

# INVESTMENT MARKET

Q1 2025





**Stanislav Bibik**  
NF GROUP Partner

“Despite the high key rate remaining at 21% and inflation exceeding 10%, investment activity in Q1 2025 was high. The total investment volume reached 176.5 billion, which is 18% higher than last year. There is an increase in investment volumes in classic commercial real estate segments, with the leading office sector. The potential annual investment volume is estimated at 500–700 billion roubles, with activity depending on the availability of financing and changes in the geopolitical situation.»

## Main conclusions

- > At Q1 2025, the total volume of investments in Russian real estate amounted to 176.5 billion rub.
- > The share of investments in classic segments is 71%.
- > The leader in the commercial real estate segments is office real estate with a share of 47%.

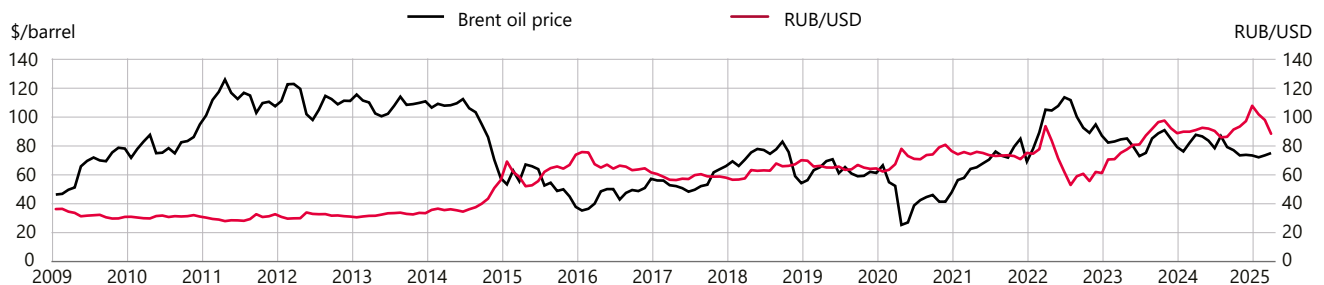
As of the beginning of 2025, the Central Bank's key rate remained at 21%. The Central Bank gradually raised the key rate in 2024 to curb rising inflation and due to the rouble weakening. The inflation rate amounted to 10.06% at quarter-end.

The GDP growth for December and January 2025 is estimated at 2.9%. The consumer confidence index decreased, having reached -11% at the end of February. There was also an increase in retail turnover by 1.9 percentage points.

The dollar exchange rate at the beginning of March decreased to 88.26 roubles/USD, which is lower than the indicator at the end of 2024. The price of Brent crude oil increased up to \$74.74 per barrel.

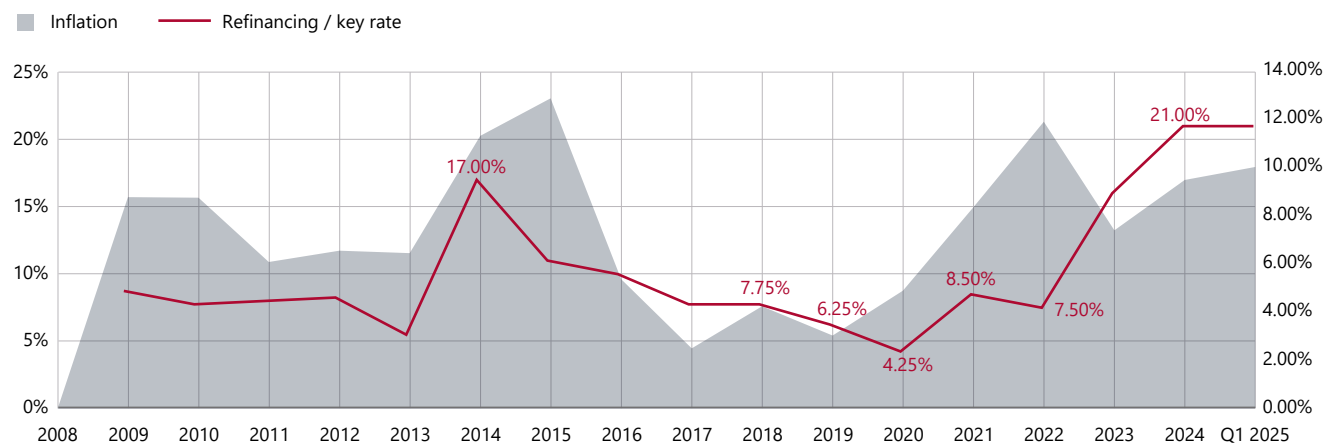
In Q1 2025, the investors' activity generally remained high despite the high key rate. The volume of investments reached 176.5 billion roubles, having increased by 18% compared to same period last year. At the same time, transactions with end users made a significant contribution to such a high result.

### Dynamics of the USD Exchange Rate and Brent Crude Oil Price



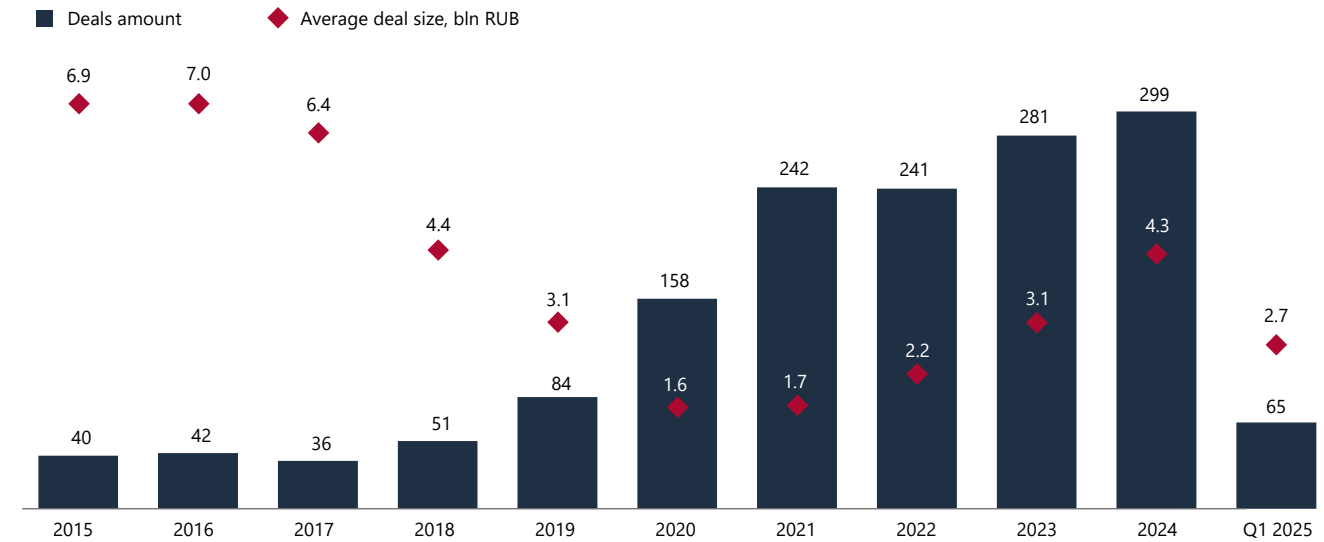
Source: Bank of Russia, 2025

### Inflation and Central Bank Key Rate Trends



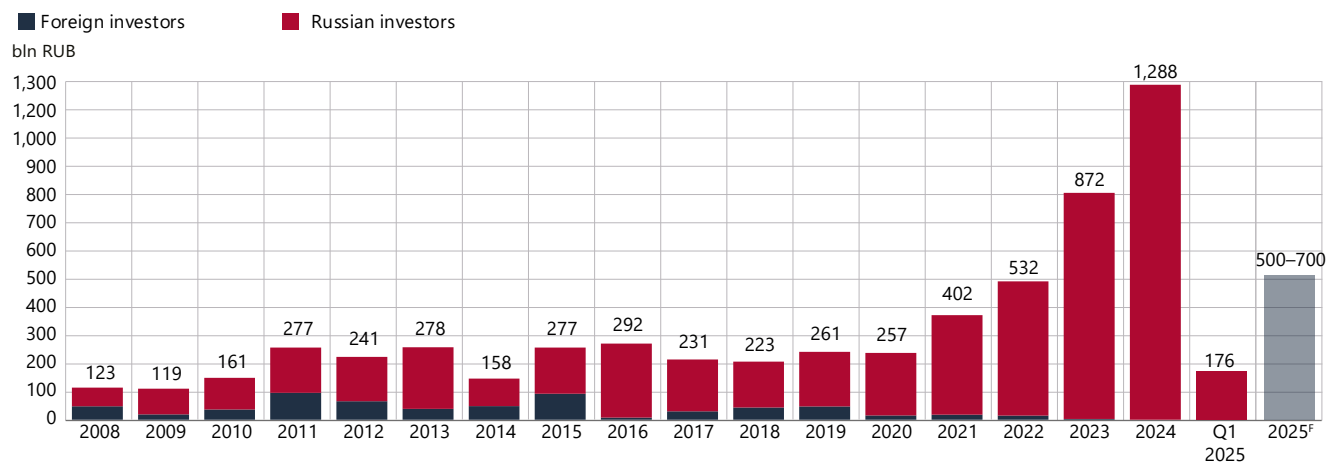
Source: Bank of Russia, 2025

## Average Deal Size and Number of Deals



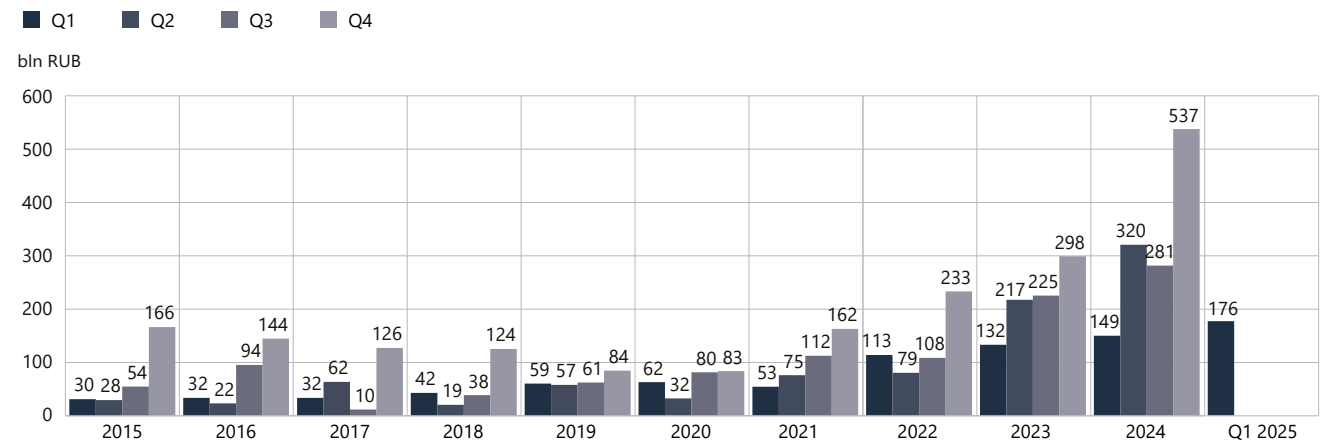
Source: NF GROUP Research, 2025

## Real Estate Investment Volume and Share of Foreign Capital



Source: Bank of Russia, NF GROUP Research, 2025

## Quarterly Investment Volume Trends



Source: NF GROUP Research, 2025

At the end of the year, there were no transactions with foreign capital, which continues the trend of 2023 and 2024. In general, similar dynamics are expected to continue during the next few years: foreign companies and funds are still wary of entering Russian markets. A significant increase in the foreign capital share in the total volume of investment in Russian real estate is expected when the geopolitical tensions begin to decrease.

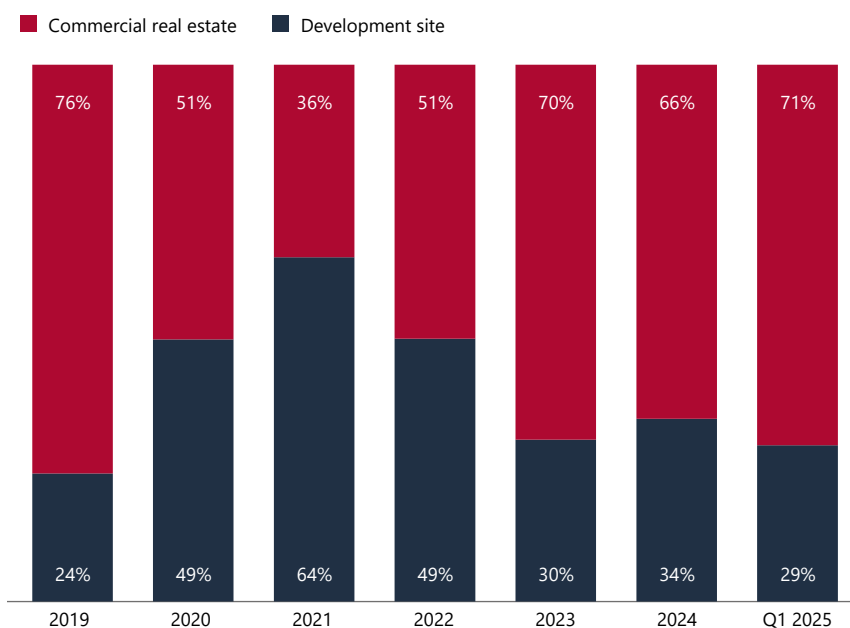
In Q1 2025, there was an increase in investments in classic segments compared to 2024: 71% versus 66% for the whole 2024. However, about a third of all investments are made up of investments in development sites.

The development sites accounted for 24% of investment in Q1 2025, or 41 billion roubles, which is 35% less than in Q1 2024. The largest transaction during the period was the acquisition of a land plot on Matisov Island by Fizika Development (7-8 billion roubles). The second place is taken by the territory of the Mirland Plaza business center for the residential real estate development (5-7 billion roubles).

In terms of the segments planned for development, residential development sites take the leading positions in the structure of development site transactions— 64% of all transactions. The second place is taken by the sites for the construction of multifunctional complexes with residential as well as social and business components.

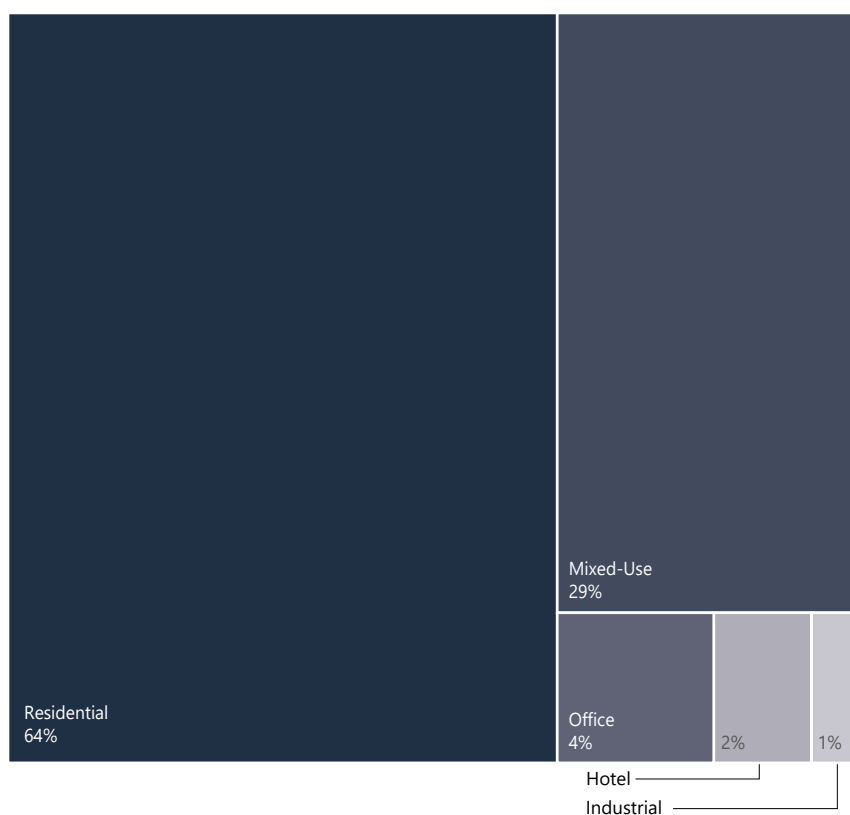
The office real estate ranks first among the classic segments. The total investments amounted to 82.8 billion roubles. The largest transactions in the segment are the acquisition of the Central Telegraph building by T-Bank — 35–42 billion roubles. The second place is taken by the Lukoil's purchase of the AFI2B business center — 23–27 billion roubles, and EFKO Group's purchase of the Arcus IV business center (10–11 billion roubles). It is worth noting that most of the investments in this segment were made by end-users.

### Investment Structure by Asset Type



Source: NF GROUP Research, 2025

### Investment Structure in Development Sites by Segment



Source: NF GROUP Research, 2025

## Examples of the Largest Investment Transactions, Q1 2025

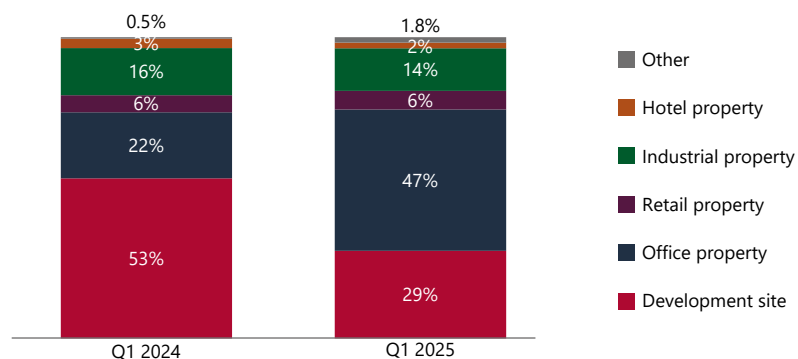
Facility	Segment	Region	Purchaser	Profile	Price, billion RUB
Central Telegraph building	Office	Moscow	T-Bank	End users	35–42
AFI2B business center	Office	Moscow	LUKOIL	End users	24–26
Arcus IV business center	Office	Moscow	Efko GC	End users	10–11
2 industrial sites, former Mayr-Melnhof assets	Warehouse/ Industrial	St. Petersburg	Zvezda GC	End users	9–11
Former territory of foil rolling plant	Development sites	St. Petersburg	Fizika Development	Developers	7–8
PNK Park Domodedovo-2	Warehouse	Moscow	Petrovich Construction Trading House	Investment companies	6–7
Territory under the Mirland Plaza business quarter	Development sites	Moscow	Coldy	Developers	5–7

Source: NF GROUP Research, 2025

The third largest segment is warehouse and industrial real estate, the share of which has decreased slightly compared to the last year. The total investment volume reached 25 billion roubles. The largest transaction is the purchase of Mayr-Melnhof assets by Sveza GC. The trend for the acquisition of light-industrial facilities set in 2024 continues. The demand for such real estate is expected to continue to grow over the next few years.

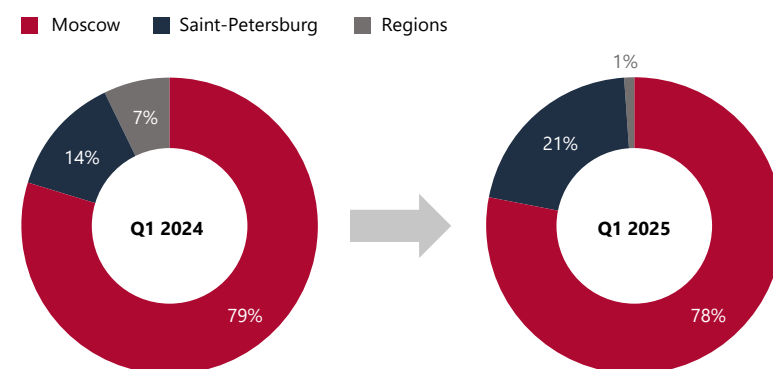
According to the segmentation by regions, Moscow became the leader in the demand structure based on the results of Q1 2025 with a share of 79%, which corresponds to the level of last year. The share of St. Petersburg was 21% versus 14% for the same period last year, the share of the regions decreased from 3% to 1%.

## Investment Structure in Russia's Commercial Real Estate by Segment



Source: NF GROUP Research, 2025

## Investment Structure in Russia's Commercial Real Estate by Region

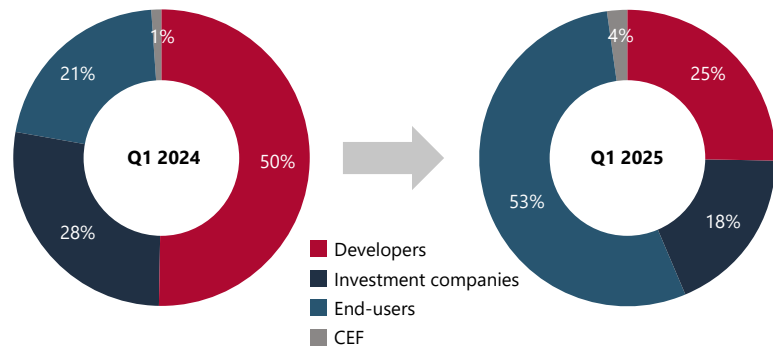


Source: NF GROUP Research, 2025

According to the investor profile, end-users took the leading positions in the demand structure: their share increased to 53% versus 21% a year earlier. The share of investment companies and private investors amounted to 18% versus 27% a year earlier. The developers' share amounted to 25% versus 50% a year earlier. The share of investments in closed-end mutual funds has increased from 1 to 3% based on the results of Q1 2025.

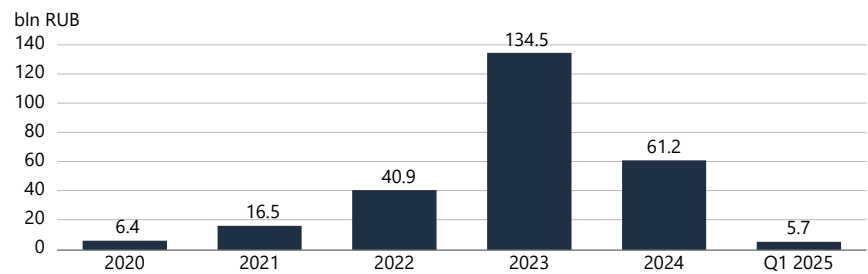
In Q1 2025, the total volume of investments in transactions with closed-end mutual funds amounted to 5.7 billion roubles. Since 2020, the largest volume of collective investments was recorded in 2023 - the volume of transactions amounted to 134.5 billion roubles at that time. In the period from 2022 to Q1 2025, the most popular segment was warehouse real estate – 60% of all transactions with closed-end mutual funds or 158.7 billion roubles.

Investment Structure by Investor Type



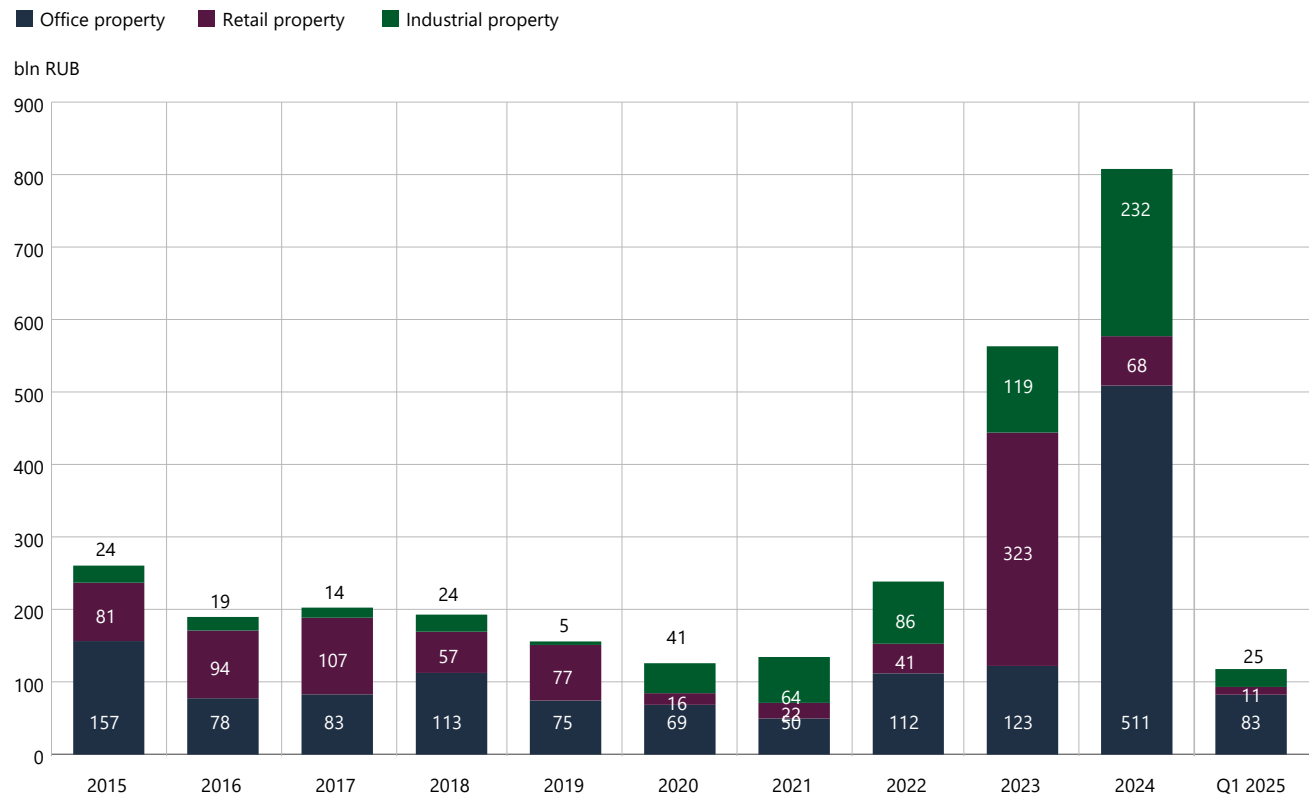
Source: NF GROUP Research, 2025

Investment Dynamics in Closed-End Mutual Funds (CEFs)



Source: NF GROUP Research, 2025

Trends in Commercial Real Estate Investment Volume by Segment



Source: NF GROUP Research, 2025

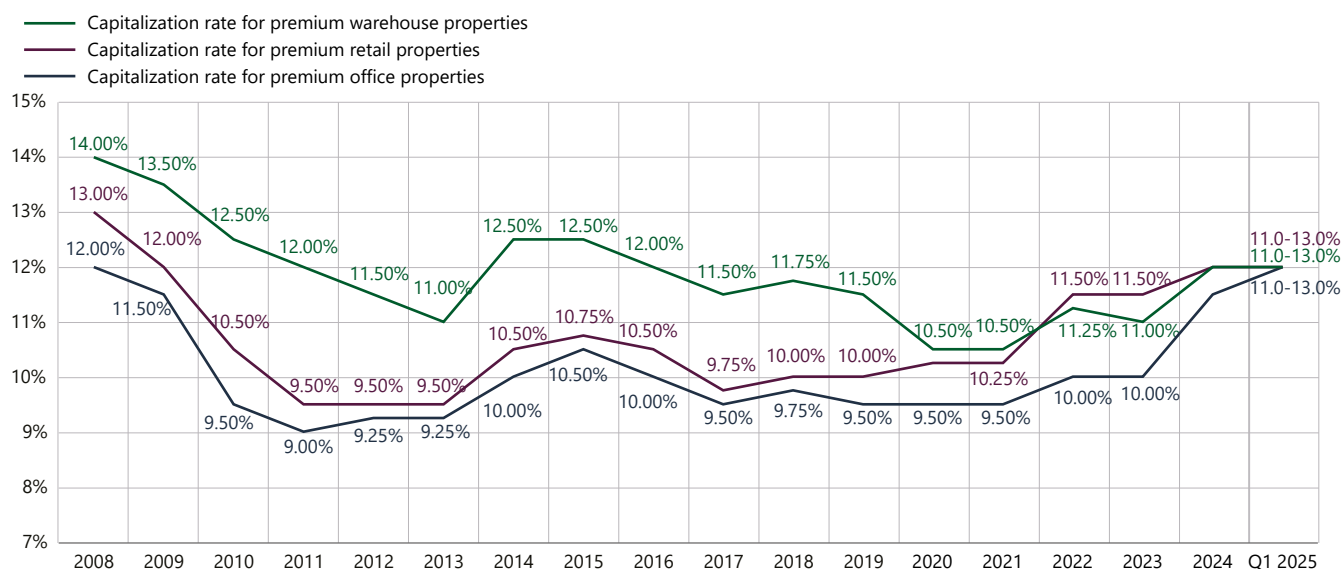


By the end of Q1 2025, the average capitalization rates of Moscow region facilities in the classic commercial real estate segments are as follows: office real estate - 11-13%, warehouse real estate - 11-13%, retail real estate - 11-13%.

It is worth noting that the approach to reflecting the average range of capitalization rates is a consequence of the desire to comply with general market trends. Nevertheless, within the current market, capitalization rates may differ significantly from the specified range up

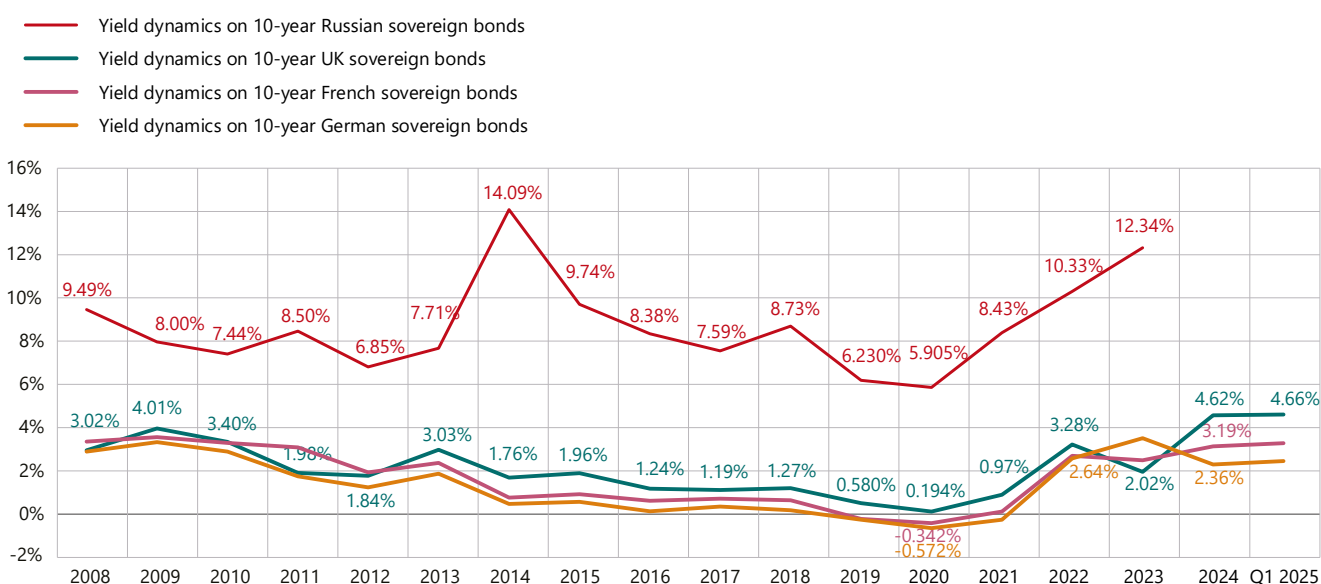
and down, especially with respect to retail and office assets, where the spread of financial indicators is very wide.

### Average Capitalization Rates for Commercial Real Estate in the Moscow Region



Source: NF GROUP Research, 2025

### Yield on 10-Year Bonds



The following figures depict the yields dynamics of 10-year government bonds of the UK, France, Germany and Russia in currency terms, as well as the cap rate movements for prime office, retail and warehouse property in rubles (considering the current market conditions).

Source: NF GROUP Research, Investing.com, 2025

## KEY TRANSACTIONS IN THE RUSSIAN REAL ESTATE MARKET IN 2024:

**WAREHOUSE/INDUSTRIAL  
SEGMENT**

Mayr-Melnhof assets –  
**9–11 billion roubles.**

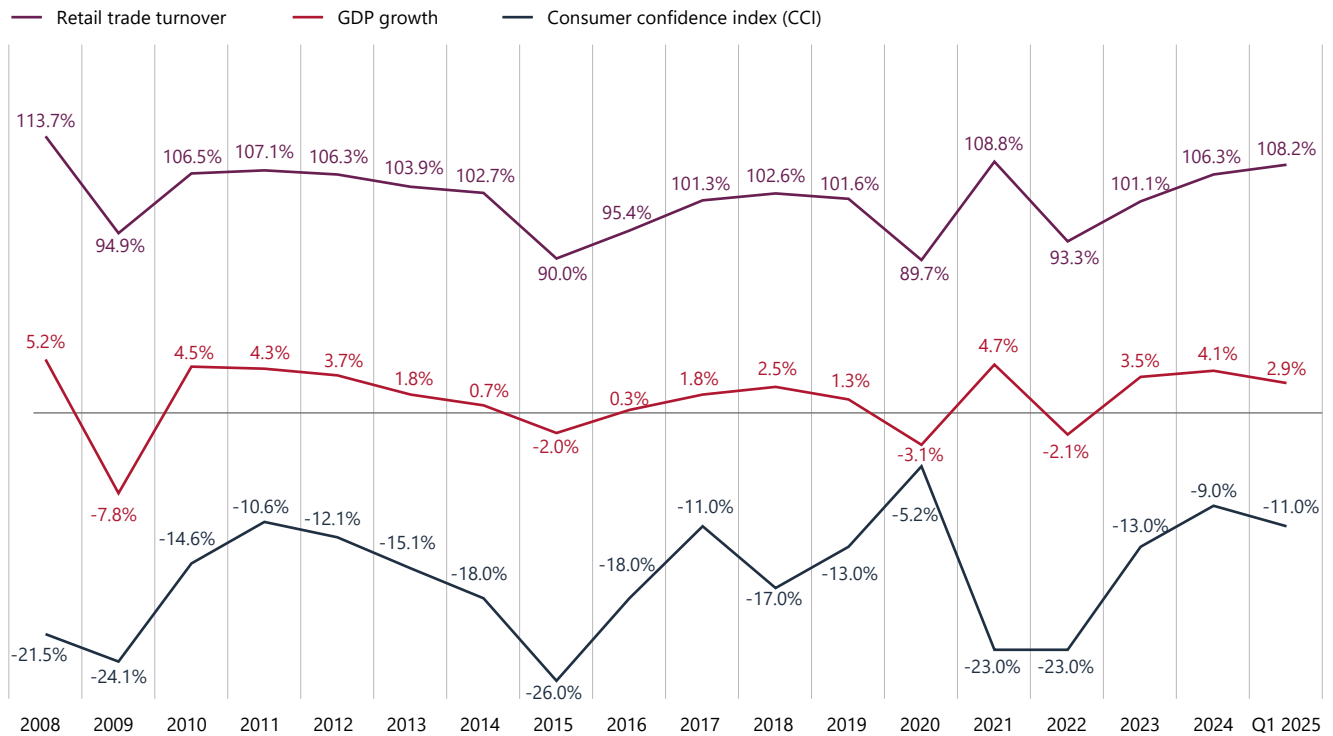
**OFFICE  
SEGMENT**

Central Telegraph –  
**35–42 billion roubles**

**RETAIL  
SEGMENT**

Iyun shopping and entertainment mall –  
**2–2,3 billion roubles.**

## Trends in Macroeconomic Indicators and Commercial Real Estate Investment Volume



Source: NF GROUP Research, Ministry of Economic Development of the Russian Federation, 2025

**WAREHOUSE  
PROPERTY**

**25.0 billion roubles**

TOTAL INVESTMENT VOLUME

**2.1 billion roubles**

AVERAGE TRANSACTION SIZE

**11.0–13.0%**

AVERAGE CAPITALIZATION RATE

**OFFICE  
PROPERTY:**

**82.8 billion roubles**

TOTAL INVESTMENT VOLUME

**6.3 billion roubles**

AVERAGE TRANSACTION SIZE

**11.0–13.0%**

AVERAGE CAPITALIZATION RATE

**RETAIL  
PROPERTY:**

**10.8 billion roubles**

TOTAL INVESTMENT VOLUME

**2.2 billion roubles**

AVERAGE TRANSACTION SIZE

**11.0–13.0%**

AVERAGE CAPITALIZATION RATE



## CAPITAL MARKETS DEPARTMENT

NF Group  
Capital Markets  
department consulted  
**first** Russian  
institutional CRE  
forward  
transaction

**\$3  
BLN**  
the overall Russian  
Capital Markets department  
transaction volume  
in the last  
three years

NF GROUP provides the full range of investment consulting and corporate financial services in Russia and CIS

The member of Russian Capital Markets department work closely with worldwide Capital Markets teams providing full range of services for investors regardless of their location

We are able to offer our clients strategic consulting services locally or worldwide to maximize earnings and minimize the risk

### SERVICES

- > Investment sale and purchase of CRE properties
- > Investment sale and purchase of CRE portfolio
- > Investment consulting in all market segments
- > Equity investments
- > Mezannine financing
- > Refunding
- > Fundraising for transactions

### CONTACTS



**Alexey Novikov**  
[An@nfgroup.ru](mailto:An@nfgroup.ru)



**Stanislav Bibik**  
[SB@nfgroup.ru](mailto:SB@nfgroup.ru)



**Sergey Kuzichev**  
[Sk@nfgroup.ru](mailto:Sk@nfgroup.ru)

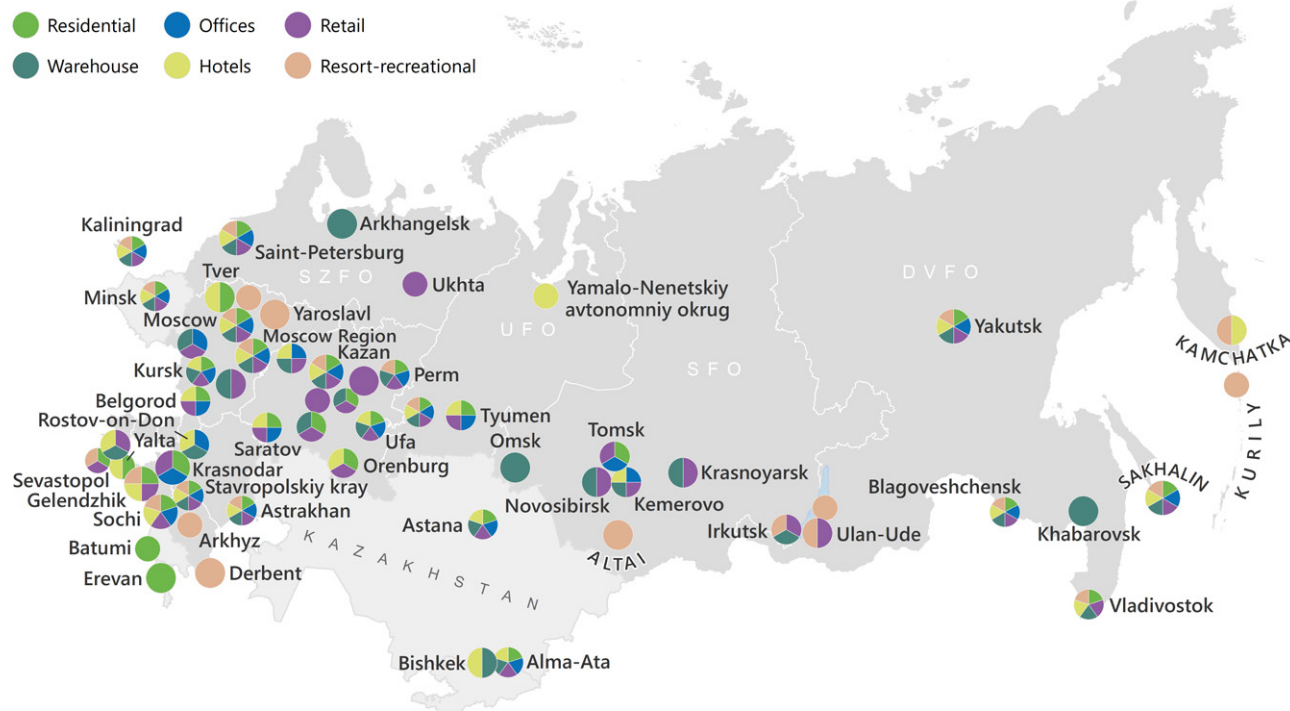


**Victoria Petrova**  
[Vpetrova@nfgroup.ru](mailto:Vpetrova@nfgroup.ru)

# CONSULTING & RESEARCH DEPARTMENT

NF GROUP has the local expertise and global experience.

## WE WORK IN ALL REGIONS AND ALL SEGMENTS



Other reports in Research [section on the website](#)

### SERVICES

#### CONSULTING

- > Best use
- > Project's concept development /reconception
- > Audit and optimization of Project
- > Marketing opinion / Market research
- > Project's business plan
- > Analysis of the project's economic feasibility / Financial analysis
- > Architectural concept development
- > Hotels / SPA / public spaces operator search
- > Survey of potential tenants

#### REAL ESTATE VALUATION

- > Commercial and Residential real estate
- > Federal and International valuations standards
- > Valuation for managerial decisions
- > Valuation for loan financing
- > Valuation for purchase and sale
- > Valuation for financial statements

To learn more about our services or ask questions please contact us

+7 (495) 023-08-12  
kf@kf.expert

Or make request on our [website](#).

### CONSULTING & RESEARCH

**Olga Shirokova**

Partner, Regional director

[OS@nfgroup.ru](mailto:OS@nfgroup.ru)

### REAL ESTATE VALUATION

**Olga Reshetnyakova**

Director

[OR@nfgroup.ru](mailto:OR@nfgroup.ru)



© NF GROUP 2025 – This overview is published for general information only. Although high standards have been used in the preparation of the information, analysis, view and projections presented in this report, no legal responsibility can be accepted by NF Group Research or NF Group for any loss or damage resultant from the contents of this document. As a general report, this material does not necessarily represent the view of NF Group in relation to particular properties or projects.

Reproduction of this report in whole or in part is allowed with proper reference to NF GROUP