INTERMARK

EXPAT HOUSING OVERVIEW

COVID-19 PERIOD

RUSSIA
H1 2021

Tenant Profile

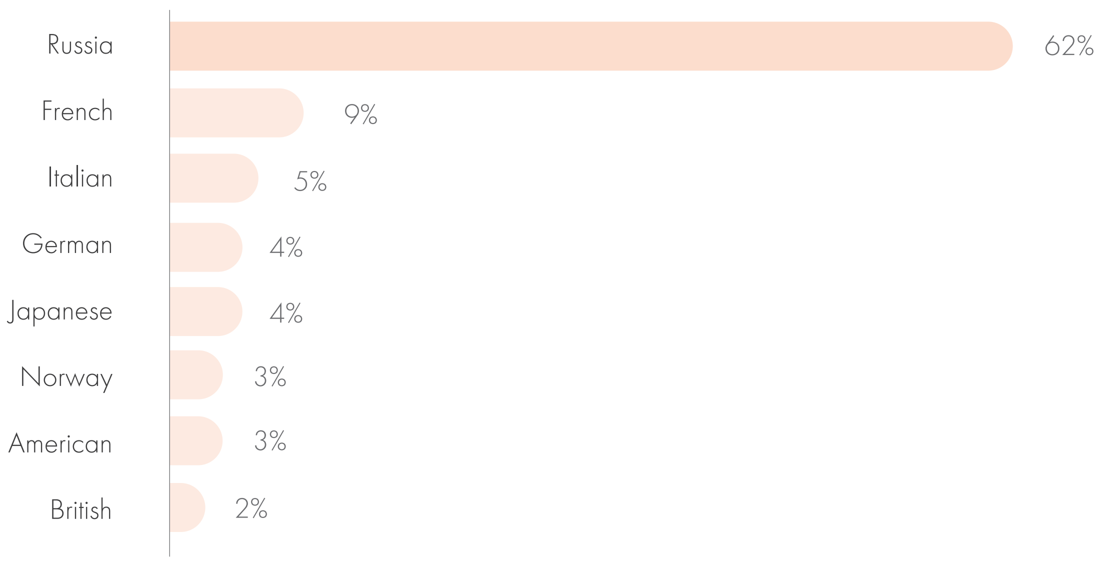
NATIONALITIES

60% of all requests from potential tenants, over H1 2021, were made by Russians. The remaining 40% of the requests were from foreigners. The largest number of requests from foreign tenants' were from citizens of France, Italy, Germany, and Great Britain.

SINGLE / FAMILIES

Nowadays we have observed that many families tend to move from the regions of Russia to Moscow as an alternative to living abroad. Also, people within the age range of 35 to 49 years were predominantly interested in prime apartments.

Chart 1.1 **Analysis of the nationalities of tenants of the prime real estate**



Supply

Chart 2.1 **Dynamics of the supply of the rental market of prime apartments in Moscow**

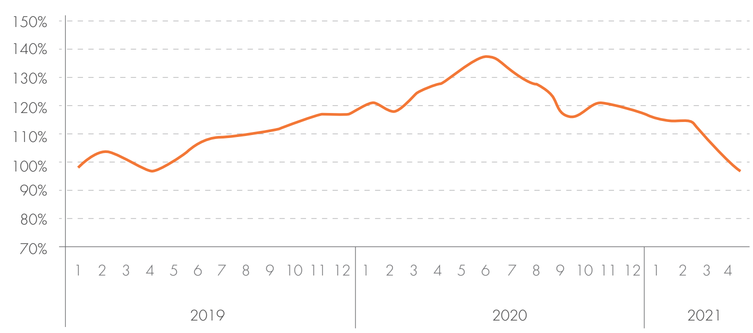
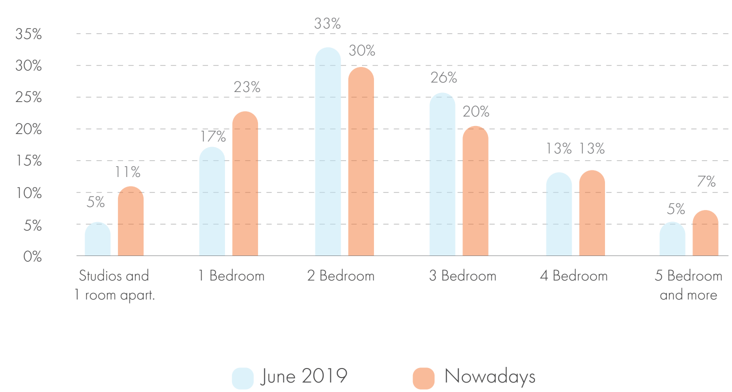


Chart 2.2 **Changing the structure of supply**



There is a decline in the volume of liquid offers including those for the most popular apartments. For example, for the past 2 years, the share of lots with two and three bedrooms decreased by 9% - from 59% to 50%.

THE SUPPLY OF HIGH-PRICED APARTMENTS DECREASED BY 18% FROM THE BEGINNING OF THE YEAR.

Over the course of the first six months in 2021, the volume of apartments supplied has decreased by 10% and, when compared with the same period a year ago, has decreased by 32%.

The maximum number of prime rental apartments on the market this year was observed in January. The last time a higher figure occurred was in May last year.

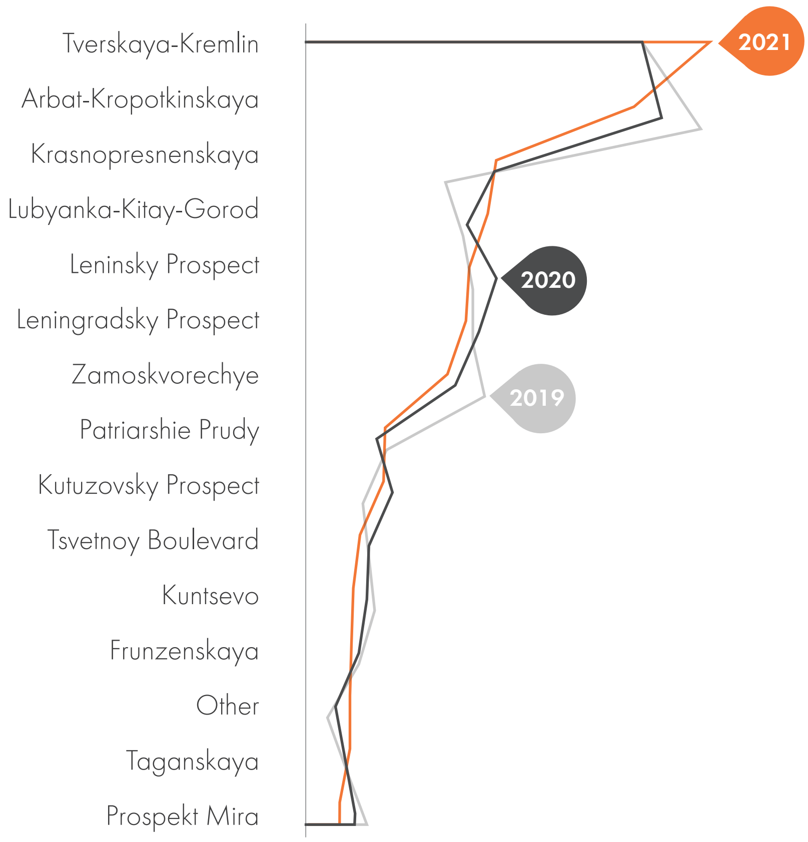
TOP 5

Top 5 districts for supply H1 2021
Tverskaya–Kremlin
Arbat-Kropotkinskaya
Krasnopresnenskaya
Lubyanka-Kitay-Gorod
Leningradsky Prospekt
and Leninsky prospect (equal)

It is worth highlighting the offers for renting a "suburban type" of apartment located within Moscow. Such places are a great alternative for moving out of town and are in high demand especially now, in the summer. However, such offers are unique in Moscow - the share of houses for rent accounts for only 5% of all the offers of high-budget apartments in the real estate market in the capital.

Supply

Chart 2.3 **Analysis of the most popular areas for living in Moscow in terms of supply**



Regarding supply, Tverskaya-Kremlin and Arbat-Kropotkinskaya districts continue to lead and have the largest number of exhibited high-quality apartments for rent in the real estate market in Moscow.

Demand

REQUESTS FROM POTENTIAL CORPORATE TENANTS HAS INCREASED

The number of requests compared to the beginning of the lockdown has increased 1.5 times (Or 54% more than in March 2020). The number of requests over the past year has also increased 2.6 times.

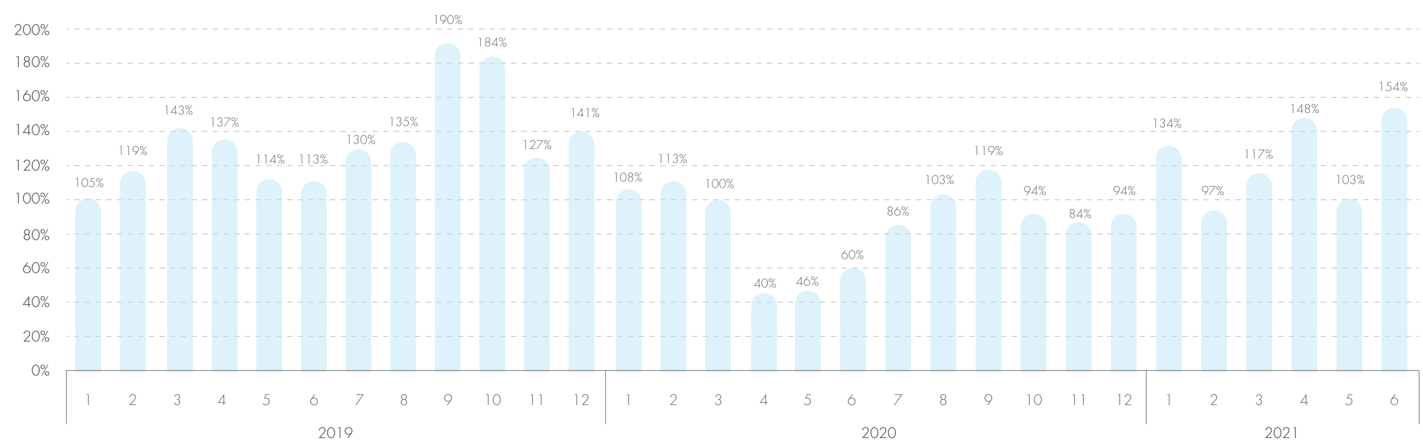
The record level of demand over the past year was in June 2021, slightly surpassing the number of requests in April 2021.

TOP 5

Top 5 districts for supply H1 2021

Arbat-Kropotkinskaya
Lubyanka-Kitay-Gorod
Tverskaya–Kremlin
Leningradsky Prospekt
Leninsky prospect

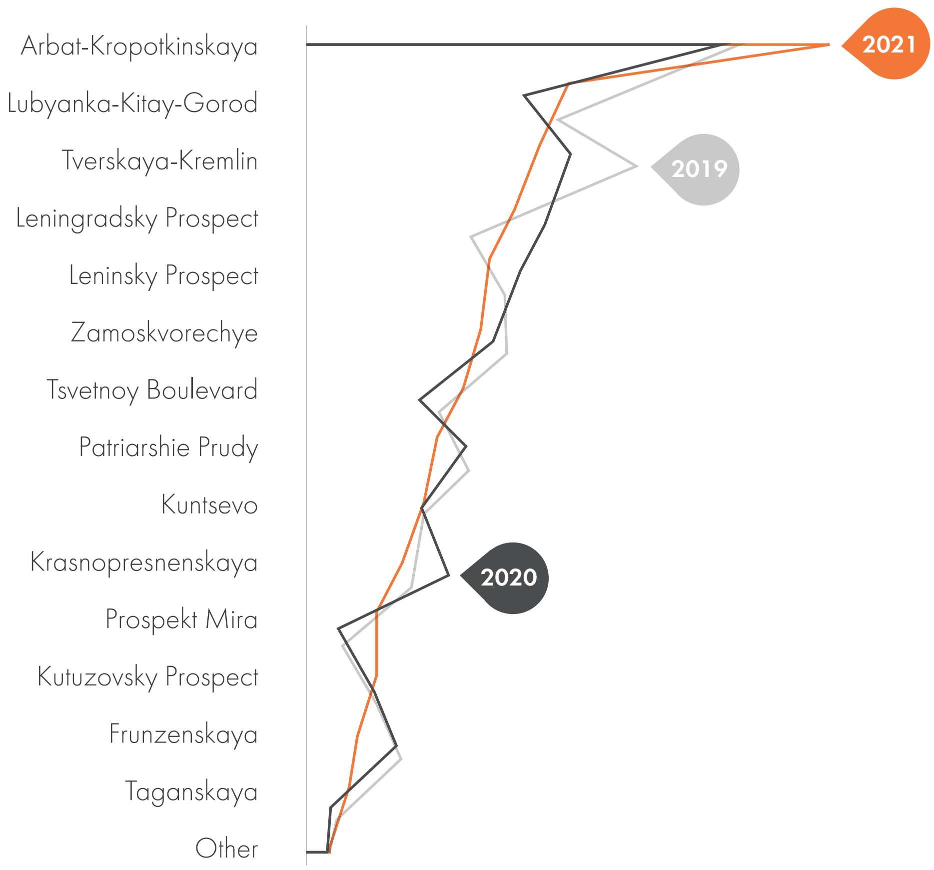
Chart 3.1 **Dynamics of the demand for prime rental market from corporate tenants in Moscow**



March 2020 — beginning of the lockdown in Moscow
April – May 2020 — Decline in rent demand for housing by one-third
June – September 2020 — Slow recovery in demand. In August 2020 since the lockdown begun, demand reached pre-pandemic levels.
October 2020 – March 2021— Fluctuations in demand due to seasonal changes.

Demand

Chart 3.2 **Analysis of the most popular areas for living in Moscow in terms of demand**



Arbat-Kropotkinskaya district continue to have the highest demand in the real estate market and has the largest number of exhibited high-quality apartments for rent in Moscow.

Budgets & Rates

THE AVERAGE SUPPLY BUDGET IS USD 5,038

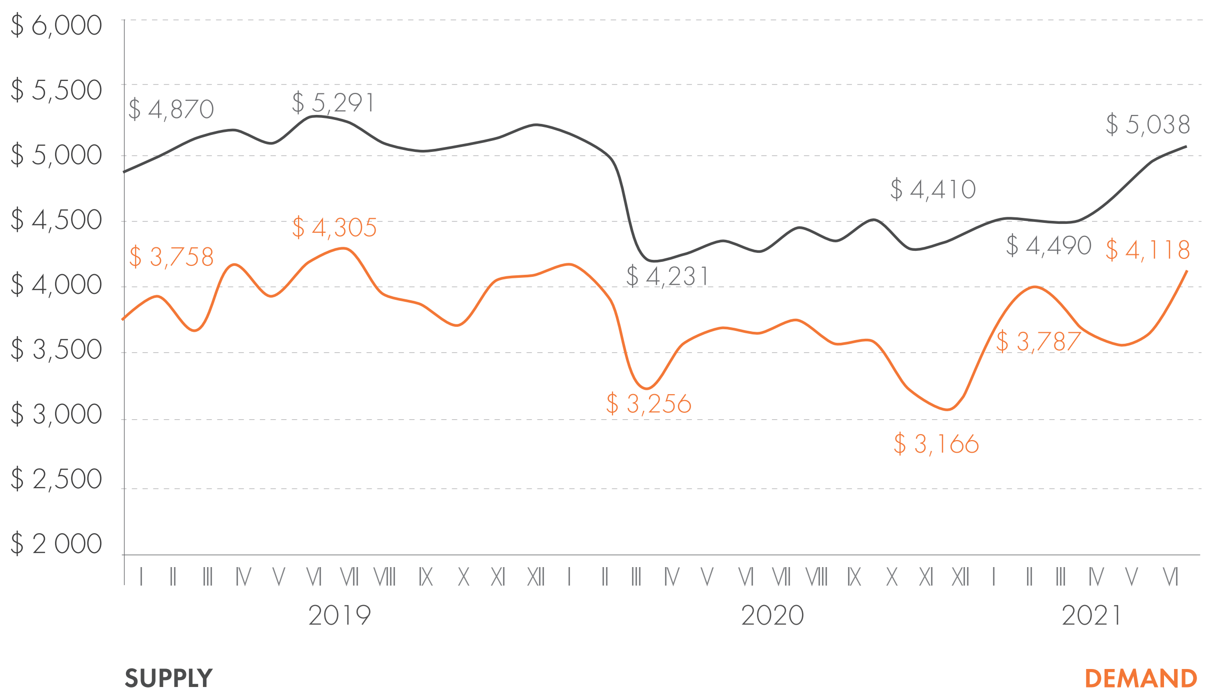
Rental rates for prime apartments in Moscow increased by 12% compared to the beginning of 2021. Also, over the last year, the average supply budget in June 2020 was USD 4,400. Thus, the cost of renting apartments has increased in relation to last year.

THE AVERAGE DEMAND BUDGET IS USD 4,118

Rental rates for prime apartments in Moscow increased by 9% compared to the beginning of 2021. Over the last year, the average supply budget in June 2020 was USD 4,760. There has been a 10% increase in the share of rented apartments with a budget of over $ 6,800 / month in the last 6 months.

$ 920 or 22% - the difference between the proposed rate from the owners and requested rate from potential tenants.

Chart 4.1 **Dynamics of the average budgets of supply and demand**

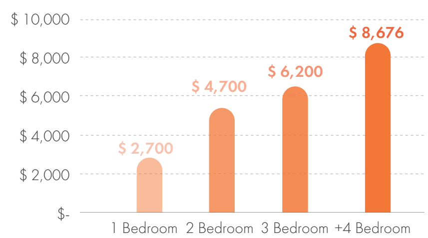


Budgets & Rates

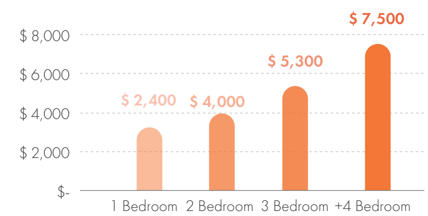
In H1 2021, the most expensive districts were Arbat-Kropotkinskaya, Tverskaya-Kremlin and Patriarchy Ponds (USD 5,866 per month, USD 5,522 and USD 4,558 per month, respectively). The fourth most expensive district in the rankings was Frunzenskaya - the average rental rate here is $ 96 less than the indicator in Patriarshiye Ponds (USD 4,462 per property per month). The fifth the most expensive district is Tsvetnoy Boulevard with an average budget of USD 4,448 per month.

Chart 4.2 **Top 5 most expensive districts for prime rentals in H1 2021 (average rental rates)**

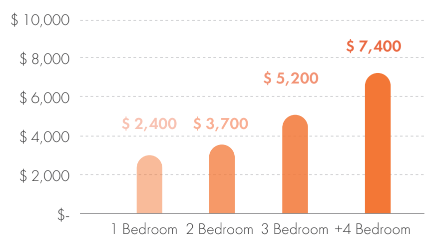
1 Arbat-Kropotkinskaya area



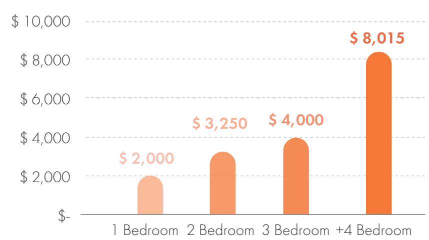
2 Tverskaya-Kremlin area



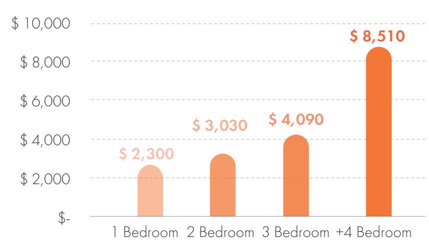
3 Patriarshie Prudy area



4 Tsvetnoy Boulevard



5 Frunzenskaya



Source: Intermark

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IMMIGRATION

- Work Permit
- Visa Support (all types)
- Residence Permits
- Migration Registration & Notifications
- Legalization & Duplicates' Procurement
- Immigration Due Diligence

RELOCATION

- Temporary Housing
- Orientation & Home-finding
- Legal Due Diligence
- Settling in & 24/7 Help-Desk
- Departure Support
- Spousal Support & Coaching

MOVING

- International Moving
- Domestic Moving
- Transportations of Antiques
- Office Moving
- Vehicle Moving
- Stock and Storage

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