THE END OF ENDLESSLY ENDLESS QUESTIONNAIRES
Euroboden

How has the real estate industry changed in the last years? Euro-boden-founder Stefan Höglmaier looks back at 20 years of – largely meaningful – transformations.

When I look back at the changes that occurred during the last years, I do so with a positive feeling. The conditions for private real estate development have changed considerably, due to the digitalization and mobilization of our society. In contrast to 20 years ago, responsibility for the spaces we all live in is now shared. Negotiations about what we want to build are now conducted on a local level. Overarching social goals define the spectrum in which the digital and physical dialogue with the authorities evolves — aimed at drawing common conclusions. Accordingly, the criteria for the success and evaluation of architecture have changed. Generic building projects as we know them from the past are now obsolete.

What about "our" industry?

Society has changed a lot in recent years, and the real estate industry has changed with it. The only real estate companies still in business today are the ones that committed to society and that develop their projects in a truly holistic way. The holistic building concepts of today integrate every stakeholder early on in their development process, thereby giving each project a truly social legitimacy to be realized. Our industry has come to understand that the meaning of a project arises from its use and the interaction opportunities it offers to society. Society today is much more heterogeneous than it used to be. We as an industry have learned to engage with its different types of social networks and individual ways of living. And social engagement with our activities has grown. Thanks to digital forums, we are now all able to participate in and reflect on real estate developments.

Living and working are one

Furthermore, the purpose of a building is directly related to our understanding of and our relationship to work. We expect buildings to cater to our expectations as conscious, creative individuals. The strict functional separation between "living" and "working" is neither necessary nor wanted any longer. Companies today see their employees as collaborators. They don't oblige their people to work, but rather create opportunities for them. And this changes the way we think of buildings. The definition whether a building is commercial or residential has been dissolved. "Use" is considered holistically and adapted to the changing necessities of life. It is the users who decide whether a structure meets their needs or to what extent it should be adapted. Good buildings developed this capacity for flexible user-oriented adaptation. In this context, we started to talk about "transformational buildings". In all of this, the role of architecture is more vital than ever before. For today's society, architecture is the physical anchor, a place that creates identity. Architecture is where we move between the analog and the digital, as well as between the mobile and the static. Buildings create identity, and they also have an identity on their own. A building's identity is based on local needs and spatial conditions of a community.

New Politics

Municipalities and politics have also changed. Luckily, they started to realize they have to constantly evaluate current societal demands in order to adjust the available capacities structurally. The specific purpose and features of each project are negotiated in each particular case today. Assessment criteria are constantly updated, making use of systemic instruments that evaluate the nature of a project on a specific site. Authorities have developed an intelligence that is responsive to local needs and provides digital information. Processes such as planning permissions are left to algorithms, while human expertise is used where sound judgement and interpersonal skills are helpful to balance the pros and cons of a potential project. In this way, decisions on new projects are no longer based on rigid paragraphs, narrow frameworks and legislation but on a truly intelligent evaluation.

New finance

At the same time, financial institutions have adapted their processes. In the past, the combination of endless questionnaires, spreadsheets, consultants and inspectors was an attempt to understand and evaluate non-generic architectural concepts with the aim to incorporate them into the inflexible logic of maximization and profit. This has never worked.

Due to new decision-making structures, the money industry has overcome its rigid assessment criteria and is now capable to understand the social and the economic value of sustainable neighborhood concepts. This means that the economy is driven by the common good.

This new way of thinking has also altered the reception of the real estate industry in the public realm. Some developers have engaged in dialogue formats, and society has overcome some of its old clichés. The idea of "the developer" as the ultimate evil has lost its attractiveness as a driver for discourses on architecture, and made way for more complex, more in-depth and, to be frank, more interesting discussions.

Architects have regained their productive role as drivers of social of spatial change. To do so, they have increasingly engaged in radically site-specific developments, rooted in local identities. It was a narrow path and required many experimental projects, which only turned into prototypes after being realized. However, those stakeholders that followed this narrow path and made these projects possible eventually managed to create a high quality of life at affordable prices. These changes did not always start in our metropolises. Due to the high costs of urban land, the cities did not provide the space to experiment with new models of living and working. Instead, more rural projects, starting from the urban periphery, served as a petri dish for new developments and well functioning communities. The ideas developed there are now gradually finding their way into our cities.