



New buildings become well-known phenomenon in today's Minsk, with capital actively under development as never before

# Rural idyll certainly in fashion

As to where Belarusians prefer to live, people tend to say the capital, in their own apartment. Officially, a fifth of the population lives in Minsk. In addition, every year, provincial students storm the universities, never to return to their rural origins.

By Aelita Svetlova

Naturally, the country's residents are suspicious of rental accommodation, as demand in Minsk constantly exceeds supply, driving up prices. In fact, 85 per cent of all buildings in the capital are residential and, following independence in the 1990s, housing was given away almost for free. It's not uncommon for the most modest of families to own a flat and some even have land and a summer dacha near the metropolis, growing their own flowers and vegetables.

Recently, however, retiring couples have been moving to the countryside permanently, leaving their city apartments to their children. Many join 'gardening partnerships' — forming a community after receiving land from the enterprises at which they once worked, or from the Local Executive Committee. They usually know one another well, having perhaps built roads, water supply systems and electric power substations together.

Naturally, such arrangements bring their own arguments: over borders and obligatory payments for repairs. In the 1980s, many such communities were formed, with families receiving 4-6 hundred square metres each. Today, most require at least 1,500 square metres and have far greater demands: a garden, a lawn around the house, a sauna and a swimming pool (at least inflatable).

Demand for country homes is truly rocketing, as Roman, a property agent with Country House Real Estate Agency tells us. During our interview, his phone rang five times with clients need-

ing his advice. In the end, he gave me his home phone number and asked that we continue our conversation after 8pm, when he'd be able to turn off his mobile phone. Moreover, summer is usually the quietest time on the housing market!

At present, the average price per square metre for an apartment in Minsk is \$1,280, although 1960s style 'Khrushchovka' flats (which have tiny galley kitchens of just 5-6 square metres), a combined bathroom and toilet, and low ceilings, cost barely \$1,200 per square metre. The typical price for a standard flat is \$1,250-1,300 per square metre, with those in good repair most in demand and more quickly sold.

Interestingly, home improvements tend not to pay for themselves, since new buyers aren't willing to pay much extra for previous owners' alterations. Revamped properties usually only fetch an extra \$2,000-3,000. It's easier and more profitable to sell your home as it is.

Flats in new buildings can cost as little as \$900-1,200 per square metre, despite having water and heating meters and fashionable concierge services. However, buyers need to complete much of the finishing work themselves: flooring, tiling,

painting or papering of walls, and even installing their own shower or bath. It usually costs an extra \$10-15,000 to add these touches but those with mid-level jobs can afford to do so, taking out a loan with 15-25 year repayment terms.

'Stalinka' are neat apartments, built in red brick (a rare feature); they boast thick walls and a variety of architectural decoration on their facades, lending them an elite air. Most were built in the 1950s in the heart of the city, along Nezavisimosti Avenue.

They're

main in high demand not just for their location but for having only 1-2 flats per staircase and high ceilings of up to 3.5-5 metres. Some even have three levels, and particularly appeal to artists, actors and Russian celebrities. The capital's old city district, along Nemiga Street, is also very trendy, with prices to match: \$3,000-4,000 per square metre. An expensive new building is being constructed there, with a facade of stone, and boasting saunas and winter gardens with the apartments.

For the second year, developers have had trouble selling flats priced at \$2,500 per square metre and 500m apartments are remaining unsold. For the same price, you can buy a whole house just 10km from Minsk, which is a preferable option for most well-off buyers.

Nikolay Prostolupov, the Chairman of the Belarusian Real Estate Association, tells us that prices on the urban real estate

market have remained steady for three years, having fallen in price since the global crisis of 2008. The property market worldwide was dealt a blow and has been unable to return to its former 'glory'. In 2008, 11-12 thousand apartments were sold in Minsk, compared to just 7-8 thousand a year at present. Demand has crashed, leading development companies to offer discounts and, even, paying interest rates on loans to attract customers.

The situation is different in the Minsk District. Vladimir Chernushkevich, the Director of Country House Real Estate Agency, tells me, "Demand for land exceeds supply, so it's difficult to find a free site within 10km of the city for less than \$10,000."

At least \$70,000 is needed to purchase a three-room apartment in Minsk at present. Meanwhile, this also buys 1,500-2,000 square metres of land, with infrastructure, 10km from the capital. You can then build a house with an attic, using 200 square metres of cell concrete (the cheapest and most popular construction material for housing). Without doubt, it's cheaper to build a new property than to restore a dilapidated house or to demolish it and rebuild.

Interestingly, homes built in the 1990s, with an area of 600 square metres, are less popular, being too expensive to maintain. Most Belarusians have been raised in small apartments, so feel the heart of the home resides in the kitchen, living room and bedroom; it's quite possible to feel that a home has 'too much' space. Most remain content to 'build a house, plant a tree and raise a son' — as the saying goes.



## Prices for apartments in Minsk. July 2012

new buildings with panel decoration:

1-room	\$50,000
2-room	\$66,000
3-room	\$80,000

new buildings of solid reinforced concrete and silicate blocks:

1-room	\$49,000
2-room	\$79,000
3-room	\$98,000