

# Features of rental housing in the downtown

Verbytska Ulyana

Architecture of buildings and structures Department, Lviv Polytechnic National University, UKRAINE, Lviv, S. Bandery street 12, E-mail: uljanawerb@gmail.com

*This paper analyzes the features of rental housing located in downtown of the city. In particular existing types of such housing and demand for it is considered. Here you can find analyzed international, domestic experience and samples of design rental housing in downtown.*

Key words – rental housing, downtown, apartment building, student housing, aparthotel.

## I. Introduction

Housing in the city center is generally considered prestigious. Price for apartments in downtown areas is much higher than the peripheral, but analysis of recent research showed that housing in the city center does not fit for all. According to the survey conducted by the Russian internet portal, accommodation in the city center has, in addition to the advantages and some disadvantages: bad environment, very few shops with affordable prices, constant crowds and noise, nowhere to walk with children, lack of social infrastructure and promenade green areas, crime (these two options scored an equal number of votes), and in the last place - no parking spaces. [1]

Despite all the shortcomings, there is still a lot of people who wish to settle in the center. It is clear that different categories of people have different priorities. As international experience shows, much of downtown residents prefer rental housing. On average 12% of households rent housing from private owners to a commercial basis. The largest share of commercial rental housing is in Germany, Sweden, Belgium, Austria, France. (Table I) [2] Considerable part of rental housing is located in downtown. Height of demand for such housing is observed in Ukraine.

TABLE I

PAGE LAYOUT DESCRIPTION THE SHARE OF THE RENTAL SECTOR IN MAJOR EUROPEAN CITIES

Name of the city	Share of the rental sector
Berlin	86%
Geneva	85%
Vienna	77%
Amsterdam	73%
Paris	53%

In Ukraine, currently, there is no civilized market of rental housing. Actually there is no such type as apartment building, which is distributed worldwide (private apartment buildings, where apartments are rented out). This is, primarily, due to a faster payback of buildings with apartments for sale. But, it should be noted that the construction of large volumes of rental housing is a strategic direction of the government's housing policy. [3]

According to the agency SV Realty in 2012, in Kyiv was leased out almost 6 thousand apartments more than in 2011: 19 535 against 13 714. The most popular among renters still is economy class. Most of those wishing to rent a one-bedroom apartment, - according to representatives of estate agencies. In Lviv, the most wishing to rent is a centrally located studio apartments - 51%, 27% - separate room, one-bedroom apartment - 17%, only 5% looking for a two-bedroom apartment. Such data are obtained through analysis of newspapers and Realtors survey.

## II. Main

The primary consumers of rental housing in the downtown area are young people, families without children, students and employees of companies located in the city center. For these classes of residents rented apartments provide greater mobility and are more suited to their lifestyle. Having owned an apartment limits the freedom of movement of people while choosing a job. Rental housing in a civilized market is a more convenient way to solve housing problems for young families, financial and quantitative status of which is constantly changing.[3] Analyzing the foreign and domestic experience of designing rental housing in downtown is possible to allocate some types of it:

- *separate apartment for rent in residential buildings of different categories*, such option is more typical for the Ukrainian house market. Overseas the vast majority of such apartments - are studio apartments, one room with a living room, dining room and a bedroom. One bedroom apartment - a bedroom separate from the kitchen. Two and three bedroom apartments can have two entrances, ensuring the autonomy of residents. It is characterized by low rents. They are preferred by students and young single people. [4]

- *apartment building* – it is multi-family houses, specifically built to lease out the apartments. For a long time, apartment houses are one of the main types of housing for citizens in many developed countries. Also should be noted that the apartments in these buildings are qualitatively different from ordinary apartments that offer to rent privately. In such houses customers are almost always offered a range of additional services, such as cleaning, concierge, parking, car washing, laundry and more. In the city center is a typical high luxury apartment homes, but this does not always mean a large area of apartments. Typically, such a building like this in downtown occupies the whole site, sometimes near the house takes place a small patio. According to the current building codes of Ukraine, designing such housing is not possible, because they require design of recreational and household areas near all residential buildings.

- *student residential developments*. Due to the increased demand for education and the number of students all over the world student housing sector in developed countries acquired the status of a particular type of investment and planning. It became a stable source of income even in times of crisis. In Ukraine there is no such thing as a commercial student accommodation. Most of student housing is standard dormitories owned by

universities. Place for residence of all interested persons in these dorms is never enough. In addition, conditions of residing in those do not fit all. So today we have generated the demand for rental housing among students, many of whom prefer housing, located in the downtown area. Abroad now singled out several options of student housing for different budgets:

- private rental housing with apartments for together living of several people;
- private complex, built specifically for students. Such complexes are often located near major education institutions, which in return are often located exactly in the downtown. Modern students are demanding to the housing. So today, many companies are building special quality residential developments for students, equipped with everything necessary.[5] In Europe, specialized housing complexes for students are divided into two types:

- o Unit consisting of 3-5 rooms, one kitchen and several bathrooms- in such homes generally live bachelors (Fig.1)



Fig. 1. Student residential developments in the city center of Lübeck, Germany 2005. MAI Stadtplaner+Architekt BDA 1105 rooms, rent - 80-290 euro

- o House with separate studio apartment with kitchen and bathroom, there usually residing graduate students. Modern residential developments for students offer a range of services and additional amenities such as cleaning rooms, equipped rooms for education and recreation, sports, utility rooms - room for bicycle storage, laundry, etc. (Fig. 2)



Fig. 2. Student residential developments in the city center of Vienna, 2011, rooms for education and recreation, sports, bicycle storage; rent - 500 euro

- **aparthotels** - hotel with an apartment-type rooms for a long-term stay. From the apartment houses they are different with hotel-services: housekeeping, restaurant, etc. This type of rental housing in the city center can be divided into two subtypes: service apartments and condo-hotels. Service apartment - is a separate building that is managed by a single owner. Hotel rooms there are larger than in ordinary hotels - about 100 square meters. Each room has a kitchen or a place to prepare food. Usually on the first floor are located hall with reception, restaurants, SPA-and fitness centers,

swimming pools and other infrastructure. Service apartments are intended for longer stays - an average of about six months. Of course, it is possible to rent a room for a short period, but then increases daily price.

Condo-hotels are popular in some European countries, the United Arab Emirates and the United States, Canada, Panama and Latin American countries. From the service apartments they are distinguished by the fact that you can buy the flat there. But operators do not leave the owners without maintenance and provide complementary hotel services. Moreover, the owner is entitled to the whole infrastructure of the complex. Overseas encountered practice of a partial ownership, when one apartment may have several owners, each of whom has the right to live in it for some time. Ukraine has no similar examples yet.

The main clients of apartment hotels are guests from near and far abroad. More than 80% - men who come to Ukraine for business purposes, either in a regular short business trip or for a long period (the so-called ex-pats). Most of them have families at home, and in Ukraine they are only in a business. Today in Kyiv there are several completed projects of such houses - Sherborne Guest House and Senator Apartments chain.

## Conclusion

Overseas rental housing in the downtown area has a well-developed typology: apartment building, student residential developments, separate apartment for rent. Currently in Ukraine rental housing offer is limited only by individual private owners of flats and a small number of apartment hotels in the capital city. This situation has caused primarily undeveloped regulatory framework for this type of housing and the need for government support for its development.

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