



Trends in property development



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The situation on the property development market in Poland is very good. The pandemic, which has been with us for over a year, has not affected property developers nor the construction market that they depend on. There were several instances of planned projects that had to be suspended for a short time or whose starting date had to be delayed and sales slowed down a little bit, but this year's results prove that there is a large demand for real property in Poland. In the first quarter of 2021, developers sold 19.5 thousand new apartments, thus setting a new record for quarterly sales. In March 2021, developers started building almost 18 thousand residential premises, which is the highest monthly figure in history.

STUDIO APARTMENTS AS PRECIOUS AS GOLD

The current situation does not release developers from the duty to analyse the market and improve their services. Very low

interest rates and growing inflation are some of the reasons why Poles are eager to invest in real property. Developers, who have their own experience and observe the economic situation, are aware of the fact that the smallest premises will be the most popular. The problem with building the smallest apartments is ensuring that there are enough parking spaces in underground car parks. It is very often the case that at the first stage of construction, all one- and two-room apartments are already sold.

At the opposite end are apartments over 75 square metres. One of the consequences of the pandemic is an increased interest in semi-detached and terraced houses with gardens. When a client receives similar offers for an 80 square metre apartment in the city and a 120 square metre semi-detached house with a 350 square metre garden in the suburbs or outside the city, it is more likely that they will choose the latter option. The consequence of interest in real property currently offered by developers should be significant price diversification, which may reach a difference of PLN 2,000 per square metre between the smallest and the largest apartments in the same construction project.

PREFABRICATION TO THE RESCUE

The current rise in the prices of new apartments is caused by increased production costs. The raising prices of construction materials and staff shortages are the main problems of the construction industry. Developers are constantly looking for solutions to lower costs and reduce the time needed to complete projects, which is why prefabrication seems to be the perfect solution. Prefabrication means manufacturing large-scale construction elements, such as walls, ceilings and stairs, off the construction site. It makes it possible to reduce the construction time by up to half and since ready-made elements are produced in a factory, there is also much less human involvement. This technology, which is so often used in Scandinavian countries, is a very good alternative to traditional construction.

NOVA ŁACINA - CZESŁAWA NIEMENA 6

An example of a well-thought-out project is the second stage of NOVA ŁACINA, which is being carried out in Poznań by GRUPA INWEST. Due to its location close to the largest shopping centre in Poznań, Rataje roundabout and the A2 motorway, as well as the fact that it is very well connected to the city centre, the vast majority of planned residential premises have from 26 to 42 square metres. The first stage of the project has shown that one- and two-room apartments are the most popular in the district of Łacina. The project will be carried out using prefabrication technology. It will speed up the completion of the project, which is scheduled for the fourth quarter of 2022. The developer is aware of how much investors are interested in this offer, which is why a special 10-90 scheme is available in May.

