

## IGOR CHUMACHENKO DISCUSSES SMALL BUSINESSES' RELOCATION FROM 1960S FIVE-STORY BUILDINGS ON RBC TV

On March 28, 2017, [Igor Chumachenko](#), VEGAS LEX Partner, Head of Real Estate, Land & Construction practice, spoke in the Main News program on RBC TV. He was asked to comment on plans to relocate small businesses from low cost Khrushchev-era buildings.

The program for moving people from apartments in the so-called Khrushchev-era buildings was announced by Moscow Mayor Sergei Sobyenin at a meeting with President Vladimir Putin on February 21. According to preliminary estimates, almost 8,000 low-cost five-story houses built in Moscow between the mid-1950s and 1972\* will be demolished. To implement this program, the law on Moscow's status had to be urgently amended. The authorities promised that the residents would be moved to new houses in the same or neighboring areas.

This program will also affect the owners of non-residential premises on the first floors of these buildings. Unlike apartment owners, according to the draft law, owners of non-residential property can be offered premises in any part of the city, which entails loss of customers, not to mention expenses. The draft law does not include any information on the tenants, so it is unclear how to terminate contracts with them, especially those concluded for several years. Businesses are also limited in judicial maneuvers: they can go to court, but since the court decision comes into force immediately and is subject to immediate execution, the possibilities and consequences of contesting the court decision are limited. Businesses will be given two months to sign new contracts\*\*.

“Business owners can certainly dispute the court decision, but only with regard to the size of the space provided and other parameters, but they are not getting the old premises back. They either vacate the premises, or sign a new contract and go,” says Igor Chumachenko.

The work on the bill is still underway.

The program went on air on March 28, 2017 at 16:00. The video is available [here](#).

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\* Source: RBC

<http://www.rbc.ru/rbcfreenews/58c82ab39a79475aa6684e5c>

\*\* Source: RBC

<http://tv.rbc.ru/archive/spravki/58da65bd9a7947fd45770951>

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