

Post-crisis property development, architectural quality, new relations



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New definitions: location, quality, luxury

Apart from those projects where the realization had been decided before the crisis or they were already in full swing (Retro, Perla Ružinova, 3nity), excavation works started not long ago in some places (Strmé vršky, Monarská alej II, Malý raj). Cranes have been erected in some places even. This is mainly related to both residential (Jarabiny) and office projects (CBC - City Business Center Bratislava III a IV). And we are not talking about the latest news which announce through advertising billboards and press releases firm resolution of property developers not to wait and go into the investment project despite the possible risk (Bratislava: South City, Lamačská brána, River Park II, Bajkalská - residences in Ružinov).

What is the primary criterion in saleability of the property, apart from quality? Every property expert will react to this school question without hesitation: location, location and location. Since the locations are affected relatively least by the crisis, its position on the price map remains constant and compared to unattractive and otherwise uninteresting locations. Even here there is no guaranteed absolute resistance to fluctuations. We know from recent practice how many fatal were made by the investors in choosing locations for their projects which later turned out to be literally unsuitable.

Quality as another priority competition advantage of property is undeniable. Although in many cases it was paid by a bitter fiasco in the form of low saleability of developer project. In the residential sector, they were mainly excessive areas where the target demand sector was wrongly estimated. Also nice-looking, however, totally impractical layout of the flats. There are numerous cases when the client discovered at the "scene" that they have nowhere to place their sofa, TV set or family dining set.

Revaluation of the luxury segment definition is under way in the administration sector (as well as residential). This is the period when many prime companies - whether in the position of owners, lessors or tenants - are monitoring their own financial autarchy more than ever before. They are disposing of their, until recently irreplaceable, organization branches as "redundant" (internal or external PR departments or agencies). A massive pressure on "real office A" cannot be expected, whose definition has so far been subject of tough ideological struggle.

Sustainable urbanism in practice

In order to map current or coming trends, we should not be limited exclusively to the Slovak capital but we should also see regional East-Slovak (Košice, Prešov) and European capitals (Vienna - Erdberger Mais - sustainable city structure, Hamburg/ HafenCity - successful co-operation of the city and property developers, Paris Rive Gauche - case study). Conference organized by Stavebné fórum.sk Internet magazine, called [Development po kríze = čas pre kvalitu v architektúre i v nových ekonomicko-právnych vzťahoch](#) (Property development after crisis = time for quality in architecture and new economic-legal relations), does not hide these ambitions. It will be held tomorrow, 27th May 2010 in Doubletree hotel by Hilton in Košice (General partner is [INVA GROUP a.s.](#)). The programme of the event is focused on three topical panels: city - investments - property development, sustainable development in practice and property development after the crisis: economic and legal aspects.

How will the new economic principles and legislative-legal changes be projected in practice in terms of implementation of city planning instruments, architectural quality and its economic parameter? Some attempts to look in the “crystal ball“ were revealed by Stavebné fórum round table with the same name in February. Let us mention its main conclusions.

Post-crisis property market should work on different principles from those so far: it will change to customer´s market. The key role will be played by commissioner coalitions capable of defining qualified assignment to a team of experts which will be essential to for the quality of architecture together with an open dialogue with client. The close link between commissioner coalitions and institutions managing public assets will be stressed. Co-operative approach will require new types of legal and contract relations. Quality will become the decisive factor of business success.

Conference participants include top representatives of Košice, Prešov and Vienna self-governing bodies, bank and property sectors. It is designated mainly for managers of development, building-investment, engineering and projection offices, financial and property companies representatives, local and regional self-governments and other experts active in the Slovak and international property market. We will see where the state of knowledge has shifted after more than a quarter of a year.

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