

LAND MARKET DEVELOPMENT IN EASTERN GERMANY



BVVG
Bodenverwertungs- und -verwaltungs GmbH

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1 LEGAL FRAMEWORK OF THE GERMAN LAND MARKET

Land Market in General

-No restrictions to buy or sell property

not in size, time, nationality etc.

- Every Owner/Buyer/Seller also the public sector has to obey to the German and EU laws and regulations (open market but same rules for all,

no discrimination according EU rules)

- paying property taxes (municipality tax)

- Environmental law, Law of Construction and Zoning, Agricultural law, Forest law; e.g. Restricted area for industrial-, housing investment, natural protection areas etc.

- Special case: Law on Land Turnover

- Regional authorities (Rural Development Institutions) have the right to interfere into the transaction using their pre-emption rights (not into the price setting process)

- similar regulation for land lease

LEGAL FRAMEWORK OF THE GERMAN LAND MARKET

Double Role of the State:

- ➔ Market participant/land owner like everyone – no distinction between state or privately owned land
- ➔ providing legal framework for the real property market to guarantee a functioning and healthy land market

Legal Basis:

- ➔ Participants act on the grounds of constitutional rights: Art. 1 freedom of contract (transactions between market participants),
- ➔ Art. 14 guarantee of private property: no expropriation without compensation,
- ➔ Art. 19 laws may not unduly interfere with the substantial contents of constitutional rights, principle of proportionality

2 MARKET MONITORING

VALUATION BOARDS...

- Are independent bodies => without authorities that have power to direct with respect to the activities of the valuation boards
- Fulfill valuation assignments as stipulated in the building code
- Members of the valuation boards are employees at public authorities and publicly appointed valuers
- Assignments:
 - collecting sales prices from land transactions
 - statistical evaluation
 - Publication

COLLECTION OF SALES PRICES

(Kaufpreissammlung KPS)

In particular, the Valuation Boards are responsible for collecting data on purchase prices, which the tax office accesses for tax purposes, and which anyone can obtain an (anonymised) excerpt of to gain an overview of purchase prices (e.g. in the vicinity of that person's own land).

W. Scheffler Anlage 9

Kaufpreissammlung

Wert	bei	Wert je m ²	Größe
DM/m ²	Ackerzahl	und AZ	ha
1	2	Pfennig/m ² AZ	3

Acker

"Mittlere Uchte" (Goldbeck), Kläden, "Uchtetal" Stendal, Tangerhütte-Land, Stendal

1	000010	0,41	40	1,03	1,30
2	000031	0,90	44	2,05	5,10
3	000034	0,54	40	1,60	1,60
4	000038	0,77	40	1,93	7,20
5	000083	0,99	66	1,77	4,00
6	000118	0,87	50	1,74	5,50
7	000154	0,60	52	1,15	2,00
8	000159	1,10	65	1,69	7,40
9	000175	0,80	57	1,40	10,30
10	000185	0,69	50	1,38	7,30
11	000186	1,00	54	1,85	12,40
12	000188	1,20	49	2,45	4,80
13	000252	1,00	48	2,08	3,10
14	000281	0,85	48	1,77	35,30
15	000519	0,48	40	1,20	4,40
16	000650	0,70	39	1,79	3,70
17	000806	0,74	54	1,37	4,40
18	000716	0,94	57	1,65	2,90
19	010009	0,50	45	1,11	6,70
Mittel		0,60	48,84	1,63	6,81
		Schwankung	Mittel	2,12	
		30,00%		1,14	

Grünland

"Mittlere Uchte" (Goldbeck), Kläden, Tangerhütte-Land

1	000022	0,63	44	1,43	1,10
2	000157	0,55	40	1,38	2,90
3	000243	0,90	48	1,88	0,80
4	000307	0,80	48	1,67	1,20
5	000340	0,50	46	1,09	2,20
6	000516	0,64	48	1,33	7,20
7	010078	0,70	45	1,56	3,90
8	010079	0,60	40	1,50	1,30
9	010080	0,60	35	1,71	1,70
Mittel		0,66	43,78	1,50	2,43
		Schwankung	Mittel	1,96	
		30,00%		1,05	

REAL-ESTATE MARKET REPORTS

(Marktberichte)

- Generate and publish real-estate market reports with comprehensive analyses and informations about the real estate market in the area of the local PEC.

Der Obere Gutachterausschuss für Grundstückswerte im Land Sachsen-Anhalt
GRUNDSTÜCKSMARKTBERICHT 2002

0 Der Grundstücksmarkt im Überblick

Umsatz 2002	Anzahl	Fläche	Geld
Unbebaute Baugrundstücke	↓ - 7 %	↓ - 24 %	↓ - 22 %
Bebaute Grundstücke	↓ - 7 %	↓ - 3 %	↓ - 5 %
Wohnungs- und Teileigentum	↓ - 13 %	↓ - 13 %	↓ - 17 %
Land- und Forstwirtschaft	↑ + 2 %	↑ + 42 %	↑ + 27 %
Gemeinbedarfs-/sonstige Flächen	↑ + 3 %	↑ + 8 %	↓ - 25 %
Umsatz insgesamt	↓ - 7 %	↑ + 34 %	↓ - 7 %

Veränderungen des Grundstücksmarktes im Vergleich zu 2001 und das aktuelle Preisniveau im ein-stufigen Verfahren

Teilmarkt	Anzahl Erwerb-vorgänge	durchschn. Grundstücks-/Wohnfläche	durchschn. Preisniveau	€/m² Grundst./Wohnfl.
Individueller Wohnungsbau	ab-pflichtig	↓	↑	23,-
	alterschlossen	↓	↓	29,-
Mehrfamilienhausgrundstücke	ab-pflichtig	↓	↓	61,-
	alterschlossen	↓	↓	20,-
Gewerbliche Baugrundstücke	neuschlossen	↓	↓	54,-
	alterschlossen	↓	↓	75,-
	neuschlossen	↓	↓	7,-
Ein- und Zweifamilienhäuser	ab-pflichtig	↓	↓	21,-
	alterschlossen	↓	↓	16,-
	neuschlossen	↓	↓	16,-
Reihenhäuser und Doppelhaushälften	Baujahr <= 1948	↓	↓	565,-
	Baujahr 1949-1990	↓	↓	865,-
	Baujahr >= 1991	↓	↓	1.260,-
Mehrfamilienhäuser	Baujahr <= 1948	↓	↓	670,-
	Baujahr 1949-1990	↓	↓	830,-
	Baujahr >= 1991	↓	↓	1.310,-
Eigentumswohnungen (Ersterkauf)	Baujahr <= 1948	↓	↓	315,-
	Baujahr 1949-1990	↓	↓	260,-
	Baujahr >= 1991	↓	↓	550,-
Ackerland	Baujahr <= 1948	↓	↓	1.240,-
	Baujahr 1949-1990	↓	↓	690,-
	Baujahr >= 1991	↓	↓	1.380,-
Grünland	ohne Bestand	↓	↓	0,58
	mit Bestand	↓	↓	0,31
Waldflächen	ohne Bestand	↓	↓	0,09
	mit Bestand	↓	↓	0,19

Veränderungen zum Vorjahr:
 ↓ unter 5 %
 ↓ 5 % bis 15 %
 ↓ über 15 %
 → keine Veränderung

Abdruck unter www.makrosax.at

Geschäftsstelle beim Ministerium des Innern
Halberstädter Straße 2 / am „Platz des 17. Juni“, 39112 Magdeburg

FACILITATING TRANSPARENCY OF THE LAND MARKET IS A STATE-FUNCTION!

Gutachterausschuss für Grundstückswerte in Berlin

Willkommen

bei GAA Online, dem Internetauftritt des Gutachterausschusses für Grundstückswerte in Berlin. GAA Online bietet Ihnen Informationen über die Preisentwicklung auf dem Berliner Immobilienmarkt und die Wertermittlung von Grundstücken per Mausklick.

Aktuelle Meldungen

Unter [GAA Aktuell](#) erhalten Sie die neuesten Informationen des Gutachterausschusses und aktuelle Trends vom Berliner Immobilienmarkt. So z.B. zu den aktuellen Meldungen:

- Hinweis zum Bodenrichtwertatlas 1.1.2005. ▶
- Vertrieb der BRW CD-ROM und des BRW-Atlases 01.01.2005. ▶

GAA Online Newsletter

Nutzen Sie den kostenlosen Service des Gutachterausschusses und abonnieren Sie den GAA Online Newsletter, damit Sie jederzeit aktuell über Entwicklungen auf dem Berliner Grundstücksmarkt und GAA Online informiert sind. ▶

GAA Brandenburg

Informationen zum Grundstücksmarkt im Land Brandenburg erhalten Sie unter www.gutachterausschuss-bb.de, dem Internetauftritt der insgesamt 19 Gutachterausschüsse in Brandenburg.

Service

Begleitmaterialien zu den Produkten ▶

Editorial

Allgemeine Geschäftsbedingungen (AGB) ▶

Aus dem Produktkatalog

Das vollständige Produktangebot ▶
Hilfestellung zum Produktkauf ▶

Geldbörse

Mit dem Pre Paid-Zahlungsmodell Geldbörse bis zu rd. 17% sparen! ▶

Geldbörse einrichten. ▶

Neu im Produktkatalog

- [Bestellmöglichkeit BRW CD-ROM und BRW-Atlas](#)
- [Marktfähiges Nichtbauland 2005](#)

Die Onlineabfrage des Bodenrichtwertes von 1995 bis 2005

NEU Jetzt auch zum Stichtag 1.1.2005

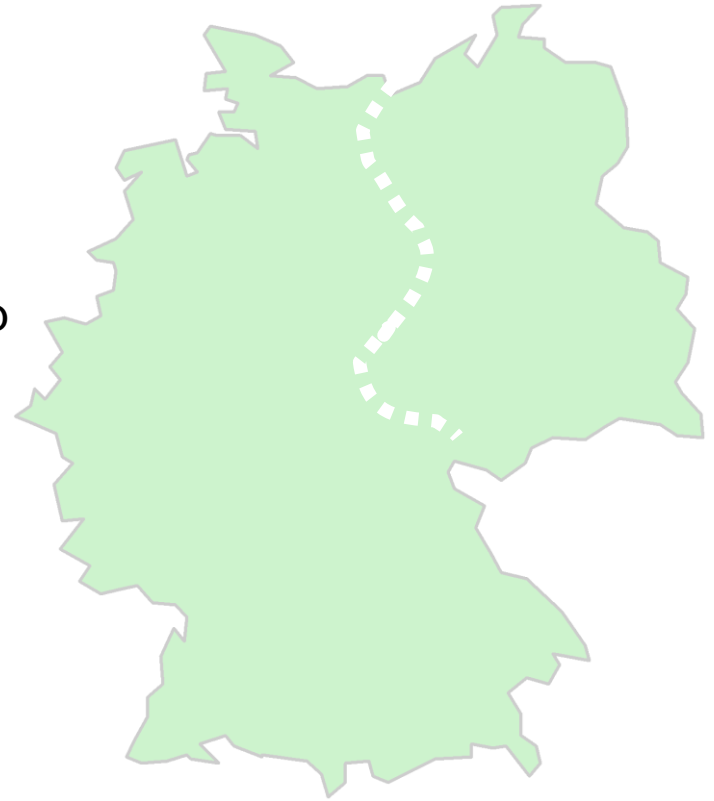
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- [BRW Online](#)

3 ROLE OF BVVG ON THE LAND MARKET

SITUATION IN THE AGRICULTURAL SECTOR IN 1989

- 4.500 Collective Farms
- 515 State Farms
- 2,2 Mio ha of agricultural land in state ownership
(35% of total agricultural land)
- 2,0 Mio ha of forestry land in state ownership
(90% of total forestry land)



THE ROAD TOWARDS PRIVATIZATION IN EAST GERMANY



- Stabilizing of emerging farms
- Basis for future sales

1992 - 1996

- Consolidation of the newly developed agrarian structure, indemnification,

1996 – 2010

- Sale of agricultural land within the fully developed land market beginning **2005**;
- **since 2010**: option for long term lease

PHASE I - LEASING OF AGRICULTURAL LAND

- 1990-1993 Short-term lease agreements due to:
 - Unclear property and ownership situation
 - Change of agricultural structure
 - Many emerging or transformed farm businesses
- Starting in 1993: long-term lease contracts with the objectives:
 - Economical consolidation of farm businesses
 - Facilitating investments, subsidies and loans
 - Basis for land purchase at a later stage

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Phase II: Land Purchase Program under the Indemnification and Compensation Act

Objective of the Program:

- Indemnification for lost property (no restitution of land expropriated between 1945-1949)
 - Secure existence of farmers originating from East Germany
- Later, because of EU-objections: program open to all farmers holding a long term lease contract with BVVG

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LAND MANAGEMENT IN FIGURES (1)

- Portfolio in 1996: approx. 3,2 m ha

Thereof

- 0,22 m ha agricultural and forest land restituted to natural persons
- 1,3 m ha allocated to statutory bodies and regional authorities
- Approx. 1,5 m ha sold
- Approx. 0,06 m ha of nature protection sites transferred without charge
- < 0,2 m ha still managed by BVVG

LAND MANAGEMENT IN FIGURES (2)

Portfolio (12/31/2017)

- 126,200 ha agricultural land
- 7,600 ha forest land

Sold until now (by 12/31/2017):

- 861,400 ha agricultural land
- 594,800 ha forest land
- 81,100 ha land for investment purposes, incl. building area
- Spin off / liquidation of 410 (out of 415) state farms
- Since 1992: 7.6 billion EUR transferred to the federal budget

4 DEVELOPMENTS ON THE GERMAN LAND MARKET

Agricultural land loss in Germany for...



... infrastructure and housing developments

- 860,000 ha

... woodland

- 285,000 ha

... nature conservation areas²

- 417,000 ha

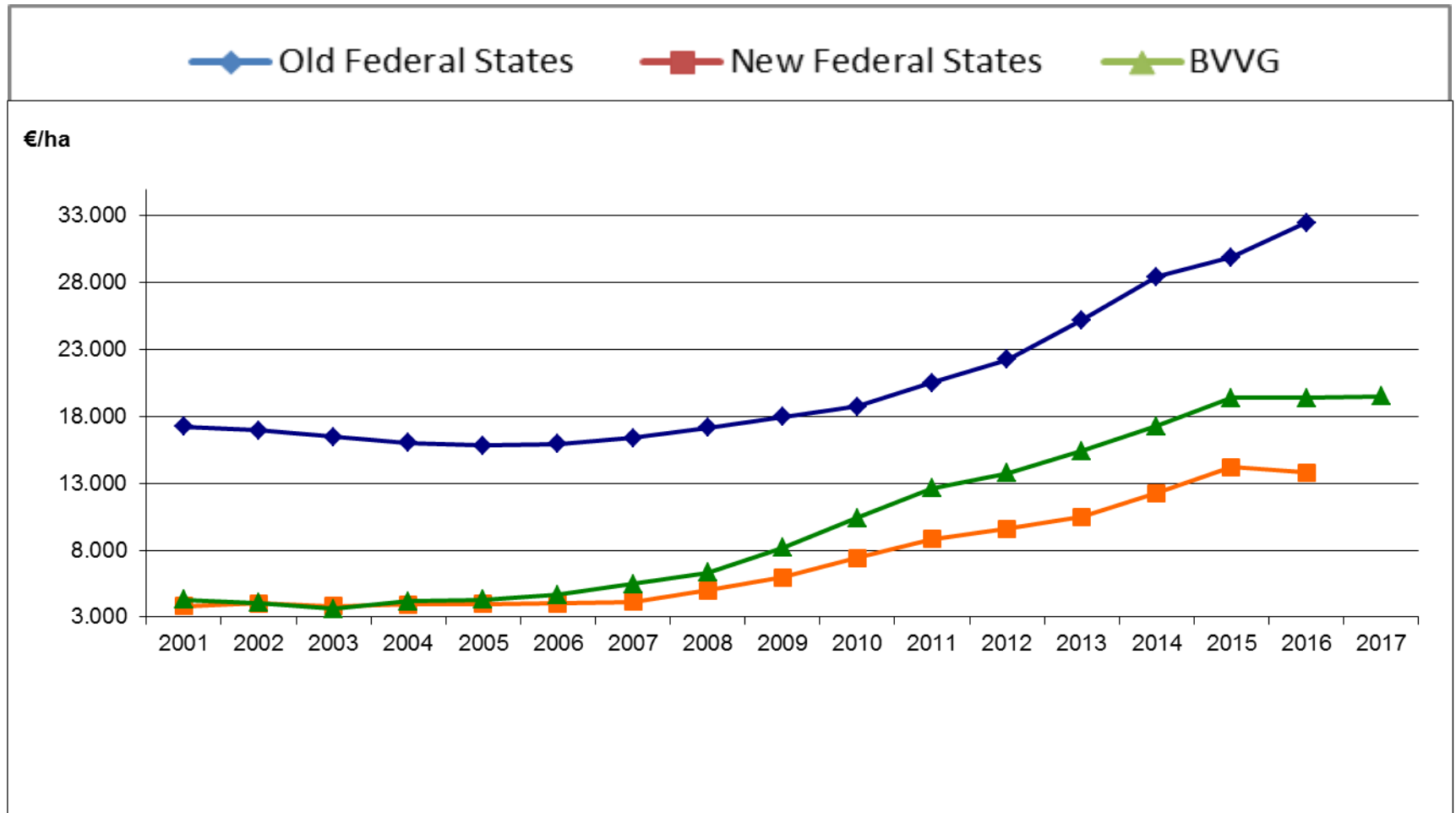
Total 1994 – 2014

> 1,200,000 ha

Loss of agricultural land per day in 2017:

64 ha

BVVG ON THE LAND MARKET (6) PRICES FOR LAND SALES AT MARKET VALUE (€/HA)



Target System for Land Market Policy

7 policy objectives:

- Maintaining and promoting a broad distribution of land ownership.
- Avoidance of dominant positions on regional land markets.
- Priority of farmers when purchasing land.
- Ensuring the sustainability of agriculture.
- Limitation of the increase in purchase and lease prices for agricultural land.
- Priority for agricultural use of agricultural land.
- Improvement of the information situation and market transparency on the land market.

THANK YOU FOR YOUR ATTENTION!