

MOSCOW REGION

Industrial Q4 2020

3.5%

Vacancy Rate

YoY Chg



12-Mo. Forecast



766,998

Take-Up, sq.m



4,100 RUB*

Prime Rent, PSM / year



(Only A Class Properties)

MOSCOW REGION ECONOMIC INDICATORS Q4 2020

7.7M

Population

YoY Chg



12-Mo. Forecast



4.25%

Key rate



57,500

RUB*/ month

Avg wage (October 2020)



Source: Rosstat <https://www.gks.ru/>

* Average annual exchange rate in Q4 2020:
1 USD = 76.20 RUB

SUPPLY: 2020 DEMAND PEAK RESULTS IN THE GROWTH OF NEW CONSTRUCTION IN 2021

In 2021, we expect an increase of new construction by 28% compared to 2020. The market managed to overpass the decrease in Q2, and the annual new commissioning was in line with the results of 2018-2019.

The share of speculative construction in 2021 is high (60%) due to the strong demand for ready to move in premises among retailers and logistics operators. The ability to start using premises as quickly as possible becomes one of the most important criteria for warehouse demand.

DEMAND: THE HIGHEST TAKE-UP ON RECORD WAS REGISTERED IN 2020

The share of retail (including online operators) amounted to 62% of take-up in the Moscow region. Logistics companies showed decrease in demand (-12 p.p. compared to 2019) due to the high market activity in 2018-2019. We expect that the total demand from retail will be around 700,000 sq. m in 2021, which will amount to about a half of the take-up.

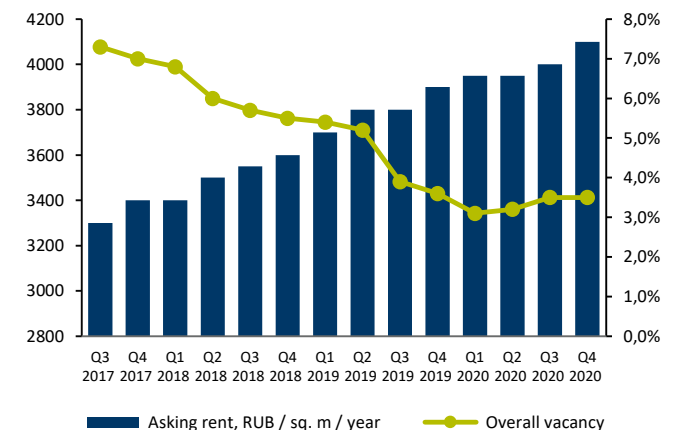
PRICING: THE RENTAL RATE REMAINS STABLE

High share of speculative new construction will keep the balance on the market and constrain the real growth of rental rates in the Moscow region. The nominal growth of rental rates will amount to 3.7%, the indicator will reach 4,250 RUB / sq. m / year. In 2021, CPI forecast for Russia is 3.7%, as a result the real rental rate will remain stable.

SPACE DEMAND & DELIVERIES IN Q1-4 2020 ('000 SQM)



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS. TOTAL MARKET

TRANSPORT CORRIDOR	INVENTORY (SQM)	AVAILABILITY (SQM)	OVERALL VACANCY RATE	CURRENT QTR TAKE-UP (SQM)	YTD TAKE-UP (SQM)	UNDER CNSTR (SQM)	PRIME RENT*
East	2,373,711	112,641	4.75%	6,302	30,808	102,540	3,500
North	2,425,763	43,333	1.79%	39,187	116,504	100,465	4,000
North-East	978,308	118,657	12.13%	53,694	195,404	190,600	4,200
North-West	1,778,541	39,486	2.22%	54,541	107,539	98,229	4,150
South	5,844,352	223,327	3.82%	234,799	857,307	235,819	4,400
South-East	2,836,161	71,307	2.51%	192,517	233,443	90,747	4,100
South-West	1,824,911	67,881	3.72%	68,075	131,348	20,341	4,100
West	1,382,690	91,275	6.60%	56,512	370,365	194,053	4,100
MOSCOW REGION TOTALS	19,444,437	767,907	3.95%	954,785**	2,373,270**	1,032,794	4,100

*Net asking rent, RUB PSM / year

** We estimate additionally about 20% of direct deals which is a non-transparent market segment

KEY LEASE TRANSACTIONS Q4 2020

PROPERTY	TRANSPORT CORRIDOR	TENANT	AREA (SQM)	TYPE*
Sofyino logistic park	South-East	Bosch Siemens	58,790	BTS (Lease)
Sofyino logistic park	South-East	Yandex	49,614	BTS (Lease)
Krekshino logistic park	South-West	Homemarket	21,268	New lease
Klimovsk logistic park	South	Sladkaya zhizn	16,026	New lease

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q4 2020

PROPERTY	TRANSPORT CORRIDOR	BUYER	TOTAL AREA (SQM)
Orientir Zapad	West	Technoavia	38,413
PNK Park Pushkino	Norsth-East	Torgovy dom «Orion»	33,000
Orientir-Ug	South	Gloria Jeans	26,804
Perspektiva Warehouse	North	PEK	20,000

Denis Sokolov

Partner, Head of Research & Insight

+7 (916) 901 03 77

Denis.Sokolov@cushwake.com**Tatyana Divina**

Associate Director, Deputy Head of Research & Insight

+7 (916) 973 89 60

Tatyana.Divina@cushwake.com**A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION**

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