

PRESS RELEASE

Survey on the future of living: Tenants consider sustainability, infrastructure that is fit for the future and transparent dealings with landlords to be important

- **Attractiveness of local public transport and fast Internet are important criteria for many tenants when deciding where to live**
- **Around 40 per cent of tenants look at how sustainable a building is**
- **A quarter of tenants are interested in ensuring that rent deposits are invested sustainably**
- **One in two tenants would like a better understanding of their service charges bill**
- **Demand for complete packages including services of workmen and cleaning services**
- **E-mobility and charging stations are important to families**
- **Decision-makers in the housing industry consider sustainable buildings to be extremely relevant yet believe that they are inadequately prepared for this development**

Wiesbaden, 1 June 2023 – For many tenants in Germany, sustainability, infrastructure that is fit for the future and transparent communications from landlords (especially in relation to service charges) are important criteria in determining the attractiveness of a rented property. As well as the price, almost half of tenants wanting to rent a flat or house look at whether there is good local public transport (46.5 per cent) and fast Internet, e.g. in the form of a fibre-optic connection (44.1 per cent). Furthermore, four out of ten tenants (41.2 per cent) consider it important to ensure that the building is particularly energy-efficient when renting a property. Landlords, too, are preoccupied with similar issues but believe that they are inadequately prepared, particularly with regard to sustainable buildings. These are among the findings of both a survey of German tenants conducted by the digital market and opinion research company Civey on behalf of Aareal Bank in February 2023, and a poll of around 150 Aareal Bank housing industry clients carried out in the same period.

Tenants are demanding more of a say and more transparency

Many tenants complained about a lack of open communication with their landlords and insufficient transparency in relation to their consumption data, with one in two (52.5 per cent) saying they would like a better understanding of their service charges bill. Driven by the recent energy price crisis, one in four tenants in Germany would also like to view their consumption data (for electricity, heating and water, for example) in real time.

"Tenants have clear expectations of their landlords, and one of them is to view their service charges bill regularly. That's understandable given the rising energy prices, as this is the only way that tenants can control their own consumption", says Lars Ernst, Managing Director for Banking & Digital Solutions at Aareal Bank AG. "Many landlords are currently unable to satisfy this demand, even though solutions have been around for a long time. We need to work on this together – also with a view to achieving greater sustainability."

Tenants are also calling for more of a say with regard to their own rent deposit. About a quarter of tenants (23.8 per cent) would like some say in how their deposit is invested. A

similar number (23.3 per cent) are in favour of investing their deposit in sustainable investment products, while just under one in five tenants (18.8 per cent) would prefer a guarantee to a traditional rent deposit.

Demand for landlords to be full-service providers

Many tenants want their landlord to provide more services relating to their homes. Almost half of tenants (47 per cent) could see themselves requesting workmen's services directly from their landlord, while more than a third (38.3 per cent) are interested in arranging a cleaning service for their home through their landlord.

Services relating to e-mobility are also becoming increasingly important, creating new business opportunities for both landlords and the energy sector. Around one in four tenants surveyed would like either their landlord (22.5 per cent) or their energy provider (23.4 per cent) to offer charging stations for electric vehicles. E-mobility is of particular interest to families, with 40 per cent of households with children saying they would like a charging station directly from their energy provider.

Opportunities for the housing industry

The wishes and needs of the tenants surveyed are the same as those preoccupying the housing industry, as evidenced by a poll of around 150 Aareal Bank clients in the housing industry, also conducted in February 2023. Nine out of ten (93 per cent) of those polled regard sustainable buildings as crucial when it comes to expanding their own business model to make it fit for the future. However, only 11 per cent of them believe that the housing industry is currently well prepared when it comes to sustainable buildings.

Most landlords consider the provision of fast Internet (93 per cent) and the offer of digital communication with the tenant (89 per cent) to be important. Yet there is also some catching-up required here, as just 44 per cent in both cases believe that they are well prepared to actually offer these services.

Almost half of those polled (47 per cent) said that it would be vital to add new sources of income to their rental business to ensure their future success. Provision of Internet and infotainment packages (48 per cent) and the offer of mobility services (31 per cent) are believed to have the greatest earnings potential.

The results of the survey on the future of living are summarised in the **Aareal trend barometer** and can be downloaded [here](#).

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About Aareal Bank Group – 100 years of Aareal Bank. 100 years of making success happen.

Aareal Bank Group, headquartered in Wiesbaden, was founded 100 years ago and since then has developed into a leading international property specialist. It uses its expertise to identify trends, challenges and opportunities at an early stage and to exploit them for the benefit of its stakeholders. Today, it offers financing, software products and digital solutions for the property sector and related industries, and is present across three continents: Europe, North America and Asia/Pacific. Aareal Bank Group's business strategy focuses on sustainable business success, with environmental, social and governance aspects as an integral part of this strategy.

Aareal Bank AG comprises the business segments Structured Property Financing, Banking & Digital Solutions and Aareon. The Structured Property Financing segment encompasses all of Aareal Bank Group's property financing and funding activities. Here, the Bank supports its clients in making large-volume commercial property investments. The investment properties mostly comprise office buildings, hotels, shopping centres, logistics and residential property, as well as student housing. In the Banking & Digital Solutions segment, Aareal Bank Group supports businesses from the housing, property management and energy industries as a digitalisation partner – combining extensive advisory services and product solutions with traditional corporate banking services and deposit-taking. Aareal's subsidiary Aareon, the leading supplier of SaaS solutions for the European property industry, represents the third business segment. It is digitalising property management by offering user-oriented software solutions that simplify and automate processes, support sustainable and energy-efficient operations, and interconnect all process participants.

Information on the methodology

Civey conducted an online survey of 5,000 tenants (flat or house) aged 18 and older across Germany on behalf of Aareal Bank between 1 February 2023 and 15 February 2023. Due to quotations and weightings, the results are representative taking into account a statistical error of 2.5 (total result).

Approximately 150 Aareal Bank clients in the housing industry were polled for the survey of decision-makers. This part of the survey is a snapshot of the current mood and does not claim to be representative.