



JONES LANG  
LASALLE®

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# Real Estate Market in **Moscow** in 2013



	Main Trends and Outlook	2012	2013
Office	Completions	567,000 sq m	↑
	Vacancy rate	13,5%	→
	Take-up	1.5m sq m	↑
	Prime rent	USD1,000–1,150/sq m/year	↑
	Prime yield	9%	↓
Retail	Prime SC base rent	USD3,000–4,500/sq m/year	↑
	Average SC base rent	USD500–1,800/sq m/year	↑
	Prime SC yield	9%	→
	Vacancy rate	2,5%	→
Industrial	Completions	592,000 sq m	↓
	Vacancy rate	0,65%	↓
	Take-up	1.3m sq m	↓
	Prime rent	USD135/sq m/year	→
	Prime yield	11,50%	↓

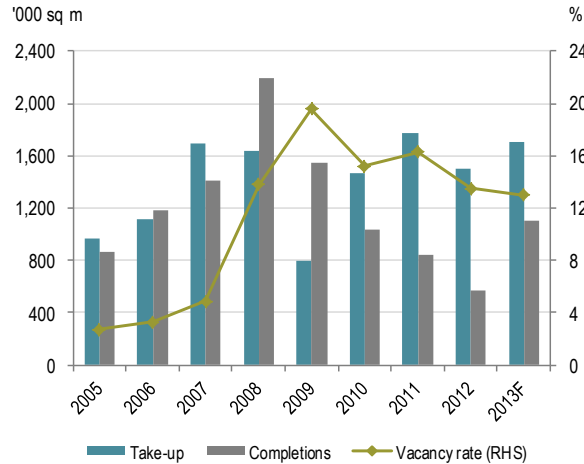


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# Office Investment and Leasing Market

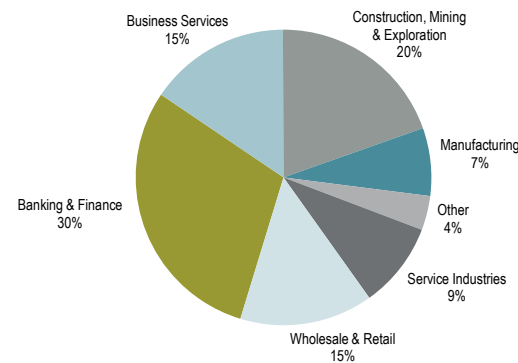
# Moscow Office Leasing, 2012

### Moscow's market balance

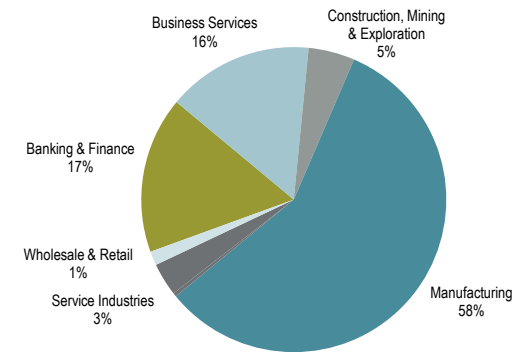


### Demand by Business Sector

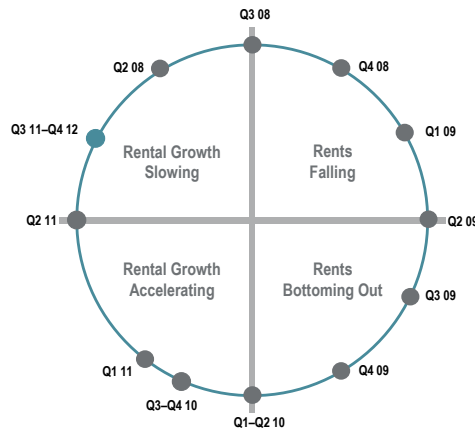
#### Russian companies (54%)



#### International companies (46%)



### Moscow Prime Office Property Clock

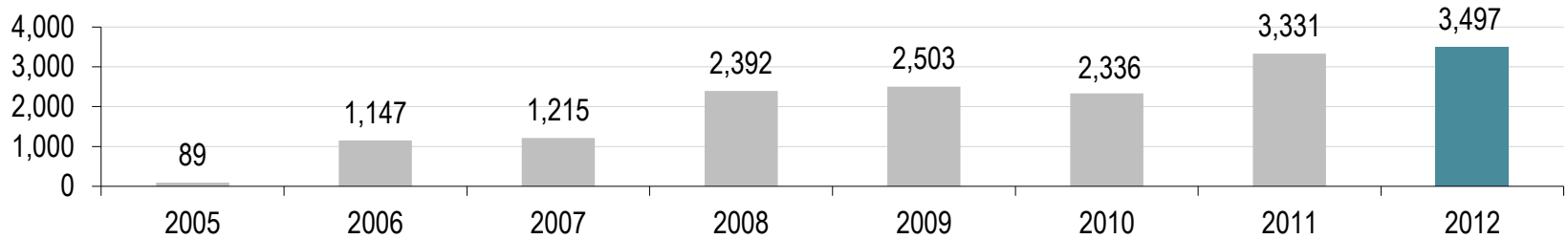


### Examples of Key 2012 Executed Transactions

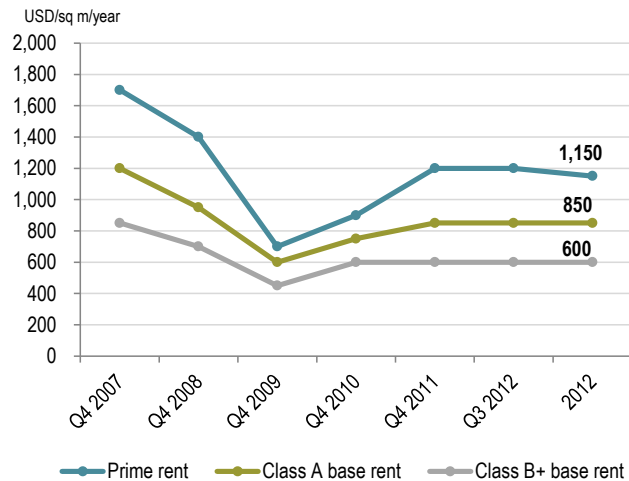
Building Name	Class	Office Area, sq m	Tenant	Quarter
Nagatino i-Land, Ph. I	B+	24,945	Raiffeisen Bank	Q2 2012
Vivaldi Plaza	A	23,900	EEC	Q4 2012
Nagatino i-Land, Ph. I	B+	23,036	Alfa-Bank	Q2 2012
ALCON	A	15,934	Novartis	Q2 2012
Mercedes-Benz Plaza	B+	10,714	Mercedes-Benz	Q4 2012
8 Marta St., 12	B+	8,909	Ericsson	Q4 2012
PREO 8	A	6,322	BDO	Q1 2012
Golutvinskiy Dvor	A	5,922	FIA	Q2 2012
Vivaldi Plaza	A	3,853	Roche Diagnostics	Q2 2012

# Office Investment, 2012

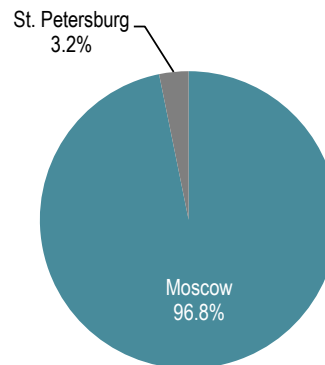
Office investment volumes, USD m



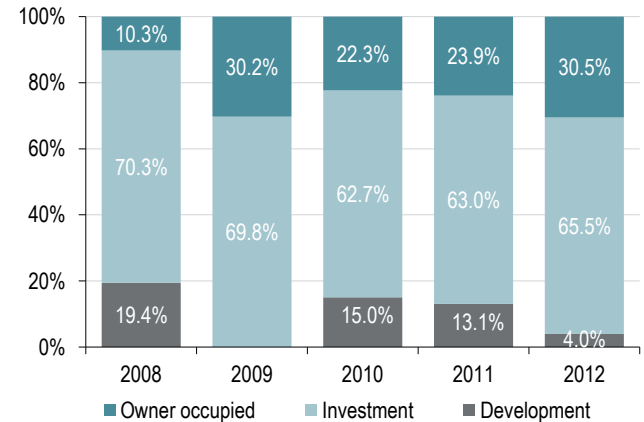
Moscow Rents Dynamics



Breakdown by city



Breakdown by purpose



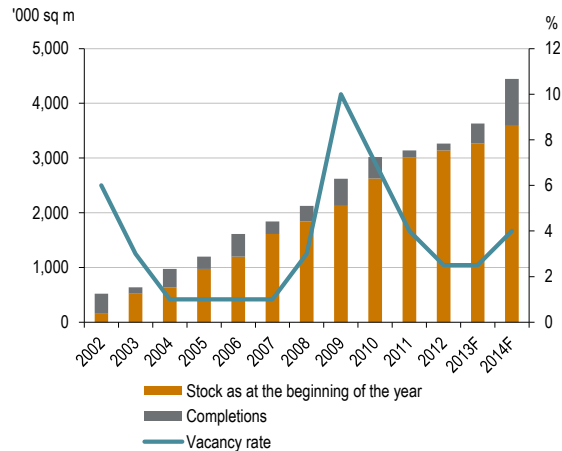


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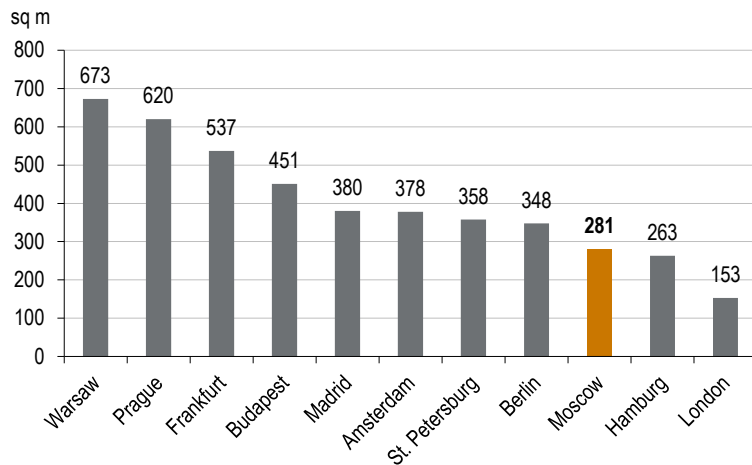
# Retail Investment and Leasing Market

# Retail Leasing, 2012

## Moscow's market balance



## Stock per 1,000 inhabitants\*



## Retailer plans announced in Q4 2012

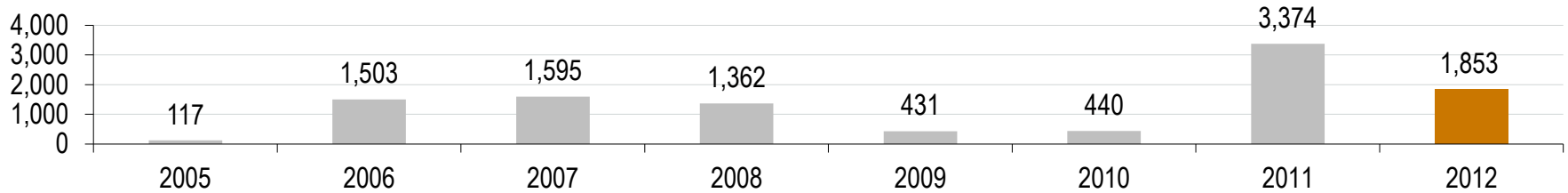
Retailer	Plans
Global Franchise Group (GFG)	enter the Russian market with 3 brands: Marble Slab Creamery, Great American Cookies and Pretzelmaker
Victoria's Secret	open its first full-scale store in Russia
Miroglio Group (Motivi, Fiorella Rubino, Elena Miro, Caractere, etc.)	double the number of stores in Russia (up to 250 stores); intends to develop franchise stores in remote regions of the country
JamilCo	open about 15 Marc O'Polo boutiques over the next five years
Burger King	enter the Siberian and other Russian cities
Spar	double the number of supermarkets (now it operates a chain of 24 stores)
Melon Fashion Group	launch 10 stores of new format 'befree basic' in Russian regions
Quiznos	open about 20 stores before the end of 2014
Takko Fashion	enter Russian market and create a chain of 40 stores by 2013
Uniqlo	launch 3-5 new stores in 2013 and 10 stores in the millionniki by 2017

Source: Jones Lang LaSalle

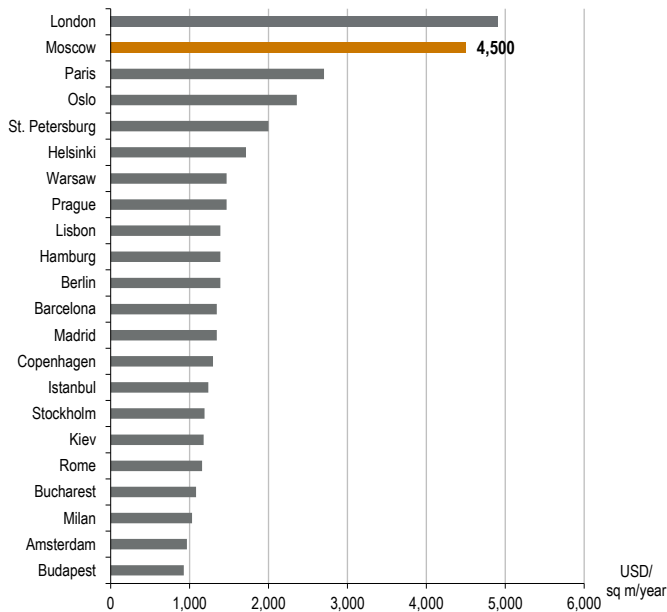
\* Data for all cities except Moscow and St. Petersburg is for Q2 2012

# Retail Investment, 2012

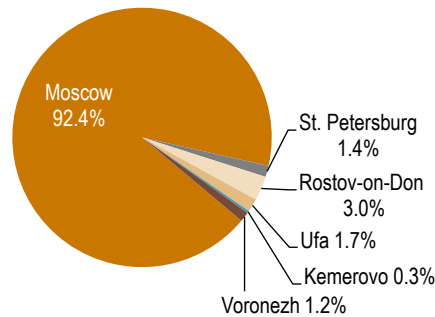
Retail investment volumes, USD m



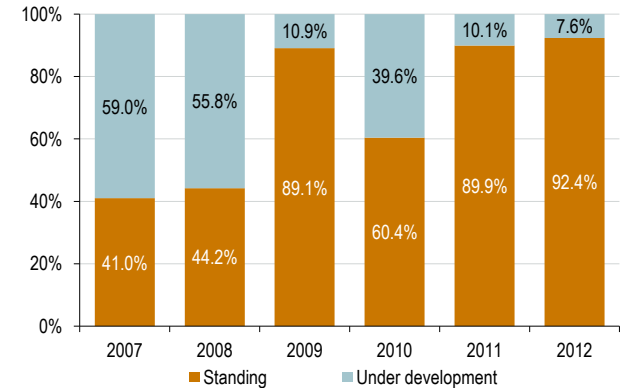
Rents in European cities, USD/sq m/year



Breakdown by city



Breakdown by type





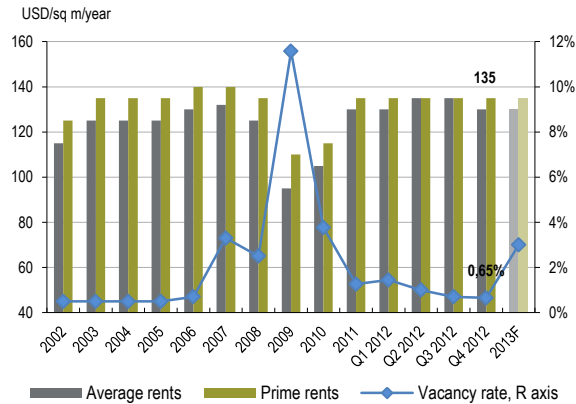


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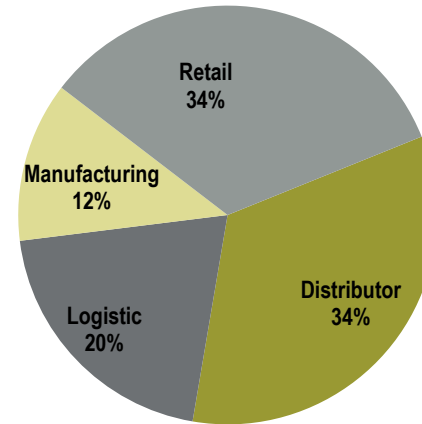
# Warehouse Investment and Leasing Market

# Warehouse Leasing, 2012

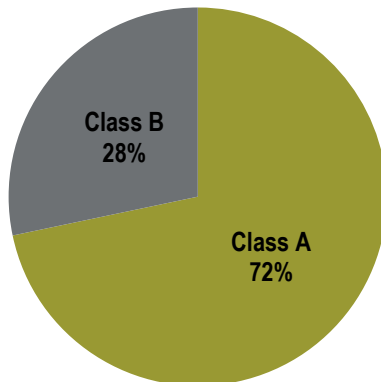
Moscow's market balance



Demand by Business Sector



Modern Warehouse Stock

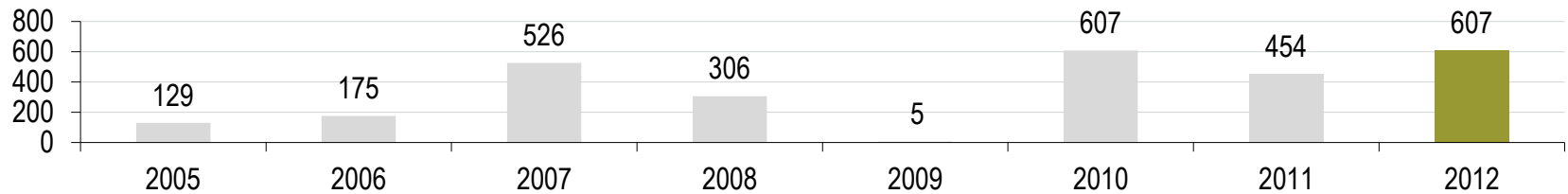


Examples of Key 2012 executed transactions

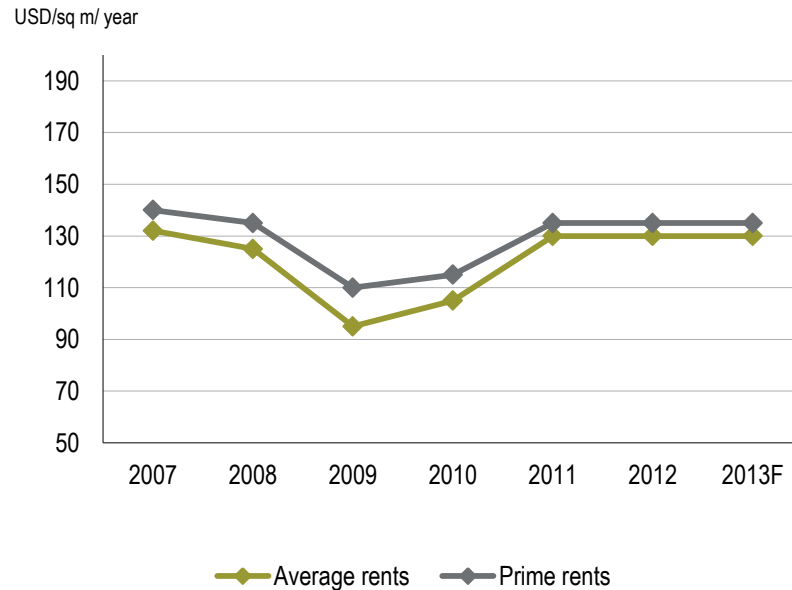
Tenant/Buyer	Project	Total area, sq m	Business sector	Quarter
Adidas	PNK-Chekhov	65,009	Distributor	Q3 2012
Enter	PNK-Chekhov II	61,250	Retail	Q4 2012
NCC	PNK-Vnukovo	58,300	Distributor	Q3 2012
Lenta	PNK -Chekhov	42,000	Retail	Q3 2012
Decathlon	South Gate IP	33,000	Retail	Q2 2012
PRV-group	PNK-Vnukovo	32,800	Logistic	Q1 2012
FixPrice	PNK-Vnukovo	27,901	Retail	Q1 2012

# Warehouse Investment, 2012

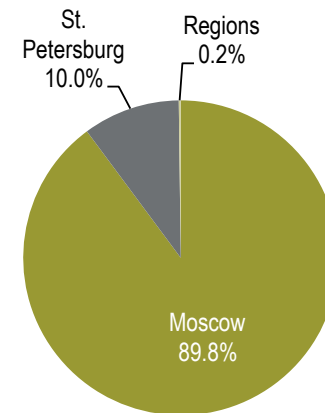
Warehouse investment volumes, USD m



Moscow Warehouse Rents Dynamics



Breakdown by city, 2007-2012



# 3 Trends Common Across Sectors

Decentralization    Strong Pipeline    High Quality

	Main Indicators	2012	2013F
Office	Completions	567,000 sq m	1145000
	Vacancy rate	13,5%	13%
	Take-up	1.5m sq m	1.7m sq m
	Prime rent	USD1,000–1,150/sq m/year	USD1,000-1,185/sq m/year
	Prime yield	9%	8,80%
Retail	Prime SC base rent	USD3,000–4,500/sq m/year	USD3,100-4,650/sq m/year
	Average SC base rent	USD500–1,800/sq m/year	USD530-1,900/sq m/year
	Prime SC yield	9%	8,60%
	Vacancy rate	2,5%	2%
Industrial	Completions	592,000 sq m	900,000 sq m
	Vacancy rate	0,65%	3%
	Take-up	1.3m sq m	1.25m sq m
	Prime rent	USD135/sq m/year	USD135/sq m/year
	Prime yield	11,50%	11,30%



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Thank you

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