

German housing markets – facts, figures and structures

Dr. Christian Lieberknecht

Managing Director

**GdW Bundesverband deutscher Wohnungs- und
Immobilienunternehmen e.V.**

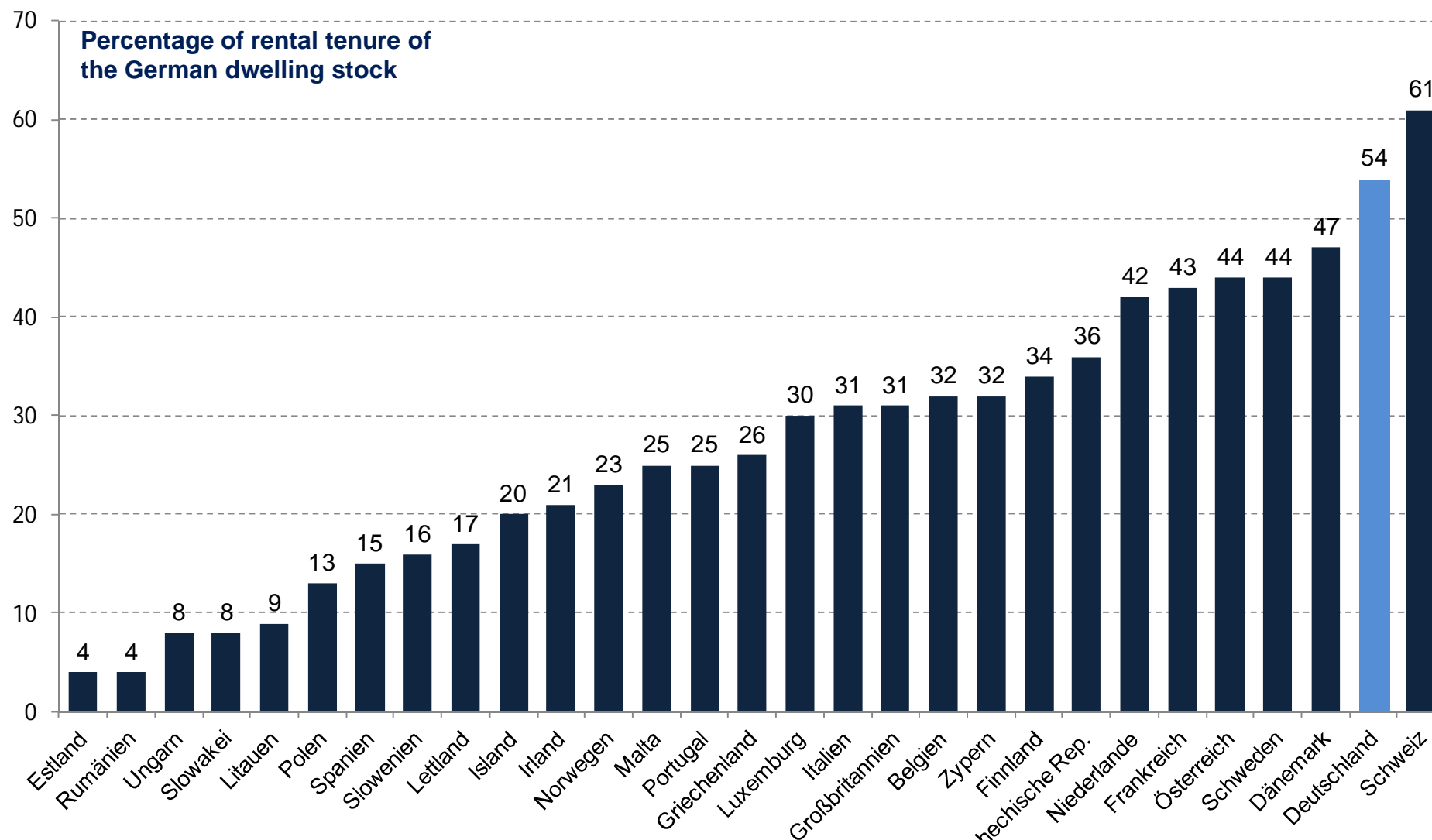
- **Lobby for 3.000 housing companies**
 - **municipal and public,**
 - **cooperatives,**
 - **of the churches,**
 - **private sector,**

- **Nearly 6 million managed housing units with more than 13 million tenants**

- **Housing companies manage nearly 30 % of all rented housing units in Germany**

Percentage of rental tenure in Europe 2009

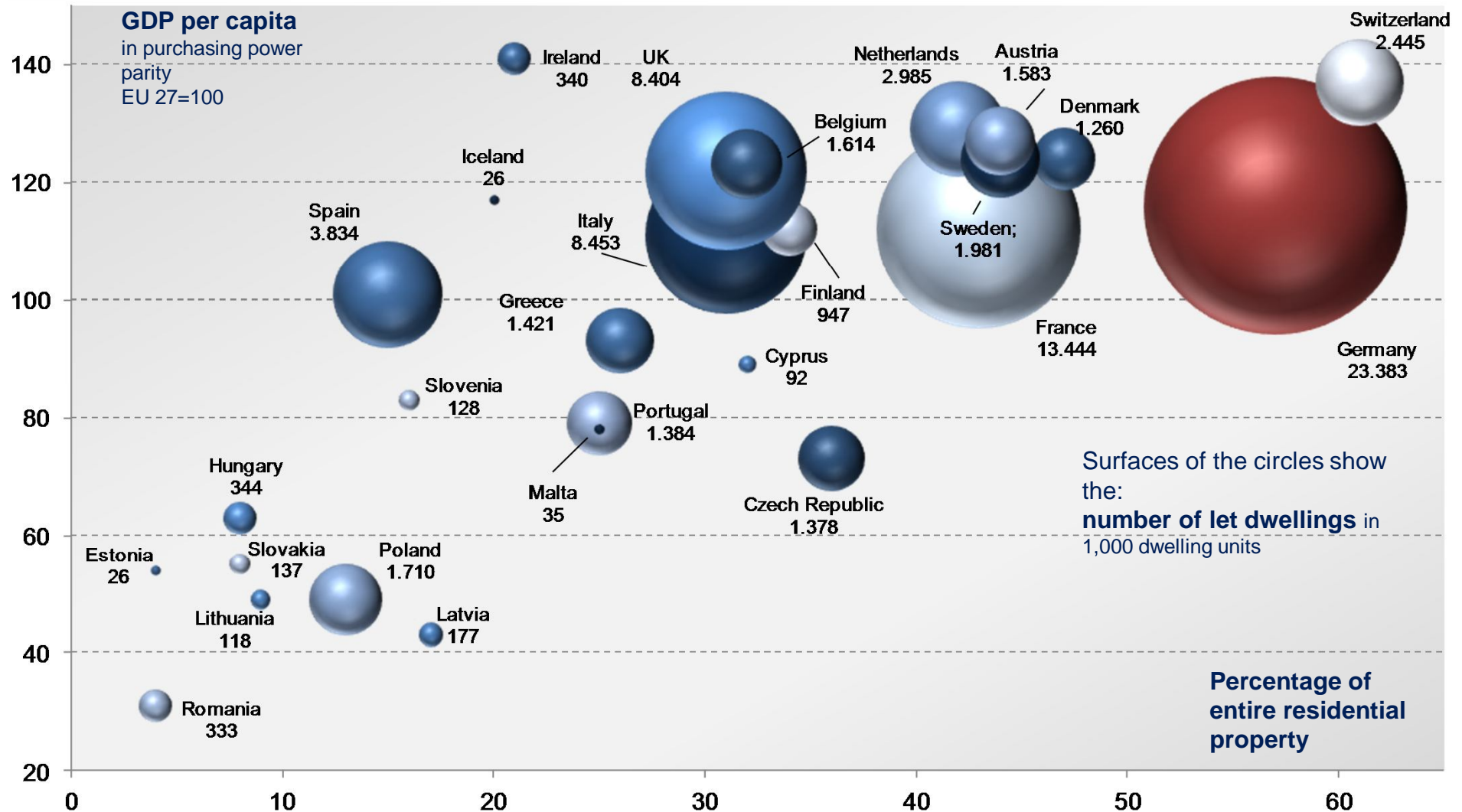
States of EU and EFTA; let dwellings in % of entire residential property



Quelle: Eurostat sowie Ministry of the Interior and Kingdom Relations (2010): Housing Statistics in the European Union 2010, The Hague ; Daten zur Mieterquote aus 2008 bis auf Österreich, Belgien, Dänemark, Niederlande = 2009; Frankreich = 2006; Malta = 2005, Polen = 2007, Griechenland = 2004, Tschechische Republik, Zypern, Litauen, Italien = 2000 ; Anmerkung: "genossenschaftlicher Sektor " von Dänemark, Polen und Schweden wurde dem Eigentumssektor zugeschlagen;

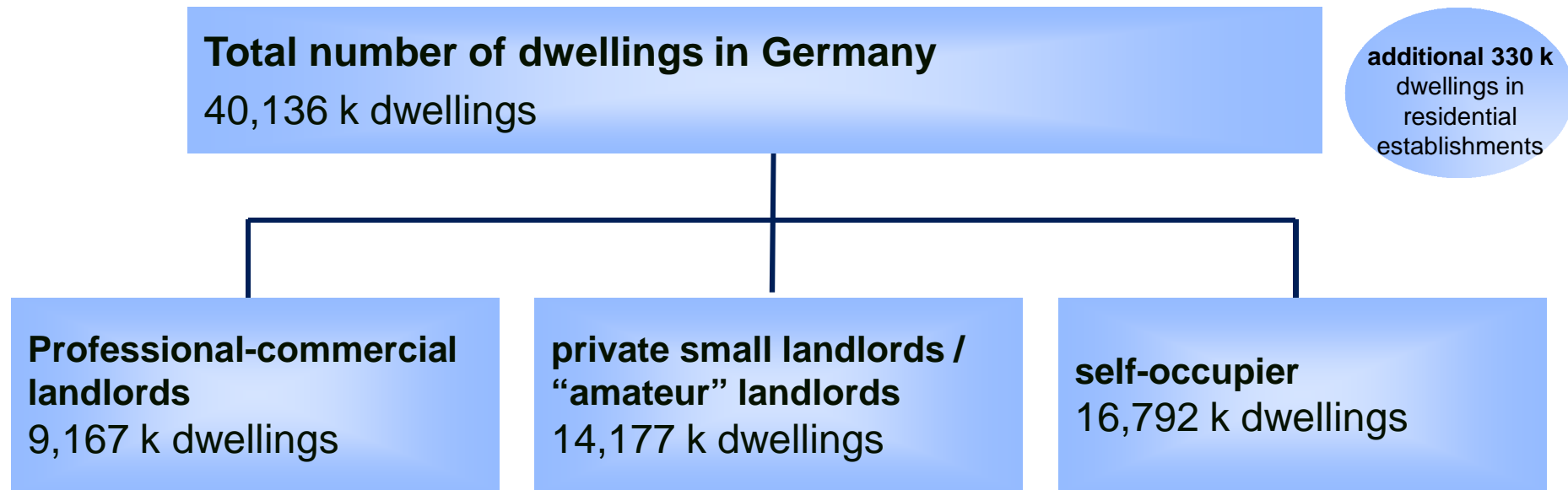
Wealth, percentage of rental tenure and number of let dwellings in Europe 2009

States of the EU and EFTA



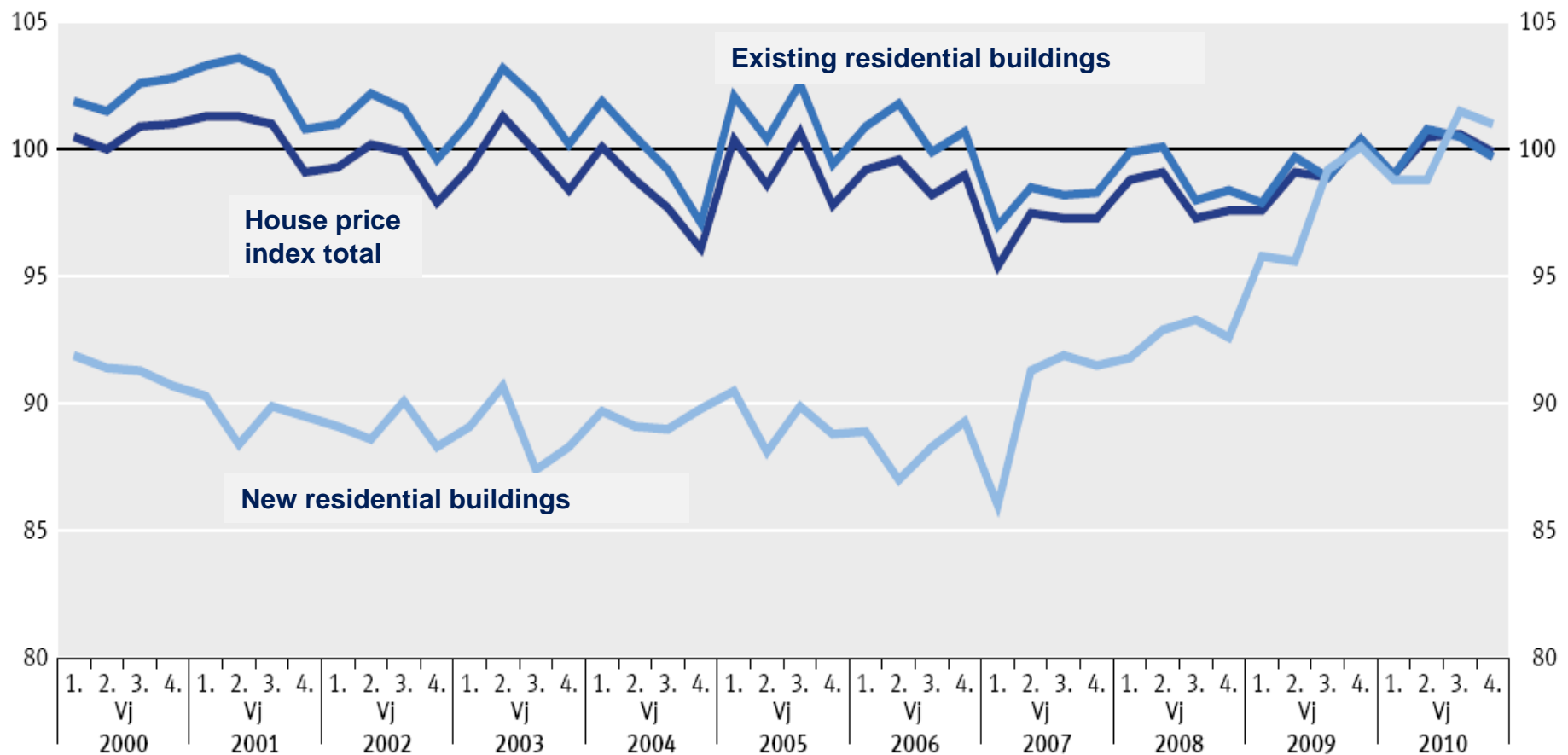
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Structure of landlords in the German housing market



Development of real estate prices in Germany 2000-2010

House price index of the Federal Office for Statistics



Year 2010:

House price index total + 1,0 %
 new residential buildings + 2,4 %
 existing residential buildings + 0,8 %

Since 2008 – after a long period of stagnation and even declining house prices
 - Trend of price increase for residential property – for new building this trend is perceptible since 2007 already. Price increase for new residential buildings significantly higher than for second hand property.

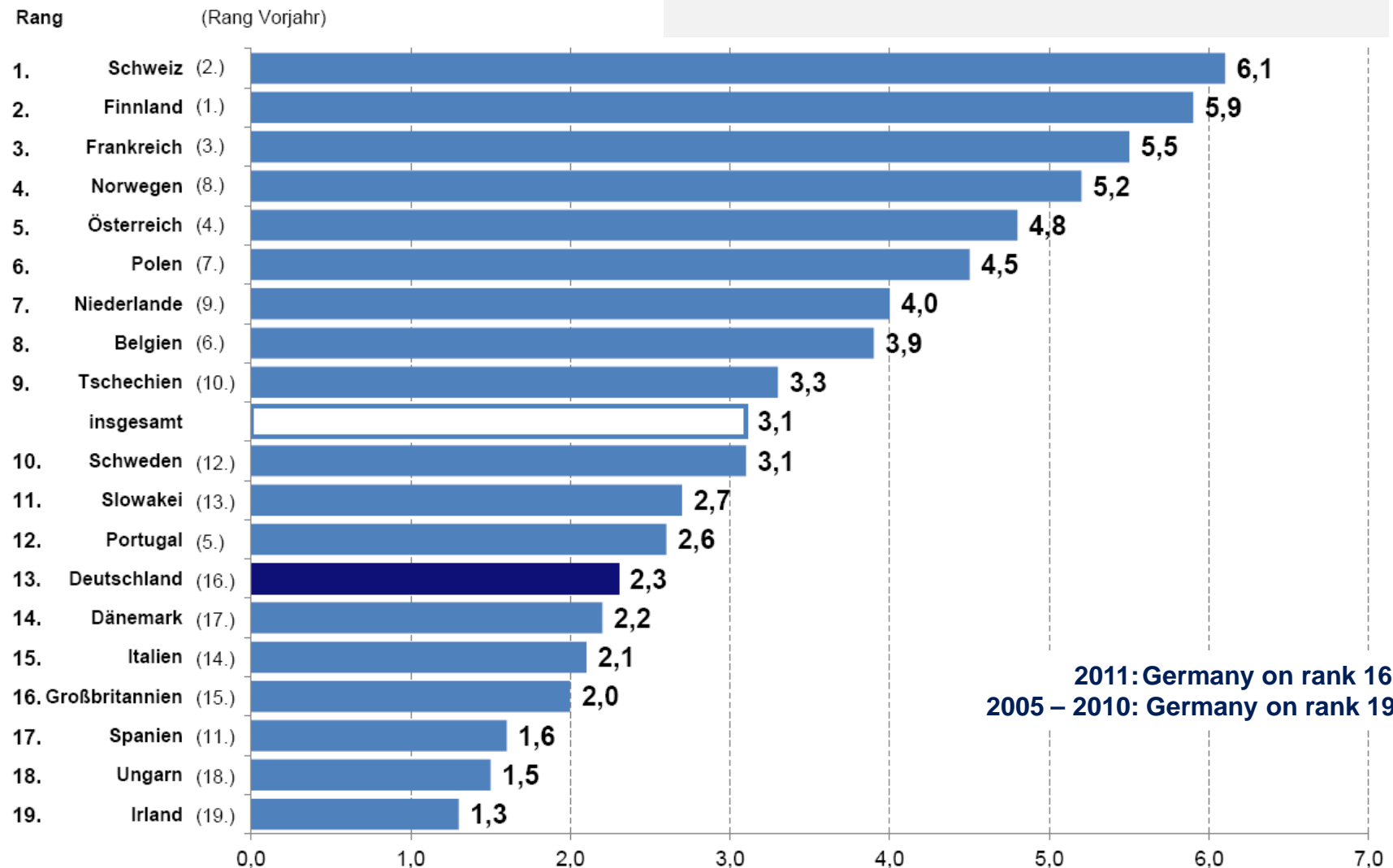
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Price fluctuations on the German housing market are more or less minor. This lack of dynamics turned out to be an advantage during the crisis of the financial markets. Reasons for this stability of the German residential property markets are namely:

- A well working market for rental dwellings and a sufficient offer of public and private landlords that is attractive also for the middle class.
- There is no subprime market (due to the loan practice and the lack of demand). Low-income families are not pushed to purchase their homes, but find good alternatives in the rental market.
- Financing of real estate property is characterized by a culture of long-term interest rates based on the mortgage lending value and not on the market value.
- Compared with other European countries : high equity rate (27 % on average).
- Mortgage bonds and housing-saving are available as reliable tools to re-finance real estate loans.

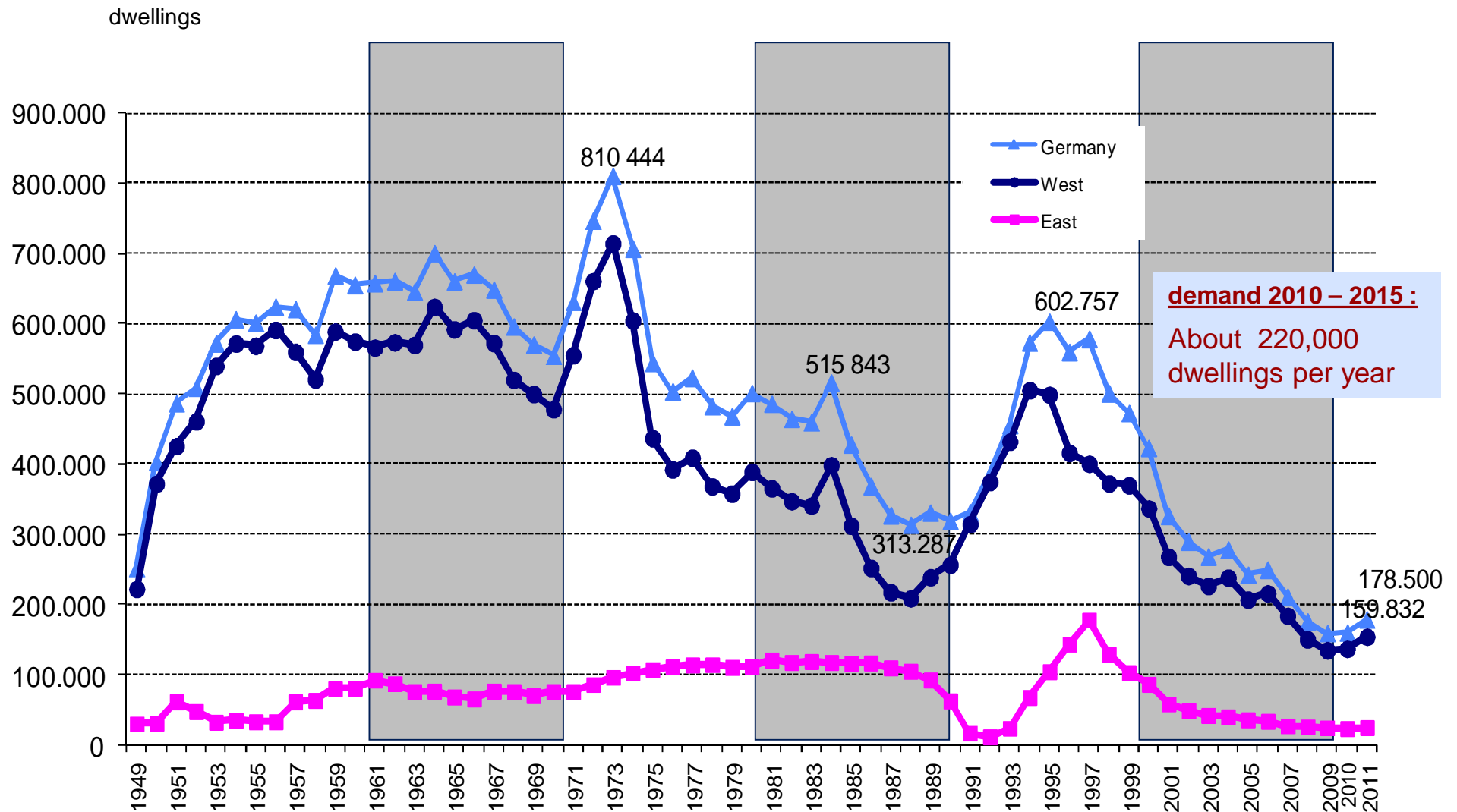
New constructions 2012 in Europe

Accomplished new dwellings in new multi-story buildings per 1,000 inhabitants
(Forecast Euroconstruct)



Accomplished new dwellings in Germany

all building activities in East and West 1949 – 2011

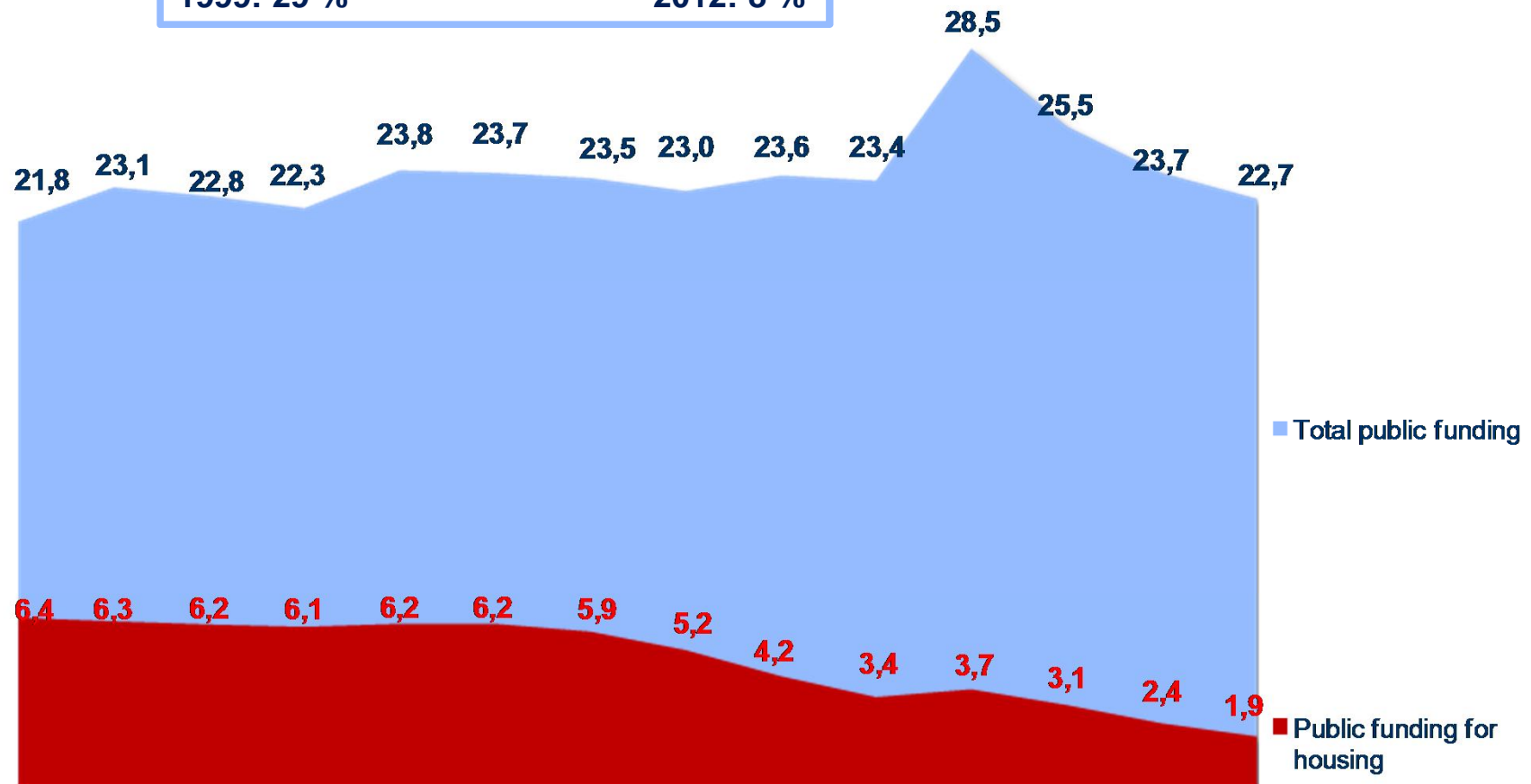


Quelle: Statistisches Bundesamt, Bautätigkeitsstatistik, 2011 eigene Schätzung

Strong decline of public funding for housing 1999 - 2012

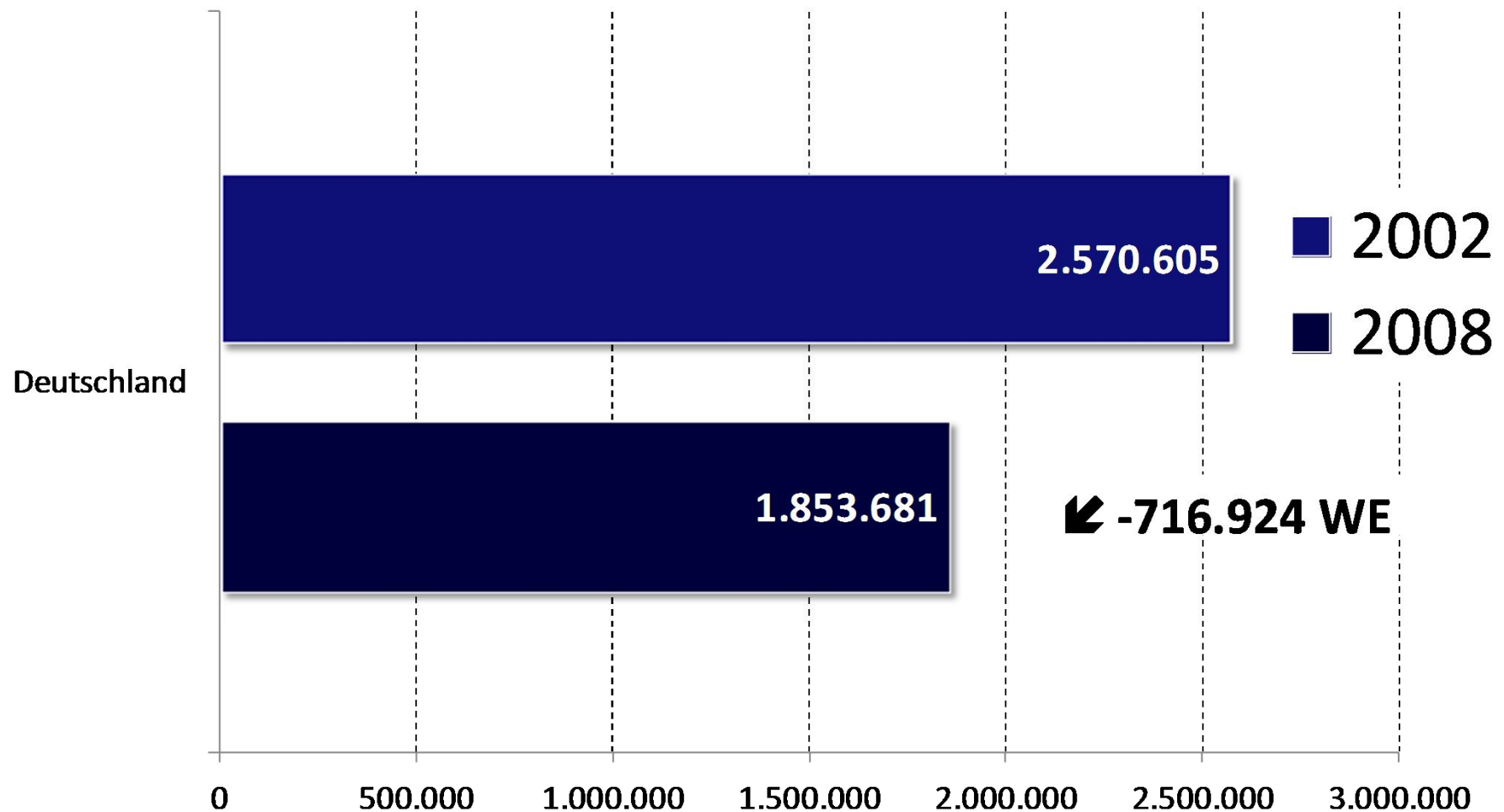
in billions of Euro

Share of public funding for housing in
1999: 29 % 2012: 8 %



Development of the dwelling stock with social letting restrictions

2002 - 2008



Anm.: Bindungsbestand 2002: nur Bindungen aus Neubauförderung;

Bindungsbestand 2008: Bindungen aus Neubauförderung sowie Bindungen aus Modernisierungs- und Instandsetzungsförderung und aus dem Erwerb von Belegungsrechten.

Quelle: Erhebungen der Fachkommission Wohnungsbauförderung/SUBVE Bremen bei den Landesförderinstituten

- **The Number of families / persons in need of help for housing is increasing strongly** (elderly and disabled persons as well as generally low-income people, among them a lot of people with a migrant background).
- **The offer of dwellings with social letting restrictions is declining substantially.** (2008: 1.9 million dwellings or 4,6 % of the entire dwelling stock)
- **Given the medium-term increasing demand for housing, building activities since 2005 are not sufficient.**
- **The offer of energetically refurbished dwellings with affordable rents for the target groups is much too small.**
- **The offer of barrier-free dwellings and / or dwellings accessible for disabled persons is much too small.**