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URBAN LIVING REDEFINED

The way people live in cities is undergoing one of its most significant shifts in decades. Household structures are changing, labor markets are becoming more mobile, and younger generations have different expectations of urban life. At the same time, property prices and mortgage costs are rising, alongside growing pressure to improve the quality of urban environment.

Housing is therefore no longer solely a real estate topic; it is increasingly an economic and strategic issue for development of modern cities.

Slovakia has traditionally had one of the highest rates of home ownership in Europe, with more than 90% of households living in a home they own – well above the European average. For decades, buying a home with a mortgage was seen as the natural choice and a symbol of stability. Today, however, this model is no longer the only answer to changing urban housing needs.

Rising property prices and higher interest rates have made it more expensive to buy a home, while job mobility and lifestyle flexibility continue to increase. Attitudes towards property as an investment are changing too. In Slovakia, owning an apartment was long seen not only as a form of housing, but also as one of the safest ways to grow capital. This was partly due to limited access to alternative investments and lower confidence in financial markets. Today, the investment landscape is evolving. Real estate funds, ETFs, equity funds and other regulated products are becoming more accessible and easier to manage. Some investors are choosing flexible instruments without the need to manage property directly, supporting demand for professionally managed rental housing. According to the OECD,

housing costs are among the fastest-growing household expenses in European cities. Young people change jobs more often, study longer, start families later and approach housing more flexibly. They often seek quality housing for their current needs rather than a forever home.

This trend is not limited to Western European capitals. It is already visible in Bratislava and is gradually becoming part of a broader transformation of urban life in Central Europe. The growth of the knowledge economy, shared service centers and technology companies requires more flexible urban environments. Cities now compete not only through job opportunities, but also through their ability to offer quality, affordable housing for a mobile workforce and international talent.

This is why professionally managed rental housing, flexible residential concepts and alternative housing models are gaining ground across Europe. In many Western European cities, renting is an established part of the market. In Germany and Austria, for example, rental housing accounts for more than 40% of the residential market. Build-to-rent and professionally managed residential schemes are expanding in response to changing urban needs. European analyses identify build-to-rent as a fast-growing real estate segment, particularly in cities with knowledge-

based businesses and international companies.

Residents' expectations are changing too. Location and floor area are no longer the only factors that matter. People increasingly value public space, services, mobility, community life and connections between home, work and leisure. Mixed-use development is therefore becoming increasingly important, combining homes, offices, retail, services, greenery and public spaces within a cohesive urban environment.



The future of urban housing will be more diverse, flexible and focused on quality of life rather than property ownership alone.

Modern development is shifting away from isolated residential projects towards comprehensive urban neighborhoods. Quality of urban life increasingly shapes a city's economic appeal and its ability to retain residents and talent over the long term.

European experience shows that cities with good urban planning, accessible housing and functioning mixed-use neighborhoods respond better to economic and demographic change. Pressure to use existing urban space more efficiently is also increasing the importance of brownfield regeneration and compact urban development.

Another important factor is the continuing rise in single-person households and changing working patterns. According to Eurostat, single-person households account for approximately one third of EU households, and they continue to grow. Hybrid working has fundamentally changed the relationship between home and office. People spend more time at home and naturally expect better indoor environments, community spaces and services within walking distance. Quality architecture, energy-efficient buildings, greenery and well-designed public space are seen as natural part of urban life.

New models aimed at improving housing affordability are also part of this transformation. The debate about the residential market's future is also gaining momentum in Slovakia. It is becoming clear that the market will not rely on a single housing model. Alongside conventional home ownership, alternative forms capable of responding to the

diverse needs will play an increasingly important role.

One example is cooperative housing, which may offer an alternative for people unable to obtain conventional mortgage financing or seeking greater flexibility. Professionally managed rental housing and concepts such as Purpose-Built Student Accommodation (PBSA) are also gaining importance. In many European cities, these are established residential segments supporting the mobility of students and young professionals.

Alternative housing models are not a substitute for traditional home ownership. They broaden choice and reflect society's increasingly diverse needs. Different life situations naturally call for different forms of housing. Modern cities will therefore increasingly need to accommodate a combination of owner-occupied, rental, flexible and community-based housing.

The future of urban housing will be more diverse, flexible and focused on quality of life rather than property ownership alone. Cities able to respond to these shifts will be more attractive to talent, investment and a new generation of residents. Alternative housing models will gradually become a natural and essential part of modern urban development and cities' economic competitiveness.