

New Moscow Seeing Some Property Prices Drop

By [The Moscow Times](#)

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Suburban real estate in the territories recently annexed to Moscow is losing popularity among buyers and prices are dropping, analysts said.

Now developers are willing to drop prices on land plots by up to 15 percent, and combined with the traditional summer lull, the discount rate may reach up to 30 percent, Kommersant reported.

A survey of experts by cottage.ru real estate portal showed that the law on simplified seizure of land in the New Moscow area is forcing developers to cut prices.

Analytical firm OPIN said cottages and land plots in the annexed territories began to lose its liquidity following the announcement of the expansion of Moscow's southwest in July 2011. At the same time, properties in that area that are not within the borders of the expanded territory are seeing more demand.

But the prices of multistory apartment buildings in the territory remain stable.

Compared to December 2012, the average price of a square meter in a new building in the annexed territory decreased by less than one percent and in May averaged 84,000 rubles (\$2,631).

In April, President Vladimir Putin signed a law on seizure of land in the “New Moscow,” which set up a simplified procedure for the government to confiscate real estate in the annexed territory that is deemed necessary for construction of infrastructure and official facilities.

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7