

# Review of inhabited flat-type Real Estate market of Tashkent.

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## Introduction

This review/analysis of inhabited real estate observes main dynamics and trends in construction materials industry and demographic sector of economy and their influence on the housing market in Uzbekistan, in particular on flat-type housing market in Tashkent. The report gives the review of current and future construction of housing in the capital as well as general map up to 2015.

Separately, the report describes the background and reasons of price growth in 2006, brings the dynamics of supply and demand changes on housing market. It conducted the analysis of prices throughout the time dynamics and current position by regions, by major construction materials, and by zonal considerations depending on the remoteness from the center of the city.

**CMR Industry.** It is noted by rash increase of profitability, due to price increase of construction materials. In comparative analysis from the end of 2002 to October of 2007, the rate of increase of exchange rate on USD made up 140%, whereas rate of price increase on CMR – 285%. Maximum increase of profits of the given industry observed in 2006, which constituted 139.5 bln UZS, in comparison with 58.2 bln UZS in 2005.

**Main demographic trends.** Beginning from 2002, the migration outflow varies at the level of 100 thousands people, break down point comes in 2006m when the outflow decreased to 65.5 thousand people with further trend to fall. At the same time the dynamics of marriages and divorces increased for the 3 years, due to increase of workforce proportion in total population.

**Construction and housing resources.** It is noted the decrease of constructions of flat-type housing in general throughout Uzbekistan, in particular in Tashkent. The report brings the places of current and future building ups of multistory housing in Tashkent as well as general map until 2015.

**Demand and supply analysis of flat-type housing market.** In supply and demand changes dynamics we can observe the demand domination over supply since 2005. Essential importance in supply decrease has the fact of conversion of living areas into the office and trade spaces. The major removing areas are 1, 2 and 3 roomed apartments. The increase of average living areas to the level of 121 sq. m. as of 2006, is achieved because of lead in of 4 and more roomed apartments.

**Structural analysis of price dynamics in Tashkent.** Proposed structural analysis includes major trends of prices on flat-type housing for the year of 2007. Analytical review is conducted in year and a half-year period of time, as well as from the angle of: major construction material, regions, and geographic-zonal position depending on remoteness from the center of the city. Main indicators in a given angle are brought in the Appendix.