

# PERCEPTIONS OF THE REAL ESTATE MARKET BY STUDENTS REPRESENTING GENERATION Z: HOUSING PREFERENCES AND INVESTMENT PLANS

Patrycja Konieczna<sup>1\*</sup>

<sup>1</sup> Department of Economics and Finance, Wrocław University of Economics and Business, ul. Komandorska 118/120, 53-345 Wrocław, Poland, e-mail: [patrycja.konieczna@ue.wroc.pl](mailto:patrycja.konieczna@ue.wroc.pl), ORCID: 0000-0003-2195-0788

\* Corresponding author

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## ABSTRACT

Representatives of Generation Z are characterized by a propensity for entrepreneurship, social awareness, interest in social, environmental, and political issues and ease of movement in the digital sphere. In the context of the real estate market, generation Z is becoming an important collective and understanding the preferences, expectations and behaviors of people representing this generation is crucial for the development industry, real estate agencies and investors. The aim of the study was to find out the housing and investment plans of people representing Generation Z. In addition, Generation Z's knowledge of the real estate market was identified. A literature review on real estate and Generation Z was conducted. The survey showed sufficient knowledge of basic concepts related to the real estate market. The overwhelming majority of respondents believe that housing policy in Poland needs to be changed, and the most preferred direction of change was to reduce property prices. Attention was first and foremost paid to the price per square meter of real estate. Among the 90.1% of respondents who declared they would buy a property, more than 70% intend to finance the purchase in whole or in part with a mortgage.

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## 1. Introduction

Housing problems are relevant in terms of several aspects, the primary one being the provision of subsistence needs and thus ensuring the socio-economic stability of the population. The impact of housing problems extends to various aspects of social, economic, and individual life. Solving housing problems becomes an important task for societies, governments, institutions, and individuals, while improving the housing situation will result in an improved quality of life and the building of more sustainable societies.

Generation Z is a group that is just entering the real estate market and will gradually enter over the next years as new property buyers with their own unique characteristics and preferences. Representatives of Generation Z are referred to as the Digital Natives, the Connected Generation, the Net Generation, the Multitasking Generation (Biernacki,

2014); names such as the Hopeful Generation, the Anxious Generation, or even the Mem Generation have also been suggested (Seemiller & Grace, 2018). The definition of the exact time boundaries for Generation Z may vary somewhat according to different sources and interpretations. The Pew Research Centre includes people born between 1997 and 2012 among Generation Z (Dimock, 2019), which is precisely the timeframe adopted for the purpose of this article. Schenarts (2020) believes that historical events and social trends, as well as changes in parenting styles, have resulted in the unique characteristics of Generation Z. Representatives of Generation Z are well equipped to function in modern organizations in the context of information technology use (Muster, 2020; Dolot, 2018; Prakash Yadav & Rai, 2017). In addition, generation Z is characterized by a propensity for entrepreneurship, a large stock of soft skills (Magano, et al., 2020), greater

mobility (Dolot, 2018) and greater social awareness (Dabija Bejan & Dinu, 2019) than representatives of earlier generations. The attitudes and views of Generation Z representatives are the result of the pressures of new economic and social conditions, and will influence the shape of the future property market.

Messyasz (2021) characterizes Generation Z as a specific category in the labor market, as some of its representatives are on the threshold of this market, some are working in it casually and some are still in the education system. Members of Generation Z represent changes in all aspects of real estate through their expectations in retail, workplace, culture, lifestyle, and housing (Larkin, et al., 2018). In addition to the impact that Generation Z is having on the real estate market, changes such as the use of new technologies or the shift of marketing to the internet, which have resulted from increasing awareness, the need for formal transactions and the proper valuation of properties can be observed (Hoxha & Zeqiraj, 2019). In addition, today's corporations are beginning to take steps to improve the sustainability and environmental performance of their properties. Many are looking at how building systems can be integrated in an efficient and intelligent way that enhances sustainability and is environmentally friendly (Sawaf & Skibniewski, 2011).

The topic of the real estate market is frequently addressed, and there are many publications in the literature on housing supply and demand (Davidoff, 2013; Glaeser & Gyourko, 2018; Koblyakova, et al., 2022) and how demand has changed after the COVID pandemic (Liu & Su, 2021; Gamber, et al., 2023). Researchers have shown the sensitivity of the real estate market to macroeconomic changes (Cesa-Bianchi, 2013; Strobel, et al., 2020) and the dependence of the housing market situation on government policies (Zhao & Liu, 2023; Bouchouicha & Ftiti 2012). Another important topic is the analysis of factors influencing property purchase (Al-Nahdi, et al., 2015; Hassan, et al., 2021; Ngoc, et al., 2023) and the situation of students in the property market (Ruming & Robyn, 2017; Moore, et al., 2019; Hoxha & Zeqiraj, 2019; Thomas, et al., 2023). However, there is too little research on the housing plans of representatives of Generation Z, despite the fact that they beginning to account for a significant part of the demand for residential property.

Young people who plan to purchase residential property, whether for residential or investment purposes, may face obstacles. In 2023, similarly to last year (Konieczna & Konar, 2023), the biggest obstacles

include steadily rising property prices and building materials, lower availability of property, and insufficient creditworthiness. The revival of the credit market was also influenced by the decision of the Monetary Policy Council, which, for the first time in 38 months, reduced the basic interest rates, including the NBP reference rate, from 6.75% to 6.00% in September, and then to 5.75% in October (NBP, 2023). Real estate in 2022 was the good characterized by the highest price growth. This continues to be the case in 2023 (CSO, 2023). Other factors shaping the situation in the residential property in Q3 2023 include: a marked increase in the level of activity in the property development sector and GDP growth (Polish Bank Association, 2023). Despite the increase in property prices, there was an increase in lending in 2023, which gained momentum, especially in the third quarter, as a result of the government's "Secure Credit 2%" program (Polish Bank Association, 2023). It is important to know the plans of Generation Z, which can foster an appropriate housing policy by the government and adaptation of housing to consumer expectations by developers.

It is also important to know the purchasing preferences of young people in order to adapt the purchase offer offered to young people by developers accordingly. Hoxa and Zeqiraj (2020) believe that buyer behavior is very important and needs to be understood. The environment of the real estate industry is competitive and the way to gain a competitive advantage is to understand what satisfies consumers and meets their needs. The purpose of this study is to identify the degree of knowledge regarding the real estate market characterizing students living in Lower Silesia, representing generation Z, and to identify their housing and investment plans. The selection of the target research group was guided by the assumption that students have a greater awareness of the property market. The gross enrollment rate, i.e. the ratio of the number of all people studying at a certain level (students) to the entire population of people of the age nominally assigned to that level of education (19-24), was important for the selection of the target study group. According to CBOS data, in 2021 and 2022, the ratio of students to the population aged 19 to 24 exceeded 50% (RADON, 2023).

## 2. Material and methods

To achieve the research objectives, a critical analysis of publications on Generation Z was carried out to

identify the characteristics of Generation Z and the impact of the Generation on the real estate market. Publications on the real estate market in the broadest sense of the term were analyzed, in particular the factors influencing the real estate market in Poland and the housing preferences of real estate buyers. Using a diagnostic survey method, a CAWI-type survey was conducted among students living in the Lower Silesian Voivodship. The survey form was created electronically and was available for completion from July to December 2023. The form was delivered to respondents through digital channels: to university email inboxes and through the social networking site Facebook, where a link to the surveys was shared on student groups. The diagnostic survey method was intended to identify the level of basic knowledge of real estate concepts and familiarity with relationships related to the real estate market. In addition, the research was intended to identify the housing and investment plans of Generation Z.

The questionnaire form created for the survey contained a metric and four thematic sections entitled: knowledge of the property market, opinion on the property market, previous situation in the property market and plans related to the property market. The first three sections were entirely compulsory to complete. The last section concerned only those representatives of Generation Z who declare plans to purchase real estate for residential or investment purposes. The division served to systematize the questions, which were divided into closed questions with single and multiple choice answers, semi-closed questions with single or multiple choice ones, and answer matrices.

There were 213 respondents to the survey and the majority of respondents (62.9%) were female. The overwhelming majority of the respondents were aged 20-22 and 23-25, representing 47.4% and 42.7% of the respondents. 29.1% of respondents live in rural areas, 22.1% live in Wrocław, and the remaining 48.8% live in smaller towns in the Lower Silesian Voivodship. Considering the field of study, over 40% of the respondents studied economics, over 18% management and marketing, almost 17% finance and accounting, and another 17% real estate and spatial management. Students of logistics, German studies, English philology, computer science, internal security, and engineering also took part in the study. Almost half of the respondents (49.3%) are undergraduate students, 37.1% have a bachelor's degree and 13.6%

can boast a master's degree.

### **3.1. Knowledge of the real estate market and opinions about it**

Most respondents rated their knowledge of the property market as sufficient (37.6%). 24.9% rated their knowledge of the market as good, and only 4.7% as very good. 29.1% admitted to having little knowledge of the property market and 3.8% declared that their knowledge of the property market was negligible (Fig. 1). The respondents were also asked about their level of familiarity with basic concepts related to the real estate market. The most familiar expression regarding the real estate market was the expression of a secondary market, with 147 people declaring that they are not only familiar with the expression, but also know what it means. In addition to the secondary market, familiar expressions included a serviced plot. More than half of the respondents at least associated the phrases reverse mortgage and real estate flip. Less familiar expressions include property valuation and LTV ratio, with the least familiar expressions being cohousing and real estate cadaster, which had never been encountered by the respondents.

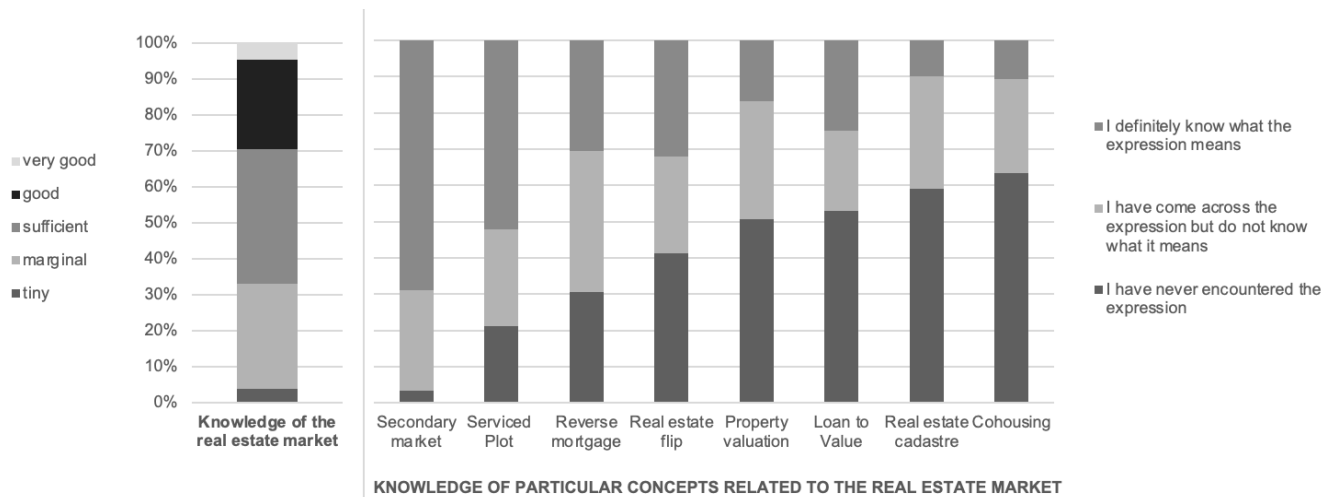
The next question concerned opinions on the property market. Students representing Generation Z were asked to respond to statements defining the real estate market. Based on the answers to this question, it can be concluded that the overwhelming majority of the respondents have a basic knowledge of the real estate market. Furthermore, respondents mostly believe that:

- investing in real estate is a beneficial form of capital protection against inflation (82%),
- it is more economically advantageous to buy real estate than to rent it on a long-term basis (76%),
- real estate investments are safer forms of investment than investing in financial instruments or alternative investments e.g. cryptocurrencies (74%).

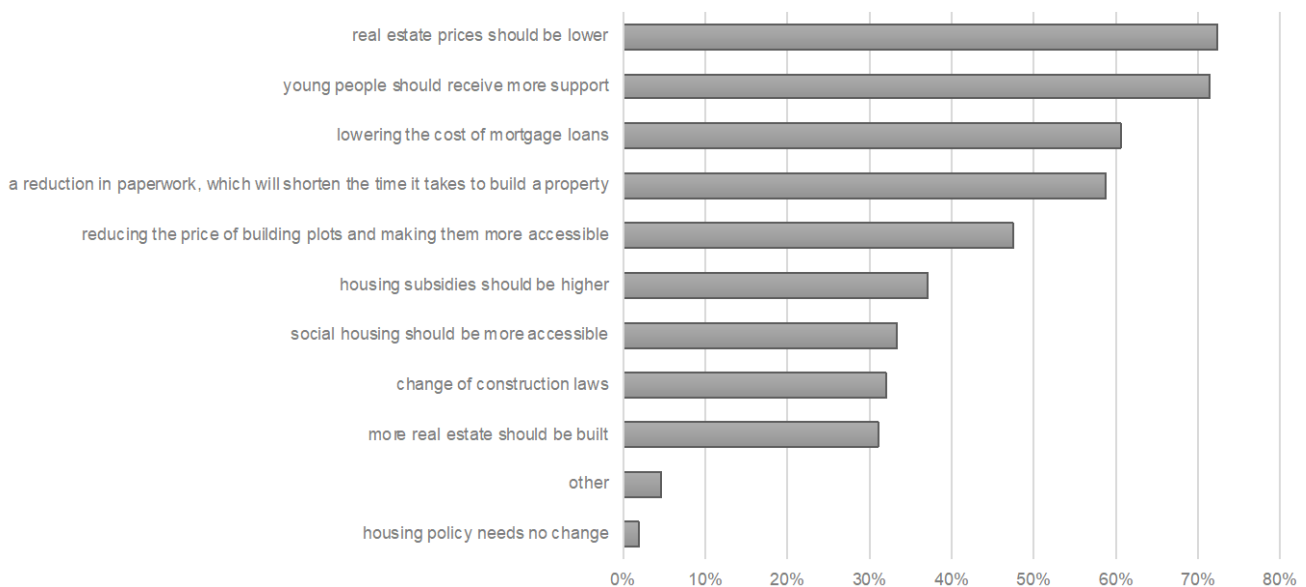
The next question in this section concerned the housing policy in Poland, the answers to this question are provided in Fig. 2. Only 4 people think that the housing policy in Poland does not need changes. More than 70% of respondents believe that real estate prices should be lower and that young people should receive more support on the real estate market. About 60% of respondents feel that a change in housing policy should go in the direction of lowering the cost

of mortgage loans. More than half of those surveyed perceive obstacles in the form of bureaucratization, which hinders the pursuit of independent housing or increases the time it takes to build a property. Almost half of the respondents also perceive an obstacle in the form of the availability of building plots and the too high prices of these plots. One in three respondents sees the need for housing subsidies or the need to make social housing available. 32% of the respondents expect changes to building regulations. In addition, in the other section, respondents highlighted costly energy certificates and financial barriers when it comes to complying with Green Deal conditions. Young people believe that laws related to the energy class of houses are being introduced too

drastically. Another sphere in need of change is spatial management, with young people seeing the need for coherent urban planning and state interaction with developers. Generation Z also draws attention to the rental law, which young people believe should be changed towards an obligation to rent an investment-purchased flat. In addition, respondents drew attention to the need to stimulate the market and increase the supply of real estate, which could be helped by abolishing the tax on civil law transactions on the purchase of a flat. The last request made by young people is to adjust building standards to prevent the distribution of micro-apartments measuring approximately 15 square meters.



**Fig. 1.** Knowledge of the real estate market and particular concepts (the totals next to each concept add up to 213). *Source:* own study.



**Fig. 2.** Answers to the question "Which direction should the housing policy in Poland take?" *Source:* own study.

### 3.2. Previous financial and housing situation of students

When examining Generation Z's current situation in the property market, the first question that comes to mind is the level of satisfaction with their housing situation as shown in Table 1 in relation to where they live. Almost one in four respondents is definitely satisfied with their current housing situation and

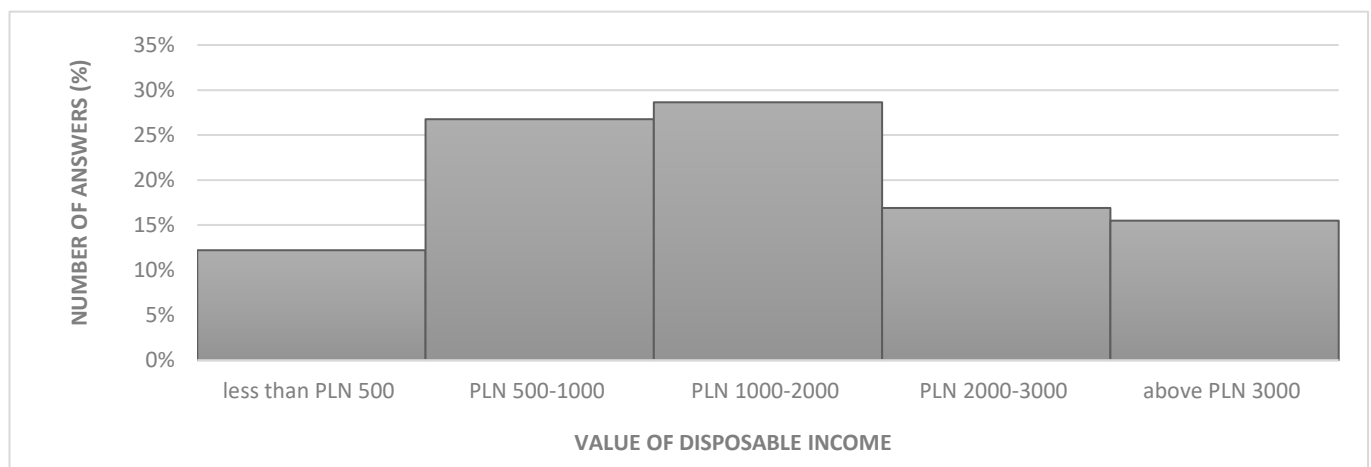
35.2% of the respondents are rather satisfied. 33.8 % of the respondents rent with an accompanying person, another 20.2 % rent a room in an apartment, where one person uses a council flat. 16.9% rent the whole apartment on their own. 10.8% live with parents or family, and another 10.3% live in an apartment/house owned by parents or family.

**Table 1**

Answers to the question "Are you satisfied with your current housing situation?" by place of residence (the totals add up to 213)

	definitely not	rather not	hard to say	rather yes	definitely yes	summarizing column (place of residence)
I live in a student residence	0.0%	0.9%	0.9%	0.0%	0.0%	<b>1.9%</b>
I live in my own apartment/house	0.9%	0.5%	1.9%	2.3%	0.5%	<b>6.1%</b>
I live in an apartment/house owned by my parents or family	0.9%	3.8%	1.4%	3.8%	0.5%	<b>10.3%</b>
I live with my parents or family	0.5%	2.3%	1.4%	5.2%	1.4%	<b>10.8%</b>
I rent the whole apartment alone	0.0%	0.5%	0.5%	6.1%	9.9%	<b>16.9%</b>
I rent a room in an apartment	0.9%	1.9%	3.8%	8.0%	5.6%	<b>20.2%</b>
I rent with an accompanying person	4.2%	8.5%	4.7%	9.9%	6.6%	<b>33.8%</b>
<b>summarizing row (satisfaction with the current housing situation)</b>	<b>7.5%</b>	<b>18.3%</b>	<b>14.6%</b>	<b>35.2%</b>	<b>24.4%</b>	<b>100.0%</b>

Source: own study.



**Fig. 3.** Answers to the question: "What is your disposable income (after payments and purchases connected with basic living standards) that you have left in the month?" Source: own study.

43.7% of young people support themselves fully on their own, with a further 43.7% using side jobs. One person is self-employed. Almost half of the respondents receive financial support from parents or family, 12.2% receive a scholarship and 8.9% make profits from investments. 7.5% of students indicated benefits, pensions or allowances as their source of income.

Disposable income, understood as income after making necessary payments and basic purchases, was

between PLN 500 and PLN 2000 in the case of 56% of respondents. 17% of respondents have disposable income at the level of PLN 2000 - 3000. 15% have disposable income at the level of more than PLN 3000. The least, because merely 12% of respondents, have disposable income below PLN 500 (Fig. 3.).

When asked about the difference between the value of disposable income in 2023 compared to a year earlier, the overwhelming majority of respondents (70.9%) answered that disposable income

is less than in 2022. 18.3% of respondents see no difference in the value of income.

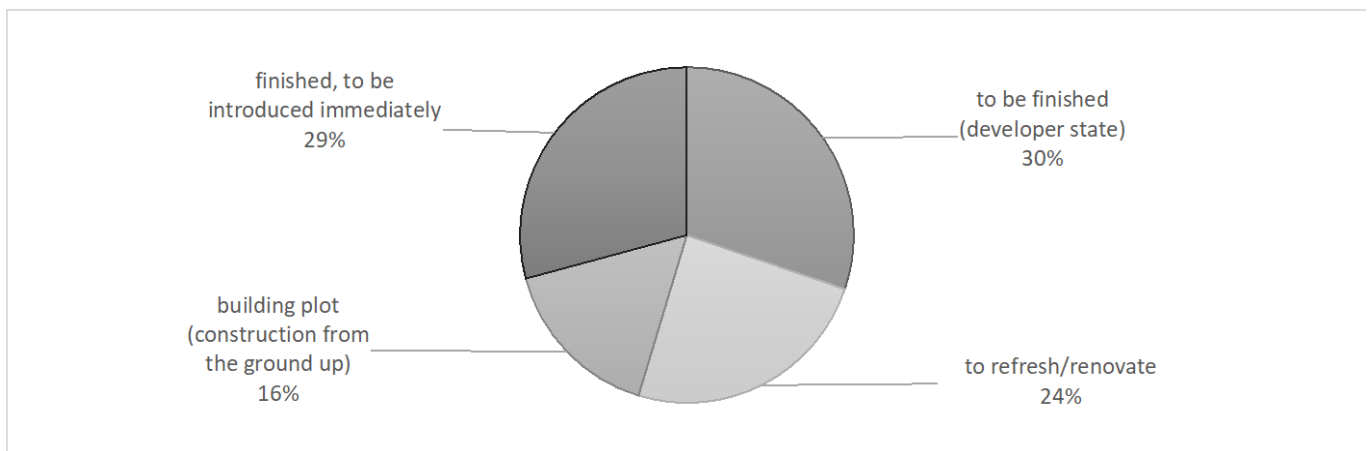
### 3.3. Plans related to the real estate market

Students representing Generation Z intend to purchase real estate in the future (such a purchase was declared by 90.1% of respondents). Only one in ten respondents does not intend to purchase real estate in the future. Among the 21 people not intending to acquire property, exactly one in three respondents intend to rent property in the future, and one in five already own real estate and do not intend to acquire another. One of the main reasons for the lack of intention to purchase real estate is the intention to live in a property owned by parents or family.

The main purpose of buying a property was to become independent, and this answer was indicated by 47.4% of respondents. One in five students intends to buy a property both for rent and for personal use. 15.1% of respondents indicated that the main purpose of buying a property was to improve their living conditions. One in ten respondents is considering reselling the property at a profit during a favorable

period. The remaining 5.7% intend to purchase a property solely for rental purposes.

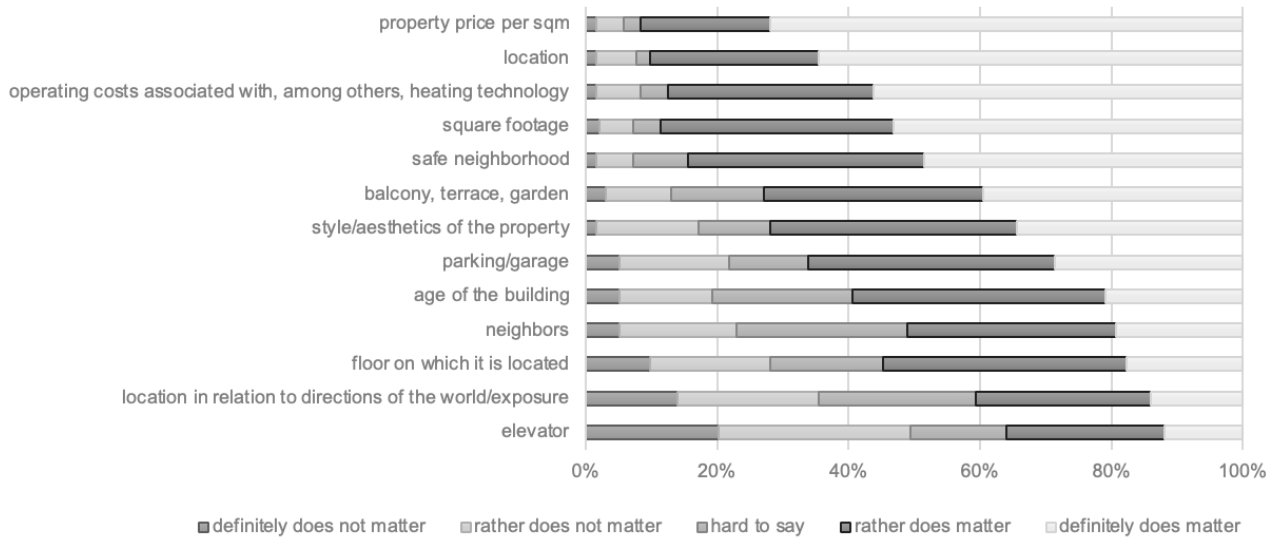
192 people declared their intention to buy a property in the future. Opinions are divided when it comes to preferences regarding the market from which respondents intend to buy a property. There is a slight preference for the secondary market, with 55.2% of respondents declaring to buy a property from this market segment. In the case of the property standard, properties in developer condition were found to be the most desirable (30.2%), followed by completely finished ones (29.2%), and those in need of refreshing or renovation (24.5%). The least attractive option, from the point of view of young people, is building from scratch, with 16.1% of respondents interested in purchasing a building plot (Fig. 4.). In the case of women, there does not seem to be a clear preference. However, as far as men are concerned, more than half intend to purchase a property that is ready to move into or needs refreshing, 38.6% of them intend to purchase a flat in developer condition, and only 8.6% intend to build from scratch.



**Fig. 4.** Answers to the questions "What is the purpose of your first property purchase?" (Answers, number of the respondents adds up to 192).  
*Source: own study.*

Considering the location of the property, 26% of respondents intend to purchase a property located in a city with more than 5,000 inhabitants, whereas one in ten respondents declare to locate the property in a rural area. The remaining respondents intend to purchase a property in smaller towns. The most important factor considered by young people purchasing real estate is the price, which is important for 176 out of 192 people planning to purchase a property. More than half of the respondents indicate that location, operating costs, and square footage are

also definitely important factors. Respondents also indicated a safe neighborhood and having a balcony terrace or garden as important. The aesthetics of the property, the age of the building and having their own garage or at least a parking space are also important. The factor of least importance is the presence of a lift and the floor which the property is located on. Generation Z also pays little attention to the location of the property in relation to the directions of the world and its neighbors (Fig. 5.).



**Fig. 5.** Respondents' indications of the importance of individual factors on property selection (Answers, number of the respondents adds up to 192). *Source:* own study.

More than 70% of respondents intend to take out and take advantage of a mortgage. However, only one in three respondents intend to finance the property purchase entirely with a loan. 27% of the 192 respondents intend to cover part of the real estate costs in cash. 7% of respondents intend to cover the cost of their property purchase with a mortgage, cash or a loan from family or friends. 15% of young people intend to finance their property purchase entirely in cash. On the other hand, every tenth respondent hopes to purchase a property using both cash and loans from relatives. 8 people declared their intention to use loans or subsidies from a developer. There were also singular indications of planning to lease a property, take out a loan from an employee fund or finance the purchase of a property through investment earnings.

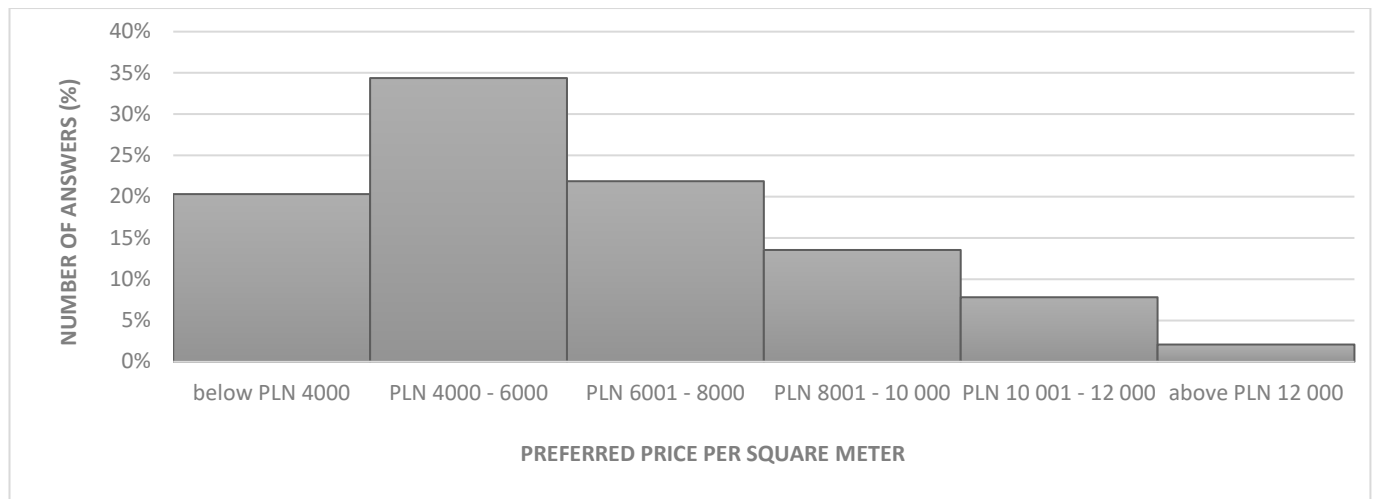
67.7% of respondents intend to purchase a flat, the remaining 32.3% aim to purchase a house. 72.9% of the male respondents said they would buy a flat, while among the female respondents, this if share was 64.8% of the total number of respondents of this gender. Half of the respondents are interested in an area of 41-70 sq m. Of the 97 people intending to purchase a property within this size range, more than 70% have a disposable income of less than PLN 2000. One in four respondents intend to purchase a property of 71-100 sq m. 10.9% of respondents plan to purchase a property of 101-130 sq m. Very small flats in regards to surface area, i.e. up to 40 sq m, as well as and very large ones, i.e. over 160 sq m, were characterized by much lower interest (5.2% and 1.6% respectively). It is also important to note the

difference in preferred property size. Among respondents who intend to purchase a house, one in three prefer a surface area of 71-100 sq m, a similar percentage, - almost 30%, plan to purchase a house of 101 - 130 sq m, and nearly 23% reveal a preference for large dwellings between 131 and 160 sq m. 4 people intend to own a small house of 41-70 sq m, and just one person - a dwelling up to 40 sq m in size. On the other hand, a much clearer preference emerged among respondents who declared to buy a flat, as almost 72% of them intend to purchase a 41-70 sq m flat, and one in five prefer a slightly larger 71-100 sq m one. A flat of up to 40 sq m is of interest to almost 7% of those surveyed, while a large flat of 101-130 sq m was declared by two people.

When it comes to the preferred price of a square meter of property, 76% of respondents expect a price below PLN 8,000. This shows the optimistic attitude of young people, who are characterized by the belief that they will be able to find a good opportunity despite the inconvenient market conditions. Only 8% of the respondents expect the price of the property to fall into the range of PLN 10,001-12,000, and 2% indicated an expected price above PLN 12,000 (Fig. 6). Comparing the obtained responses accounting for gender, it can be concluded that men expect a higher property price than women. 74% of men declared a preferred price per sq m of between PLN 4,000 - 10,000. In contrast, 80% of female respondents indicated a preferred price of less than PLN 8,000. When indicating the price of a property, the relationship between the preferred price and the current place of residence was noticeable. Of the

39 respondents indicating a preferred price of less than PLN 4000, 35 lived in a rural area or a city of up to 150,000 inhabitants. Similarly, when indicating a price of PLN 4000-6000, of the 66 people with this price preference, 61 lived in a rural area or a city of up to 150,000 inhabitants. In the case of indicating high real estate transaction prices exceeding PLN 8,000, the overwhelming majority of respondents resided in a city of more than 500,000 inhabitants. The research

did not reveal any significant relationship between the price per sq m of a property and the indicated knowledge of the property market. There was also no relationship between the price of real estate and location. The relationship was calculated using Tschuprow's T-coefficient, and was 0.23 and 0.28, respectively. In addition, the lack of a relationship was indicated by the distribution of abundances in the correlation table.



**Fig. 6.** Preferred price per square meter (Answers, number of the respondents adds up to 192). *Source:* own study.

#### 4. Discussion

Generation Z lives in different housing conditions. In 1970 the usable area of housing (in m<sup>2</sup> per capita) was less than 13 m<sup>2</sup>, while in 2017 it was already almost 28 m<sup>2</sup> (Defratyka & Morawski, 2019). In 2022, the average size of a flat or house occupied by a single household in Poland was just over 90 sq m, with 100 sq m being the most commonly cited value (CBOS, 2022c). This coincides with developers' offers, as the average floor area of an apartment completed in January-November 2023 was 90.5 sq. m., including 141.3 sq. m. in individual construction and 61.7 sq. m. in construction for sale or rent (CSO, 2023). As for large metropolitan areas, the highest average area of sold apartments was recorded in Wroclaw - 57.56 sqm (Polish Bank Association, 2023). On the other hand, referring to the preferences of young people in the real estate market, in 2022 more than half of the respondents declared that they would be looking for a property with an area of up to 70 sq m (Konieczna & Konar, 2023) and similar preferences persisted in 2023. The trend continues from 2017, when students declared they were looking for flats of 50-59 or 70-79 sq m (Gdakowicz & Putek-Szeląg, 2017).

In 2022, most Poles were satisfied with their housing conditions. Seven in ten respondents (71%) rated them as good, with a quarter (26%) describing them as average (CBOS, 2022c). For young people, although only 12.7% owned their own flat or house in 2022, more than half (53.4%) were satisfied with their housing situation (Konieczna & Konar, 2023). The same was in 2023, where almost 60% of the respondents were satisfied with their current housing situation. The survey found that the students most satisfied with their housing situation were those living in their own house or apartment, or in a property owned by their family. Rather satisfied with their housing situation are also those living with family, or renting an apartment entirely on their own or with a partner. Rather dissatisfied with their situation are those who co-rent an apartment, rent a room in an apartment or live in a dormitory.

In the case of young people in 2022, 87.3% declared to acquire their own property in the future (Konieczna & Konar, 2023), while in 2023, 90.1% of the representatives of Generation Z expressed their intention to purchase a property. Studies have shown a preference for Generation Z to own property over renting. One can see a contradiction here, as

Generation Z is described in the literature as a generation of mobile people who are unlikely to be eager to be tied to one place. On the other hand, generation Z has fewer siblings than its predecessors and lives in very different housing conditions than generations X and Y. Raised in much greater affluence, they will expect an increasingly better standard of living in the future (Defratyka & Morawski, 2019).

Property features influencing the purchase decision in studies have been found to be very important when deciding to buy a property (El-Nachar, 2011; Kempa, et al., 2015). A 2015 survey of Polish students found that the most desirable features include location, accessibility, functionality and layout (Kempa et al., 2015). In 2022, a safe neighborhood (57%) and the cost of living in a flat or house (43%) were the most important features for all Poles (CBOS, 2022a). A survey of university students and graduates in 2022 showed that the factors of greatest importance were price per square meter of housing, location, square footage and operating costs (Konieczna & Konar, 2023). This trend continued in 2023, with representatives of the Z Generation identifying the same 4 factors as the most important.

In 2023, there was an increase in housing prices in both the primary and secondary markets. The rate of price growth on the secondary market was higher than that recorded on the primary market. The highest increase in the average transaction price was recorded in Q3 2023 in Poznań - 9.31%. Slightly lower price increases were recorded in Wrocław (by 8.89%). The average transaction price of 1 sq. m. of a flat in Wrocław was PLN 9,955 at the end of Q3 2023. In the survey, 78% of respondents indicated a price below PLN 8,000 per square meter as their expected price for an apartment. This indicates either a lack of knowledge regarding real estate market prices or a belief, characteristic of young people, that they will be able to find a favorable offer despite unfavorable conditions.

When asked, in 2022, about the general direction of housing policy development, Poles were mostly of the opinion that the state should first and foremost make it easier for people to buy their own flats or build their own houses, and only secondarily support the construction of rental housing or council housing. Views on this subject depend on the age and material situation of the respondents. The oldest respondents aged 65 and over are more likely to be in favor of the state supporting council housing first (38%). Those aged 55-64 are in favor of building rental housing

(31%), while respondents aged 25-34 are in favor of facilitating the purchase of their own homes (73%) (CBOS, 2022b). In 2023, representatives of the Z Generation overwhelmingly believe that housing policy in Poland needs to be changed, and that the changes should be in the direction of lower real estate and credit costs, and greater assistance for young people. It should be noted that factors such as the reduction in housing prices and the reduction in mortgage costs are mainly determined by the market. Housing policy can influence these variables only to a limited extent.

Studies show that, counterintuitively, Generation Z people appreciate the role of savings and have them. However, the widely encountered lack of basic financial knowledge among Generation Zs is worrisome, which may negatively affect their financial decisions in adulthood (Defratyka & Morawski, 2019). The same is true of knowledge of the real estate market, which, seeing as how the survey involved a group of students majoring in economics, should be at a higher level. The emerging conclusion of the study is to change the curricula so that knowledge of the basics of economics and basic principles of the real estate market is at a higher level among young people.

Generation Z will represent, on the one hand, a significant group of potential employees in the real estate industry in the future. Cummings (2022) says there will be a gap in the real estate industry in the coming years, and more effective efforts are already needed to recruit the next generation of real estate professionals. On the other hand, Generation Z will be a significant group reporting demand for residential real estate. Thus, the study of this generation in particular is extremely significant, and this is what future research should focus on. A direction for future research could be to broaden the subject scope and focus on Generation Z in general, not just on students. The territorial scope of the research could cover the whole of Poland and then expand to include other countries.

## 5. Conclusions

The research showed sufficient knowledge of the basic concepts that are related to the real estate market. Young people were able to correctly identify the relationships that exist in this market. However, given that the majority of the survey participants were students of economics, management and real estate, the results are not satisfactory. The research showed

that the expected price per square meter of real estate is well below the market price. It is therefore worth reforming the syllabuses to place more emphasis on practical knowledge of the property market.

The overwhelming majority of the respondents believe that housing policy in Poland needs to be changed, and the most preferred directions for change were lowering property prices and lowering credit costs, as well as greater support for young people in the housing market. The research points to difficulties in the ability of young people to support themselves during or just after graduation. 68% of respondents have a disposable income of PLN 2,000 or less.

Although less than 17% of respondents own a flat or house outright, almost 60% are satisfied with their current housing situation. Only one in ten respondents does not intend to purchase a property in the future. Among the respondents who declared they would buy a property in the future, more than 70% intend to finance the purchase in whole or in part with a mortgage. As for the factors that generation Z will pay attention to during a property purchase, the most important include the price per square meter of the property, its location, and operating costs.

An increase in money lent, the government's "Secure Credit 2%" program, the lowering of interest rates, falling commodity prices and the country's GDP growth are the most important factors influencing the Polish real estate market in 2023. A proper diagnosis of the current situation in the real estate market is important, but it is equally important to know the housing and investment plans of Generation Z, which is conducive to an appropriate government housing policy. Furthermore, knowing the housing preferences of young people allows investors or developers to adapt premises to their expectations. Identifying trends can be crucial for the future success of the real estate market, both in terms of the investor and the buyer.

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