

GERMAN REAL ESTATE MARKET ANALYSIS

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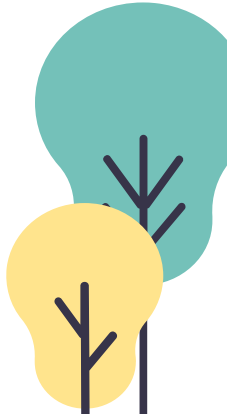
CONCLUSION

Look what we just found!!!

06

QUESTIONS?

What are you thinking?



ABOUT ME

My name is Muhammad Tayyab. I am from Pakistan and currently living in Germany. I have 6+ years of experience in data science field and currently working as Senior Data Engineer.

I love to travel, watch anime, taste new food.



PROBLEM STATEMENT

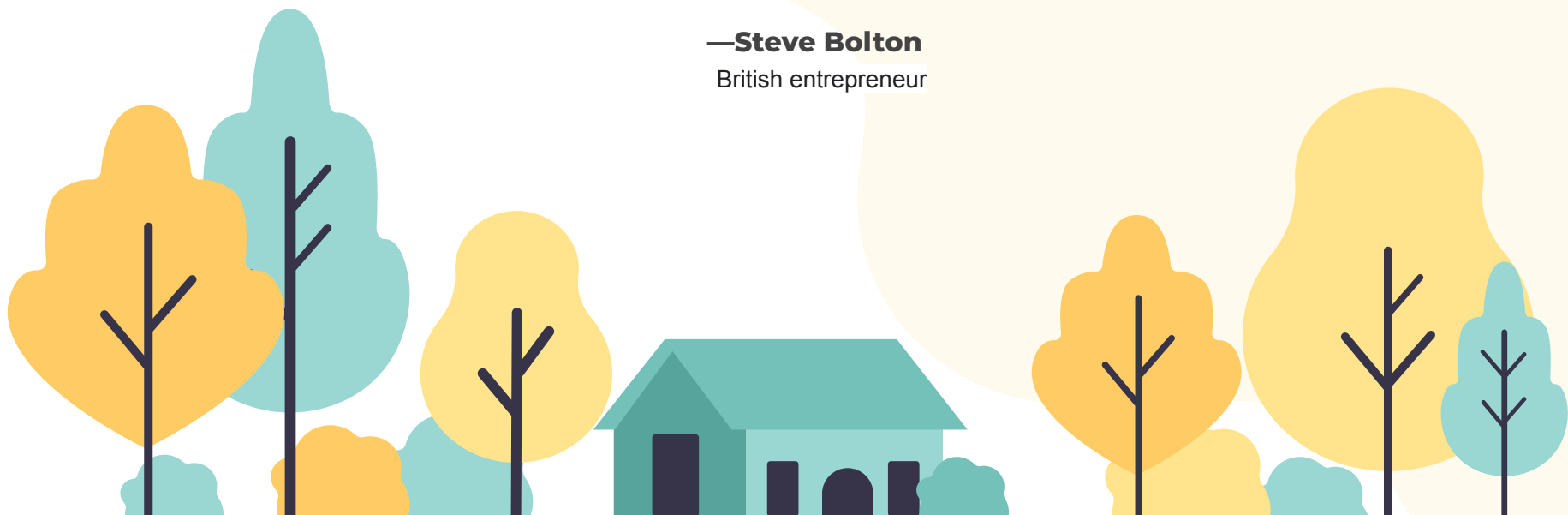
What are the reasons and contributing factors behind the most significant quarterly decline in German housing prices in 16 years during Q4 2022?



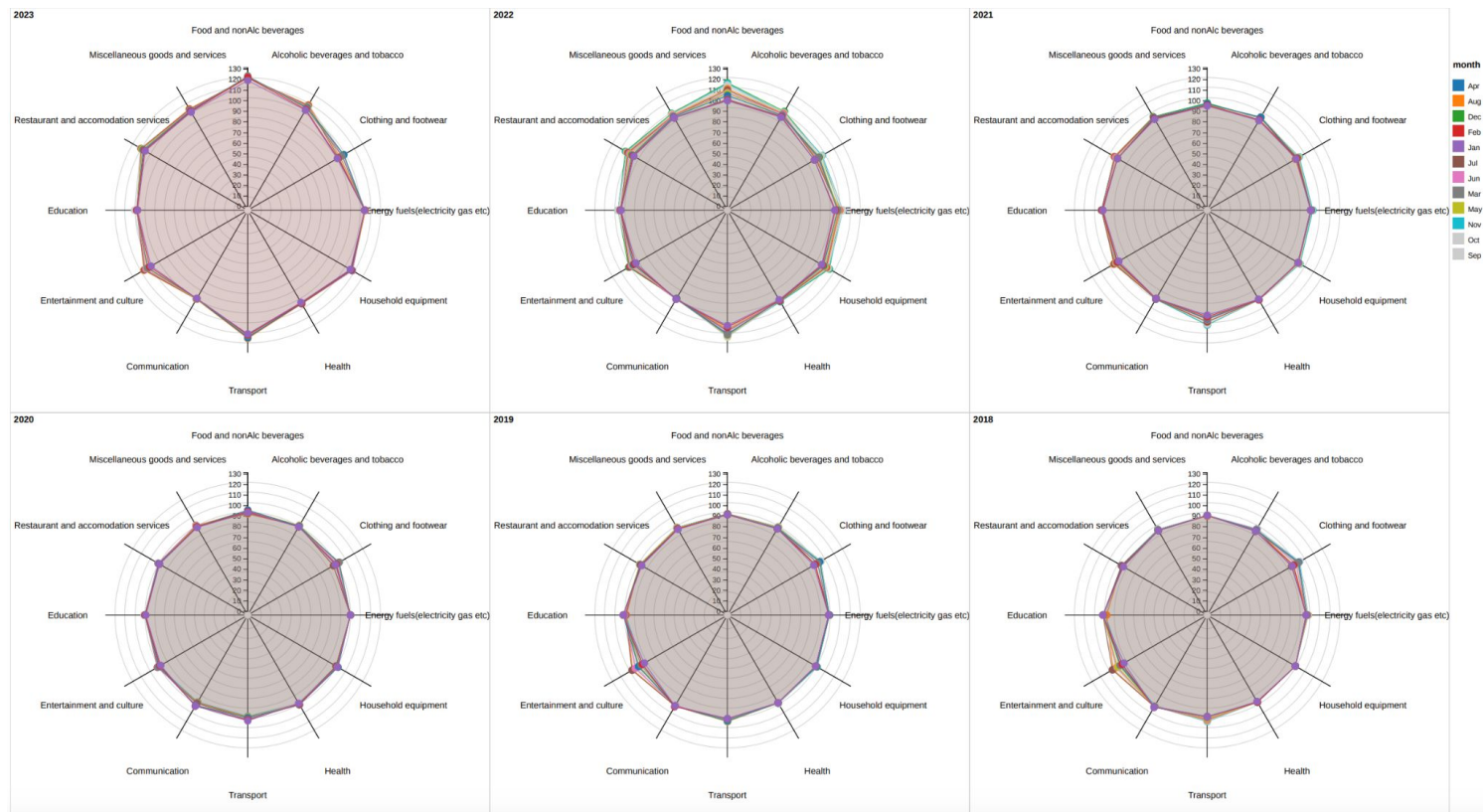
“The Only **BAD TIME** to Buy a Property is **LATER**”

—**Steve Bolton**

British entrepreneur



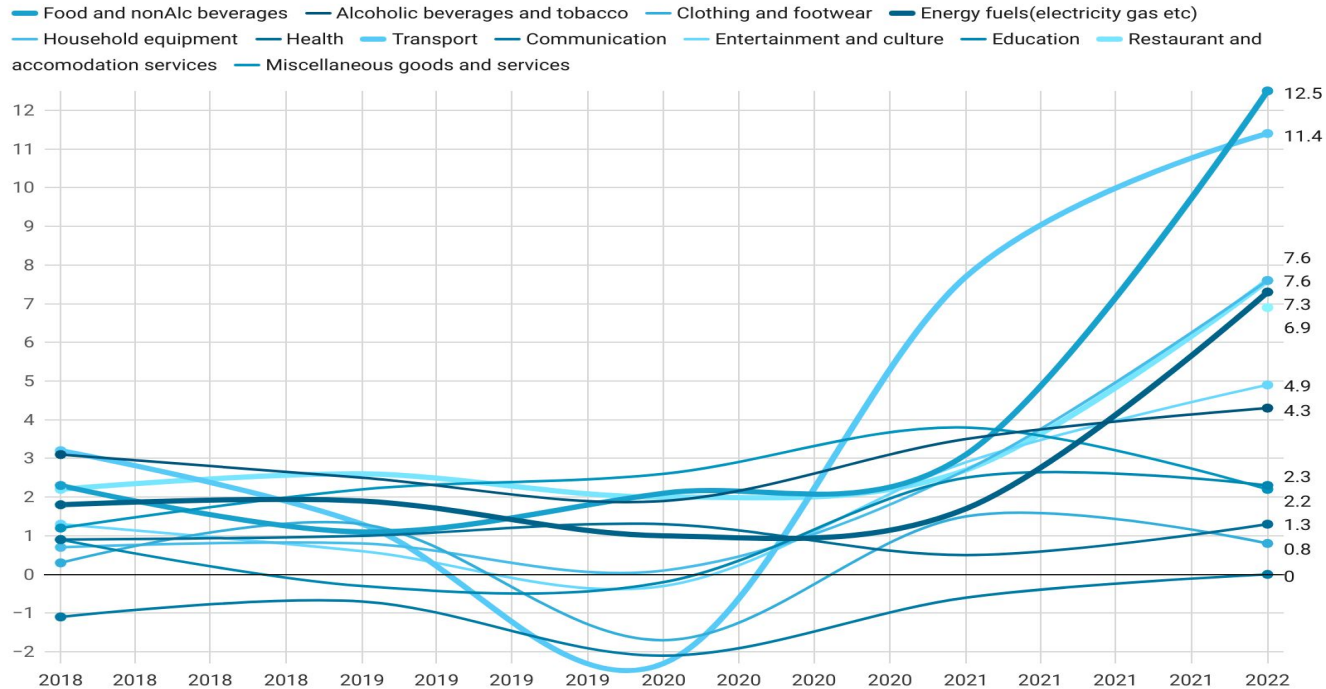
ANALYSIS: Consumer Price Index 12-factors Analysis



6 years CPI Analysis on 12 Major Factors

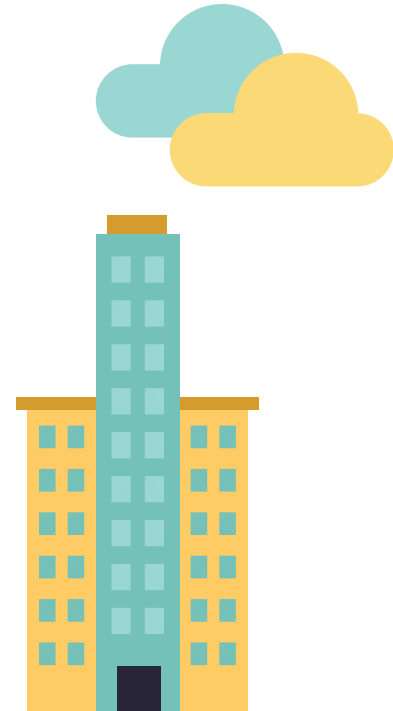
ANALYSIS: Consumer Price Index 12-factors Analysis

Consumer Price Index 12-factors-change_on_prev_years (Base Year=2020)



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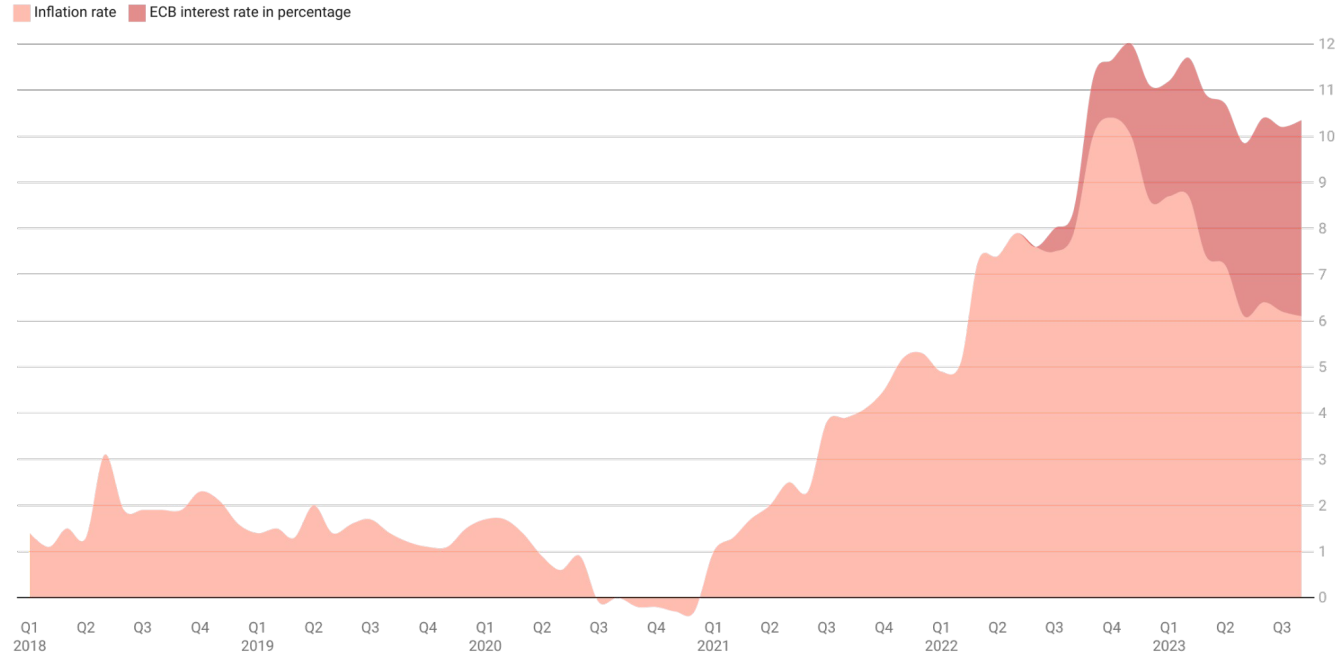
Consumer Price Index 12-factors-change_on_prev_years



ANALYSIS: Interest Rate



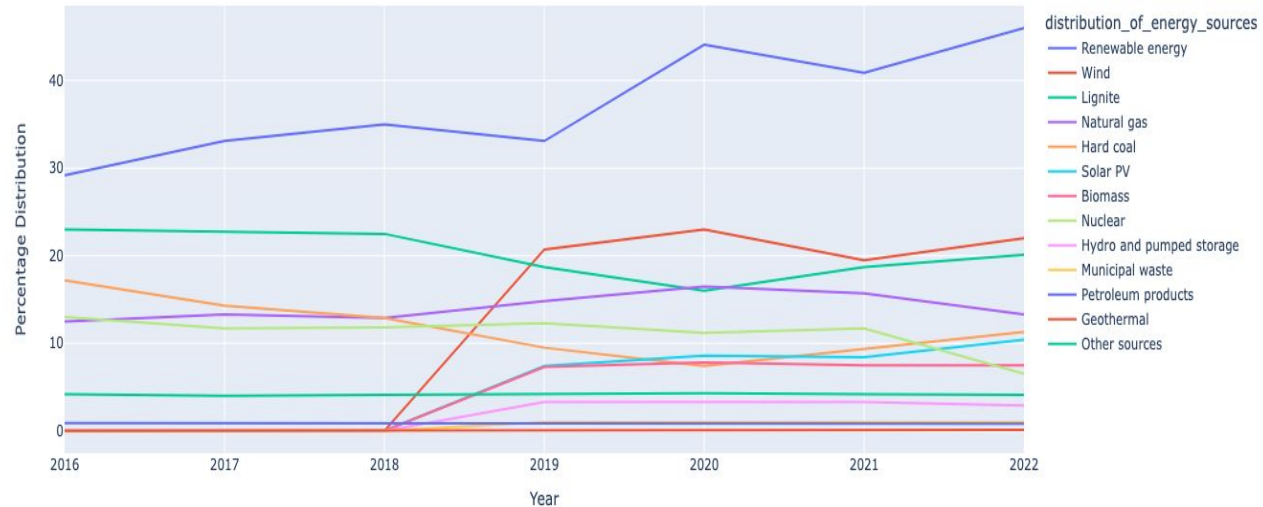
Avg Inflation Rate and European Central Bank (ECB) Interest Rate In Germany from Jan 18 to Aug 23



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MORE ANALYSIS: Energy Distribution Trend

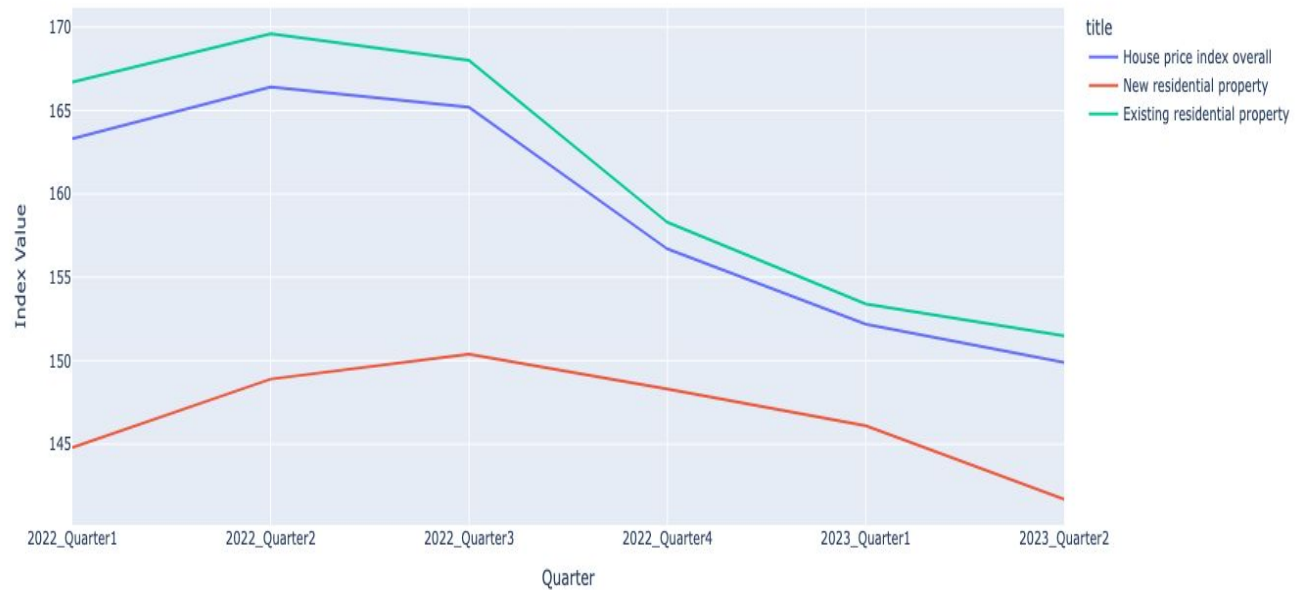
Changes in Percentage Distribution of Energy Sources Over Years



MORE ANALYSIS: Housing Prices



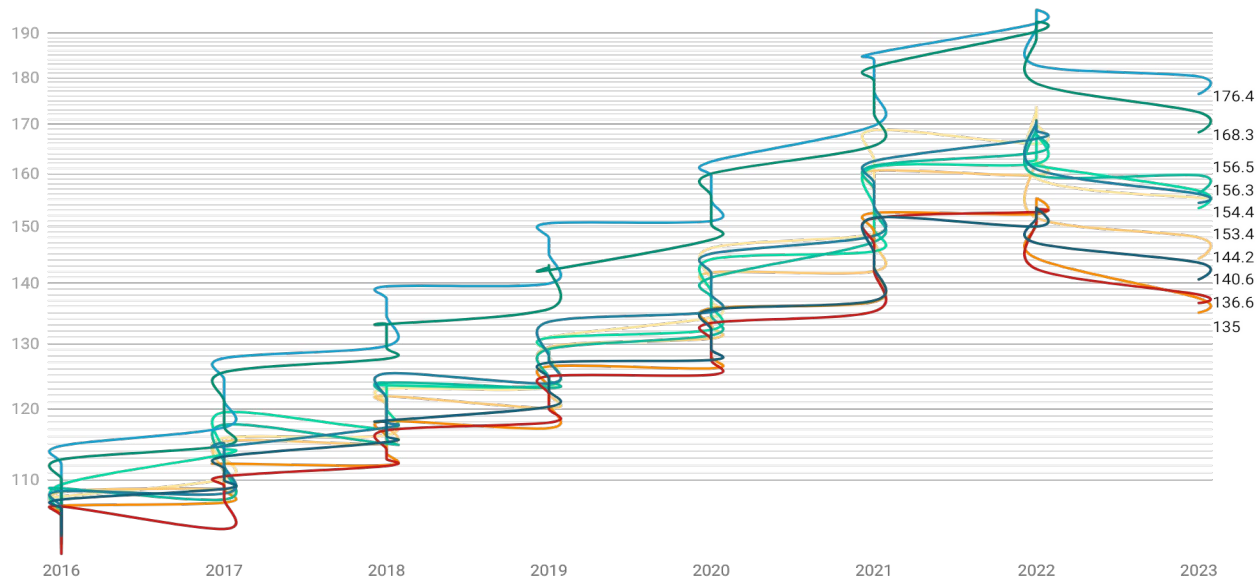
Housing Data - Quarterly Trends



MORE ANALYSIS: Property Price Trend

Property-price-indices-district-types

— flat_metropolises — flat_cities_not_attached to a district — flat_urban_districts — flat_densely_populated rural districts — flat_sparsely_populated rural districts
— single_or_two_family_houses_metropolises — single_or_two_family_houses_cities_not_attached to a district
— single_or_two_family_houses_urban_districts — single_or_two_family_houses_densely_populated rural districts
— single_or_two_family_houses_sparsely_populated rural districts



CONCLUSION

Factors Behind Turnaround

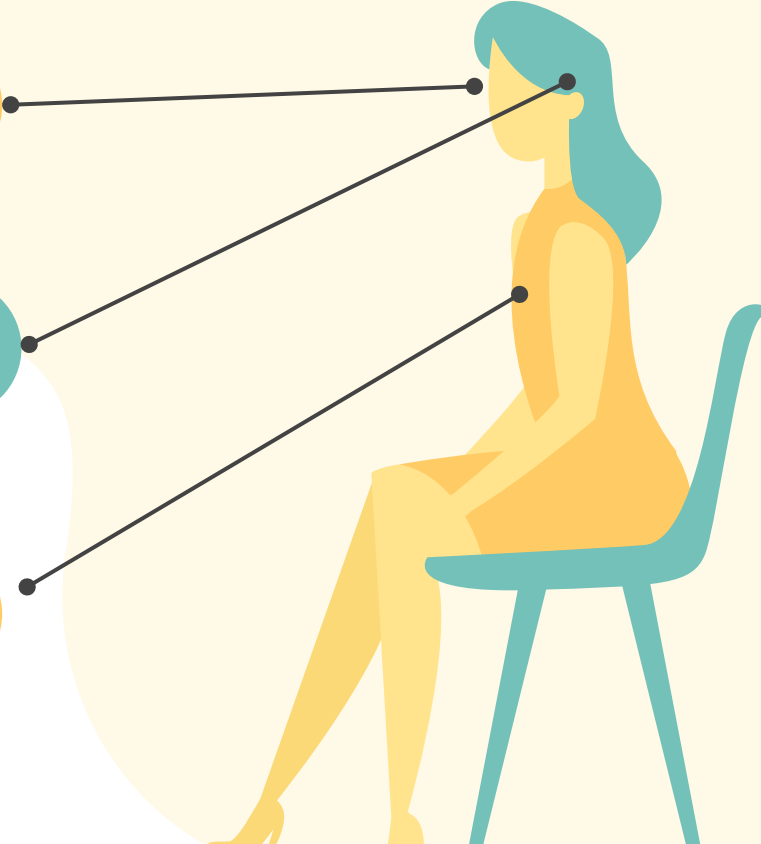
- Rising inflation and the subsequent hike in interest rates were pivotal factors.
- Consumers faced challenges as spending exceeded earnings.

Government Subsidies

- During the COVID-19 period (2019-2021) and Russo-Ukrainian War (Feb 2022), the German government provided short-term subsidies to control price hikes.
- Post-pandemic, subsidies on utilities, energy, and groceries were halted, leading to uncertainty among the general populace.

Impact on Real Estate Industry

- The combination of these factors resulted in the real estate industry facing its most challenging period in the past two decades.



THANKS

Does anyone have any questions?



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