

ding positions in student admission (this oblast has not been among the leaders in terms of university revenues over the last years).

Regulation of fee-based admissions could somewhat weaken the influx of young people from the oblasts into Moscow universities and reduce their share in both free and fee-based admissions.

However, as for the incomes of universities in the Russian capital (and possibly higher education institutions in Saint Petersburg), they will most likely not decrease, but rather increase, since the budget funding standards for engineering training are expected to increase, the budget admission to specialties related to artificial intelligence will be expanded, and, moreover, the cost of paid education will continue to rise, especially at leading universities.

4.4. Housing market in Russia and housing construction¹

In 2025, the Russian real estate market was in relative equilibrium, adapting to the realities that emerged following the phasing out of preferential mortgages in 2024. This state largely reflected the overall economic situation (GDP growth by 1%).

4.4.1. Market price indicators

Before analyzing the price trend in the housing market, it is worth noting that there are various sources of information on residential real estate price dynamics: on the one hand, there are official statistical reports, and on the other, data from real estate agencies.

As indicated on the Rosstat portal, price indices for the primary and secondary housing markets are calculated by the agency's specialists based on registered prices for newly built apartments and for apartments in the existing housing stock that are privately owned, provided they are the subject of market transactions. Price indices for the primary and secondary housing markets are compiled by apartment type across the constituent entities of the Russian Federation (regions), federal districts, and the Russian Federation as a whole. Data on the total area of a specific apartment type sold in the previous year for a given city within a region is used as a weighting factor. Monitoring is conducted among a sample of organizations engaged in real estate transactions in regional centers and individual cities of the constituent entities of the Russian Federation. When recording apartment prices, their quantitative and qualitative characteristics are taken into account. Average prices across Russia are calculated based on the average prices established in the regions.

1. Author: *Malginov G.N.*, Candidate of Economic Sciences, Head of Ownership Issues and Corporate Governance Department, Gaidar Institute.

Data on the total floor area of apartments sold separately in the primary and secondary housing markets, accumulated over the previous year, are used as weights.¹

According to Rosstat data, the increase in housing prices in 2025 across the country as a whole was the lowest for the entire period since 2020. This applies to both the secondary and primary market segments, but in the latter, the indicator was almost identical to that of 2024 (*Table 17*).

Let us take a closer look at the data for 2025, starting with the quarterly price trends across Russia (*Table 18*).

In the primary market, the highest price growth was observed in Q4 (3.4%), more than double the rates recorded in Q2 and Q3 (1.6%). In the secondary market, by contrast, slightly higher price growth was recorded in H1 2025. Throughout the year, price growth rates in the primary segment outpaced those in the secondary segment: most notably in Q1 (2.5 times) and in the final Q4 (nearly 3.5 times).

Table 17

Housing market price indices for 2020–2025 (for all types of apartments, as of year-end), % change from the end of the previous year

Year	Secondary market	Primary market
2020	109.5	112.0
2021	117.2	126.0
2022	111.8	121.0
2023	108.5	109.7
2024	106.6	108.8
2025	103.9	108.7

Source: Price indices for the primary and secondary housing markets in the Russian Federation in 1998–2025. URL: https://rosstat.gov.ru/storage/mediabank/dinamika_sred_1998-2025.xlsx, <http://rosstat.gov.ru/>

Table 18

Housing market price indices in 2025 (for all types of apartments, as of the end of the quarter), % change from the end of the previous quarter

Quarter	Secondary market	Primary market
I	100.8	102.0
II	101.2	101.6
III	100.8	101.6
IV	101.0	103.4

Source: Price Indices for primary and secondary housing markets in the Russian Federation, 1998–2025: URL: https://rosstat.gov.ru/storage/mediabank/ind_perv_4kv-2025.xlsx; data on the secondary market: URL: https://rosstat.gov.ru/storage/mediabank/ind_vtor_4kv-2025.xlsx, <http://rosstat.gov.ru/>

1. URL: https://rosstat.gov.ru/storage/mediabank/Opredeleniya_Ind_cen_zhilya.pdf; https://rosstat.gov.ru/storage/mediabank/Opredeleniya_sred_ceny_zhilya.pdf, <http://rosstat.gov.ru/>

It was precisely these price dynamics during these periods that led to the fact that, by the end of 2025, overall housing price growth in the primary market (8.7%) was more than double that in the secondary market (3.9%) (Table 19).

Table 19

**Housing Market Price Indices and Average Residential Property Prices in 2025
by Property Type (as of the end of Q4)**

Property category	Secondary market		Primary market	
	% on Q4 2024	Rb thousand for 1 sq. m of total floor space	% on Q4 2024	Rb thousand for 1 sq. m of total floor space
All types of apartments	103.9	130.4	108.7	215.3
Low quality apartments	102.0	90.1	-	-
Standard-quality apartments (standard units)	104.1	111.5	108.2	172.7
High-quality apartments	104.2	140.6	109.0	213.6
Luxury apartments	101.7	330.8	108.7	537.5

Source: The Socioeconomic Situation in Russia – 2025. P. 140–141. URL: <http://rosstat.gov.ru/>

Higher prices in the primary market were observed across all property categories, but the increase was most pronounced (more than fivefold) for luxury housing (8.7% versus 1.7%); moreover, luxury housing saw the smallest price increase in the secondary market, lagging behind even low-quality housing (2%). In both segments, the highest price growth was observed for improved-quality housing, but it was significantly higher in the primary market (9% versus 4.2%). In this segment, price growth rates did not vary significantly by property category (8–9%), whereas in the secondary market, similar price dynamics were observed only for standard housing and improved-quality housing (just over 4%).

An analysis of price dynamics by region confirms that the secondary market lagged behind the primary market in terms of price growth rates nationwide. At the same time, the pattern of price dynamics was largely similar to that observed in 2024 (Table 20).

In seven of the eight federal okrugs (Central, Northwestern, Southern, Volga, Ural, Siberian, and Far Eastern), price growth in the primary segment exceeded that in the secondary segment; the highest ratio (more than fourfold) was observed in the Southern Federal Okrug, and the lowest (less than one-quarter) in the Volga Federal Okrug. Among the remaining districts, the Central and Far Eastern Federal Okrug stand out, where the primary market outpaced the secondary market in terms of price dynamics by more than 3 and 2 times, respectively. The North Caucasus Federal Okrug is an exception, where while prices in the primary segment fell by 2.3%, they rose by 4% in the secondary segment.

Table 20

Housing price indices in 2025 by federal okrug (for all types of apartments, as of the end of the fourth quarter), % change from Q4 2024

Federal okrug	Secondary market	Primary market
Russia	103.9	108.7
Central	103.4	110.8
Northwestern	104.8	109.3
Southern	101.2	105.4
North-Caucasus	104.0	97.7
Volga	105.6	106.9
Ural	102.9	105.4
Siberian	103.3	105.6
Far Eastern	102.3	105.3

Source: Housing price indices by subject of the Russian Federation in 2025. Data on the primary market: URL: https://rosstat.gov.ru/storage/mediabank/ind_perv_4kv-2025.xlsx; secondary market data: URL: https://rosstat.gov.ru/storage/mediabank/ind_vtor_4kv-2025.xlsx; <http://rosstat.gov.ru/>

Although the North Caucasus deviated from the overall trend compared to 2024, the picture became more uniform at the regional level, since a year earlier in the Northwestern Federal Okrug the secondary market outpaced the primary market in terms of price growth, while in the Southern Federal District there was roughly equal growth in both segments.

If we examine price dynamics in greater detail — at the level of Russian Federation subjects¹ — the picture presented in *Table 21* emerges.

In the primary market, Moscow led the way in price growth (11%). It was followed by Saint Petersburg (9.8%), the Moscow oblast (9.5%), and the Voronezh oblast (9.1%). Among the other regions, price growth at or near the Russian average was observed in Samara oblast (8.7%) and Tatarstan (8.1%), while the lowest growth was recorded in Khabarovsk krai (2.2%) and Volgograd oblast (2%). Prices fell by 5–6% in Dagestan and the Stavropol krai.

In the secondary housing market, the group of regions with growth rates exceeding 10% included the Chelyabinsk oblast (15.5%) and the Perm krai (11.3%), followed by the Voronezh (9.6%) and Leningrad (9.0%) oblasts. A large group of regions (Tatarstan, Bashkortostan, Primorsky krai, Tyumen oblast, Dagestan, Omsk oblast, and Khabarovsk krai) saw price stagnation (+/- 1%), while prices in Krasnodar krai fell by nearly 4%.

1. The sample consists of regions with the largest populations in their respective federal districts, including all those containing cities with populations exceeding 1 million people.

Table 21

Housing market price indices in 2025 by region (for all types of apartments, as of the end of the fourth quarter), % change from Q4 2024

Federal okrug/region	Secondary market	Primary market
Russia	103.9	108.7
Central FO	103.4	110.8
Moscow	101.5	111.0
Moscow oblast	101.1	109.5
Voronezh oblast	109.6	109.1
Northwestern FO	104.8	109.3
Saint Petersburg	105.7	109.8
Leningrad oblast	109.0	105.6
Southern FO	101.2	105.4
Krasnodar krai	96.1	103.7
Volgograd oblast	103.0	102.0
Rostov oblast	102.5	104.1
North Caucasus FO	104.0	97.7
Republic of Dagestan	99.7	95.1
Stavropol krai	105.3	94.2
Privolzhsky FO	105.6	106.9
Republic of Bashkortostan	100.8	103.0
Republic of Tatarstan	100.9	108.1
Perm krai	111.3	106.9
Nizhniy Novgorod oblast	103.8	106.1
Samara oblast	102.3	108.7
Ural FO	102.9	105.4
Sverdlovsk oblast	103.5	106.1
Tyumen oblast (including autonomous okrugs)	100.4	104.2
Chelyabinsk oblast	115.5	107.8
Siberian FO	103.3	105.6
Krasnoyarsk krai	105.1	107.6
Novosibirsk oblast	102.8	104.1
Omsk oblast	99.5	106.2
Far Eastern FO	102.3	105.3
Primorsk krai	100.8	106.5
Khabarovsk krai	99.3	102.2

Source: Housing price indices by subject of the Russian Federation in 2025. Data on the primary market: URL: https://rosstat.gov.ru/storage/mediabank/ind_perv_4kv-2025.xlsx; data on the secondary market: URL: https://rosstat.gov.ru/storage/mediabank/ind_vtor_4kv-2025.xlsx, <http://rosstat.gov.ru/>

Table 22

Average housing market prices in 2025 by regional centers of the Russian Federation¹
(for all types of apartments, as of the end of Q4), Rb thousand per square meter
of total floor area

Federal okrug/region	Secondary market	Primary market	Price spreads between markets
Central FO			
Moscow	372.0	433.2	Rb61.2 thousand (16.45%) in favor of the primary market
Moscow oblast	173.9	211.3	Rb37.4 thousand (21.5%) in favor of the secondary market
Voronezh oblast	105.8	126.05	Rb20.25 thousand (19.1%) in favor of the primary market
Northwestern FO			
Saint Petersburg	276.2	293.6	Rb17.4 thousand (6,3%) in favor of the primary market
Leningrad oblast	139.3	175.6	Rb36,3 thousand (26,1%) in favor of the primary market
Southern FO			
Krasnodar krai	130.2	150.1	Rb19.9 thousand (15,3%) in favor of the primary market
Volgograd oblast	93.15	124.75	Rb31.6 thousand (33,9%) in favor of the primary market
Rostov oblast	122.5	139.15	Rb16.65 thousand (13,6%) in favor of the primary market
North Caucasus FO			
Republic of Dagestan	107.0	74.0	Rb33.0 thousand (44.6%) in favor of the secondary market
Stavropol krai	95.3	110.2	Rb14.9 thousand (15.6%) in favor of the primary market
Privolzhsky FO			
Republic of Bashkortostan	117.8	153.2	Rb35.4 thousand (30.1%) in favor of the primary market
Republic of Tatarstan	157.3	250.7	Rb93.4 thousand (59.4%) in favor of the primary market
Perm krai	131.6	152.65	Rb21.05 thousand (16.0%) in favor of the primary market
Nizhniy Novgorod oblast	148.1	185.9	Rb37.8 thousand (25.5%) in favor of the primary market
Samara oblast	121.3	146.2	Rb24.9 thousand (20.5%) in favor of the primary market
Ural FO			
Sverdlovsk oblast	118.6	159.9	Rb41.3 thousand (34.8%) in favor of the primary market
Tyumen oblast (without autonomous okrugs)	106.6	145.1	Rb38.5 thousand (36.1%) in favor of the primary market
Chelyabinsk oblast	105.7	135.7	Rb30.0 thousand (28.4%) in favor of the primary market
Siberian FO			
Krasnoyarsk krai	118.7	141.8	Rb23.1 thousand (19.5%) in favor of the primary market
Novosibirsk oblast	125.9	159.9	Rb34.0 thousand (27.0%) in favor of the primary market
Omsk oblast	103.6	149.0	Rb45.4 thousand (43.8%) in favor of the primary market
Far Eastern FO			
Primorsk krai	155.5	194.1	Rb38.6 thousand (24.8%) in favor of the primary market
Khabarovsk krai	122.7	164.7	Rb42.0 thousand (34.2%) in favor of the primary market

Source: Average housing prices by subject and centers of subjects of the Russian Federation in 2025. Data on the primary market: URL: https://rosstat.gov.ru/storage/mediabank/sred_cen_perv_4kv-2025.xlsx; data on the secondary market: URL: https://rosstat.gov.ru/storage/mediabank/sred_cen_vtor_4kv-2025.xlsx, <http://rosstat.gov.ru/>

1. In Rosstat data, absolute housing market prices for regional capitals of the Russian Federation are reported without specifying the names of the cities that serve as regional capitals.

As a result, in most regions, the primary market outpaced the secondary market in terms of price growth. However, the group of regions where the opposite situation occurred (Voronezh, Leningrad, Volgograd, and Chelyabinsk oblasts, Dagestan, Stavropol and Perm krai) expanded compared to 2024.

Absolute price values also became an important characteristic of 2025 in this regard. Given the significance of large cities and metropolitan areas, it is appropriate to examine them by regional capitals, supplemented with data on the Moscow and Leningrad oblasts¹ (Table 22).

As expected, housing was most expensive in Moscow (over Rb400,000 per square meter in the primary market and over Rb350,000 per square meter in the secondary market). In Saint Petersburg, prices exceeded Rb250,000 per square meter in both segments.

Following the capital cities, in varying order depending on the segment, were the centers of Tatarstan and Primorsky krai, as well as the Moscow Region: in the primary market, prices exceeded Rb200,000 per square meter in Tatarstan and the Moscow oblast, and in the secondary market—Rb150,000 per square meter in the Moscow oblast, Tatarstan, and Primorye. At the other end of the price spectrum were: in the primary segment—Dagestan (less than Rb75,000 per square meter), and in the secondary segment—the Volgograd oblast (less than Rb95,000 per square meter), followed by the Stavropol krai.

In nearly all regional capitals of the Russian Federation, prices in the primary market at the end of 2025 were higher than in the secondary market. This was most pronounced in Tatarstan (by more than 59%) and the Omsk oblast (by nearly 44%), and least pronounced in Saint Petersburg (by 6.3%) and the Rostov oblast (by 13.6%). In approximately half of the regional capitals, prices in the primary market exceeded those in the secondary segment by 15–30%. The exception was Dagestan, where prices (in the center of this Russian Federation subject) exceeded those in the primary market by nearly 45%.

To characterize price levels in absolute terms, we will examine research data based on information collected by the Analytics Committee of the Russian Guild of Realtors (RGR) through a survey of certified analysts and heads of real estate agencies that are members of the RGR.²

In this study, to describe the situation in local real estate markets using the “traffic light” method for supply, demand, and prices, the latter are presented within a range of minimum and maximum rounded values for each market segment based on a sample of 58 cities, including 27 that are not regional capitals. There-

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1. These represent the largest metropolitan areas in the country, whose capitals are cities of federal significance identified in the reporting (Moscow and Saint Petersburg).
 2. Analytical Report. Q4 and 2025 Results: “Dynamics of Multi-Family Housing Market Indicators in Russian Cities” // RGR. P. 15. URL: <https://rgr.ru/>

fore, the data from this study on average prices in a number of cities, which are considered separately (*Table 23*), appear to be more representative.

Table 23

Asking prices for apartment buildings in Russian cities at the end of 2025

City	Secondary market		Primary market		Price spread across markets, %
	Rb thousand per 1 sq. m	annual growth, %	Rb thousand per 1 sq. m	annual growth, %	
Moscow	339.0	13.5	478.0	20.0	41% in favor of the primary market
Voronezh	108.1	5.92	110.3	3.48	2.0% in favor of the primary market
Astrakhan	...	...	161.6 ^a	13.1	
Rostov-on-Don	...	...	160.2 ^a	...	
Kirov	110.9 ^b	13.5	146.2 ^a	15.2	31.8% in favor of the primary market
Perm	120.8	14.3	166.8/168.2 ^a	11.1	38.1%/39.2% in favor of the primary market
Izhevsk	...	...	133.7 ^a	14.9	
Ekaterinburg	136.0 ^b	9.0	179.0 ^b /174.2 ^a	12.0	31.6%/28.1% in favor of the primary market
Tyumen	130.0	3.9	150.8/154.1 ^a	6.1/15.9 ^a	16.0%/18.5% in favor of the primary market
Chelyabinsk	...	...	159.6 ^a	16.3	
Novosibirsk	139.3	12.6	178.3/173.3 ^a	10.8	28.0%/24.4% in favor of the primary market
Vladivostok	199.8	9.3	171.8/202.7 ^a	-8.81	16.3% in favor of the secondary market/ 1.5% in favor of the primary market
Khabarovsk	...	...	188.8 ^a	...	
Yuzhno-Sakhalinsk	162.5 ^c	10.8 ^c	215.3 ^c	8.4 ^c	32.5% in favor of the primary market

^a Data from the “Objektiv” Marketing Research Center on the average listing price, which is generally higher than the average transaction price (with the exception of Astrakhan and Izhevsk).

^b Data as of early January 2026.

^c Data for Q4 2025.

Sources: Analytical report. Fourth quarter and full-year results for 2025: “Trends in the multi-family housing market in Russian cities” / RGR. P. 15–43. URL: <https://rgr.ru/>; own calculations.

In virtually all of the cities listed in *Table 23*, prices in the primary market were higher than those in the secondary market at the end of 2025. The most significant price premium for new construction was recorded in Moscow (41%), with Perm not far

behind (38–39%). Next came Yuzhno-Sakhalinsk, Yekaterinburg, Novosibirsk, Kirov, and Khabarovsk (24–32%). The smallest price premium in the primary segment over the secondary market (up to 2%) was observed in Voronezh and Vladivostok.¹ Tyumen (16–18%) fell between these cities and the majority of others.

In terms of price growth over the year, the leaders in the primary market were Moscow (20%), Chelyabinsk (16.3%), Kirov, and Izhevsk (around 15%). The smallest price increase was recorded in Voronezh (3.5%), while prices in Vladivostok fell by nearly 9%. In the secondary market, prices rose by more than 10% in Perm (14.3%), Moscow and Kirov (13.5%), Novosibirsk (12.6%), and Yuzhno-Sakhalinsk (about 11%). At the other end of the spectrum were Tyumen and Voronezh: less than 4% and 6%, respectively.

Among the cities for which comparable data is available, the results were roughly split between a subgroup where prices in the primary market grew faster and a subgroup where the secondary market led in terms of price growth.² Meanwhile, in 2024, the only exception to the general trend of faster price growth in the primary segment was Voronezh.

In most cities in the sample for which the “traffic light” method was used, supply in the secondary market had contracted by the end of 2025 due to its “washout” resulting from the realization of previously deferred demand and the withdrawal of some properties by owners who, amid high market uncertainty, lacked strong motivation to sell their homes at a discount (buyers in this segment are focused on improving their living conditions without taking out a mortgage). In the primary market, by contrast, home purchases using preferential mortgage programs dominated: in the second half of the year, the new-construction market picked up noticeably, a trend particularly evident in the fourth quarter, when many buyers sought to take advantage of the family mortgage program before its requirements were tightened.

Amid the onset of declining interest rates on bank deposits and mortgage loans, growth in housing demand in the final quarter of 2025 was observed in approximately two-thirds of the cities in the large sample of the aforementioned study, with relative price stability prevailing in more than half of the sample.

Overall, the situation was characterized by a gradual increase in average asking prices in the primary market throughout the year and a sharp rise in this indicator in the second half of the year in the secondary segment, where, in addition to the price increase itself, changes in the structure of supply played a role. (New

1. For Vladivostok, the assessment of the situation varies depending on the source of information used. According to data from Industry-R LLC, the price on the secondary market in the capital of Primorsky krai exceeded the price in the primary segment, making it an exception within the entire sample under consideration. However, according to data from the Objective Marketing Research Center, the price on the primary market was still slightly higher in the region.

2. This can also include Vladivostok, where a rise in prices in the secondary market was accompanied by a decline in the primary segment.

owners of apartments in recently completed buildings, when entering the market to resell them, tend to initially set a price above the market average; this results in an increase in the average asking price in the city-wide sample, accompanied by longer listing times for the apartments.)

An analysis of the capital's housing market can provide an objective understanding of the trends that unfolded in the housing markets of major cities in 2025.

In Moscow, this period was characterized by a slight decline in activity in both segments. In the secondary market, Rosreestr registered 140,600 transactions, compared to approximately 146,200 a year earlier; that is, the decline amounted to just 3.8%, compared to 16.4% in 2024 relative to 2023. In the primary market, Rosreestr registered 85,400 shared ownership agreements (SOAs) by the end of 2025, compared to 87,100 a year earlier. Thus, the number of SOAs decreased by 2% over the year, compared to a 24.6% decline in 2024. At the same time, significant growth in this indicator was observed in the final quarter of 2025: compared to the third quarter, it increased by nearly one-third, outpacing quarterly growth in the secondary market (by more than one-quarter).¹

4.4.2. Commissioning new housing

According to Rosstat preliminary data, 108.1 million square meters of housing were commissioned in Russia in 2025 — 0.4% more than in 2024 (*Table 24*).

Growth within the margin of statistical error (+/-0.4%) effectively amounted to stagnation. It can only be compared to the results of 2020, when all socioeconomic processes were shaped by the onset of the COVID-19 pandemic. Of course, in the period after 2000, there were several years when housing completions declined (2009–2010, 2016–2018, and 2024). The most recent decline (by 2.4%) could not be offset by the growth in 2025, which turned out to be lower than that of the economy as a whole.

When examining housing construction trends by region, positive growth was observed in roughly half of the regions, including most regions with a total housing completion volume exceeding 1 mn sq. m (*Table 25*).

As shown in *Table 25*, the highest growth in housing commissioning (over 10%) in 2025 was recorded in the Irkutsk and Volgograd oblasts, Crimea, and Moscow; growth of 5 to 10% was observed in the Tula, Moscow, Kaluga, and Tyumen oblasts, as well as in Primorsky krai; eight other regions also saw positive growth in housing completions, though less than 5%. Meanwhile, a decline occurred in 11 Russian oblasts, including some traditional leaders, leading to certain shifts within this group compared to the previous year.

1. Analytical Report. Fourth Quarter and Results for 2025: "Dynamics of Multi-Family Housing Market Indicators in Russian Cities"//RGR. P. 15, 44. URL: <https://rgr.ru/>

Table 24

Commissioning of residential buildings in Russia, 1999–2025

Year	Total floor area, mn sq. m	Growth rates, %	
		On the previous year	on 2000
1999	32.0	104.2	105.6
2000	30.3	94.7	100.0
2001	31.7	104.6	104.6
2002	33.8	106.6	111.5
2003	36.4	107.7	120.1
2004	41.0	112.6	135.3
2005	43.6	106.3	143.9
2006	50.6	116.0	167.0
2007	61.2	120.9	202.0
2008	64.1	104.7	211.5
2009	59.9	93.4	197.7
2010	58.4	97.5	192.7
2011	62.3	106.6	205.6
2012	65.7	104.7	216.8
2013	70.5	107.3	232.7
2014	84.2	119.4	277.9
2015	85.3	101.3	281.5
2016	80.2	94.0	264.7
2017	79.2	98.8	261.4
2018	75.7	95.1	248.5
2019	82.0/81.0 ^a	108.3/107.0 ^a	270.6/267.3 ^a
2020	82.2/77.1 ^a	100.2/95.2 ^a	271.3/254.5 ^a
2021	92.6	112.7	305.6
2022	102.7	111.0	338.9
2023	110.4	107.5	364.3
2024	107.8	97.6	355.8
2025	108.1	100.4	356.8

^a Excluding new housing construction on private plots, the volume of which is based on preliminary data from Rosstat (2019: 1.0 mn sq. m; 2020: 5.1 mn sq. m; no data is available for 2021–2025).

Sources: Russian Statistical Yearbook. 2010: Statistical Compilation. Moscow: Rosstat, 2010. P. 477; Russian Statistical Yearbook. 2016: Statistical Compilation. Moscow: Rosstat, 2016. P. 427; Russian Statistical Yearbook. 2021: Statistical Compilation. Moscow: Rosstat, 2021. P. 418–419; The Socioeconomic Situation in Russia — 2023. P. 93–95; The Socioeconomic Situation in Russia — 2024. P. 92–93; Socio-Economic Situation in Russia — 2025. P. 92–93. URL: <http://rosstat.gov.ru/>; own calculations.

Table 25

Trends in housing completions across Russian regions in 2025
(ranked by completion rates)

RF subject	Housing commissioning rates, % on 2024
Irkutsk oblast	120.6
Republic of Crimea	117.9
Volgograd oblast	113.3
Moscow	112.9
Tula oblast	109.8
Moscow oblast	109.5
Kaluga oblast	108.7
Tyumen oblast (including autonomous okrugs)	107.3
Primorsky krai	106.0
Chelyabinsk oblast	104.3
Saratov oblast	103.9
Leningrad oblast	103.8
Republic of Tatarstan	101.8
Orenburg oblast	101.4
Chechen Republic	101.2
Saint Petersburg	100.8
Perm krai	100.4
Voronezh oblast	100.0
Kaliningrad oblast	100.0
Stavropol krai	98.9
Krasnoyarsk krai	94.6
Sverdlovsk oblast	94.1
Rostov oblast	93.7
Novosibirsk oblast	93.6
Krasnodar krai	93.3
Republic of Bashkortostan	90.2
Udmurt Republic	88.5
Nizhniy Novgorod oblast	87.4
Samara oblast	82.9
Republic of Dagestan	57.6

Source: The Socio-Economic Situation in Russia—2025. P. 289–290. URL: <http://rosstat.gov.ru/>

The Moscow oblast compensated for the 2024 decline with a 9.5% increase and confidently retained its lead in terms of absolute housing completions (approximately 12.5 mn sq. m). The same can be said of Moscow, which, with a nearly 13% increase in completions, moved into second place (about 7.4 mn sq. m), replacing

Table 26

**Structure of residential buildings commissioned in the Russian Federation,
2010–2025**

Year	Total, mn sq. m	Including			
		Multi-unit residential construction		Individual housing construction using personal and borrowed funds	
		Mn sq. m	Share in total commissioning, %	Mn sq. m	Share in total commissioning, %
2010	58.4	32.9	56.3	25.5	43.7
2011	62.3	35.5	57.0	26.8	43.0
2012	65.7	37.3	56.8	28.4	43.2
2013	70.5	39.8	56.5	30.7	43.5
2014	84.2	48.0	57.0	36.2	43.0
2015	85.3	50.1	58.7	35.2	41.3
2016	80.2	48.4	60.3	31.8	39.7
2017	79.2	46.2	58.3	33.0	41.7
2018	75.7	43.3	57.2	32.4	42.8
2019	82.0	43.5	53.0	38.5	47.0
2020	82.2	42.4	51.6	39.8	48.4
2021	92.6	43.5	47.0	49.1	53.0
2022	102.7	45.5	44.3	57.2	55.7
2023	110.4	51.7	46.8	58.7	53.2
2024	107.8	45.5	42.2	62.3	57.8
2025	108.1	44.6	41.25	63.5	58.75

Sources: Russian Statistical Yearbook. 2021: Statistical Compilation. Moscow: Rosstat, 2021. P. 418–419; The Socio-Economic Situation in Russia—2022. P. 94–95; The Socioeconomic Situation in Russia—2023. P. 305–306; The Socioeconomic Situation in Russia—2024. P. 301–302; The Socioeconomic Situation in Russia—2025. P. 92. URL: <http://rosstat.gov.ru/>; own calculations.

the Krasnodar krai, which for the first time in many years rounded out the top three (over 6.2 mn sq. m). In the Kuban region, the decline in this indicator (by 6.7%) continued for the second consecutive year.

The Moscow metropolitan area's share of the country's total housing construction volume was 18.4% (including the Moscow oblast—11.6% and Moscow—6.8%), an increase of 1.7 p.p. compared to 2024. The top five regions, with roughly equal absolute completion figures (around 4.2 mn sq. m) also included the Leningrad and Tyumen oblasts (including autonomous okrugs) with growth of 3.8% and 7.3%, respectively. More than three mn sq. m were completed over the year in Tatarstan, Bashkortostan, and Sverdlovsk oblast. Rounding out the top ten regions were Rostov oblast and Saint Petersburg, with comparable absolute figures (around

2.7–2.8 mn sq. m). In the northern capital, as in Sevastopol, housing construction¹ remained stagnant.

Total housing completions, amounting to approximately 108 mn sq. m in 2025, were in line with the housing construction volume set forth in the guidelines of the National Project “Housing and Urban Environment” (as currently amended) for 2028.²

General data on housing completions include both multi-unit housing built by professional developers (MFH) and individual housing construction (IHC) organized independently by private individuals (*Table 26*).

The share of housing built by the population independently at their own expense or with borrowed funds reached a new high (58.8%). According to Rosstat, the floor area of individual housing construction projects completed in Russia by the end of 2025 totaled 63.5 mn sq. m, exceeding the previous year’s figure by 1.9%.

The group of regions leading in terms of the absolute volume of housing commissioned by the population included the Moscow oblast (over 9.6 million square meters), Krasnodar krai (about 3.7 mn sq. m), Leningrad oblast (3.1 mn sq. m), Tatarstan (2.4 mn sq. m), Bashkortostan (about 2.0 mn sq. m). If we examine all regions with a total volume of housing completions under the individual housing construction program exceeding 1 mn sq. m in more detail, the picture presented in *Table 27* emerges.

The largest group consisted of regions where individual housing construction accounted for 50 to 60% of total housing completions (10 regions). Higher values of this indicator were recorded in the Stavropol krai, Tula, Nizhny Novgorod, and Saratov oblasts, Dagestan, Bashkortostan, and Tatarstan (60 to 70%), as well as in the Chelyabinsk, Orenburg, and Leningrad oblasts, in Chechnya, Crimea, the Moscow oblast (70–80%). The highest share of individual housing construction in housing completions was recorded in the Irkutsk and Kaluga oblasts (over 80%). As expected, Moscow and Saint Petersburg were at the other end of the spectrum, where the contribution of individual housing construction to the total figure was 8.1% and 7.4%, respectively.³ The Tyumen, Novosibirsk, and Voronezh oblast occupied an intermediate position, with a share of individual housing construction ranging from 40% to 45%.

Against this backdrop, the construction of multi-family housing looked more pessimistic: its share, which had been steadily declining since 2016, stood at 41.2% (a decrease of nearly 1 percentage point compared to 2024). The volume of new multi-family housing completions fell by 2% in 2025, dropping below the 2022 level but still exceeding the figures for 2018–2021. More than half (57.5%) of the new

1. It is also worth noting the increase in housing completions in the Kursk Region, despite a decline in the Belgorod and Bryansk Regions; however, given their absolute values (less than 0.9 million square meters), none of these regions made it into *Table 25*.

2. URL: <https://minstroyrf.gov.ru/docs/221887/>

3. For comparison: in another city of federal significance — Sevastopol — the share of individual housing completed stood at 78.3% (with a total volume of new housing completions of about 0.35 mn sq. m).

Table 27

Share of housing commissioned by the population in Russian regions with a total volume of over one mn sq. m in 2025

RF subject	%
Irkutsk oblast ^a	82.1
Kaluga oblast	80.4
Moscow oblast ^a	77.1
Republic of Crimea ^a	75.2
Leningrad oblast ^a	73.5
Chechen Republic ^a	73.2
Orenburg oblast	71.3
Chelyabinsk oblast ^a	70.9
Republic of Tatarstan ^a	68.3
Saratov oblast	68.2
Republic of Bashkortostan ^a	65.5
Republic of Dagestan ^a	64.8
Nizhniy Novgorod oblast ^a	64.6
Tula oblast	64.6
Stavropol Krai ^a	61.1
Samara oblast	59.7
Perm Krai ^a	59.6
Krasnodar Krai ^a	58.8
Volgograd oblast	57.5
Rostov oblast ^a	56.1
Kaliningrad oblast	54.7
Krasnoyarsk Krai	54.3
Udmurt Republic	51.5
Primorsky Krai	51.4
Sverdlovsk oblast ^a	50.8
Voronezh oblast	44.8
Novosibirsk oblast ^a	44.4
Tyumen oblast (including autonomous okrugs) ^a	41.5
Moscow	8.1
Saint Petersburg	7.4

^a Regions where private residential construction exceeded 1 mn sq. m.

Source: The Socioeconomic Situation in Russia — 2025. P. 291–292. URL: <http://rosstat.gov.ru/>; own calculations.

housing completions (excluding housing built by the population)¹ were concentrated in 12 regions (each with at least 1 million square meters of new housing), while the combined share of the top five (Moscow and the Moscow oblast, Krasnodar krai, Saint Petersburg, and the Tyumen oblast (including autonomous districts)) accounted for 38.5% of the total volume of multi-unit housing completions.²

1. This indicator is not included in Rosstat’s official reports. However, it can be calculated as the difference between the total volume of housing completions and individual housing completed using their own and borrowed funds.

2. More than 1 mn sq. m were also completed in a year in the Sverdlovsk, Novosibirsk, Rostov, and Leningrad oblasts, Tatarstan, the Voronezh oblast, and Bashkortostan.

4.4.3. Housing construction: Current status and related issues

The trend in total housing commissioning in Russia as a whole, examined over specific time intervals, reflects the instability of the industry's situation in 2025. After a very positive start in Q1, when housing delivery exceeded the figure for the same period in 2024 by nearly 9%, there was a clear decline in Q2 — by more than a third. This was followed by a recovery in Q4, during which housing delivery exceeded the figure for the same period in 2024 by 18.6%. However, although the total volume of housing completions for the second half of the year was higher than in the first six months, in the fourth quarter this figure only came close to the level recorded in the first quarter.¹

In H1 2025, developers faced not only a decline in demand but also cost-push inflation affecting the financial instruments essential to their operations, manifested in banks raising interest rates on project financing and increasing commissions paid to agents. Under these conditions, the minimal decline in the volume of completed multi-family housing and a slight increase in the volume of ongoing construction for the year as a whole can be considered decent results.

According to data from the Unified Information System for Housing Construction (EISZhS), the total floor area of multi-family housing under construction, taking into account all financing mechanisms, stood at 116.6 mn sq. m as of the end of December 2025, approximately 1.9% higher than the figure recorded a year earlier (114.4 mn sq. m). The majority of this area consisted of housing constructed in accordance with Federal Law No. 214-FZ of December 30, 2004, "On Participation in Shared Construction of Apartment Buildings and Other Real Estate Objects and on Amending Certain Legislative Acts of the Russian Federation," which requires individuals to enter into shared construction agreements. As of the end of 2025, 98.5% of multi-unit housing under construction was being built using escrow accounts, compared to 97.6% at the end of 2024.

According to a study by the Russian Guild of Realtors (RGR), the trend of recent years toward a predominance of small apartments in housing under construction has solidified, with an increase in the share of studio apartments. Buyer demand for these units is driven both by their relative affordability for improving one's living conditions and by their suitability for subsequent rental. The share of large apartments has not grown for four consecutive years, either in terms of number or floor area.

Sales trends for pre-sale contracts in 2025 were mixed. A decline at the very beginning of the year was followed by slow, short-term growth, but a decline was observed again for most of the spring. In the following months, an upward trend prevailed, with a significant increase in transactions in the fourth quarter; as a result, the total area of apartments sold under pre-sale agreements (25.6 mn sq. m) for the year grew by 1.2% but remained below the 2021 level.

1. The Socio-Economic Situation in Russia — 2025. P. 92–93. URL: <https://rgr.ru/>

Against the backdrop of overall market volumes for housing under construction remaining stable for the year, signs of a downward trend emerged, albeit without a clear timeframe. The volume of new projects launched decreased by 12% compared to 2024 (to 41 mn sq. m), primarily due to a slump in the first months of the year. According to EISZhS data, the total area of housing under construction, taking into account all financing mechanisms, was 3.7% lower in December 2025 than in September of the same year.

The expansion of the portfolio of housing under construction — which exceeded 2020 levels — was accompanied by the highest unsold inventory rate in five years (69% at the end of 2025, the same as the previous year). The floor area of projects with delayed completion and/or handover dates increased by 8.4% over the year (to 38.6 mn sq. m). Overall, the new-build market remained balanced at year-end, but one-third of regions faced risks of oversupply, including nearly half of the territories with construction volumes of one mn sq. m or more. The share of projects at risk of failing to meet sales targets upon completion stood at 23%.¹

Many cities — leaders in terms of current construction volume — showed zero or negative dynamics in this regard during the period under review: oversupply forced developers to adjust their operations in line with existing demand. Thus, in Novosibirsk at the end of 2025, the number of unsold apartments in new buildings under construction stood at 25,000 units (or about 60% of the number of buildings under construction where sales have begun); the region is currently at its peak in terms of the remaining volume of unsold apartments in already completed buildings (another approximately 5,500 units). In Yekaterinburg, the total number of unsold apartments stood at approximately 62,000 units by early 2026. Another example of oversaturation in local markets is Sakhalin, where a construction boom has been observed over the past few years involving industry leaders of national significance — the PIK and Samolet groups — with the support of the national “Infrastructure for Life” project. However, the high pace of construction signaled the prospect of oversupply in the region’s real estate market, as only 40% of the total volume of newly completed buildings was sold there in 2025.

Amid strong market instability, the primary housing market was characterized by repeated cycles of growth and decline, with significant fluctuations in the duration and volume of transactions moving in opposite directions. Consequently, developers’ performance was primarily determined by their ability to capitalize on market conditions.

They are attempting to address sales challenges primarily by offering more housing on installment plans: its share in the primary market is growing and, ac-

1. Analytical Report. Q4 and 2025 Results: “Dynamics of Multi-Family Housing Market Indicators in Russian Cities” // RGR. P. 2–3, 6–8. URL: <https://rgr.ru/>; 2025 Results in the Housing Sector // DOM.RF Analytical Center. February 2026. P. 7–8, 16–18, 24, 26, 28. URL: <https://дом.рф/upload/iblock/07d/qbe-19wldkzyjq3rzeoi139rcjfi5zky.pdf>

ording to expert estimates, could reach 15%. Another way to boost sales is to offer discounts on new construction, which depend on the buyer’s available funds: as a rule, a larger discount is offered for full payment using the buyer’s own funds (up to 1/4 of the asking price). In addition, developers occasionally launch programs to stimulate demand through various promotions (for example, providing interior finishing in the purchased apartment, offering auxiliary non-residential spaces as a gift, or special offers when purchasing an apartment together with a parking space).¹

By the end of 2025, mortgage lending had regressed to levels seen several years earlier: for the first time in many years, the number of loans issued fell below 1 mn, i.e., below the 2017 level. Overall, the volume of MHLC for the year amounted to Rb4.45 trillion, roughly corresponding to the 2020 level. Following the slump in 2024, which was driven by the end of the subsidized mortgage program, this figure declined by another 9% (quarterly trends are presented in *Table 28*).

Table 28

Trends in the issuance of mortgage loans to individuals in 2025

Period	Total, Rb bn	%	
		On the same period of 2024	On the same period
Q1	611.1	58.1	65.5
Q2	886.5	49.3	145.1
Q3	1152.6	104.4	130.0
Q4	1802.3	193.3	156.4
January–December	4452.5	91.1	

Source: The Socioeconomic Situation in Russia. January 2026. P. 139–140. URL: <http://rosstat.gov.ru/>; Own calculations.

While housing construction volumes in Q1 were at their lowest level compared to the quarterly figures for H2 2024, they subsequently began to grow rapidly and, in Q3, slightly exceeded the figure for the same period in 2024. In Q4, the volume of residential mortgage loans increased by more than 1.5 times compared to the previous quarter and nearly doubled compared to Q4 2024.

The trend in interest rates in the housing market inspires a certain degree of optimism. The weighted average rate on residential mortgage loans, having peaked in January 2025 (8.35% per annum), subsequently declined gradually through July. It then rose for three months through October (8.24%), before returning to a down-

1. Analytical Report. Fourth Quarter and Results for 2025: “Dynamics of Multi-Family Housing Market Indicators in Russian Cities”//RGR. P. 5, 27, 31, 37, 43, 45. URL: <https://rgr.ru/>

ward trend in the final months of the year. In December, this rate (7.59%) was roughly equivalent to the level seen in late summer 2025.¹

It should be noted, however, that this relatively low level of interest rates is largely due to the continuation of government subsidies under preferential lending programs, primarily for family mortgages. Under preferential programs in 2025, 1.7 times more new state-supported loans were issued than under market conditions (611,000 loans versus 358,000).² State-supported mortgages remained at a level close to that of 2024: while the total number of loans issued under preferential programs fell by more than a quarter, they decreased by only 4% with some growth in the volume of loans issued (by comparison: the decline in market-rate mortgages amounted to more than 46% in terms of the number of loans and 35.5% in terms of volume). Overall, by the end of the year, the share of subsidized programs in the total number of loans issued rose to 63% (49% in 2024) and to 79% in volume (about 71% in 2024).

Following the conclusion of the preferential mortgage program for new construction, the “Family Mortgage” program clearly dominated the structure of state-supported housing and mortgage lending under current programs (accounting for 89% of all preferential loans issued in 2025). The volume of loans issued under this program increased by 47% compared to 2024, and the number of loans rose by 44%. Under the “Far East and Arctic Mortgage” program, the growth was 13.6% and 6.8%, respectively. Under the “IT Mortgage” program, by contrast, the volume of loans issued fell nearly fourfold, with the number of loans decreasing by nearly two-thirds.

In the overall structure of housing and construction loans by loan type, the only segment to see growth in loan volume relative to 2024 was new construction (an increase of 6.8%). Loan volumes for the purchase of completed apartments and houses decreased by 11%, while lending for individual housing construction plummeted by nearly two-thirds. The number of loans declined across all segments: the smallest decrease was for new construction (1.7%), and the largest was for individual housing construction (78.2%). Ready-built apartments (down 18.4%) and houses (down 30.5%) occupied an intermediate position. As a result, there was a clear shift in the structure of housing construction loans (by number of loans) toward new construction (up to 48% in 2024 — 36.2%) and ready-to-move-in apartments (to 37.6%, in 2024 — 34.2%) due to a sharp decline in the share of individual housing construction from 20.4% to 6%. The share of ready-to-move-in houses remained roughly at the same level — 8.5% versus 9.1% in 2024.

The growing dominance of preferential programs in the volume of individual housing construction was, paradoxically, accompanied by an increase in the signi-

1. The Socio-Economic Situation in Russia. January 2026. P. 141–142. URL: <http://rosstat.gov.ru/>

2. Loans issued under state-supported mortgage programs include supplementary agreements concluded under family mortgage schemes and other programs (excluding rural mortgages). Loans issued on market terms include tranches of previously issued loans for individual housing construction, i.e., the issuance of mortgages in installments for the construction of individual homes under previously concluded contracts.

ficance of other instruments in housing sales under registered pre-sale agreements for residential premises: their total number in 2025 grew by 6%.

Among these, the number of contracts without mortgages increased by more than 43% compared to 2024, and their share in the overall structure of registered pre-sale contracts rose from 17% to 23%. The increase in the number of contracts under market-rate mortgage programs was even greater (more than 45%), and their share rose from 7% to 10%. The number of contracts under preferential mortgage programs, despite the rush of demand for family mortgages at the end of the year,¹ decreased by 6% overall in 2025, and their share in the overall structure of registered mortgage agreements also decreased in 2025 from 76% to 67%, returning to the previous year's level.²

According to figures published by Rosstat (citing data from the Bank of Russia), the total outstanding balance of residential mortgage loans granted to individuals exceeded 20.8 trillion rubles by early 2026, having increased by more than Rb1.6 trillion, or 8.5%, over the course of the year (compared to 6.5% in 2024). The role of mortgages in lending to the general population has grown significantly: by early 2026, their share of total household debt stood at 57.8%, compared to 54.9% a year earlier; Sberbank accounted for 58.3% of all housing and mortgage loan debt, compared to 56.4% in 2024. The volume of delinquent debt on such loans reached Rb206.3 bn (1% of total housing and mortgage loan debt), compared to Rb96.4 bn (0.5% of total debt), having increased 2.1-fold over the year.³

According to data from the Unified Institute for Development in the Housing Sector, JSC "DOM.RF," by the end of 2025, the mortgage portfolio on banks' balance sheets amounted to Rb21.7 trillion,⁴ while the total mortgage portfolio, representing the population's total mortgage debt, stood at Rb23.8 trillion. The difference is due to the removal of a portion of mortgage-backed securities from banks' balance sheets as a result of their purchase by DOM.RF, which, in turn, issues bonds secured by these assets. This mechanism, known as mortgage securitization, allows banks to free up funds to expand lending.⁵

It is also worth noting that in November 2025, DOM.RF successfully conducted an additional share issue amounting to approximately 10% of its authorized capi-

1. In December, the volume of lending exceeded Rb600 bn, marking a monthly record for the program's entire history.
2. Results of 2025 in the Housing Sector // DOM.RF Analytical Center. February 2026. P. 11–13. URL: <https://дом.рф/upload/iblock/07d/qbe19wldkyzjq3rzeoi139rcjfi5zky.pdf>; Overview of the Mortgage Lending Market in 2025 // DOM.RF Analytical Center. February 2026. P. 5–7. URL <https://xn--d1aqf.xn-p1ai/analytics/mortgage-market-report/year/592337/>; Key Events in the Housing Construction Market in 2025. URL <https://xn--d1aqf.xn-p1ai/analytics/housing-construction/report/year/593291/>; own calculations.
3. The Socioeconomic Situation in Russia. January 2026. pp. 141–142. URL: <http://rosstat.gov.ru/>; own calculationsa.
4. Taking into account claims acquired by credit institutions, excluding securitization.
5. Review of the Mortgage Lending Market in 2025 // DOM.RF Analytical Center. February 2026. P. 9. URL: <https://дом.рф/upload/iblock/b1c/g7mx3ts3klc9yg2e8wkhlgzymbdmc00t.pdf>

tal. However, the amount of funds raised (Rb31.7 bn) was incomparable to the volume of mortgage securities issued by the company in 2025 (11 placements totaling Rb670 bn).¹

In the 2025 budget reports, funds received in accordance with decisions of an interdepartmental collegial body authorized by the Government of the Russian Federation, as provided for in paragraph 2 of part 1 of Article 12 of Federal Law No. 161-FZ of July 24, 2008 No. 161-FZ “On Promoting the Development of Housing Construction, the Creation of Tourism Infrastructure Facilities, and Other Territorial Development,” from the leasing and sale by a single development institution in the housing sector of real estate (including the allocation of land plots), including the sale of rights to conclude lease agreements and rights to conclude agreements on the comprehensive development of undeveloped territory.

* * *

In 2025, the Russian real estate market was in a state of relative saturation, with no clear signs of a crisis or any immediate resolution of such issues.

In the first half of the year, it was still reeling from the consequences of the cancellation of the standard preferential mortgage for new construction and the restructuring of the entire portfolio of preferential housing loan programs in favor of family mortgages. In the second half of the year, and especially toward the end of the year, the market saw a certain degree of revitalization: as key interest rates and deposit rates began to decline, buyers sought to fulfill previously deferred demand. This was particularly evident in the primary market, where the majority of transactions were conducted using mortgages under preferential programs. No significant change in activity was observed in the secondary market due to relatively low demand amid limited supply.

The annual price increase in the secondary market was less than half (less than 4%) of the corresponding figure in the primary market (8.7%), which effectively remained at the 2024 level. The significant slowdown in price growth in the secondary market resulted in price levels falling below official consumer inflation (5.6%), in contrast to the primary segment. Regionally, price dynamics in the primary market generally outpaced those in the secondary market, but compared to 2024, there were more instances of the opposite trend. Virtually everywhere, prices in the primary segment were higher than in the secondary market.

Nationwide, housing construction saw a stagnation in the volume of new housing completions. On the one hand, some regions that have traditionally been leaders in this indicator managed to offset the significant decline seen in 2024 (for example, Moscow and the Moscow oblast). Others, on the contrary, saw a decline

1. Review of the Mortgage Bond Market in 2025 // DOM.RF Analytical Center. February 2026. P. 2–3. URL: <https://www.rbc.ru/finances/20/11/2025/691eb2ef9a7947611e6eb6dd>

(for example, Krasnodar krai, Bashkortostan, and Sverdlovsk oblast). Saint Petersburg was an example of stagnation, while Leningrad oblast demonstrated decent growth rates in housing completions.

Private housing construction continued to serve as the market driver: its share of total housing completions rose over the year to nearly 59%, while the share of multi-unit housing — with a 2% decline in absolute completion volumes — decreased by nearly 1 percentage point compared to 2024. By the end of the year, signs of a crisis had emerged in the short-term dynamics of current construction.

The total amount of residential mortgage loans issued decreased by less than 10% in 2025, while the annual growth in household debt was slightly higher than in 2024. This result was achieved by maintaining the volume of subsidized mortgages, while mortgages at market rates continued to decline. At the same time, delinquent mortgage debt doubled.

The future outlook for the housing market will depend on whether changes to the Bank of Russia's key rate — and, consequently, changes in mortgage interest rates for households and commercial lending to developers, to maintain the positive momentum of the final quarter of 2025 and avoid entering a recession.

In addition to geopolitical and macroeconomic risks, this will be counteracted by a number of other factors. The current situation, namely market saturation, means that the balance has shifted in favor of buyers, who have the opportunity to carefully and unhurriedly select a property based on their own criteria (improving living conditions, investing with a view to subsequent resale, purchasing for rental purposes) and the reputation of developers. Both market participants can expect an increase in construction costs, not only due to general inflation but also because of the VAT hike, which will be reflected in higher market prices for real estate. This will manifest not only in the planned price increases for projects with strong sales but also in the elimination of certain discounts and the phasing out of the cheapest options.