

EVALUATION OF THE RESIDENTIAL REAL ESTATE MARKET IN THE OLSZTYN COMMUNE

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Now a days, it is not difficult to notice the fast growth rate of the real estate market in the Polish economy. All the time, this market is enlarged by the development of land with new residential buildings, public buildings such as offices or schools, and commercial, industrial or recreational premises. Over the last few years, the real estate rental system and its sale have developed quite strongly. It is caused by the main need of society for private property and income. Another task of real estate is to meet the strong need for security and stability, which increases the interest in buying them on the market.

The primary objective of the research was to assess the real estate market in Olsztyn over the years 2016-2019, taking into account the impact of changes in factors on the dynamics of growth in this sector of the economy and to examine the preferences of its inhabitants as to the individual features of housing premises.

Olsztyn is the capital city of the Warmia and Mazury Voivodeship. It is located in the central part of the Olsztyn district. It is a city operating with district rights. The city is situated on the Łyna River. The date of the city's founding is 1334. According to the data of the Statistical Office in Olsztyn, its area is 88 km². 172362 people live in the voivodeship capital. There are 15 lakes in Olsztyn and forests cover 21 % of the city. It is also a major educational and cultural center. It attracts many inhabitants. The city of Olsztyn can be divided into 23 housing estates. One of the factors influencing housing demand is the price of a given property. If the price of a particular good decreases, the demand will be higher, while in the opposite situation, when the price increases, the demand will decrease or increase for apartments with small areas. In the case of the real estate market, if the demand outweighs the supply, developers set the prices among themselves, usually raising them since there are less apartments available than those willing to buy them. In the opposite case, when supply outweighs demand, i.e. when there are more apartments than potential buyers, developers will compete with each other on price, decreasing it. Table presents the average price of a residential unit in Olsztyn.

Table – Average prices of residential premises in Olsztyn (in PLN)

Area of the dwelling	Years			
	2016	2017	2018	2019
up to 40 m ²	4 366	4 383	4 430	4 816
from 40,01 to 60 m ²	4 415	4 375	4 465	4 810
from 60,01 to 80 m ²	4 382	4 322	4 536	4 657
from 80,01 m ²	4 403	3 902	4 249	4 220
Total	4 339	4 307	4 455	4 692

Source – Own elaboration based on data from GUS'u

It shows that the most expensive areas of the dwelling correspond to the dimension up to 40 m² and from 40.01 m² to 60 m². Between 2015 and 2018, an increase of 8.13 % in the total price can be observed. The cheapest price per m² corresponds to properties with a size of more than 80 m². Such an increase in prices over the years may indicate an increase in buyers' interest in buying properties as well as an increase in their salaries. Table 1 presents the average prices per sq m for properties of particular sizes. The most expensive ones correspond to dimensions up to 40 m² and from 40.01 m² to 60 m². Between 2015 and 2018, it is possible to see a total price increase of 8.13 %. The cheapest price per m² corresponds to properties with a size of more than 80 m². Such an increase in prices over the years may indicate an increase in buyers' interest in buying properties as well as an increase in their salaries.

LITERATURE

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CLASSIFICATION OF INVESTMENT CLIMATE FACTORS

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International movement of capital takes one of the leading places in the system of international economic relations and has a huge impact on economy processes both on global and local levels. The country's ability to attract foreign capital is largely determined by the current investment climate.

This research is aimed at classifying the factors of the investment climate for a comprehensive assessment of investment attractiveness.