

# Sales of Moscow Elite Homes Rebound on Stronger Ruble

By [The Moscow Times](#)

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Sales of suburban mega-homes in Moscow rose sharply in the first three months of this year as developers slashed prices and the ruble recovered some of its value against the U.S. dollar, a recent report said.

Elite suburban home sales rose 70 percent in the first quarter of this year compared to the fourth quarter of 2014, clocking 34 deals to last year's 20, real estate agency Knight Frank said late last week.

This quarter's sales also mark a 13 percent increase from the 30 properties sold in the first quarter of 2014, Knight Frank said.

Around two-thirds of luxury homes sold went for under \$2 million and were under 500 square meters in size, relatively small compared to the sprawling estates of over 1,000 square meters that house Moscow's top tycoons.

Sales of homes valued at over \$2 million also saw growth, rising 34 percent compared to the same period last year.

The rebound of the suburban home market is largely due to sellers cutting prices and the recovery of the ruble, which has strengthened by around 35 percent to the U.S. dollar since mid-January, said Alexei Treshchev, head of Knight Frank's suburban real estate division.

"There's been a rise in the number of deals with discounts of up to 30 percent off the original price. There's also been a rise in the number of homes selling for over \$2 million, thanks to the release of pent-up demand triggered by the relative stability of the exchange rates," Treshchev said.

The ruble halved in value in the six months to mid-January due to Western sanctions over Ukraine and falls in the price of oil, Russia's main export.

As of the first quarter of 2015, 750 homes remained on sale, with around 70 percent along the Novorizhskoye Shosse west of Moscow's center. Over 60 percent of all luxury suburban homes on sale in Moscow are under 500 square meters and priced below \$2 million.

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