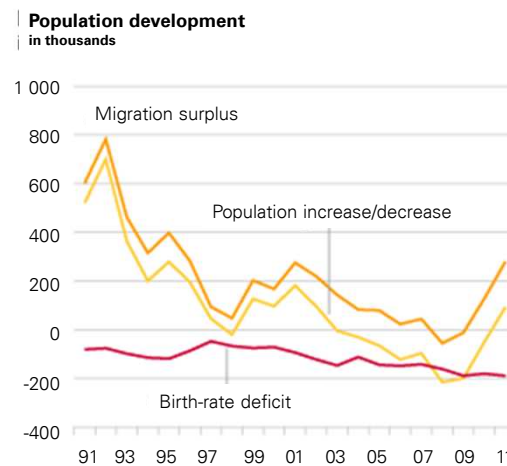


THE DEMOGRAPHIC CHANGE IN GERMANY

- Less, older, more diverse
 - shrinking population due to declining birth rate
 - movement of the demographic pyramid due to increasing life expectancy and declining birth rate
 - increasing internationalization of the German population



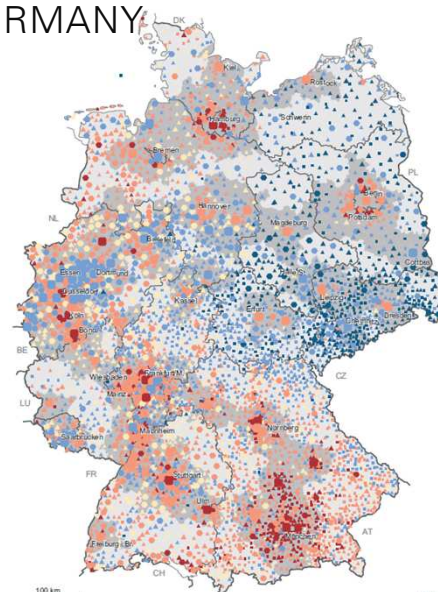
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THE DEMOGRAPHIC CHANGE IN GERMANY

→ *Demographic change is spatially heterogeneous!*

Growing and shrinking cities and municipalities

- Growing rapidly
- Growing
- Stable
- Shrinking
- Shrinking rapidly



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THE SOCIAL CHANGE IN GERMANY

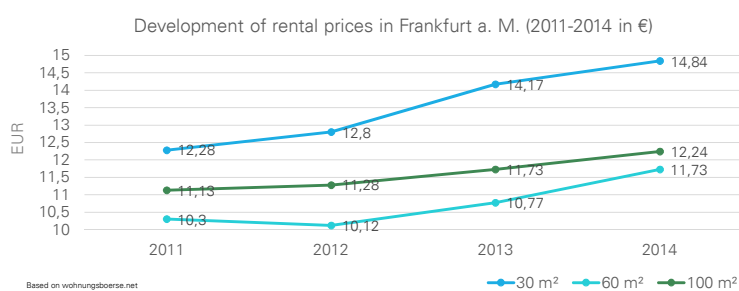
- Singularity → Household size: 2.02 persons
- Pluralization → Half of the population commutes to work into an other municipality (secondary residence)
- Aging → Life expectancy augments due to improved medical
- Impoverishment → Increasing unemployment in the low-pay sector, rising unemployment
- Increasing level of education → Expansion of education, growing number of students
- Heterogenization → Globalization and international migration
- Segregation & Gentrification → Displacement of people from a neighborhood

increasing demand for living quarters

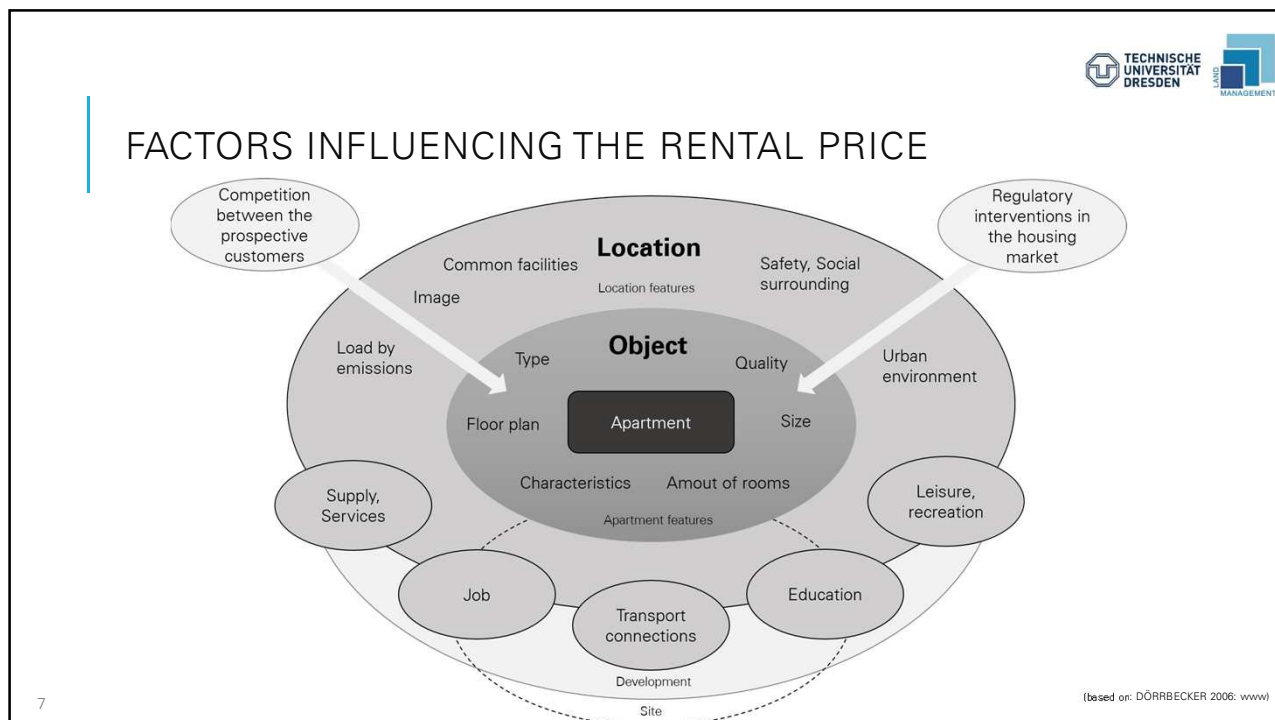
5

THE GERMAN HOUSING MARKET

- Home ownership rate in Germany 45.8 %
- Regional differences → growing and shriking regions/ cities
- Growth leads to housing shortage and increasing rents



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REGULATORY INSTRUMENTS

- **Municipality Level**
 - Land use planning (Federal Building Code)
 - Preparatory and the binding land use plan
 - Urban contracts between municipality and investors to transfer costs
 - Local housing support programs



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REGULATORY INSTRUMENTS

• Federal Level & State Level

- Federal states have responsibility for social housing
- Funds provided by the government (518 Mio. € per year to 2019)
- MIETPREISBREMSE (rental price brake)



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MIETPREISBREMSE (RENTAL PRICE BRAKE)

- Statutory Regulations

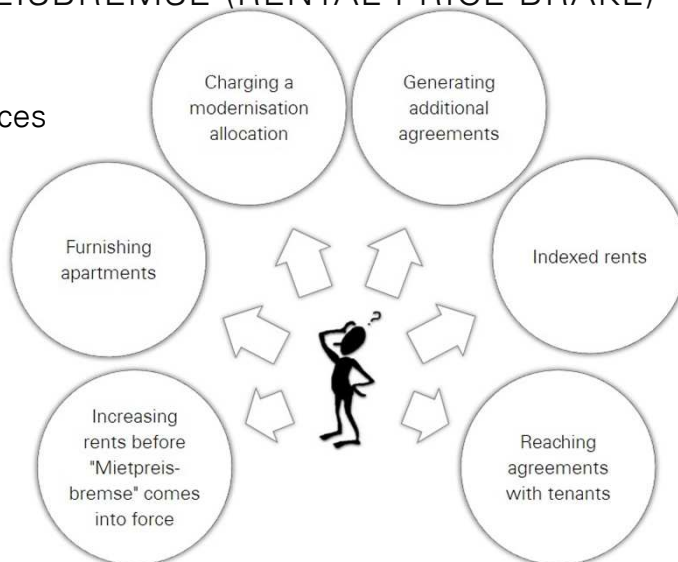
 1. rents rise significantly stronger than the national average,
 2. the average rent burden of households exceeds the national average significantly,
 3. the resident population grows but the required living space is not created by construction activity so far, or
 4. low vacancy in large demand.



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MIETPREISBREMSE (RENTAL PRICE BRAKE)

Critical Voices



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CONCLUSIONS

Goal: Elimination of existing housing shortage and affordable housing for all groups

Necessary building options need time and investments for realization

Mietpreisbremse → regulatory instrument

→ short term instrument until construction activities show impacts

Mix of instruments is needed (subsidy programs, urban contracts, etc.)



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AFFORDABLE HOUSING?



