Lebedev&Nagaeva
PONB-205

Buy-to-let in Moscow, Russia

Why Moscow?

Now the prices for capital apartments are falling. Rent is getting cheaper. People began to think about their housing. Mortgage is the life of your apartment. You pay already for yours, and not for someone else's apartment.

VTB

Consider the situation with a specific example. We took VTB Bank. We calculate how much you will have to pay if you take a mortgage in it for a two-room apartment.

* average prices

Purchase price

On average, a two-room apartment in Moscow on various real estate sites costs about 15 million rubles. We will count from this price.

2-к квартира, 56.5 м², 6/17 эт.
9 400 000 руб.
Ховрино, 1,6 км
Базовская ул., 15к2
Сегодня, 16:44

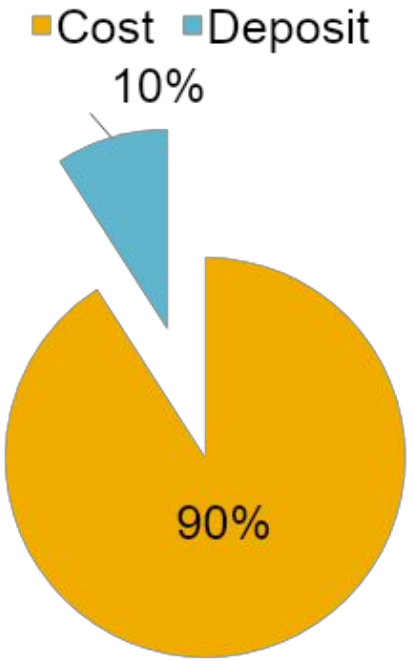
2-к квартира, 67 м², 15/32 эт.
17 500 000 руб.
АН "ЛИДЕР Риэлти"
Аэропорт, 1 км
Кочновский пр., 4к1
Сегодня, 16:45

2-к квартира, 56.7 м², 10/25 эт.
14 770 350 руб.
РГ-Девелопмент
Динамо, 1,2 км
ул. Юннатов, вл. 4
Сегодня, 16:45

2-к квартира, 72 м², 5/25 эт.
21 000 000 руб.
Измайловская, 600 м
Первомайская ул., 42
Сегодня, 16:45

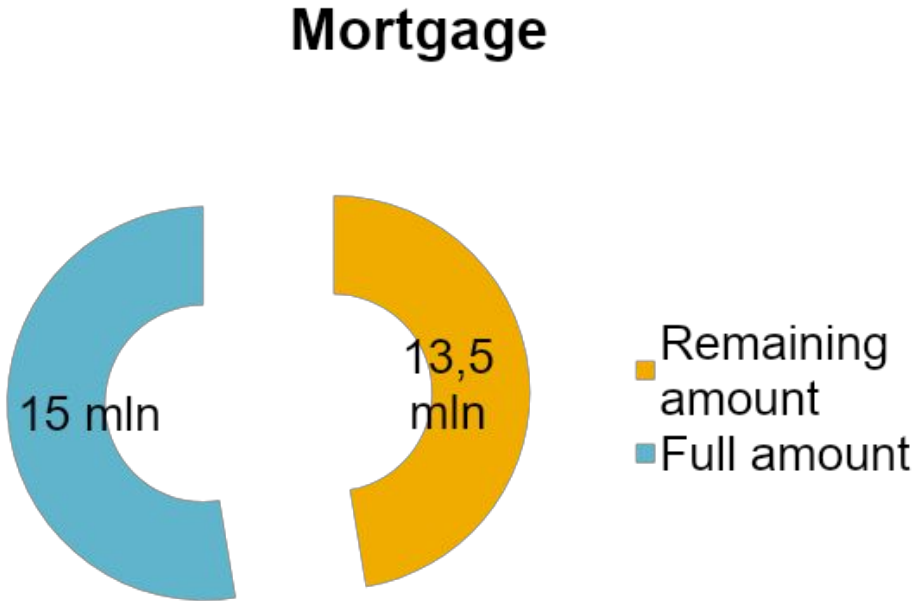
Deposit

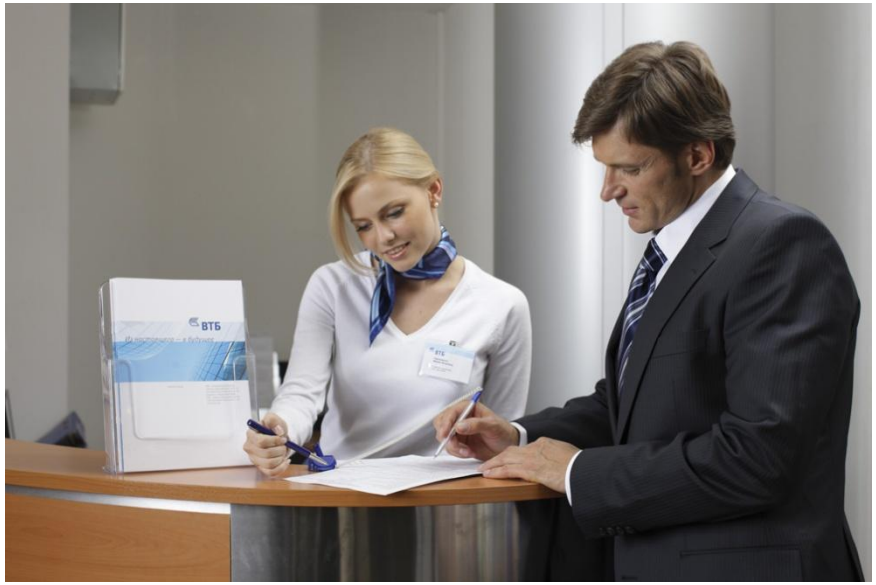
In order to take a mortgage, VTB offers to pay a deposit of 1.5 million rubles. This is 10 percent of the total cost of the apartment.



Mortgage

After paying the deposit, we will only have to pay 13.5 million rubles to the bank. This is 90 percent of the total cost of the apartment.



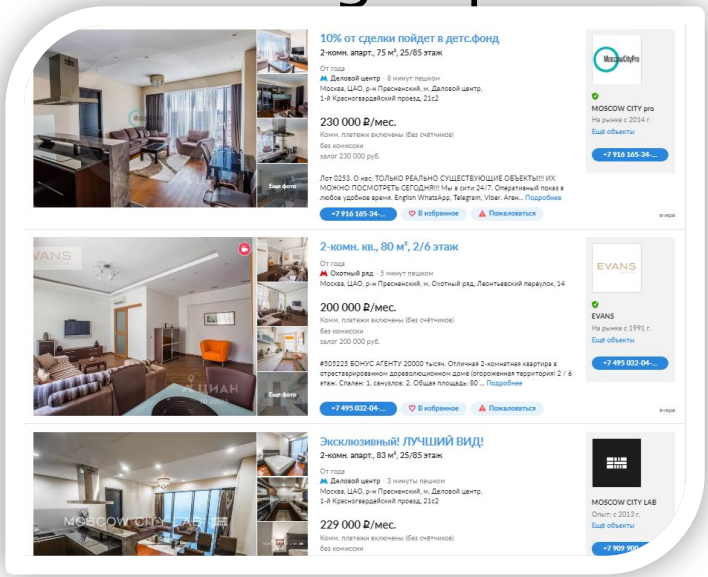


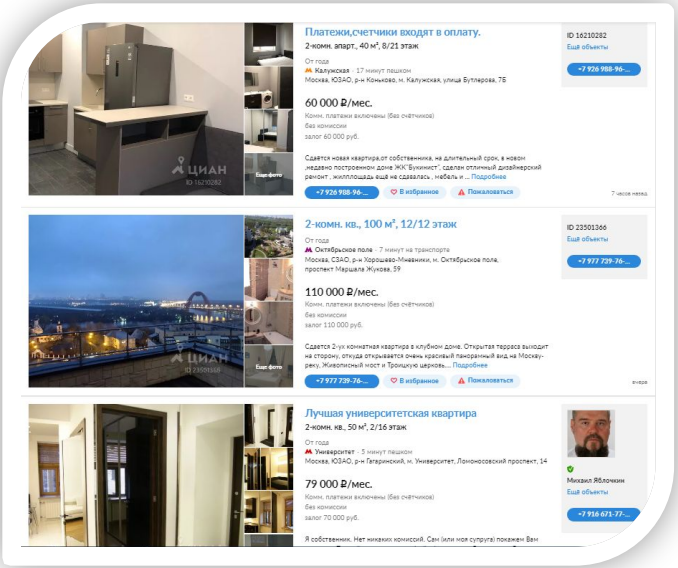
Monthly mortgage payment

Each month we will give the bank 119.5 thousand rubles each. Bank mortgage rate - 10.1 percent for 30 years. It turns out that every year we will overpay

Rental income

According to the CIAN website, the cost of renting an apartment in Moscow varies from 60 thousand rubles to 300 thousand rubles. It depends on the area, repair, infrastructure and other qualities. We took for the average option 180 thousand rubles.





Rent as a % of mortgage

- Having carried out calculations, we found that renting the received housing you get an income equal to 151 percent of the mortgage. The net profit is 51 percent.

Risks

Everything above is estimated approximately. Also, anything can change at any time. There are such risks as an unsuccessful choice of a bank or currency, loss of a deposit, disagreement of other owners, lack of insurance and more.

Thanks for your attention!