



2024 IBB Housing Market Report

Summary

Foreword



Christian Gaebler

Senator for Urban
Development, Building
and Housing

Despite numerous global crises, Berlin remains on course for growth. In 2023, population growth was back to pre-pandemic levels for the first time. Berlin continues to be an attractive city, drawing many people and companies from inside and outside Germany. I welcome this growth; it brings us diversity, innovation and economic strength.

The effects of the tense situation on the housing market are manifold. For companies, providing housing for employees is becoming an increasingly important component in the recruitment of skilled labour. The Federal State of Berlin also sees potential here and is setting up a state-wide coordination centre to promote the concept of employee housing for public servants and employees of state-owned companies.

We have a divided housing market with tenants who pay comparatively moderate rents and those searching for housing who typically have to pay twice as much rent. The only way we can eliminate this imbalance is to expand the housing offer. In concrete terms, this means building affordable housing for broad sections of the population.

According to the 2040 Urban Development Plan Housing (STeP Wohnen 2040), a total of 222,000 new apartments will be needed by 2040. Given the economic conditions, this is proving more difficult than ever. Berlin's Senate is countering these developments by reducing red tape and implementing targeted funding programmes. The Faster Construction Act (Schneller-Bauen-Gesetz) passed by the House of Representatives in December 2024 marks an important milestone here. This act is designed to simplify and accelerate planning and approval procedures while naming housing construction and social infrastructure as a predominant public interest. The task now is to breathe life into this new legislation.

The most important cornerstone for affordable housing remains subsidised housing construction. By expanding its funding programmes and providing additional funds, Berlin is creating the necessary framework conditions. 2024 was the first year to see more than 5,000 new social housing units approved.

In addition to strengthening newbuilds, attention must also be geared to existing buildings and their potential. One major success was the Building Land Mobilisation Act (Baulandmobilisierungsgesetz), which came into force in 2021, massively curbing the subdivision process in 2023 and strengthening the protection of rental housing supply throughout the city.

Tackling the difficult housing market situation also means consistently thinking about climate protection and climate adaptation – both in newbuilds and existing housing. Together with IBB, Berlin's Senate is supporting steps in this direction with numerous funding programmes. Depending on the programme, affordability is also ensured thanks to rent and occupancy covenants.

Tenant protection remains a top priority until Berlin's housing market is back on track – also with the help of the Faster Construction Act. Berlin is strengthening this protection with measures such as the Conversion Ordinance, the Rent Cap Ordinance and advisory services for tenants. With the publication of the new qualified 2024 rent index, there is once again a legally secure basis for all tenants to defend themselves against unjustified rent increases.

Overcoming the challenges on the housing market remains a mammoth task that can only be accomplished together with all partners in the property industry. The IBB Housing Market Report provides a valuable source of information for this.

A handwritten signature in blue ink, appearing to read 'Christian Gaebler', with a stylized flourish at the end.

Foreword



Dr. Hinrich Holm

Chairman of the Board of
Investitionsbank Berlin (IBB)

Berlin is an attractive place to live and work, a fact that is underpinned by the population increase of 26,951 in 2023. Even though population growth has now stabilised at a pre-pandemic level following years affected by special effects, pressure on the housing market remained high due to a significant shortage in supply and the related further increase in asking rents, which reached an all-time high of EUR 15.74 per sqm in 2024. This makes it all the more important to expand the supply of affordable housing – particularly by building new apartments. However, difficult economic conditions, such as higher interest rates and increased construction costs, dampened the investment and construction climate in recent years. Compared to the previous year, fewer apartments were completed and approved for construction in 2023. On the other hand, we are pleased to note that publicly subsidised housing construction enjoyed very high demand and last year IBB was able to approve 5,188 apartments with a volume of EUR 1.3 billion via the New Housing Construction Fund.

In addition to new construction, the stock of apartments subject to rent and occupancy restrictions is an important building block for the provision of housing with socially acceptable rents in the capital city. However, the number of apartments subject to rent and occupancy restrictions in Berlin fell to around 114,000 last year due to subsidies expiring.

To counteract this development, Investitionsbank Berlin will continue to partner with players in the housing market and support the increase in subsidised housing stock with IBB's New Housing Construction Fund.

In addition, IBB's Social Housing Refurbishment programme was introduced in January 2023 to promote energy-efficient refurbishment and modernisation in Berlin's rental housing stock. In addition to modernisation measures to increase the value of housing, such as conversions for the elderly, measures to tackle climate change in Berlin's housing stock are particularly important. In order to make energy modernisation both economical and socially acceptable, IBB supports such measures with allowances combined with rent and occupancy commitments. In 2023 alone, a funding volume of more than EUR 36 million was approved – a good sign for the federal capital.

In a tight housing market, as is currently the case in Berlin, it is extremely difficult to adapt to changing housing needs that result from a new life situation. A considerable discrepancy between existing and asking rents and an insufficient supply of housing can mean that households often remain in their existing homes even when their housing needs change. This year's focus topic therefore looks at three exemplary types of household demand and their current housing situation as well as their prospects for a possible change in residence. What we see is that many people live in homes that are either too small or too big. Financial hurdles in particular, as well as the limited supply of barrier-reduced housing, can prevent households from moving. Targeted measures such as financial incentives, relocation assistance or exchange programmes could have a short-term easing effect and contribute to a more needs-based housing supply.

These remain challenging times for Berlin's housing market and call for a variety of solutions.

We wish you an insightful and exciting read!

A stylized handwritten signature in blue ink, appearing to read 'Hinrich Holm'.

Selected data at a glance

| Key figures | Berlin 2023 | Change gegenüber 2022 | Trend arrow for 2025 |
|--|-------------|-------------------------|----------------------|
| Economic factors | | | |
| Gross domestic product (GDP) (2015 = 100), price-adjusted | 124.80 | 1.9 percentage points | → |
| Unemployment rate (related to all members of the civilian working population – in %) | 9.10 | 0.3 percentage points | → |
| Consumer price index (2020 = 100) | 116.90 | 6.8 percentage points | ↗ |
| Construction costs per square metre of living space (new-build) (EUR) | 2,192 | 16.8% | ↗ |
| Price index for new residential buildings (2015 = 100) | 168.90 | 13.1 percentage points | ↗ |
| Housing demand | | | |
| Population (at the main place of residence) | 3,782,202 | 0.7% | ↗ |
| Number of households | 2,011,000 | 1.2% | ↗ |
| Average household size | 1.90 | 0.0% | → |
| Share of one-person households (%) | 49.50 | - 0.5 percentage points | → |
| Percentage of needy households within the meaning of German Social Security Code II (SGB II, Sozialgesetzbuch (SGB) Zweites Buch II) per 100 inhabitants | 12.08 | - 0.1 percentage points | → |
| Average monthly net household income in EUR (median) | 2,575 | 1.0% | ↗ |
| Housing supply | | | |
| Housing stock | 2,030,259 | 0.8% | ↗ |
| of which leasehold flats | 1,725,800 | 0.7% | ↗ |
| of which council housing (pursuant to housing law) | 90,654 | - 3.0% | ↘ |
| Number of apartments completed (total) | 15,965 | - 7.8% | ↘ |
| of which completed flats (new-build including NWG**) | 14,633 | - 5.0% | ↘ |
| Building permits (total) | 15,902 | - 6.3% | ↘ |
| of which building permits (new-build including NWG**) | 14,398 | - 5.2% | ↘ |
| Rents and housing market | | | |
| Occupancy density (residents per housing unit) | 1.91 | 0.0% | → |
| Living space per residential unit (in sqm) | 73.10 | - 0.1% | → |
| Living space per resident (in sqm) | 38.30 | 0.0% | → |
| Rent index, net rent without heating costs (2020 = 100) | 104.10 | 2.0% | ↗ |
| Ancillary rent costs index (2020 = 100) | 101.50 | 0.5% | ↗ |
| Asking rents (in EUR net without heating per sqm. of living space)* | 15.74 | 12.5% | ↗ |
| Asking purchase prices (commonhold apartments) (EUR per square metre of living space)* | 5,690 | -1.0% | ↘ |

Sources: Statistical Office for Berlin-Brandenburg; Senate Department for Urban Development, Construction and Housing; VALUE Marktdatenbank

*Evaluation period: 2024, change compared to 2023; data basis: VALUE Marktdatenbank

**Non-residential buildings

Supplementary and detailed data can be found in the list of tables for the IBB Housing Market Report at www.ibb.de/wohnungsmarktbericht

Housing policy in the city in 2024

Housing policy in 2024 was shaped by a number of events. The most important of these are listed below in chronological order:

| | |
|------------------|--|
| March | The adoption of the European Regulation against illegal short-term rentals that regulates the exchange of data between online platforms and public authorities. This means that existing legislation can be used as an effective tool against illegal short-term lettings. |
| April | The coordination centre for the federal state-wide management of employee housing for public servants and employees of state-owned companies is established. |
| May | The 2024 representative list of rents for Berlin (Mietspiegel) is published. |
| June | The Monitoring of Social Urban Development Berlin 2023 is published. |
| July | The public law institution “Wohnraumversorgung Berlin” is further developed and renamed “Sicheres Wohnen-Beteiligung, Beratung, Prüfung – AöR”. In addition to supporting tenants’ committees and operating an ombudsman’s office for tenants of state-owned housing companies, a rent review office is also to be set up. |
| | The city-wide compensation management scheme for building land and open space development is adopted. |
| | The law on the reorganisation of real estate and location communities (ISG, Gesetz zur Neuregelung der Immobilien- und Standortgemeinschaften) is passed. Measures to improve Berlin’s location factors can be planned and implemented under private responsibility within a spatially delimited area on the basis of a public law contract. |
| August | Berlin and Brandenburg: The amendment to the Federal State Land Use Planning Agreement comes into force with simplified spatial planning procedures and greater digitalisation. |
| | The draft of the Faster Construction Act (Schneller-Bauen-Gesetz) is passed in the Senate. The aim is to speed up planning, permit and construction processes and to improve general construction conditions. The law comes into force in December 2024 |
| September | 2040 Urban Development Plan Housing (STeP Wohnen 2040) is published. 222,000 new apartments will be needed by 2040. |
| October | Amendment to the regulation prohibiting misappropriation: The affordability of replacement space is redefined. |
| November | At federal level, the current Federal Government comes to an end on 6 November 2024. This means that certain important legal decisions, such as the extension of the so-called rent freeze, remain unresolved. Following a vote of no confidence on 16 December 24, new elections will be held on 23 February 2025. |
| December | The Berlin Senate joins the Bundesrat initiative to extend the rent freeze. |

General situation and important trends

Economic conditions put pressure on Berlin's housing market

Berlin's housing market faced major challenges in both 2023 and 2024. While moderate population growth was once again recorded on the demand side, construction activity declined on the supply side. This was partly due to the current economic conditions, especially significantly higher interest rates and continuing high construction costs. However, the current 2040 Urban Development Plan Housing (STeP Wohnen 2040) shows that building remains essential. According to the report, around 222,000 additional apartments will be needed by 2040 to ensure a sufficient supply of housing. With a view to rents, the supply deficit led to further increases: in 2024, the asking rent level was EUR 15.74 per sqm, up EUR 1.75 per sqm against the previous year (EUR 13.99 per sqm). For individual demand groups, this increasingly led to supply bottlenecks, hindering the ability to adapt to changing housing needs. It therefore remains a challenging time for Berlin's housing market.

Trend in demand

For a number of years now, Berlin has been an important place to live and work, attracting people from all over the world. This is particularly demonstrated by high immigration figures. Since 2020, however, Berlin's population development has been characterised by special effects: The Covid pandemic and the war in Ukraine led to drastic fluctuations – first to a population loss and then to a significant gain. This trend normalised again in 2023: Up by 26,951 (+0.7%), the increase in population in the year under review was roughly at a pre-pandemic level. At the end of 2023, 3,782,202 people in total were living in the federal capital, an increase of 312,353 or 9% over the last ten years. The city will continue to grow in the future. According to forecasts by the Senate Department for Urban Development, Building and Housing, the population is expected to increase by 5% by 2040.

The previous year's high level of outward migration did not continue to the same extent in 2023, that being said, net immigration remained at a high level (32,765 people). The natural population trend was again negative due to a lower birth rate. For the second time in a row, Berlin's population growth was thus based solely on immigration from outside the city. With a net gain of 49,550 people, the majority of these people came from abroad. The most important countries of origin were Turkey (7,332 people), India

(6,043 people) and Ukraine (5,477 people). Migration gains from the western federal states were at an all-time low of just 1,670 people in 2023. On balance, Berlin lost 18,455 people compared to the surrounding areas and the new federal states.

Over the last ten years, Berlin's migration gains have been largely driven by young adults aged between 18 and 30. Other age groups played an increasingly minor role. Despite a brief refugee-related shift in the age structure in the previous year, this trend continued in 2023. Totalling 40,854 people, 2023 marked the third-highest immigration of young adults in ten years. Slight increases were also recorded for the age groups 30 to 45 and 6 to 18 (in total: 2,536 people). It remains to be seen to what extent these developments are sustainable or were influenced by refugee migration. Losses were again reported in the age groups 6 to 45 and older in 2023.

The internal migration rate fell by 0.2 percentage points to 7.2% in 2023, while people moving within the city also fell by 5,695. The main destinations for inner-city migration were the eastern peripheral districts of Treptow-Köpenick, Marzahn-Hellersdorf and Lichtenberg – with a total of 102,315 people moving here from other Berlin districts between 2014 and 2023.. One migration pattern became increasingly entrenched: People moving to Berlin for the first time moved into the city centre, while people already living in Berlin migrated to the outskirts. In 2023, around 49,000 people moved from the inner city to the outer city. At the same time, the city centre continued to record high growth from outside. The Mitte district, in particular, had the highest net outward migration (86,867 people migrating inward between 2014 and 2023) in the comparison of districts, followed by Charlottenburg-Wilmersdorf and Friedrichshain-Kreuzberg, each with over 41,000 net inward migrants over the past decade.

The extent to which households can provide themselves with housing also depends on the employment status of the household members. In October 2024, the unemployment rate increased once again by 0.5 percentage points year-on-year to 9.8% (207,245 people). At district level, eleven districts also recorded a higher unemployment rate than in the previous year, while the unemployment rate in Steglitz-Zehlendorf remained unchanged (6.7%). The Neukölln district once again saw the by far highest number of unemployed – at 15.0% – in relation to the overall civilian labour force. This was followed by Mitte with 11.8%.

Trend in supply

In light of continued high demand, the share of buildings not yet completed is taking centre stage as potential future living space. In the year under review, the number of residential units approved but not yet completed by the end of the year totalled 58,925, slightly down against the previous year. Of these, newly constructed housing accounted for 50,042 units (excluding construction work on residential and non-residential buildings). In 2023, the majority of the apartments were already under construction. The shell of 17,825 apartments (30.3 %) had still to be completed, while 21,766 apartments (36.9 %) were already 'under roof'. This means that a high level of completions can also be expected in the coming years. 70% of the apartments not yet completed were approved between 2021 and 2023. In terms of the ratio of completed and approved apartments between 2014 and 2020, the realisation rate was 86.8%. The processing period increased to 32 months in 2023.

Building permits mark the start of the construction phase. They refer to the upcoming completion process and are therefore an indicator of the future supply situation. However, the number of permits issued in the German capital has been decreasing noticeably since 2017 – a trend that continued in 2023. While 16,968 apartments were approved in the previous year, only 15,902 building permits were issued in the year under review, a new low in the ten-year period under review. Around 86% of the building permits issued were for multi-storey residential buildings, while detached and semi-detached houses and construction work on existing buildings accounted for a small proportion. Once again, new building permits were primarily issued in the eastern districts, including Treptow-Köpenick (3,450 apartments), Lichtenberg (2,378 apartments) and Pankow (1,844 apartments). The number of approvals has also increased significantly in Neukölln with 2,077 apartments (2022: 527 apartments). Broken down by client, private housing companies again dominated (50.7%), followed by public clients (26.0%). While a decline in activity was also largely observed here, building permits issued to other companies continued to increase. This could be due to other important factors such as recruiting and retaining skilled labour.

In terms of newly available housing, Berlin recorded a total of 15,965 completions in 2023, 7.8% less than in the previous year. The increase in 2022 was therefore more of an exception than a trend reversal. The multi-storey residential construction segment accounted for a large proportion of this in 2023: With a total of 13,443 apartments, this sector accounted for around 84% of

completions in Berlin, marking a decrease of 950 new-build apartments compared to the previous year. In addition, 988 detached and semi-detached houses were completed – similar to 2022 (975 apartments). Among the districts, new construction projects in Lichtenberg (3,410 apartments), Treptow-Köpenick (2,187 apartments) and Marzahn-Hellersdorf (2,090 apartments) made the biggest contributions to the total number of completions in the city. With a total of 345 new residential units, Steglitz-Zehlendorf accounted for the smallest share of completions in 2023, followed by Reinickendorf with 509 apartments.

The stock of housing with rent and occupancy restrictions also declined. In 2023, there were still 114,140 apartments subject to rent and occupancy restrictions in Berlin (6.6%). 90,654 apartments were subsidised under housing law (WoBindG and WoFG), around three quarters with follow-up subsidies. Over the past decade, the number of apartments subsidised under housing law alone (WoBindG and WoFG) has declined by 44,692. Since 2014, the construction of new apartments with socially acceptable rents has been funded by the Federal State of Berlin as part of the IBB New Housing Construction Fund. A total of 26,170 funded apartments were approved between 2014 and 2024, including a total of 12,407 funded apartments already completed by 31 December 2024. The year 2024 was a record year with an approved funding volume of EUR 1.3bn for 5,188 funded apartments.

Division of apartment blocks into commonhold units

Ownership structures in the housing stock are changing as a result of subdivisions into commonhold units. In recent years, the distribution of properties throughout the city has been subject to significant fluctuations. In the year under review, it reached a ten-year low of 4,487 apartments (0.26% of the rental housing stock). This decline illustrated the effectiveness of the city-wide approval requirement for subdivisions under the Building Land Mobilisation Act, which came into force in 2021. As in the previous year, the division was concentrated on areas within the urban rail (S-Bahn) ring. Apart from this, small-scale subdivisions also increased in the districts of Wedding, Pankow and Steglitz-Zehlendorf. Falling figures were also reported with regard to the sale of previously divided apartments, coming in at only 8,156 apartment sales in 2023 and marking the lowest number in a ten-year comparison (sales ratio: 0.47%). For the first time, more apartments were sold than were divided into commonhold units. Once again, private individuals dominated both the sales side (74%) and the purchase side (95%).

Market for detached and semi-detached homes

After the downward trend in median asking prices for detached and semi-detached homes that was recorded for the first time in 2023, this trend continued with slightly less momentum in 2024. Home prices fell by 6.3% to EUR 599,000. The decline in asking prices continued in both the new-build and existing property segments, although the fall in prices was much more pronounced in the new-build sector. During the period under review, prices for new-build properties fell by around 10.5% (EUR 75,920), while prices for existing properties fell by only around 4.6% (EUR 29,000). This decline can be interpreted in the context of persistently high interest rates and the economic situation. At district level, the highest median asking prices were again recorded in Charlottenburg-Wilmersdorf (EUR 1,150,000) and Steglitz-Zehlendorf (EUR 890,000), while Treptow-Köpenick had the lowest asking price at EUR 530,000. Listings for detached and semi-detached homes changed only slightly compared to the previous year. While listings for owner-occupied homes have increased by around 1,000 per year since 2021, they only rose by 396 to a total of 5,631 adverts in the year under review (+7.6%).

Market for commonhold apartments

Commonhold apartments are an important element of the housing market in many major German cities, including Berlin. Compared to the previous year, the number of commonhold apartment listings registered in 2024 increased by 3,243 to a total of 28,841 listings. The average asking price in 2024 was EUR 5,690 per sqm, down slightly against the previous year (EUR 5,746 per sqm). This price trend was far more pronounced in new construction where prices fell significantly compared to the previous year. In the year under review, households had to pay an average of EUR 7,700 per sqm for a new-build commonhold apartment, 4.2% less than in the previous year (2023: EUR 8,038 per sqm). In the existing properties segment, asking prices stagnated at the previous year's level of EUR 5,338 per sqm (2023: EUR 5,380 per sqm). In geographical terms, the highest median asking prices in excess of EUR 6,000 per sqm were seen in the inner-city districts of Friedrichshain-Kreuzberg, Mitte, Pankow and Charlottenburg-Wilmersdorf. The districts of Marzahn-Hellersdorf, Reinickendorf and Spandau recorded the lowest values.

Market for rented apartments

In 2024, median asking rents reached their highest value to date at EUR 15.74 per sqm (evaluation since 2012). Within one year, this figure rose by 12.5% or EUR 1.75 per sqm, respectively. Compared to 2015, households in Berlin had to pay around 85% more for net rent in 2024. This means that asking rents in the year under review were more than twice as high as the local comparative rent (EUR 7.21 per sqm). Asking rents for new-build flats totalled EUR 20.50 per sqm. A median of EUR 14.35 per sqm was reported in the existing property segment. As a result, asking rents for new-builds rose by 3.3% – a significantly lower increase compared to the previous year (2022-2023: +22.0%). In contrast, the existing buildings segment recorded an increase of 15.3% compared to the previous year. A look at listings showed a downward trend since 2022. This trend did not continue in 2024 when the number of listings for rented apartments rose by 32.8% to 31,852 (+7,875). At the same time, the average duration of listings increased from 0.9 weeks in 2023 to 1.7 weeks in the year under review. The number of listings in the temporary furnished apartment segment also increased by 24.5% to a total of 39,039 listings. However, it should be noted that these apartments are offered several times a year due to the fixed rental periods. With regard to the various geographical structures in 2024, some trends from 2023 continued. Berlin's city centre remained in first place with an average asking rent of EUR 19.56 per sqm. Compared to the previous year, the median increased by a further 9.9%. This was followed by Potsdam (EUR 13.64 per sqm), the greater Berlin area (EUR 13.33 per sqm) and the outer city (EUR 12.94 per sqm) with almost the same rent level. Developments in the outer city in particular need to be observed more closely. Compared to the previous year, the median rose by 17.2% – the highest percentage increase of all structural regions. Potsdam recorded an increase of 4.9%, while the greater Berlin area was 7.7% higher than in 2023. The lowest asking rents by far continued to be in the greater metropolitan area at EUR 7.00 per sqm – up 7.2% compared to 2023. The 2nd-tier cities were slightly higher at EUR 8.42 per sqm (+10.8%).

Key topic: Housing demand and distribution of housing on Berlin's housing market

The tense situation on the housing market is lead to special kinds of trends, one of which is the so-called 'remanence effect'. This describes households remaining in their current housing situation despite changes in their housing needs, such as children moving out or a growing family. Based on various types of exemplary enquiries, such as a person living alone, a couple with children and a single parent with one child, this year's focus topic examines their housing supply and perspectives with a view to a possible change in residence. In 2022, it became clear that every second couple with children and almost every second single parent with a child lived in cramped living conditions that made it difficult to separate functions such as sleeping and living. Homes that are too large can also be critical if, for instance, their upkeep can no longer be guaranteed. In 2022 in Berlin, one third of single senior citizens (aged 65 and over) lived in apartments with at least three rooms which could pose precisely such a challenging situation. Moving to another apartment is often not possible due to noticeable hurdles. On the one hand, there is only an insufficient proportion of barrier-reduced or large apartments on the supply side. On the other hand, a change in residence almost always involves a drastic rent increase due to high asking rents – even when moving to an apartment of the same size or smaller. In 2022, only state-owned housing companies were able offer a change of apartment with a moderate financial change. In addition, other specific obstacles such as closely knit social networks in the case of long residential biographies make it more difficult to move home. Possible solutions include instruments such as alternative housing concepts (for instance, shared and multigenerational housing), home swap exchanges, financial and organisational support when moving or making the layout of apartments more flexible. Berlin already has experience with many of these approaches. Small-scale offers, trained specialist staff, a wide range of advisory services and support for households wishing to relocate can help to secure the long-term success of these offers. This could also trigger short-term easing effects.

Where does Berlin's housing market stand today?

In 2023 and 2024, Berlin's housing market continued to be caught between high demand, insufficient supply and rising asking rents. On the demand side, the special effects from 2022 did not continue. Despite slower population growth, Berlin remained an important immigration destination, especially for people from abroad. Many of these newcomers moved to areas within the urban rail (S-Bahn) ring, while people already living in Berlin tended to move to the outskirts of the city.

The German capital recorded an increase of 85.2% in asking rents between 2015 and 2024, clearly setting it apart from the other cities surveyed. Berlin's rent cap did provide a short-term dampening effect, but in 2024 the capital city recorded the highest asking rent ever seen. In addition, no other major city surveyed had such a wide gap between asking rents and local comparative rents. The creation of affordable and needs-based housing therefore remains a key task for the players in Berlin's housing market. Overall, the 2040 Urban Development Plan Housing (SteP Wohnen 2040) puts demand at 222,000 apartments by 2040, with 100,000 apartments alone having to be built by 2026. However, adverse economic conditions, particularly the interest rate situation, made this more difficult in 2023. For the almost two million existing apartments, climate protection and energy-efficient refurbishment will continue to be focus issues in the coming years.

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The summary of the 2024 IBB Housing Market Report is made
available to the public for information purposes only. All underly-
ing information has been carefully researched and compiled. We
do not assume any guarantee for correctness or completeness.

The 2024 IBB Housing Market Report, the supplementary list of
tables for 2024 as well as additional interactive presentations
and a summary in German and English can be found at:
www.ibb.de/wohnungsmarktbericht.

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