofronov said the first signs of renewed construction activity could come only when the Central Bank's key rate drops to between 9% and 12%.

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