



CONSULTING

NEWSLETTER 2023/3

Housing News

1| Banning Airbnb

2| IBA Thüringen closing

3| China: Real Estate market Crisis

Vienna

Banning Airbnb

The Austrian capital has long tried to reduce letting of apartments to tourists in order to preserve housing for the growing population. While Airbnb and similar platforms have been banned from all forms of subsidized affordable dwellings and in so-called “Wohnzonen” (dedicated housing zones in the land-use plan) a new regulation in the building code forbids all letting to tourists for more than 90 days per year – even in private housing.



Thüringen

IBA Thüringen closing

Since 2012 IBA (Internationale Bauausstellung(/ International Building Exhibition) Thüringen has been working on the difficult theme of “StadtLand” (literally “City-Open Land”) dealing with the specific situation in Eastern Germany with its shrinking cities and declining infrastructure in agricultural areas. As the IBA has closed this year results were shown at the IBA-Headquarter at Apolda in a variety of exhibitions which reflected the broad multi-professional approach to the IBA theme. As could be expected there is not singular solution to the complex problems of the region. Rather, the answer lies in the broad participatory process which changed the perception of the locals towards their environment. A number of socially- oriented initiatives have been created which will certainly survive the limited IBA period. As well as some inspiring solutions like the low threshold “Gesundheitskiosk” (Health kiosk) where residents receive advice and support concerning health and



care in areas, where most health institutions have closed. The national German Health Ministry already announced that it intends to adopt this model for the whole country.

For more info see:
<https://iba-thueringen.de/>

China: Real Estate market Crisis



The bankruptcy of China's second biggest real estate developer Evergrande, based in Guangzhou, has been interpreted by many experts as the beginning of a real estate crisis. Evergrande's problems started in 2021 when the central government tried to reduce excessive borrowing – many apartments were resold even before completion – by cutting off sources for financing for developers, leaving Evergrande with 300 billion dollars in liabilities.

It seems that other developers like Country Garden will follow which could extend the crisis well over the real estate market as many banks have been involved in real estate development. Or, as President Xi Jinping said in a recent speech: "We must maintain historic patience and insist on making steady, step-by-step progress."

For more info see:
<https://mobilesite.evergrande.com/en/index.aspx>