

Moscow Govt to Auction Metropol Hotel in August



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Moscow to Sell Metropol Hotel in Summer

The Moscow city government will auction the Metropol hotel on August 30, 2012, the city property department said in a statement late on Tuesday.

The starting price for the downtown Moscow hotel, which has a total area over 39,000 square meters, will be 8.7 billion rubles (\$263.8 million).

"The market has waited for a long time to privatize this emblematic city asset. We hope the uniqueness of the asset will provoke keen interest among Russian and international investors," said Timur Zeldich, head of Moscow property sales.

The Metropol, opened in 1901, has 362 rooms with antique furniture and unique paintings, including 72 suites, two restaurants and nine banquet halls.

Moscow mayor Sergei Sobyenin, who replaced the long-serving Yuri Luzhkov in October 2010, has inherited a \$5 billion budget deficit and has initiated a massive privatization of Moscow City Government owned property.

Last December the city government sold the nearby National hotel, a historic landmark in the heart of the capital, to B&N Bank co-owner Mikhail Gutseriyev for about 4.674 billion rubles (\$148 million).