

Austria; the land of home builders – 40% live in their own home

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- Living comfort, residential area and good location determine the degree of satisfaction
- Historically, low interest rates is a reason why 4 out of 10 Austrians have realised their housing dreams earlier than planned – interest rate hedge recommended

According to a representational integral study conducted by the Sparkassen Group, 54% of Austrian families live in their own home and get on marvellously with their neighbours. On the other hand, students mainly rent and are daggers drawn with their neighbours.

Every second family lives in their own home

The most widespread living arrangement for Austrians is to live in their own home, with 40% of 18 to 65-year-olds doing so. At 54%, it is predominantly families (20 to 59-year-olds with children) who prefer this type of living. Students, young adults without children and more mature adults without children are clearly below average. Most students (50%) rent. This percentage is almost double that of young adults, and almost triple that of the other life phases. Incidentally, 37% of people live with their family, i.e. with children in the same household, one third with a partner, and one fifth live alone. 7% still live with their parents; only a small percentage (3%) live in shared accommodation.

In Austria, an average household in the group of 18 to 65-year-olds has 112 m² of living space available to them, whereas students, young adults and more mature adults have less living space. Almost half the interviewees live with areas up to 90 m².

Satisfaction with current living situation very high

Austrians primarily value living comfort, residential area, the type of housing, and a good location. 84% of all interviewees are very or rather satisfied with their living situation. "The concept of living is of great importance in Austria. Young adults, established adults and families spend a lot of money making their places of residence as comfortable and individually suitable as possible", states Josef Schmidinger, General Manager of the Bausparkasse (building society) der österreichischen Sparkassen AG, while presenting the results. "That's why homeowners live the longest in their own residential environment. Up to two thirds stated they had lived in the same apartment or house for more than 10 years". The groups of students and young adults tend to be less satisfied, while the seniors (all 60 to 65-year-olds) were the most satisfied with their current living situation: 60% state they are very satisfied. The most unsatisfied are Austrians living far from their place of work; it appears a pleasant residential environment and proximity to work very rarely come hand in hand.

26% of Austrians plan to move

9 out of 10 Austrians have already moved once in their life. 44% have moved 1-2 times; 35% have so far moved 3-5 times. 12% have even moved house more than 6 times. Apart from private reasons, the main reasons for planning to move include; to increase living comfort and because more space is needed. Relocation is often also the result of the start or end of a co-habitation relationship. On average, Austrians have gained 14% of living space through this, and they continue to have plans to move in future. Every fourth person (26%) wants to move house in the next five years – predominantly students and young adults; families and seniors, on the other hand, are less mobile. The national comparison shows that people from Carinthia are particularly averse to relocation, because only 17% plan to move into a new home. Vorarlbergers and Viennese are spontaneous; almost one in three of them are planning to move in the next five years.

Financing through credit and savings

Around half (49%) of those planning to move want to move into a house. In order to achieve this, on average, Austrians need 151,000 Euros. More than half the necessary capital comes from savings. More specifically: 41% come from their own monetary reserves, while around 10% are provided by family members. "This once again confirms that Austria is the number one nation for saving", says Peter Bosek, of the private customer executive board of Erste Bank. More than one third (38%) of the costs must, however, be financed externally. The most interesting case is that of building society loans – 6 out of 10 Austrians would prefer this sort of financing. One third of those planning to move find the "housing credit in Euros without a mortgage" (35%), followed by the "housing credit in Euros with a mortgage" (23%) attractive.

Hedging lower interest

41% of those interviewed can imagine fulfilling their plans to move or renovating their house or apartment at an earlier point in time. This is because of the low interest. Bosek says, "The interest rate is currently at a historic low". As a comparison: In January 1996, borrowers paid 7% interest; now, financing costs 2.2% - i.e. almost 5% less. "That is a huge difference. I definitely recommend hedging this low interest. Particularly for long-term financing, people should remember that the interest rates can also go up again and that the monthly instalments can be trebled", Bosek adds. With housing credit, borrowers can either protect themselves through a fixed-interest agreement or by purchasing an interest cap. Building society loans have the advantage that an interest cap is contractually established at 6%.

About the study format:

In an online survey conducted from 24 March to 7 April 2010, Austrians aged between 18 and 65 years were questioned about their living situation as well as about their wishes and needs for change. The interviewees were classified into five life phases based on the demographic data in order to characterise typical living behaviour: Students (18 – 29 years), young adults without children (20 – 39 years), established adults without children (40 – 59 years), families (20 – 59 years with children in their own household) and seniors (60 – 65 years). A total of 1,713 persons were surveyed. It is thus the first time a well-founded examination of living conditions has been conducted which is based on the statements of individual people and which adds this personal view to the sample census data collected by the Austrian Bureau of Statistics.

[Präsentation: Ein Blick in Österreichs Wohnräume und -träume \[pdf; 486.1 KB\]](#)

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