



Countryside Residential Multi-Apartment Complexes: City Comforts or Open Space and Countryside?

Demo Version

There're three main directions of growth of the countryside residential market of Moscow Region:

- Cottage development,
- Townhouse development,
- Development of multi-apartment residential complexes and mixed development including different types of real estate.

The construction of countryside multi-apartment residential complexes is a relatively new direction of countryside development. It is an interim segment combining several types of residential real estate:

- Urban: apartments in residential buildings;
- Countryside: residential real estate in the natural environment.

Therefore, taking into consideration characteristics of both types of residential real estate, the segment has the following parameters:

- House type – apartment.
- Locations – outside of the city, in the natural environment.
- The complex has its own fenced territory under security surveillance which provides a comfortable countryside environment.
- Height – preferably up to 5 floors, not more than 10.
- Complex development, sprawling infrastructure, organized parking lots.
- Low density of development since these complexes are not too high and have their own adjacent territories.
- Central utilities (central heating, electricity, hot and cold water supply, sewage, telephone, Internet connection, etc.).
- Ecology-oriented development.

Active construction of countryside multi-apartment residential complexes began in the 2000s. The first countryside multi-apartment residential house was built in 2000 in the territory of a cottage settlement: Zemlyanichnaya Polyana 12-floor complex for 36 apartments measuring from 146 to 600 sq. m. was built in Zarechye settlement (the Skolkovskoe highway).

This segment continued to develop as it held numerous advantages for developers: these projects have a high economic efficiency and, being more affordable than cottages, they attract more potential buyers and thus expand target audience.

Despite the ongoing growth of this segment, we cannot say that currently it's highly developed: there're not more than 20 countryside multi-apartment residential complexes in the primary market.

This segment of low-rise countryside complexes is likely to grow in the nearest future due to decentralization of commercial real estate in Moscow, desurbanization processes (more and more people want to live permanently in the countryside). Besides, many people seek to spend their leisure time in the countryside and it will affect directly the growth of the suites segment which evolves now in Russia and which is extremely popular among develops abroad.

Besides, the deficit of land plots within the borders of the city restricts considerably possibilities of developers and makes them contemplate projects in the countryside. They may use unexplored land resources of Moscow Region to create new “urban districts” and “cities” to increase residential construction volume. The experience of many Western countries shows that this scenario of urban agglomeration development is logic and reasonable from a market perspective.

Due to the anticipated deficit of supply as a result of the crisis, we believe that countryside projects with a well thought-out concept and a reasonable pricing policy have good prospects. The price is a very important factor to attract potential buyers and we see that the purchase budget of an apartment in a countryside multi-apartment complex is lower than the purchase budget of a cottage as apartment sizes are smaller and there's no land plot. At the same time, the price per sq. m. is lower than in apartments in the city and people can purchase a bigger apartment with the same budget.

In our Research, you may find the latest information about this segment: volume and structure characteristics of supply, price characteristics (including comparison with prices of apartments in the city and countryside cottages), characteristics and peculiarities of demand; prospects of this segment in times of crisis. Also, we analyze sub-segments of countryside multi-apartment residential complexes with services and comparable properties in the territory of Moscow.

This survey targets both professional market players (developers, analysts, real estate agents, consultants) and potential buyers of residential property who seek to get the whole picture of the countryside residential property market.

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CONTENTS

- Description of countryside multi-apartment residential complexes, development history
 - Supply characteristics and prices in the primary market of the segment in question
 - Development prospects
 - Demand
 - Countryside multi-apartment residential complexes with services
 - Multi-apartment residential complexes of the countryside type in Moscow
- Attachment. Passports of countryside multi-apartment residential complexes

GRAPHIC MATERIALS

Totals: 11 graphs, 4 spreadsheets, 2 maps

Chapters:

- **Description of the segment, development history**
 - Spreadsheet. Classification of countryside multi-apartment residential complexes
 - Spreadsheet. Countryside multi-apartment residential complexes in the secondary market
- **Supply characteristics and prices in the primary market of the segment**
 - Map. Location of countryside multi-apartment residential complexes
 - Graphs. Prices and supply structure of countryside multi-apartment residential complexes by directions of Moscow Region
 - Graphs. Prices and supply structure of countryside multi-apartment residential complexes by distance from MKAD
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 - Graph. Comparison of prices in countryside multi-apartment residential complexes with cottages and apartments
- **Countryside multi-apartment residential complexes with services**
 - Spreadsheet. Countryside multi-apartment residential complexes with services
- **Multi-apartment residential complexes of the countryside type in Moscow**
 - Spreadsheet. Multi-apartment residential complexes of the countryside type in Moscow
 - Map. Location of multi-apartment residential complexes of the countryside type in Moscow

INFORMATION SOURCES:

- Blackwood's database,
- WinNER – database of apartments, over 100.000 options,
- Data collected during field and desk surveys,
- Data collected during expert interviews,
- Results of the surveys previously conducted by Blackwood,
- Information from open sources (Internet, mass media).

Demo version

Blackwood Company

- Blackwood Real Estate formed in 1991 is one of the leading companies in the Moscow Residential and Commercial real estate markets.
- Provides the wide range of transaction advisory services in both selling and renting of residential and commercial premises.
- Recognized for high quality analytical and consulting research in all segments of Russian Real Estate market.
- Offers the wide range of management services in the development and realization of the investment projects in real estate market.

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Should you need additional information or want to purchase the survey, please contact:

Blackwood Real Estate
119019, Moscow,
Volkhonka st., 6-1.

tel.: +7 (495) 730-2000,
fax: +7 (495) 697-6060

research@blackwood.ru,
www.blackwood.ru

Olga Shirokova
Head of Research and Consulting
+7 (499) 130-1553
shirokova@blackwood.ru

Nina Shlelenko
Senior Consultant of Residential City Real Estate Group
shlelenko@blackwood.ru

Alexandra Mamokhina
Head of Residential City Real Estate Group
mamokhina@blackwood.ru