

ACCENTRO-IW Housing Cost Report

An Analysis of Rents & Owner-Occupiers' Housing Costs
in 401 Counties

Survey compiled for ACCENTRO Real Estate AG

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Summary

Housing costs for owner-occupiers have increased after interest rates went up in early 2017. Yet buying remains much more attractive than renting, the average cost advantage across Germany equalling 33 percent. Even in the country's major cities, buying is more affordable, as the advantage in the "Big Seven" cities ranges from 23 percent in Stuttgart to 40 percent in Hamburg. While the going residential rent in Berlin is 8.12 euros per square metre, the square-metre housing costs for owner-occupied condominiums are only 5.20 euros. Unlike the first Accentro IW Housing Cost Report, the calculations underlying these figures actually take higher incidental acquisition costs into account, including estate agent services.

The low-interest cycle makes it possible for many Germany to fully pay off an average apartment over a 35-year period without shouldering a heavier burden in the form of ongoing expenses (interest, repayment, and reinstatement) than the average tenant is exposed to. If the interest rate for follow-up financing were to rise to 3.5 percent in ten years' time, this would be true for 97 percent of all German households, and it would still be true for 93 percent if the interest rate went up as high as 4.5 percent. It is therefore safe to say that those who have the wherewithal to cover the equity stake and the incidental acquisition costs will have the asset accumulation thrown in at no extra costs.

But that exactly is the rub. The entry-level hurdles for first-time buyers are getting higher. Only 40 percent of the households in Germany have assets worth more than 40,000 euros. Households are expected to commit roughly 30 percent of the purchase price toward the incidental acquisition costs and the equity stake, and many of them are overtaxed by this requirement. The fact is reflected in the evaluation done by the Socio-Economic Panel (SOEP), which found that the number of first-time buyers is declining although income levels show an upward trend. The age average of urban first-time buyers is 48 years, and the number of children in buyer households has dropped from 0.55 to 0.35 children per household in recent years. It is quite obviously of the essence therefore to lower the bar for homeownership so as to enable a higher number of German households to acquire homes of their own as a cornerstone of their pension plans.

1 Background

The recent growth in real estate prices has carried over into the ongoing year of 2017. Between the first quarter of 2016 and the first quarter of 2017, prices for existing condominiums rose by 6 percent. In Frankfurt am Main they actually rose by 8 percent, and in Berlin by 12 percent. At the same time, mortgage interest perked up slightly so that, in combination, the two factors impacted the affordability of buying or the owner-occupied housing user costs, as the case may be. But the survey before you also shows that homeownership remains demonstrably more attractive than renting, and this is true across all social strata.

The first IW Accentro Housing Cost Report met with a broad-based reception but was criticised as well. Two aspects were subject to criticism: For one thing, critics felt that the incidental acquisition costs were inadequately covered as the survey only took the real estate transfer tax into account. This second edition therefore includes notarisation costs, land register charges and estate agent fees, too, even if an estate agent is not always involved. These changes had only a minimal impact on the findings. Another point of criticism was that financial appeal alone hardly makes homeownership the preferred option. Many commentators thought it inappropriate to highlight the affordability of homeownership over renting across all social strata as key finding. But this is precisely what the survey found. Of course it does not imply that buying is preferable to renting in every case. For people who relocate frequently, be it for work-related or private reasons, the acquisition of a condominium is associated with higher transaction costs than renting is. Such a situation can qualify the advantages homeownership would otherwise have. But anyone with a longer-term planning horizon is currently better served with an owner-occupied condominium.

However, high transaction costs may keep people from buying a flat not only when they expect to change their place of residence often, but also when lacking the necessary equity capital in general. The financial benefits for homeowners should be reflected in a rising number of buyers, yet the stats show that the homeownership rate in Germany is stagnating. Indeed, an evaluation by the Socio-Economic Panel (SOEP) suggests that the number of first-time buyers is actually declining and that fewer and fewer urban families buy homes for owner occupancy (Chapter 4). This is essentially explained by the high incidental acquisition costs and the capital requirements of the banks. In many cases, the required equity stake is too high to let people take advantage of the low interest rates.

2 Data and Methodology

The user cost approach according to Poterba (1984) is commonly applied in scientific real estate research to determine the monetary relation between owning a home and renting one. The basic assumption underlying the approach is that households principally take an indifferent view of the alternative of renting versus buying a given property. Instead, households are assumed to change their preferences when confronted with additional realised and non-realised monetary

burdens such as taxes, fees, opportunity costs and not least the financing costs, among others. This shift in demand in favour of one residential format over the other results in price adjustments that eventually restore the market equilibrium. To be able to compare owner-occupied housing user costs with rental costs, the approach transforms the one-off payment of the purchase price of a private home into a monthly or yearly payment or annuity.

Aside from the financing costs, the annuity is derived from the opportunity costs of the lost income from capital. On top of that, depreciation and maintenance costs are factored in. One point criticised about the previous survey (Seipelt / Voigtländer, 2016) was that it takes only the real estate transfer tax into account as sole incidental acquisition cost item, and this criticism has been addressed in the survey now before you. The costs of the land registration as well as the estate agent fee and the notarial fees now enter into the calculation of the owner-occupied housing user costs, too. Since purchase price changes definitively influence the value of a given property and with it the owner occupiers' housing costs, such changes in value are also considered. In the long run, households anticipate noticeable differences in expense categories by displaying analogous demand responses, so that, from the perspective of a theoretical model, owner occupiers' housing costs and rental costs ought to be on a level in the long run.

The following model is used to calculate the owner occupiers' housing costs (cf. Schier and Voigtländer, 2015):

$$SNK_{ti} = (1 + g_{ti} + m + e + n) \cdot P_{ti} \cdot (b \cdot i_{F,t} + [1 - b_t] \cdot i_{A,t} \cdot [1 - t_t] + s + a - \Delta P_{t-t-4})$$

The key parameter for determining the annual owner-occupancy costs (SNK_{ti}) in period t represents the purchase price P_{ti} . In addition to the real estate transfer tax there are fees to be paid to the estate agent m , for the land registration e and for the notarisation n . The purchase price is financed with a debt capital b share and with an equity $[1 - b]$ share, with interest at a certain interest rate $i_{F,t}$ paid on the debt, and with interest at an assumed alternative interest rate¹ $i_{A,t}$ lost on the capital. Since these investments would be taxable, an average income tax rate of t_t must also be taken into account. The parameter s represents the repair costs as part of the purchase price whereas a represents the asset erosion as part of the purchase price. By contrast, delta P_{t-t-4} equals the capital growth of the property within the prior-year period, based essentially on increased land prices.

¹ The alternative interest rate matches the current yield rates of domestic bearer debentures according to Deutsche Bundesbank (2017a).

Table 1: Variables and associated data sources

Variable	Data source
$P_{t,i}$	F+B, 2017
b	Dr. Klein, 2017
$i_{F,t}$	Deutsche Bundesbank, 2017b
$i_{A,t}$	Deutsche Bundesbank, 2017a
t_t	Federal Ministry of Finance, 2017

Source: IW Economic Institute

Table 1 shows the respective sources of the filled-in figures that ultimately return the owner-occupancy costs. Readers looking for methodological background information and other details on the underlying data should check Seipelt / Voigtländer (2016, p. 6).

3 Findings

3.1 Germany

Figure 1 shows the development of rents and owner-occupancy costs in Germany up to and including the first quarter of 2017. Throughout the entire period under review, rents followed a sustained upward trend and lately achieved a level of 7.07 euros per square metre.² Given a baseline value of 5.96 euros per square metre, this implies a rent hike of around 18.6 percent, slightly exceeding the consumer price index for the period (16.9 percent). Compared to rents, the costs for owner-occupiers experienced a far more volatile development. Following an initial rise of the owner occupiers' housing costs to a level of around 8.23 euros per square metre, the trend reversed itself after 2008 and the costs of owner-occupancy have steadily declined ever since. During this period, mortgage interest dropped from more than 5 percent to a level below 1.5 percent, causing owner occupiers' housing costs to drop to 4.72 euros per square metres. Due to the stagnation of the mortgage interest on a level of around 1.5 percent, owner occupiers' housing costs stabilised at just under 5.00 euros per square metre. If you set the averaged costs for renting and homeownership in relation to each other, the advantageousness of owner-occupancy for Germany as a whole is roughly 33 percent. This makes homeownership far more affordable than renting, so that the application of Poterba's model (1984) would make it reasonable to expect a shift in demand-side behaviour in favour of owner-occupancy in the future (see Ch. 4).

² The mean value, weighted by population of the counties or independent towns in Germany

Figure 1: Synopsis of owner-occupier and rental costs (in euros per square metre, up to and including Q1 2017)

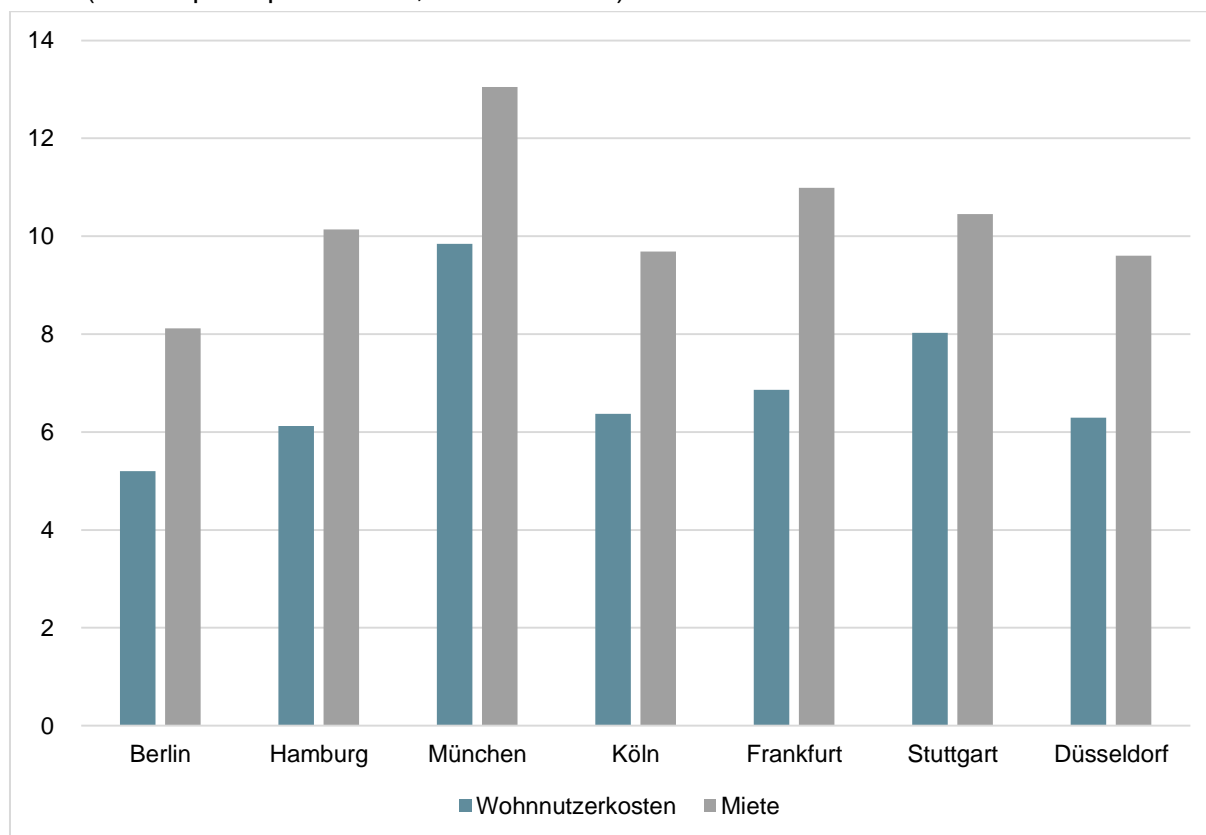


Sources: F+B, IW Economic Institute

3.2 Findings for Major Cities and All Counties

A look at the German metropolises and other major cities reveals a similar pattern for Germany as a whole. Although purchase prices have been going up these past years, and in some places substantially so, the trend has been more than offset by a decline in mortgage interest since 2011, making buying far more affordable than renting in the country's metro areas. While the going residential rent in Berlin is 8.12 euros per square metre, the square-metre housing costs for owner-occupied condominiums are only 5.20 euros. Accordingly, owner-occupancy is around 36 percent more affordable here than paying rent, making homeownership in the German capital slightly more lucrative than in the country as a whole. In fact, Berlin is the most affordable one among Germany's major cities in terms of both residential rents and owner-occupancy costs. As far as owner-occupancy alone goes, Hamburg is the most advantageous among the "Big Seven" cities with an affordability edge of 40 percent over renting, whereas homeownership in Stuttgart is "only" 23 percent more affordable. The highest housing costs are reported from Munich, whose residents pay 13.05 euros for renting and 9.84 euros for owner-occupancy on average. This means that the economic benefit of homeownership has declined over the past two years because of a disproportionate increase of owner-occupancy costs relative to rental costs. That being said, owner-occupancy is far more attractive across locations.

Figure 2: Comparing rental costs with owner occupiers' housing costs in Germany's "Big Seven" cities (in euro per square metre; as of 1Q 2017)

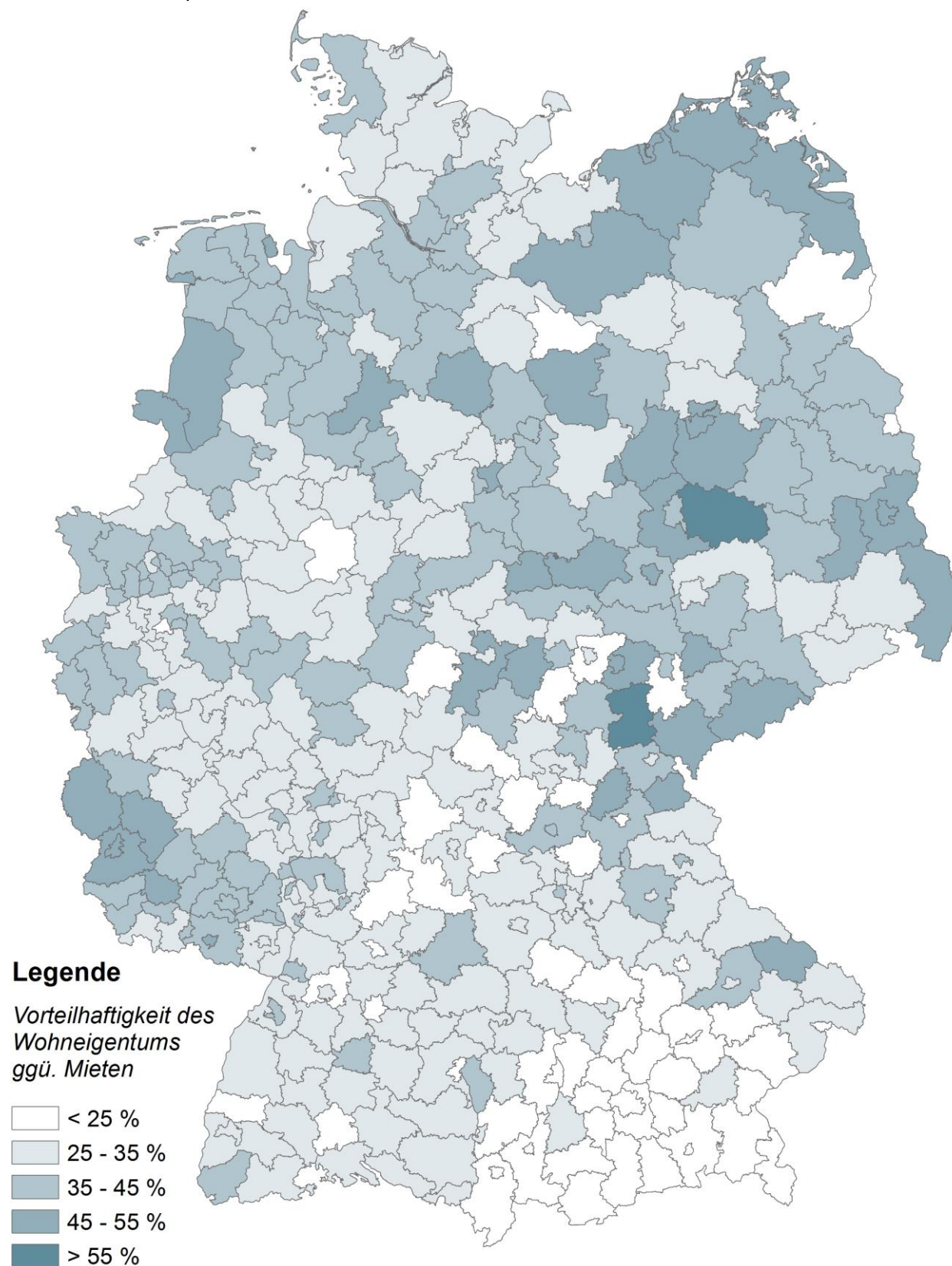


Sources: F+B, IW Economic Institute

Figure 3 breaks down the economic benefits of homeownership in Germany by county or independent town³. Aside from a few exceptions, the map representation shows a clear north-south gradient. The economic benefit in Saale-Orla County, for instance, is around 62 percent, whereas owning a home in Miesbach County is only 8 percent more affordable than renting one. Looking at the Munich metro region, one needs to bear in mind that the calculation is based on comparatively conservative assumptions regarding the price trend. For instance, the survey used the mean price growth rate for the years 2006 through 2010 because the market displayed a relatively moderate imbalance of supply and demand, and because the selling price growth was rather modest as a result. If the actual price hikes of recent years were used instead, the economic benefit of owner-occupancy would be far more conspicuous and thus even less susceptible to a potential tightening of interest rates.

³ See annex for the results from all 401 German counties and independent towns; a local government reorganisation of two county areas in Lower Saxony (merging Göttingen County and County of Osterode am Harz) reduced the total number of counties and independent towns by one.

Figure 3: Breakdown of the economic benefits of owning rather than renting a home in German counties and independent towns



Source: IW Economic Institute

3.3 Development of the Economic Benefit with Follow-up Financing Taken into Account

To review the sustainability of the present appeal of homeownership, the hypothetical sample calculation below permits an assessment of the situation that factors in a future increase in mortgage interest. The concept is principally inspired by the approach of Seipelt / Voigtländer (2016) which assumed an unchanging repayment rate and 35 years as total length of the financing term to determine the maximum refinancing interest rate up to which private households would favour homeownership over renting.

The concept has been slightly adjusted, as detailed below. The Seipelt / Voigtländer (2016) model assumes that a household today would pay down 22 percent in equity capital when buying property. During the initial fixed-interest period of 10 years, a household uses the difference between owner-occupier housing costs and rental costs to repay the loan taken out, so that the current burden consisting of repayment, interest payments and maintenance costs matches the corresponding rent level.⁴ The opportunity costs of the equity capital are left out of the equation. It is assumed that, after the end of the fixed-interest period, the remaining loan amount is repaid over the next 25 years in the form of an annuity loan. The imputed interest rate for the first scenario is 3.5 percent, while the rate for the second one is 4.5 percent. The annual debt service is subsequently compared to the rental costs in order to find out whether the owner-occupied home remains more attractive than a rental despite the hypothetically increased interest rates.

The purchase of a 100-square-metre property in Berlin may illustrate the approach. Let us assume a household decides at the present time to acquire a property for the price of 271,100 euros. Assuming further a mean loan-to-value ratio (LTV) of around 22 percent, this would imply a borrowed amount of nearly 211,700 euros. The annual owner occupiers' housing costs in the amount of 6,730 euros and the average annual rental costs of the coming 10 years of approximately 10,450 euros result in a difference of 3,720 euros per year. This monetary cost advantage is used toward the repayment of the loan during the fixed-interest period so that 17.6 percent are already repaid after 10 years, leaving a borrowed amount of 174,500 euros that is to be subsequently financed over a period of 25 years and to be repaid via an annuity loan. Underlying the calculation is an imputed interest rate level of 3.5 (4.5) percent. This results in an annual debt service – meaning the sum total of variable payments of interest and principal – of around 10,600 (11,800) euros. The rent rate carried forward for the time after the end of the fixed-interest period is 13,600 euros per year. So despite the additional repayments due, the calculation returns an economic benefit of 22 (14) percent for the follow-up financing period (see Figure 4).

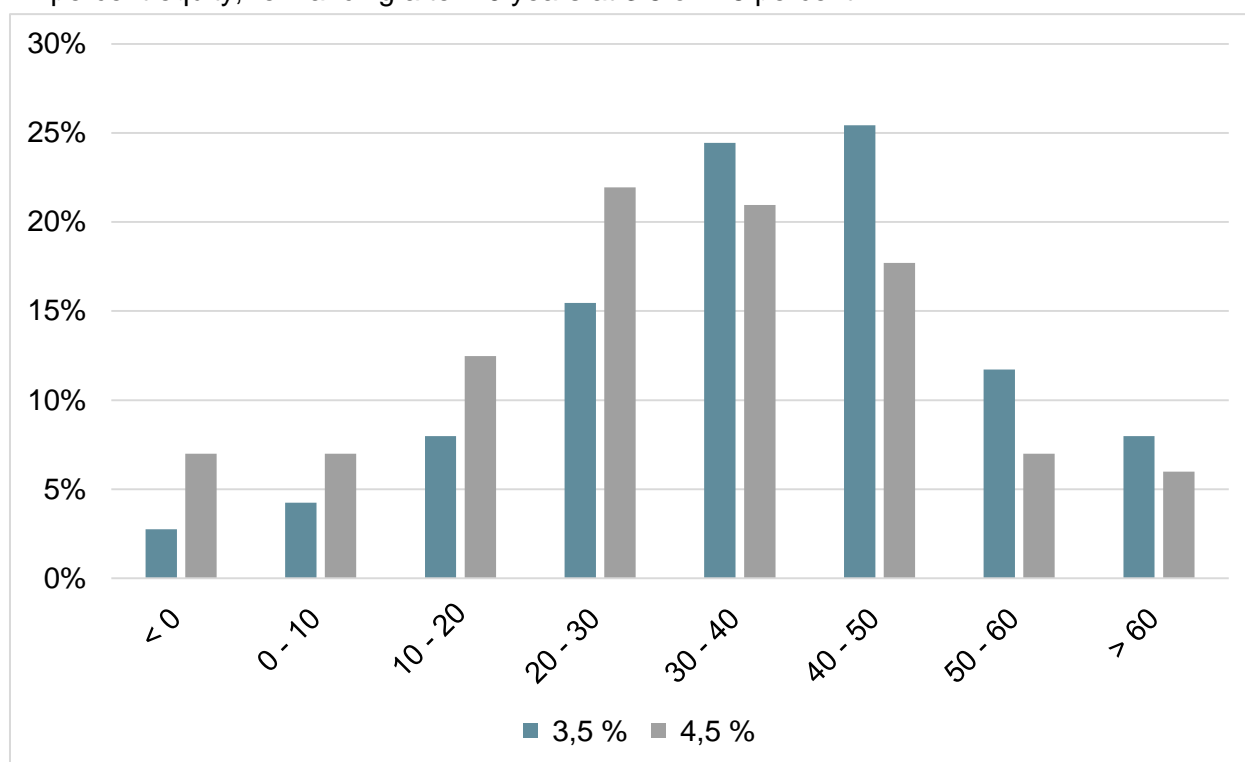
The findings for Germany show that an owner-occupied home would, despite the imputed rise in interest rates, still be far more affordable than renting the same property. If mortgage interest

⁴ To factor in the general price trend, the rental growth is carried forward at a rate of 1.5 percent p.a., and arithmetically averaged.

rates were to go up to a level of 3.5 percent over the coming 10 years, then the annual debt service subsequently shouldered by the household would still be 32 percent lower on average than the rental costs. This goes to show that the economic benefit will barely change even in the long term because the imputed rise in interest rates and the repayment due in addition are more or less offset by the corresponding rental growth. When assuming an interest rate level of 4.5 percent, which was roughly the going rate before 2009, the economic benefit drops to 25 percent. Accordingly, acquiring an owner-occupied home remains clearly more attractive than renting a comparable home even after a substantial hike in mortgage interest.

Figure 4: Breakdown of the relative savings when buying versus renting, with payments of interest and principal taken into account (in percent)

Underlying assumptions: 35 years construction finance, reinstatement 1% of the purchase price, 22 percent equity, refinancing after 10 years at 3.5 or 4.5 percent



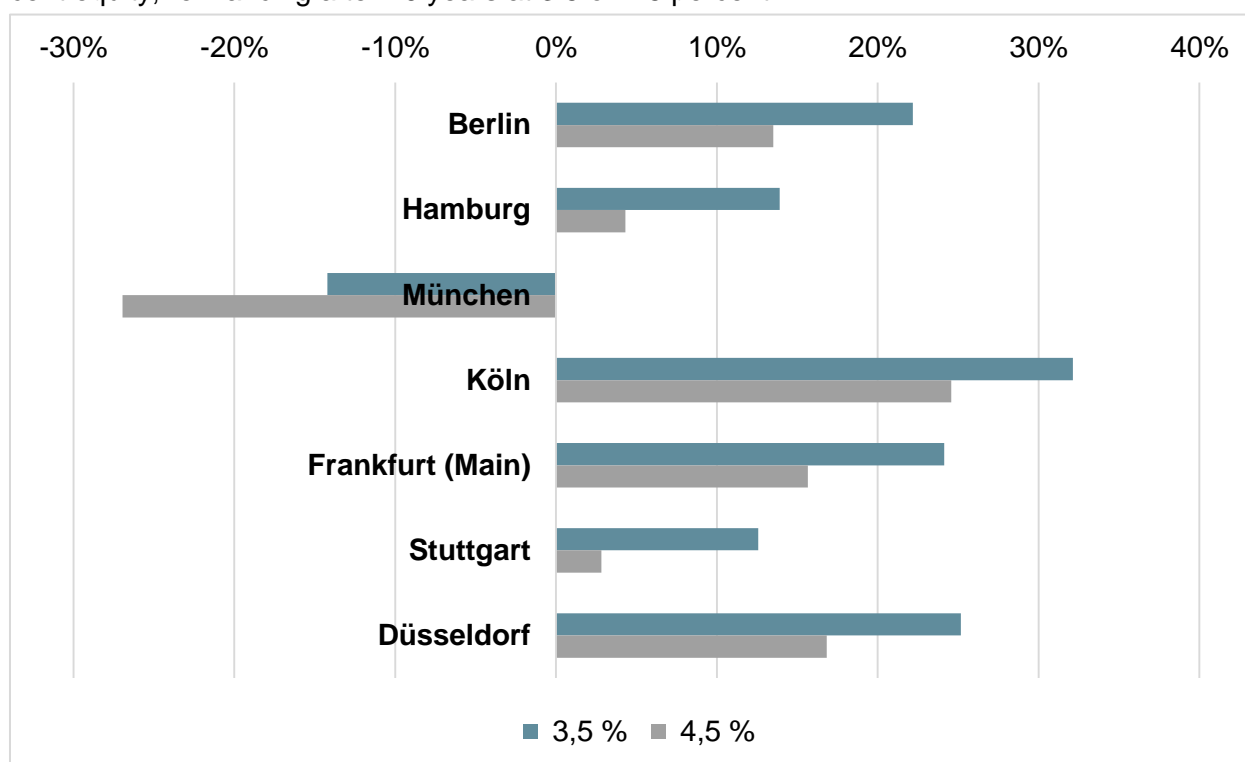
Source: IW Economic Institute

A closer look at the situation in German counties and independent towns reveals that even after a rise in interest rates to 3.5 percent renting would be more attractive than homeownership in barely 3 percent of all counties. One needs to remember the asset-building aspect that the acquisition of a home implies, whereas tenants are not presumed to derive any additional savings from renting. Differently put: Even in these few counties, asset building is associated with modest extra costs only, while the strain on homeowners – aside from the capital committed – in all other German counties eases despite the asset-building effort when compared to the situation of tenants. If the level of mortgage interest were to rise to 4.5 percent, renting would be more affordable in 7 percent of the counties. Aside from the independent town of Kempten (Allgäu),

where rental costs undercut the annual debt service of home buyers by around 24 percent, the bulk of the other counties with a negative cost ratio of homeownership are located in the Munich metro area. Meanwhile, owner-occupancy remains clearly advantageous in large parts of the East German states as well as in some rural and economically underdeveloped counties and independent towns of West Germany. In the county of Wittenberge, the annual debt service equals a comparatively small portion of the rental costs, making an owner-occupied home about 81 percent more affordable.

Figure 5: Savings of home buyers over tenants in Germany's "Big Seven" cities, taking the payments of interest and principal into account

Assumptions: 35 years construction finance, reinstatement 1% of the purchase price, 22 percent equity, refinancing after 10 years at 3.5 or 4.5 percent



Source: IW Economic Institute

When looking at the relation of the annual debt service to the corresponding rental costs in Germany's "Big Seven" cities as shown in Figure, it becomes rather obvious that even in most major cities the financial burden of buying property weighs less than renting. The greatest cost advantage was identified in Cologne at 32 percent or 25 percent, depending on the imputed interest rate. The only city with a negative cost ratio is Munich. According to the calculation, renting is 14 or 27 percent, respectively, more affordable here than homeownership. However, it should be added that the owner could use the extra costs to pay off a comparable flat, and that the owner participates in the appreciation of the property, which in the case of Munich exceeded the national average over an extended period of time. This principally confirms the provisional findings of Seipelt / Voigtländer (2016), which suggested that even a major shift in interest rates

would not burden owner-occupiers more than tenants as long as households take advantage of the low level of interest rates to repay their loans. This means that German households do have the option to own their homes outright and still spend less than they would renting them, and this while shouldering the financing, repayment and maintenance costs. Only an extreme interest rate hike to a level beyond 7.5 percent would cause homeownership to lose its general appeal over renting. Given the current macroeconomic parameters in the eurozone and the persistent propensity of German households to put money aside, such a development is not to be expected in the short and medium term because the ECB will not suddenly or drastically raise its lending rates and because the global trend is still to save rather than to invest (Seipelt / Voigtländer, 2016).

4 Home Buyers

The affordability of homeownership relative to renting has jumped up noticeably in recent years. On average, owners pay roughly a third less on the use of their property than tenants do. The low-interest cycle has boosted the perks of homeownership to the point where German households can afford to pay off a property without putting themselves under more strain than tenants – building assets virtually for free. That being said, analyses have revealed that the homeownership rate is stagnating in Germany (Niehues / Voigtländer, 2016). This makes it all the more important to find out which households actually accomplished the transition from tenant to homeowner, that is, who was actually able to take advantage of the increased affordability. The analysis uses the data record of the Socio-Economic Panel, the focus always being on the respective head of the household. The following variables are used to profile the personal circumstances of home buyers: age, marital status, employment status, number of children in the households, and the monthly net equivalent income. Use of these variables makes it possible to compare household incomes regardless of the number of household members (Wagner et al., 2007). The survey considered only households that went from renting to owning outright, as they are most likely to be first-time buyers.

Surprisingly, the homeownership rate is flatlining, and the number of households who have made the leap from renting to owning is regressive. From around 778,000 households in 2013, the number dropped to 685,000 in 2014, and to 580,000 in 2015 – implying a decline by almost 25 percent since 2013. At least the medium age of the household heads has gone down, from 50 years in 2013 to 48 years today. Still, it is a rather late time in life to embrace homeownership, especially when compared to other countries.

Striking to note is that most first-time buyers are childless, despite the fact that the decision to start a family used to be considered the main reason for buying a home. On average, only 0.52 to 0.54 children live in the studied households. Around 69 percent of all households that moved into their own home in 2015 are childless. Still, the average number of children among first-time buyers is nearly twice as high as the rate in households whose residential status remained un-

changed between 2012 and 2015. This suggests that children do have a positive influence on the decision to acquire a home.

Table 1 shows a breakdown of first-time buyers by marital status: The majority of home buyers are married or they cohabit. Then again, the share of singles is quite massive at 32 percent. This differs from the tenant cohort insofar as a much higher number of the latter tend to be single or divorced, whereas two out of three owners are either married or live together with their partners.

Table 2: Breakdown of first-time buyers,⁵ permanent tenants and owners in Germany by marital status and employment status in 2015 (in percent)

	First-time buyer	Tenant	Owner
Marital status			
Married (cohabitant)	46.39	27.66	63.35
Married (separated)	1.69	2.85	1.79
Single	32.33	36.24	11.04
Divorced	14.25	20.30	9.17
Widowed	4.55	12.77	14.46
Full-time employed	53.74	40.38	37.95
Part-time employed	15.78	9.76	10.17
In training	0.77	0.66	0.02
Minimally employed	3.66	5.18	4.66
Unemployed	26.05	43.49	47.21

Sources: SOEP; IW Economic Institute

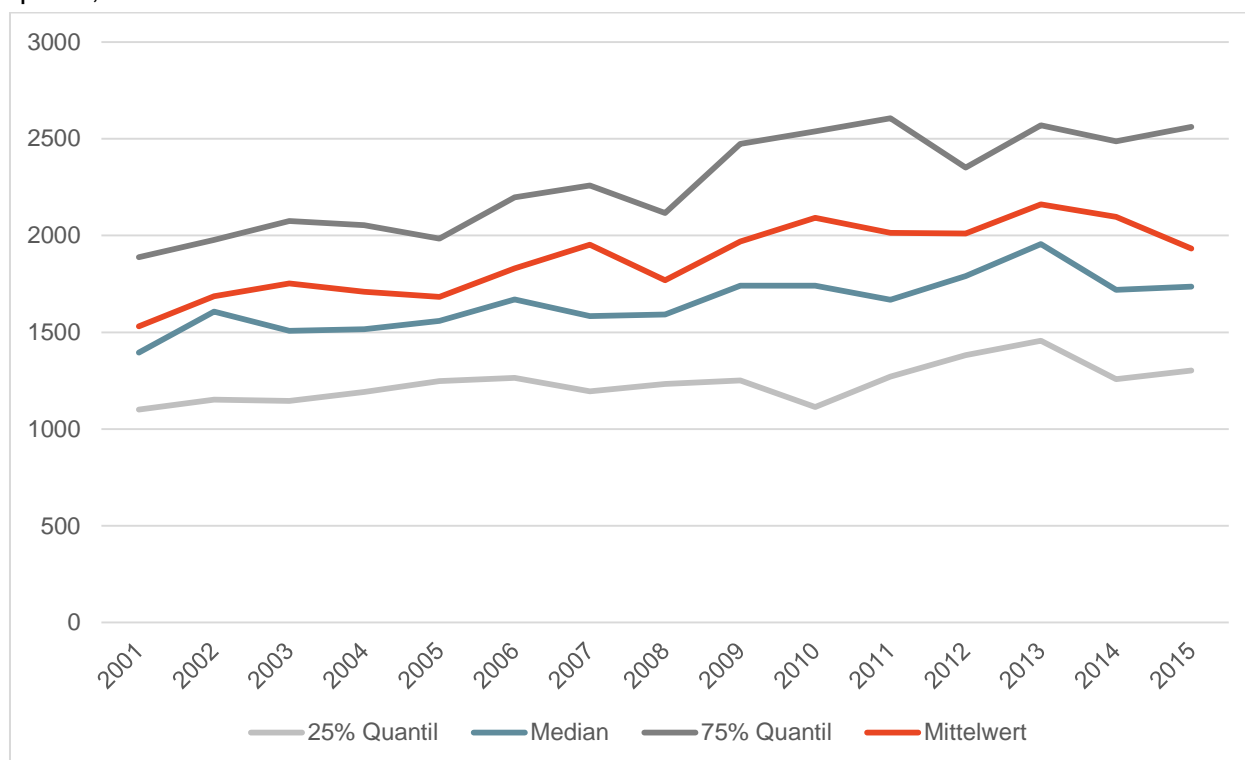
Stable family structures of first-time buyers are reflected in the income structure. For one thing, nearly 54 percent of them were in full-time employment in 2015. Another significant number of first-time buyers are not employed. A look at the age structure among homeowners suggests that the majority of the latter buyers are in retirement.

The SOEP evaluation shows moreover that the average monthly net equivalent income of first-time buyers in 2015 was 1,932 euros, and thus exceeded the figure for the total population, which was 1,906 euros. However, the gap between the two groups has narrowed over the years. As recently as 2013, the income of first-time buyers still topped the general income median by 245 euros.

⁵ Households whose status changed from tenant to owner

Although the mean income has slightly declined in recent years, the 25-percent quantile – meaning the quarter of first-time buyer with the lowest income – registered an increase over 2014. Accordingly, there are no signs suggesting a trend of very-low-income households buying homes, the way they did in the United States just before the financial crisis.

Figure 6: Monthly net equivalent income of first-time buyers in the year the property was acquired, in euro



Sources: SOEP; IW Economic Institute

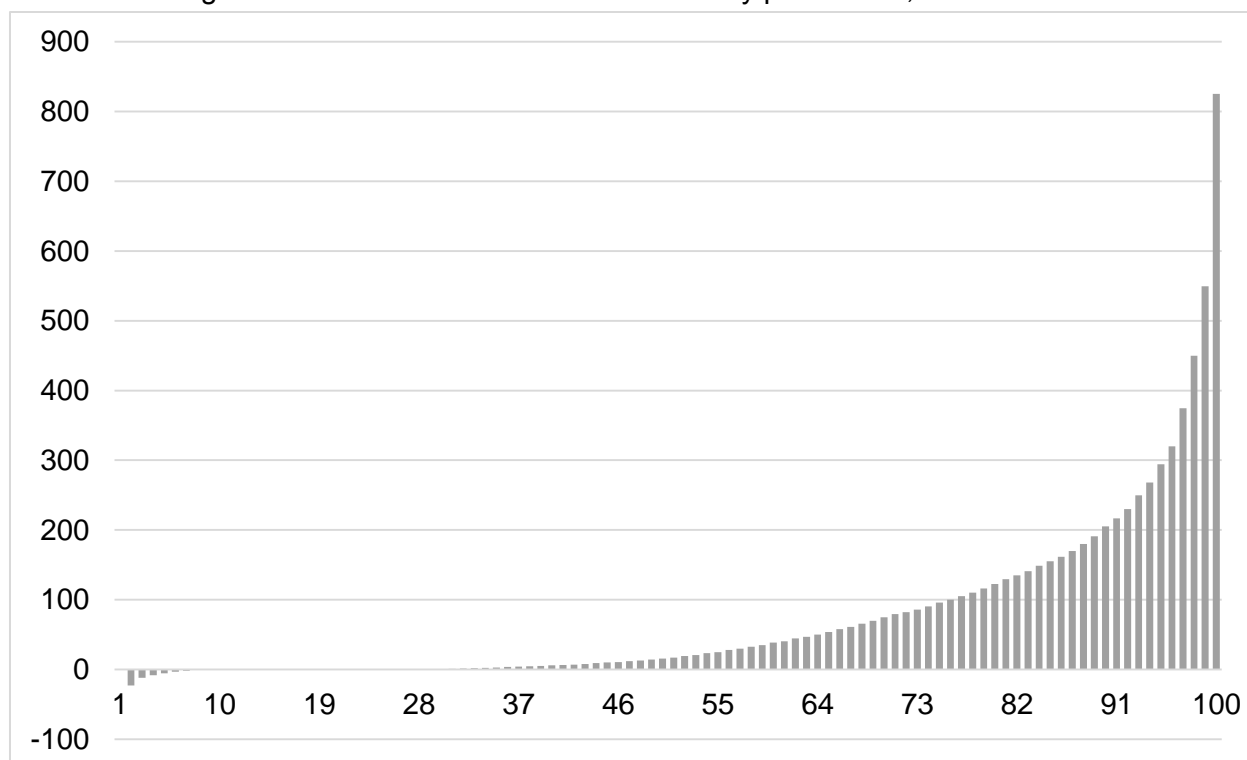
The results to date refer to Germany as a whole. But the SOEP also permits drilldowns by urban or rural regions. If you only take tenant-turned-owner households in urban regions, you will note that the average income rose sharply in 2015. Specifically, the average income increased by almost 100 euros, from 1,920 euros in 2014 up to 2,017 euros in 2015. The income of households in the 25-percent quantile actually went up from 1,184 euros to 1,345 euros. The figures also reveal that the age average of first-time buyers is 48, and that the number of children per buyer households dropped from 0.65 in 2013 to 0.35 by 2015. All of these stats come with the caveat that the small number of cases considered makes fluctuations likely. The number of children per first-time buyer household is higher in the countryside at 0.55, but even this figure has dropped.

Two key conclusions can be derived from the analysis. For one thing, the number of people buying a home is in steady decline despite the increase in affordability. Since city populations are expanding at a time when the number of home buyers for owner-occupancy is contracting,

the homeownership rate in urban regions will actually keep going down. Secondly, homes are acquired primarily by older households or households with high income and an even lower child-per-household ratio. For young households and families, by contrast, it appears to have become much harder to own a home.

There are various reasons why these households have such a hard time to buy property. The high mobility requirements on the labour market, the failure to lift the time limits on employment relationships, and the lower share of partnerships all play role here. The fact, however, the formation of homeownership remains highly popular among households with higher incomes and savings suggests that capital requirements count among the most relevant factors. Both the equity stake required and the amount of the incidental acquisition costs depend on the property price. Rising property price are therefore associable with mounting capital requirements. Add to this that the real estate transfer tax experienced hefty tax hikes in many of Germany's sixteen states. As often as not, a household is expected to commit up to 30 percent of the property price in the form of savings. In the case of a property priced at 250,000 euros, this would be an amount of 75,000 euros. Even if a bank required only 10 percent equity capital and no estate agent was involved, households in Berlin would need savings of approximately 45,000 euros to make the down-payment for an apartment with a price tag of 250,000 euros. But German households tend to own few assets, and barely 40 percent have more than 40,000 euros to their name (cf. Figure).

Figure 7: Breakdown of household wealth by percentiles, in '000 euros



Source: SOEP

The figures may look reassuring as far as the risk of an overheating market goes, because Germany is a far cry from the situation that precipitated the subprime crisis in the United States roughly ten years ago. But the high capital requirements rule out homeownership for a large number of German households who could otherwise take advantage of the low interest rates. It should be remembered in this context that many US households became distressed mainly because they had taken out variable interest rate loans whose interest load skyrocketed when interest rates shifted in 2006. By contrast, German households would be protected against such odds by long fixed-interest periods and high repayment rates (Bendel / Voigtländer, 2017). So there are plenty of reasons to lower the bar for first-time home buyers in order to make homeownership easier for households with lower and medium incomes.

Proposals to address the situation were already developed elsewhere by the IW Economic Institute (Voigtländer / Hude, 2017; Voigtländer / Bierdel, 2017). It will certainly be of the utmost importance to lower the real estate transfer tax or at least to permit payment in instalments over extended periods of time. Another idea worth considering is the reduction of capital requirements through interest performance guarantees.

5 Conclusions

This survey compares owner-occupancy costs with the costs of renting across all German counties and cities. The findings show that homeownership remains much more affordable than renting accommodations, and this is true nationwide. If you commit 20 percent in equity capital, take advantage of the current low-interest cycle, and refinance in 10 years' time at a rate of 3.5 or even 4.5 percent interest, you stand a reasonable chance in most German counties to pay less than you would if you rented, even though you are making payments and building assets. There is hardly a better way to improve your retirement scheme, because not having to pay a net rent greatly relieves the budget of pensioners living in homes of their own. However, the survey also reveals that few households are in a position to exploit these benefits. As mentioned in the introduction, there may be personal reasons that speak against the acquisition of a home. Temporary employment contracts, frequent job changes and uncertainties in the personal environment could impede homeownership. What keeps German households from buying, however, are primarily the daunting capital requirements, which have substantially increased lately. This is explained, on the one hand, by the fact that the capital requirements rise in proportion with property prices, and on the other hand, by recent tax hikes, especially of the real estate transfer tax. Anyone seeking to buy a condominium in Germany today should have saved as much as 50,000 euros or more – which tends to be much more than low-income groups or young households can afford. The situation has produced a paradox: Notwithstanding the increased affordability, fewer and fewer households are in a position to acquire a home.

The body politic is principally aware of the dilemma, and would like to support households either through exemptions from the real estate transfer tax (Liberals, Christian Democrats) or through a child tax credit for first-time home buyers (Social Democrats, Christian Democrats). More

helpful than generous allowances, however, would be a better distribution of the costs. By spreading the payment of the real estate transfer tax over a 10-year period or by issuing a performance guarantee for precarious households (Voigtländer / Hude, 2017), the capital requirements at the time of an acquisitions could be substantially lowered without unduly burdening the state budget. The increase in overhead as a result of higher payments of interest and principal and tax payments would be cushioned by the low interest payments. Key issues to be addressed during the next parliamentary term will be to remove obstacles and to clear the way to homeownership for a larger number of German households.

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Annex

County Code	Area	Owner-occupier costs* in Q1 2017	Cost advantage over renting	Expenses* for interest, repayment, reinstatement, given a 4.5% interest rate in follow-up financing	Cost advantage over renting
01001	Flensburg	4.29	30%	7.32	9%
01002	Kiel	5.12	32%	8.00	18%
01003	Lübeck	5.32	28%	8.64	10%
01004	Neumünster	4.05	37%	4.79	43%
01051	Dithmarschen County	4.09	31%	5.55	28%
01053	County of Herzogtum Lauenburg	4.97	33%	6.30	35%
01054	Nordfriesland County	4.87	40%	10.76	-2%
01055	Ostholstein County	5.40	28%	7.64	22%
01056	Pinneberg County	5.62	35%	7.68	32%
01057	Plön County	5.30	29%	7.40	24%
01058	Rendsburg-Eckernförde County	4.76	30%	6.73	24%
01059	Schleswig-Flensburg County	4.06	33%	5.94	25%
01060	Segeberg County	5.26	37%	6.88	36%
01061	Steinburg County	3.91	34%	4.43	42%
01062	Stormarn County	6.55	27%	9.24	21%
02000	Hamburg	6.60	40%	13.61	4%
03101	Braunschweig	5.31	33%	7.18	30%
03102	Salzgitter	3.20	46%	3.29	57%
03103	Wolfsburg	5.04	36%	6.20	39%
03151	Gifhorn County	4.31	42%	5.28	46%
03153	Goslar County	3.31	40%	2.71	62%

03154	Helmstedt County	3.35	39%	3.63	49%
03155	Northeim County	3.85	29%	4.24	39%
03157	Peine County	4.04	33%	4.65	41%
03158	Wolfenbüttel County	3.99	38%	4.66	45%
03159	Göttingen County	4.12	40%	4.57	50%
03241	Hanover County	5.51	29%	7.36	27%
03251	Diepholz County	3.94	38%	5.25	36%
03252	Hameln-Pyrmont County	3.54	37%	3.60	50%
03254	Hildesheim County	3.95	34%	4.74	39%
03255	Holzminden County	3.56	30%	3.63	45%
03256	County of Nienburg (Weser)	3.10	47%	3.67	51%
03257	Schaumburg County	3.68	37%	4.22	44%
03351	Celle County	3.10	51%	3.26	61%
03352	Cuxhaven County	3.99	34%	6.02	23%
03353	Harburg County	5.28	40%	7.72	32%
03354	Lüchow-Dannenberg County	3.20	21%	3.67	32%
03355	Lüneburg County	5.26	34%	7.97	23%
03356	Osterholz County	4.26	38%	5.24	42%
03357	County of Rotenburg (Wümme)	3.65	43%	4.72	44%
03358	Soltau-Fallingb. County	3.62	37%	4.16	44%
03359	Stade County	4.74	37%	6.83	30%
03360	Uelzen County	3.90	31%	4.28	41%
03361	Verden County	4.72	32%	6.14	33%
03401	Delmenhorst	4.26	33%	5.01	40%
03402	Emden	3.36	50%	4.07	54%
03403	Oldenburg	4.64	42%	8.35	19%
03404	Osnabrück	4.73	37%	6.65	32%

03405	Wilhelmshaven	2.84	52%	3.68	52%
03451	Ammerland County	4.08	41%	6.29	30%
03452	Aurich County	4.24	42%	7.03	27%
03453	Cloppenburg County	3.66	40%	5.89	25%
03454	Emsland County	3.37	45%	5.07	36%
03455	Friesland County	3.47	42%	5.13	33%
03456	County of Bentheim	3.54	44%	5.39	35%
03457	Leer County	3.77	40%	6.11	26%
03458	Oldenburg County	3.75	43%	5.51	37%
03459	Osnabrück County	4.28	30%	5.43	32%
03460	Vechta County	4.27	35%	6.45	26%
03461	Wesermarsch County	3.46	39%	4.35	40%
03462	Wittmund County	3.53	40%	6.22	18%
04011	Bremen	5.14	36%	6.94	33%
04012	Bremerhaven	3.52	34%	5.08	27%
05111	Düsseldorf	6.78	35%	11.26	17%
05112	Duisburg	3.74	43%	3.97	54%
05113	Essen	4.54	40%	5.15	48%
05114	Krefeld	4.58	38%	5.25	45%
05116	Mönchengladbach	4.28	37%	5.00	44%
05117	Mülheim an der Ruhr	4.77	37%	5.97	39%
05119	Oberhausen	3.78	43%	4.78	46%
05120	Remscheid	4.06	41%	4.66	48%
05122	Solingen	5.45	25%	7.27	24%
05124	Wuppertal	4.21	40%	4.45	51%
05154	Kleve County	4.04	40%	5.40	39%
05158	Mettmann County	5.35	35%	6.97	35%
05162	County of Rhein-Kreis Neuss	5.57	32%	7.68	28%
05166	Viersen County	4.77	33%	6.08	35%

05170	Wesel County	4.36	38%	5.35	42%
05314	Bonn	5.95	38%	9.35	26%
05315	Cologne	6.86	34%	10.29	25%
05316	Leverkusen	5.62	32%	7.53	30%
05334	County of Städteregion Aachen	4.80	41%	6.68	36%
05358	Düren County	3.74	43%	4.18	52%
05362	Rhine-Erft County	5.06	39%	6.10	43%
05366	Euskirchen County	4.38	30%	5.65	31%
05370	Heinsberg County	4.03	36%	5.01	39%
05374	County of Oberbergischer Kreis	4.07	36%	4.62	44%
05378	County of Rheinisch-Bergischer Kreis	5.56	32%	7.21	32%
05382	Rhine-Sieg County	5.34	31%	7.68	24%
05512	Bottrop	4.87	31%	6.09	34%
05513	Gelsenkirchen	3.77	39%	4.17	48%
05515	Münster	5.78	40%	9.91	21%
05554	Borken County	4.41	33%	6.00	30%
05558	Coesfeld County	4.96	29%	6.74	27%
05562	Recklinghausen County	4.27	35%	5.23	39%
05566	Steinfurt County	4.15	34%	5.85	29%
05570	Warendorf County	4.69	26%	6.16	26%
05711	Bielefeld	5.08	33%	6.34	36%
05754	Gütersloh County	4.93	30%	6.30	32%
05758	Herford County	4.15	31%	4.89	37%
05762	Höxter County	3.79	27%	4.84	28%
05766	Lippe County	4.22	31%	5.11	36%
05770	Minden-Lübbecke County	3.90	36%	4.56	42%
05774	Paderborn County	5.35	23%	7.44	18%

05911	Bochum	4.59	38%	5.35	44%
05913	Dortmund	4.45	39%	5.40	44%
05914	Hagen	4.41	32%	5.13	39%
05915	Hamm	4.13	32%	5.10	36%
05916	Herne	3.96	36%	4.57	43%
05954	Ennepe-Ruhr County	4.63	31%	5.97	32%
05958	Hochsauerland County	3.70	35%	4.36	40%
05962	County of Märkischer Kreis	4.20	33%	4.53	44%
05966	Olpe County	4.39	37%	5.13	44%
05970	Siegen-Wittgenstein County	4.34	36%	5.53	37%
05974	Soest County	4.20	33%	5.81	29%
05978	Unna County	4.16	36%	5.06	41%
06411	Darmstadt	6.61	36%	9.70	28%
06412	Frankfurt am Main	7.39	37%	12.99	16%
06413	Offenbach am Main	6.27	36%	8.46	34%
06414	Wiesbaden	6.91	30%	10.77	17%
06431	Bergstrasse County	5.03	36%	7.13	30%
06432	Darmstadt-Dieburg County	5.63	34%	7.89	28%
06433	Gross-Gerau County	6.00	32%	7.63	34%
06434	County of Hochtaunus	7.15	28%	10.81	17%
06435	Main-Kinzig County	5.23	35%	6.79	35%
06436	Main-Taunus County	6.80	33%	9.45	29%
06437	Odenwald County	4.35	34%	5.15	40%
06438	Offenbach County	6.13	33%	8.53	29%
06439	Rheingau-Taunus County	5.67	33%	8.23	25%
06440	Wetterau County	5.51	31%	7.57	27%
06531	Giessen County	4.70	40%	6.80	33%

06532	Lahn-Dill County	4.49	30%	6.11	27%
06533	Limburg-Weilburg County	4.20	33%	5.35	35%
06534	Marburg-Biedenkopf County	4.54	45%	6.77	37%
06535	Vogelsberg County	3.73	30%	4.00	42%
06611	Kassel	4.67	35%	6.48	32%
06631	Fulda County	4.47	32%	5.88	31%
06632	Hersfeld-Rotenburg County	4.73	20%	5.82	24%
06633	Kassel County	3.60	41%	4.56	42%
06634	Schwalm-Eder County	3.28	40%	4.05	43%
06635	Waldeck-Frankenberg County	3.62	30%	4.44	34%
06636	Werra-Meißner County	3.77	30%	3.82	45%
07111	Koblenz	5.13	29%	7.95	16%
07131	Ahrweiler County	4.60	34%	7.18	21%
07132	County of Altenkirchen (Westerwald)	3.88	31%	4.61	37%
07133	Bad Kreuznach County	4.05	37%	6.50	22%
07134	Birkenfeld County	3.01	39%	3.00	53%
07135	Cochem-Zell County	3.69	31%	6.19	11%
07137	Mayen-Koblenz County	4.45	29%	5.94	27%
07138	Neuwied County	4.10	34%	5.03	38%
07140	Rhein-Hunsrück County	4.15	27%	4.67	36%
07141	Rhein-Lahn County	4.43	25%	5.54	28%
07143	Westerwald County	4.26	31%	5.65	30%
07211	Trier	4.32	50%	8.36	26%
07231	Bernkastel-Wittlich County	2.87	54%	5.71	29%
07232	County of Eifelkreis Bitburg-Prüm	3.10	54%	5.13	43%

07233	Vulkaneifel County	3.21	40%	4.11	40%
07235	Trier-Saarburg County	3.49	50%	6.26	31%
07311	County of Frankenthal (Pfalz)	4.41	40%	5.30	44%
07312	Kaiserslautern	4.09	37%	4.76	44%
07313	Landau in der Pfalz	5.70	31%	8.78	18%
07314	Ludwigshafen am Rhein	5.19	34%	6.35	38%
07315	Mainz	6.84	36%	11.01	20%
07316	Neustadt a. d. Weinstrasse	5.09	36%	7.78	24%
07317	Pirmasens	2.62	47%	2.62	59%
07318	Speyer	4.90	41%	7.70	28%
07319	Worms	4.26	41%	5.29	44%
07320	Zweibrücken	3.41	38%	4.70	34%
07331	Alzey-Worms County	4.49	32%	5.59	36%
07332	Bad Dürkheim County	4.49	40%	6.07	38%
07333	Donnersberg County	3.75	35%	4.41	41%
07334	Germersheim County	4.91	34%	7.49	23%
07335	Kaiserslautern County	3.63	40%	4.48	43%
07336	Kusel County	3.21	39%	4.61	33%
07337	County of Südliche Weinstrasse	5.20	25%	7.41	19%
07338	Rhein-Pfalz County	5.24	32%	7.24	28%
07339	Mainz-Bingen County	5.33	35%	7.29	31%
07340	Südwestpfalz County	3.46	35%	4.01	42%
08111	Stuttgart	8.65	23%	14.23	3%
08115	Böblingen County	6.84	30%	9.86	23%
08116	Esslingen County	6.67	30%	9.92	21%
08117	Göppingen County	6.03	27%	7.97	26%
08118	Ludwigsburg County	6.82	28%	9.95	19%
08119	Rems-Murr County	6.71	25%	9.75	17%

08121	Heilbronn	6.54	23%	9.55	13%
08125	Heilbronn County	5.59	30%	8.11	22%
08126	Hohenlohe County	4.86	31%	6.41	30%
08127	Schwäbisch Hall County	4.36	38%	6.00	35%
08128	Main-Tauber County	5.03	19%	6.70	17%
08135	Heidenheim County	4.95	28%	6.90	23%
08136	County of Ostalbkreis	5.64	26%	8.35	16%
08211	Baden-Baden	5.40	36%	8.77	20%
08212	Karlsruhe	6.24	35%	9.74	22%
08215	Karlsruhe County	5.57	31%	8.57	18%
08216	Rastatt County	5.64	29%	7.99	23%
08221	Heidelberg	7.42	31%	11.04	21%
08222	Mannheim	5.95	33%	8.44	27%
08225	Neckar-Odenwald County	4.27	24%	5.36	26%
08226	Rhein-Neckar County	5.85	30%	8.25	24%
08231	Pforzheim	5.24	31%	7.18	27%
08235	Calw County	4.99	31%	6.58	30%
08236	Enz County	5.75	25%	8.18	18%
08237	Freudenstadt County	4.75	31%	5.66	37%
08311	Freiburg im Breisgau	7.61	30%	14.63	-3%
08315	County of Breisgau- Hochschwarzwald	6.23	26%	10.21	7%
08316	Emmendingen County	6.29	24%	9.50	12%
08317	Ortenau County	5.00	33%	7.86	20%
08325	Rottweil County	4.59	30%	6.20	28%
08326	Schwarzwald-Baar County	4.61	33%	6.37	29%
08327	Tuttlingen County	5.63	23%	7.03	27%
08335	Constance County	6.75	27%	11.38	6%
08336	Lörrach County	5.50	44%	7.47	42%

08337	Waldshut County	5.25	35%	7.21	31%
08415	Reutlingen County	5.99	31%	8.83	21%
08416	Tübingen County	6.28	35%	10.07	20%
08417	County of Zollernalbkreis	4.93	28%	6.68	26%
08421	Ulm	6.92	24%	12.21	-3%
08425	Alb-Donau County	5.42	29%	8.22	18%
08426	Biberach County	5.22	32%	7.43	26%
08435	County of Bodensee-kreis	7.02	25%	11.31	8%
08436	Ravensburg County	6.19	25%	9.41	13%
08437	Sigmaringen County	4.44	27%	6.30	20%
09161	Ingolstadt	7.48	31%	12.23	14%
09162	Munich	10.60	24%	23.26	-27%
09163	Rosenheim	8.45	9%	14.73	-22%
09171	Altötting County	5.06	23%	7.31	15%
09172	County of Berchtesgadener Land	6.59	21%	11.51	-6%
09173	County of Bad Tölz-Wolfratshausen	8.81	12%	15.19	-16%
09174	Dachau County	8.21	24%	14.29	-1%
09175	Ebersberg County	9.15	15%	15.68	-11%
09176	Eichstätt County	7.21	19%	12.41	-7%
09177	Erding County	7.15	23%	11.67	4%
09178	Freising County	8.87	15%	14.41	-5%
09179	Fürstenfeldbruck County	9.38	16%	15.57	-7%
09180	Garmisch-Partenkirchen County	8.05	12%	15.39	-28%
09181	County of Landsberg a. Lech	6.46	27%	10.86	5%
09182	Miesbach County	9.49	8%	16.50	-22%
09183	County of Mühldorf a.	5.27	26%	8.57	8%

	Inn				
09184	Munich County	10.38	17%	19.35	-19%
09185	Neuburg-Schrobenhausen County	5.55	32%	9.39	11%
09186	County of Pfaffenhofen a.d. Ilm	7.01	20%	11.53	-1%
09187	Rosenheim County	7.45	15%	12.54	-10%
09188	Starnberg County	10.44	12%	19.43	-26%
09189	Traunstein County	6.59	17%	10.42	-1%
09190	Weilheim-Schongau County	7.41	14%	12.50	-12%
09261	Landshut	6.83	23%	11.84	-2%
09262	Passau	6.04	20%	8.66	12%
09263	Straubing	4.71	35%	8.23	13%
09271	Deggendorf County	5.06	25%	8.08	9%
09272	Freyung-Grafenau County	3.38	32%	3.38	47%
09273	Kelheim County	6.41	13%	9.11	5%
09274	Landshut County	6.15	22%	10.15	1%
09275	Passau County	4.19	33%	6.23	24%
09276	Regen County	3.00	47%	2.73	63%
09277	Rottal-Inn County	5.45	12%	8.16	-1%
09278	Straubing-Bogen County	3.54	44%	4.71	43%
09279	Dingolfing-Landau County	5.54	17%	8.06	8%
09361	Amberg	4.92	24%	8.52	0%
09362	Regensburg	7.95	21%	14.56	-11%
09363	Weiden i. d. Oberpfalz	3.93	36%	6.37	21%
09371	Amberg-Sulzbach County	3.73	37%	5.32	31%
09372	Cham County	4.09	32%	5.47	29%

09373	County of Neumarkt i.d. Oberpfalz	5.06	35%	8.57	16%
09374	County of Neustadt a.d. Waldnaab	4.35	25%	6.61	12%
09375	Regensburg County	5.64	30%	9.24	11%
09376	Schwandorf County	4.81	26%	6.32	26%
09377	Tirschenreuth County	3.16	33%	3.96	35%
09461	Bamberg	5.05	43%	9.22	20%
09462	Bayreuth	5.78	24%	8.88	11%
09463	Coburg	4.91	31%	7.46	20%
09464	Hof	3.69	30%	4.78	29%
09471	Bamberg County	3.98	43%	6.66	27%
09472	Bayreuth County	3.50	43%	4.22	47%
09473	County of Coburg	4.12	29%	5.35	29%
09474	Forchheim County	5.78	25%	9.44	6%
09475	Hof County	3.14	37%	3.15	51%
09476	Kronach County	3.53	34%	4.47	35%
09477	Kulmbach County	3.21	48%	4.68	42%
09478	Lichtenfels County	4.32	24%	7.17	3%
09479	County of Wunsiedel i. Fichtelgebirge	2.70	47%	3.22	51%
09561	Ansbach	5.13	28%	7.93	16%
09562	Erlangen	6.49	34%	12.43	3%
09563	Fürth	5.29	40%	9.65	16%
09564	Nuremberg	6.31	32%	10.74	11%
09565	Schwabach	6.11	26%	9.85	8%
09571	Ansbach County	4.12	33%	5.83	27%
09572	Erlangen-Höchstadt County	5.91	30%	9.51	13%
09573	Fürth County	5.55	32%	9.26	13%
09574	County of Nürnberger Land	5.84	27%	9.17	12%

09575	County of Neustadt a.d. Aisch-Bad Windsheim	4.31	30%	6.33	21%
09576	Roth County	5.49	27%	8.84	9%
09577	County of Weissenburg-Gunzenhausen	5.34	13%	7.30	8%
09661	Aschaffenburg	6.44	26%	9.94	12%
09662	Schweinfurt	4.67	25%	7.40	9%
09663	Würzburg	6.65	32%	11.91	7%
09671	Aschaffenburg County	5.16	33%	7.25	28%
09672	Bad Kissingen County	4.22	26%	5.93	20%
09673	Rhön-Grabfeld County	4.62	21%	5.63	26%
09674	Hassberge County	4.50	24%	6.12	20%
09675	Kitzingen County	5.00	24%	7.65	12%
09676	Miltenberg County	4.74	29%	6.88	21%
09677	Main-Spessart County	4.79	22%	7.25	9%
09678	Schweinfurt County	4.42	28%	6.41	20%
09679	Würzburg County	5.77	28%	9.16	12%
09761	Augsburg	7.05	22%	11.90	-1%
09762	Kaufbeuren	5.28	23%	8.00	11%
09763	Kempton (Allgäu)	5.82	19%	12.86	-37%
09764	Memmingen	5.86	28%	9.11	14%
09771	Aichach-Friedberg County	7.25	9%	11.03	-7%
09772	Augsburg County	6.16	25%	9.86	7%
09773	County of Dillingen a.d. Donau	4.90	25%	7.01	18%
09774	Günzburg County	5.03	29%	7.08	23%
09775	Neu-Ulm County	5.33	37%	8.48	23%
09776	County of Lindau (Bodensee)	6.29	30%	10.71	9%
09777	Ostallgäu County	6.35	14%	10.33	-8%
09778	Unterallgäu County	5.51	25%	9.18	5%

09779	Donau-Ries County	5.28	30%	8.26	16%
09780	Oberallgäu County	6.52	20%	11.05	-5%
10041	County of Stadtverband Saarbrücken	4.67	31%	5.87	34%
10042	Merzig-Wadern County	3.88	43%	5.76	36%
10043	Neunkirchen County	3.78	37%	4.35	44%
10044	Saarlouis County	3.73	44%	4.92	44%
10045	Saarpfalz County	4.52	31%	5.47	37%
10046	Sankt Wendel County	2.80	54%	3.65	54%
11000	Berlin	5.61	36%	9.81	14%
12051	County of Brandenburg a. d. Havel	2.61	51%	3.92	43%
12052	Cottbus	3.22	46%	4.11	47%
12053	Frankfurt (Oder)	4.87	13%	6.82	6%
12054	Potsdam	5.67	34%	8.65	23%
12060	Barnim County	3.93	42%	4.26	52%
12061	Dahme-Spreewald County	4.32	39%	5.02	45%
12062	Elbe-Elster County	3.18	41%	2.94	58%
12063	Havelland County	4.22	32%	5.23	35%
12064	Märkisch-Oderland County	4.04	35%	4.75	42%
12065	County of Oberhavel	4.35	39%	4.87	48%
12066	Oberspreewald-Lausitz County	2.70	51%	2.54	64%
12067	Oder-Spree County	4.11	35%	4.54	45%
12068	Ostprignitz-Ruppin County	3.59	35%	4.41	38%
12069	Potsdam-Mittelmark County	4.04	46%	5.11	48%
12070	Prignitz County	3.27	32%	4.00	36%
12071	Spree-Neisse County	2.28	55%	1.59	76%

12072	County of Teltow-Fläming	4.01	37%	4.85	41%
12073	Uckermark County	4.44	19%	4.37	38%
13003	Rostock	3.58	51%	6.46	33%
13004	Schwerin	4.03	36%	5.37	35%
13071	County of Mecklenburgische Seenplatte	3.06	44%	3.47	51%
13072	Rostock County	3.08	52%	4.44	47%
13073	Vorpommern-Rügen County	3.12	48%	4.96	37%
13074	Nordwestmecklenburg County	4.42	28%	5.54	30%
13075	Vorpommern-Greifswald County	3.14	47%	3.77	51%
13076	Ludwigslust-Parchim County	2.68	52%	2.28	68%
14511	Chemnitz	3.27	38%	2.97	56%
14521	County of Erzgebirgskreis	2.69	46%	2.44	62%
14522	Mittelsachsen County	3.12	41%	3.02	56%
14523	County of Vogtlandkreis	2.40	50%	1.95	69%
14524	Zwickau County	2.88	43%	2.41	63%
14612	Dresden	4.75	35%	6.72	29%
14625	Bautzen County	4.07	25%	4.21	40%
14626	Görlitz County	2.55	47%	2.14	66%
14627	Meissen County	4.15	26%	4.69	35%
14628	County of Sächsische Schweiz-Osterzgebirge	4.11	28%	4.51	39%
14713	Leipzig	4.43	27%	5.76	26%
14729	Leipzig County	3.30	38%	3.31	51%
14730	Nordsachsen County	3.53	34%	3.80	45%
15001	Dessau-Rosslau County	3.38	39%	2.76	61%

15002	Halle/Saale County	3.14	46%	3.69	51%
15003	Magdeburg	3.20	45%	3.52	53%
15081	County of Altmarkkreis Salzwedel	2.41	51%	2.82	56%
15082	Anhalt-Bitterfeld County	2.77	50%	2.14	70%
15083	Börde County	3.51	32%	3.69	44%
15084	County of Burgenland- kreis	3.32	36%	2.43	64%
15085	Harz County	3.30	38%	3.24	53%
15086	County of Jerichower Land	2.65	50%	1.81	74%
15087	Mansfeld-Südharz County	2.29	55%	1.91	71%
15088	County of Saalekreis	3.51	35%	3.13	55%
15089	County of Salzlandkreis	2.80	45%	2.30	65%
15090	Stendal County	3.33	36%	2.87	57%
15091	Wittenberg County	2.13	61%	1.52	79%
16051	Erfurt	3.76	44%	5.56	37%
16052	Gera	2.93	39%	2.42	61%
16053	Jena	4.31	48%	6.05	43%
16054	Suhl	4.61	21%	4.89	35%
16055	Weimar	4.41	32%	5.60	34%
16056	Eisenach	3.92	32%	4.23	43%
16061	Eichsfeld County	3.50	34%	4.44	36%
16062	Nordhausen County	2.73	46%	3.56	46%
16063	County of Wartburgkreis	2.97	46%	2.75	61%
16064	Unstrut-Hainich County	3.59	34%	3.35	52%
16065	County of Kyffhäu- serkreis	3.00	45%	2.67	62%
16066	Schmalkalden- Meiningen County	3.10	42%	3.04	56%
16067	Gotha County	3.10	46%	2.96	60%

16068	Sömmerda County	3.90	30%	4.38	39%
16069	Hildburghausen County	3.93	28%	3.61	49%
16070	Ilm County	4.72	22%	4.95	37%
16071	County of Weimarer Land	4.51	24%	5.07	34%
16072	Sonneberg County	3.39	37%	2.48	64%
16073	Saalfeld-Rudolstadt County	3.15	42%	3.49	50%
16074	Saale-Holzland County	2.86	48%	4.16	42%
16075	Saale-Orla County	2.07	62%	1.56	78%
16076	Greiz County	3.64	26%	3.35	47%
16077	County of Altenburger Land	2.30	55%	2.49	62%

* Annual owner-occupied housing user costs or annual debt service for one square metre of residential floor area

Source: IW Economic Institute, Cologne