CUSHMAN & WAKEFIELD

MOSCOW OFFICE MARKET

UNCERTAINTIES AND CHALLENGES

MACRO

#Moscowrussia

GDP GROWTH

2015 г.	2016 г.	2017 г.	2018 г.
-3,3% ▼	1,8% ▼	2,3% ▶	2,4% ▶

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BASE MACRO FORECAST FROM MINISTRY OF ECONOMICS

AS OF AUGUST 2015

OIL PRICE URALS (USD/BARREL)

2015 г.	2016 г.	2017 г.	2018 г.
52 ▲	55 ▼	60 ▼	60 ▼

RUR/USD EXCHANGE RATE

2015 г.	2016 г.	2017 г.	2018 г.
61 ▲	60 ▲	57,5 ▲	58 ▲

RETAIL TRADE TURNOVER

2015 г.	2016 г.	2017 г.	2018 г.
-7,8% ▲	1,9% ▲	3,2% ▲	3,9% ▲

END OF YEAR CPI

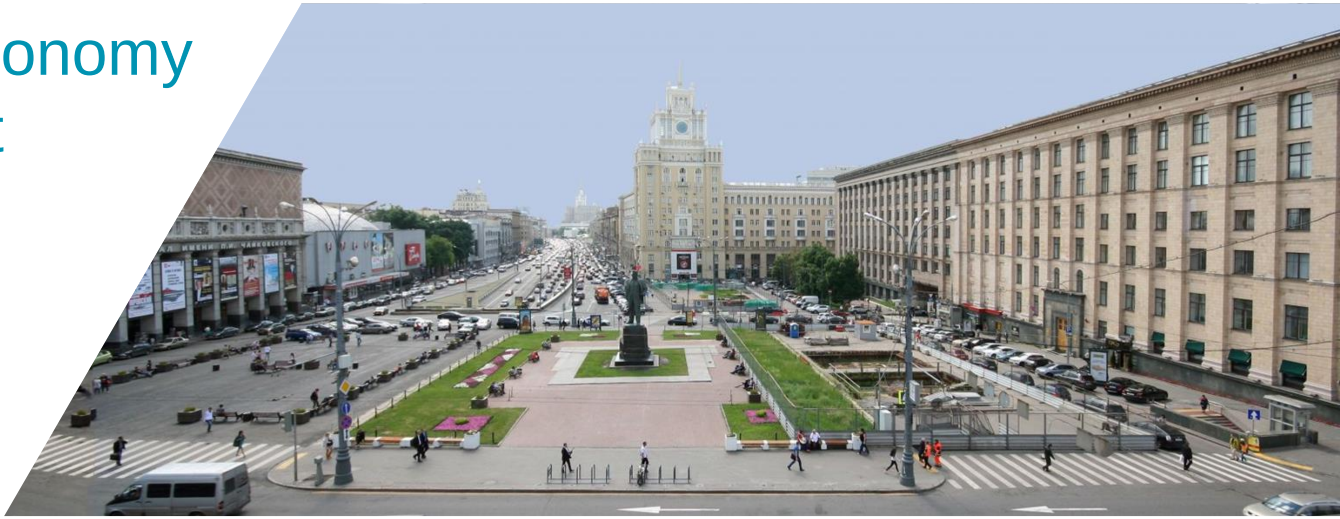
2015 г.	2016 г.	2017 г.	2018 г.
11,4% ▼	6,7% ▼	6% ▼	5,1% ▶

REAL WAGES

2015 г.	2016 г.	2017 г.	2018 г.
-7,7% ▲	1,2% ▼	3,5% ▼	3,6% ▼

TOTAL RECONSTRUCTION

- Massive infrastructure projects are fuelling economy
- Employment is stable
- Regions are more resilient
- Post industrial economy absorbs major hit



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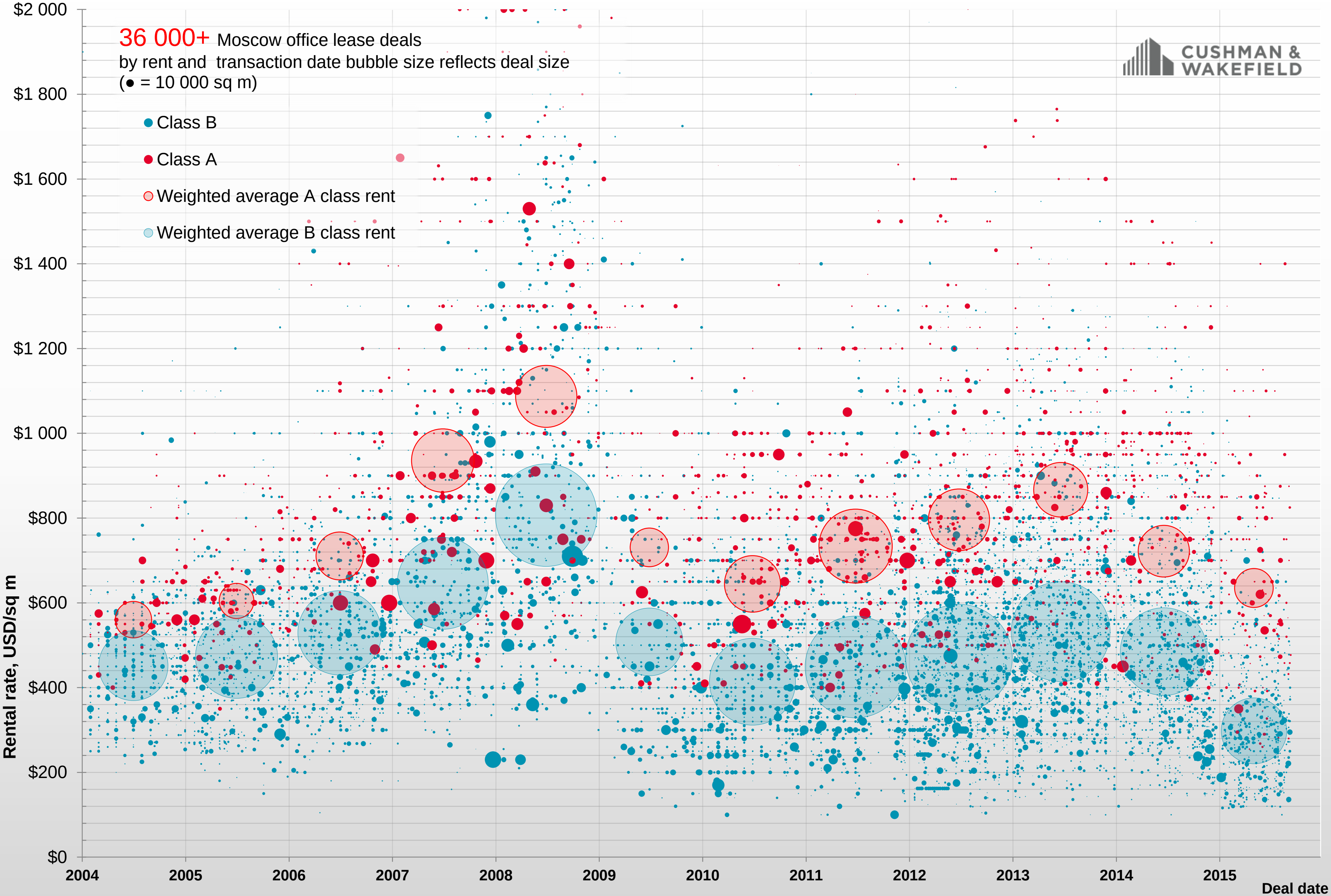
OFFICE

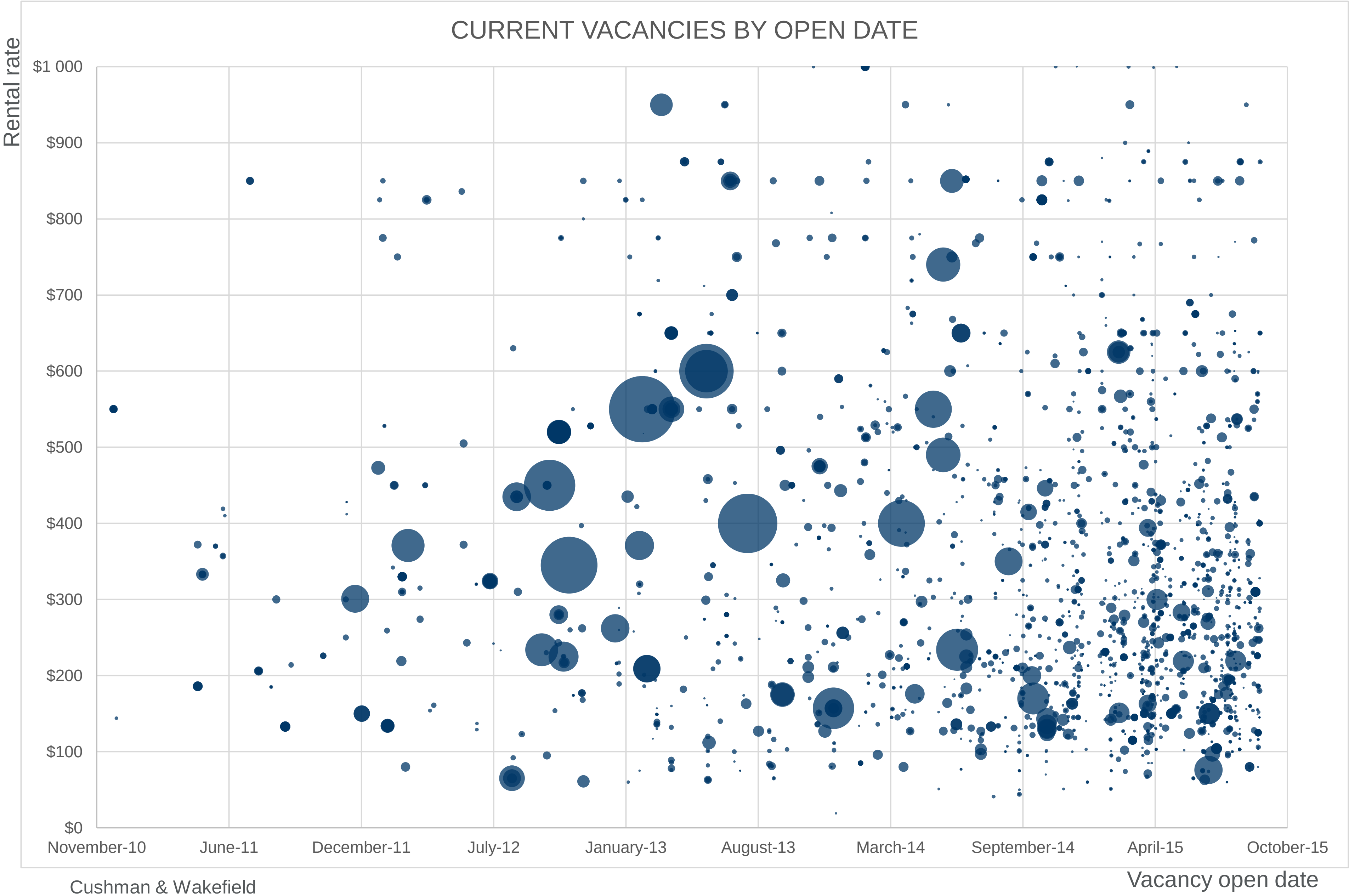
Q1-Q3 2015 Major Indices

TOTAL STOCK	**15.55** mn sq m
NEW SUPPLY	**373,000** sq m
TAKE-UP	**770,000** sq m
EXISTING AVAILABILITY	**3.1** mn sq m
VACANCY RATE	**19.4%**
ASKING BASE RENTAL RATES	
CLASS A	**$600**
CLASS B	**$298**
CLASSES A&B	**$381**

BIG DATA IN REAL ESTATE



Rents, sizes and exposition

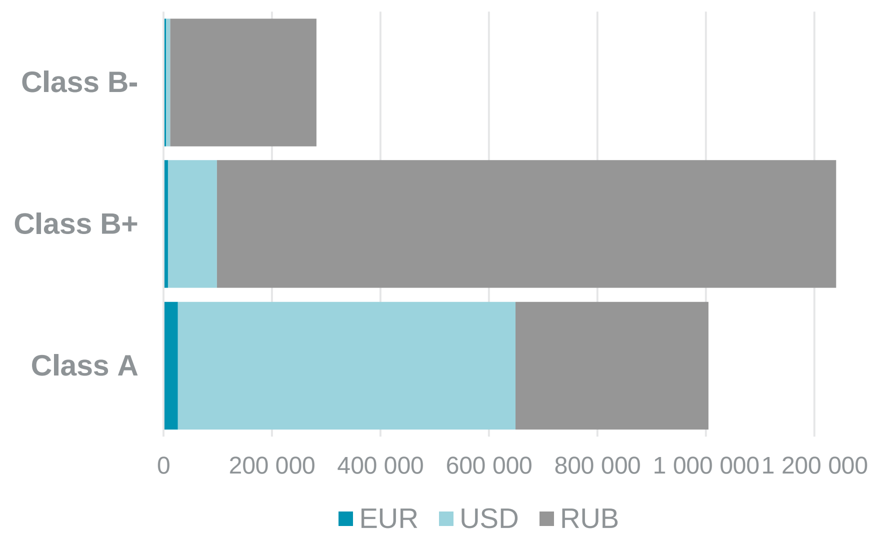


All options are here

Dedollarisation is real

- Over 2.5 million square meters of existing office space is available for lease
- 2300+ options
- 70% of all offered offices is nominated in RUB

VACANT OFFICES AND CURRENCIES, sq/m



SPREADS ARE INCREASING

QUALITY AND SUSTAINABILITY WOLL BECOME AN ISSUE

- Market in 2016-2017 will be under pressure
- Negative outlook will restrict demand
- Tenants do not want to take long term commitments
- Buildings with high vacancy and low rents will degenerate and lose class.

Take Up			
	2014	2015	Vacant
USD/EUR	705	133	1 023
RUB	150	483	1 500

Rent			
	2014	2015	Vacant
USD	583	684	598
RUB	15 000	18 000	17 400

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