

Demand High for Moscow Retail Space

By [The Moscow Times](#)

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Rental prices for prime retail space in Moscow can in practice be twice as high as the advertised price because of stiff competition, according to analysts at Magazan.ru.

In addition, rental rates vary greatly depending on the type of business occupying a space.

Elite jewelry stores, as well as those selling accessories, pay the most for their premises. They are located, as a rule, only on major shopping streets with at least 2,000 people passing by per hour in the evening and they require large show windows and high ceilings. Real prices for such premises range from \$2,000 to \$7,000 per square meter per year.

Banks, which occupy 10 percent to 11 percent of street-level retail space, pay the second highest rates. They require at least 1,000 square meters of space to accommodate at least 1,000 clients per day and pay \$1,500 to \$3,000 per square meter.

Eateries pay between \$700 and \$1,500 per square meter when they occupy their own premises. This is significantly higher than cafes pay inside shopping centers. A large area

and a location near major business centers or other districts with a high concentration of potential customers are key considerations for selecting a space for this sector, which is expanding rapidly in Moscow.

Clothing and shoe stores, which pay between \$1,000 and \$3,000 per square meter, have similar requirements for location, since much of their business is dependent on impulse buying.

Demand exceeds supply in the market for beauty salon premises because of the special requirements for additional sinks and sanitary standards set by the government. The space costs between \$800 and \$1,500 per square meter, and rental agreements are usually long-term.

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