

Luxury Apartment Sales in Moscow Surge to Record High

By [The Moscow Times](#)

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Luxury apartment sales in Moscow surged to a record high in April as buyers rushed to turn their dollar and euro savings into property ahead of the ruble's strengthening, luxury real estate consultancy Knight Frank said in a report.

A total of 165 apartments were sold in the Russian capital in April, 66 percent more than in the entire first quarter of the year and eight times more than in April of last year, the report said.

"High activity on the high-end Moscow real estate market in April was tied to the strengthening of the ruble and investors' desire to switch from hard currency to square meters, taking advantage of attractive prices," said Olga Bogoroditskaya, director of key accounts at Knight Frank in Russia.

The ruble has risen 40 percent against the U.S. dollar since early February, recovering some

of the ground lost when it plummeted in December to its lowest level since the financial crash of 1998.

The Russian currency is still down by around 30 percent to the dollar since the beginning of last year as low oil prices and Western sanctions over the Ukraine crisis cut off investment.

The surge in luxury property sales was driven by demand for small and, relatively speaking, inexpensive properties priced in rubles, the report said.

More than 80 percent of luxury sales in April were of apartments worth \$2 million or less, with 50 percent of the total sales volume falling to properties cheaper than \$1 million.

This boom in demand for low-end luxury apartments brought the average sales price in this segment down to \$1.2 million, nearly half of what it was in the first quarter.

The previous record of 159 high-end property sales in a month was set in April 2008, immediately before the financial crisis of 2008-09, Knight Frank said.

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