

By the Judgement of 11 February 2019 No. 9-II the Constitutional Court appraised constitutionality of Article 5 Section 13 of the Federal Law “On Special Aspects of Regulation of Certain Legal Relations in Connection with the Accession of Territories to the Subject of the Russian Federation - the Federal City of Moscow and on the Amendments to Certain Legislative Acts of the Russian Federation”.

The contested provision was a subject-matter of consideration in so far as it is used as a normative ground for determining the value of real estate in the case of its withdrawal at the owner by judicial proceeding for the state needs.

The Constitutional Court recognised the contested provision as not conforming to the Constitution to the extent to which in the case of withdrawal of real estate at the owners by judicial proceeding for state needs after considerable time after the decision on approval of the planning documentation of the territories attached to the city of Moscow providing placement of objects of federal or regional value, it does not allow taking into account the possible change of this property market price not related to the development of the infrastructure of the surroundings within the framework of the project which require the withdrawal of this property and thus prevents providing equivalent compensation to its owner.

The Constitutional Court has also pointed out henceforth, before making proper changes to the current legal regulation, the courts should be guided in determining the value of the seized real estate by its market value determined by the rules of the contested legislative provision, indexed taking into account the dynamics of the market value of similar objects on the basis of the expert opinion or basing on the data – if any – about indicators of market value in the corresponding segment of the real estate market which are prepared by the organisations performing on a professional basis the analysis of the real estate market and do not raise doubts from the point of view of legality and reliability of the used techniques of the analysis.