Business



How cooperative housing in Germany can inspire UK



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Members of Leipzig co-operative SoWo, Laura Röllmann, Tobias Bernet and Dirko Goebel in front of their apartment block (Hazel

Dirko Goebel is the last tenant left in a magnificent corner apartment block in Leipzig. A spiral staircase

Goebel's tenancy in the deal.

Sheffield)

leads to abandoned rooms, revealing wooden floors, tall ceilings, and ceramic coal heaters stacked in corners, hinting at the building's former glory.

Since the collapse of the Soviet Union in this part of former East Germany, the building has been used for

raves and art projects as well as by squatters as successive landlords failed to keep it in good repair. Now

buckets gather leaks, tape holds together cracked water pipes and ceilings are scarred by damp and mould. But Goebel doesn't want to leave. He has made his home in one of the lower floors, fitted a small kitchen by hand and built a mezzanine bed to make space for sofas and his books. Thanks to Germany's tenancy laws, which are stronger than in the UK, he had the right to keep living in his apartment even after the

landlord wanted to sell it. Over the years, he continued to refuse offers of money to move out, stalling a potential sale. Last year, in part because he had refused, a housing organisation called the Solidarity Cooperative was able to purchase the building.

Goebel is delighted. Previous tenants had imagined buying and renovating the building to live in, but none were so well organised. In early 2018, the Solidarity Co-operative, or SoWo Leipzig, teamed up with the Edith Maryon Foundation to secure the building for $\pounds 1.65$ million (£1.46 million), promising to secure

Goebel is now part of a working group organising a renovation that will provide permanently affordable housing for around 40 people, plus space for shops or other commercial units on the ground floor. As a tenant-owner, Goebel will have a hand in rebuilding the apartments from scratch and a say in how they are run.

"I refused the money because my heart is in this house," Goebel says. "I want to stay there."



tenants struggles and squatting. Some of these movements have formalised. The biggest of these is Mietshäuser Syndikat, founded in 1992, which now combines more than 100 housing initiatives all over

Germany.

Unlike in the UK, German tenants cannot easily be evicted. In the UK, most contracts are six to 12 months and a landlord can choose to evict the tenant at the end of this period, without giving a reason. In England, this has created a rental market where people move on average every 2.5 years. In Germany, tenancies last an average of 11 years. German tenants also benefit from lower average rents and a "rent-brake", which prevents landlords from unconditionally raising rents in between tenancies.

These controls exist in tandem with a long tradition of co-operative housing. The idea for co-operative

ownership came from the UK but it has flourished in Germany. Around 15 per cent of all housing is cooperatively owned in Leipzig. Much of it was owned and managed by the socialist state after the Second World War.

Sign against repression: House project in Leipzig-Lindenau on Vimeo.

Goebel was born in Leipzig in 1976, and grew up in a worker's co-operative for housing organised by the

socialist East German government. He remembers community groups organised to clean common areas,

It wasn't all good: while new parents in London might put their children's names down for nursery at birth, East German parents would put their children's names down for a car, to have a chance of getting

sports teams that formed from each housing block, and medals for the tidiest street.

one by the time they were old enough to drive. But the history has created a precedent that means some German residents, unlike many in England, are familiar with the idea of sharing responsibility for maintaining and improving communal areas in collective housing.

"Living and working together was the basic idea of socialism," Goebel says. "It was missing for many years.

Now it comes back as a conscious choice."

Co-operative housing is becoming more popular as rent goes up sharply in many German cities. As recently as 2011, Leipzig was the cheapest of Germany's big cities in which to rent an apartment, at an average of €5,400 per year. By 2017, the same size apartment cost an average of €7,560. Chancellor Angela Merkel has said her government will prioritise building new homes and limiting rent rises.

Tobias Bernet moved from Switzerland to Leipzig in 2008 to learn about alternative ownership of vacant buildings when there were still plenty to choose from. He says: "There was a window of opportunity when

the housing prices were low and there was a critical mass of people willing to do something."

I'm doing it because I think housing is a human right – it shouldn't be private property

Georg-Schwarz-Strasse was once been a busy shopping street, but had become a no-go zone by the time Bernet came to town. Many buildings were deserted. With support from local authorities, residents started

buying buildings for cheap and renovating them. At first, they formed a company to buy the buildings, because it was easier to set up than a co-operative. But after a co-operative was formed, it flourished. The group now has 120 members and two apartment buildings, with plans to buy more. The more buildings in

the co-operative, Bernet says, the more they can benefit from economies of scale for renovations and other services.

Though the building at Georg-Schwarz-Strasse has been secured with a loan from the Edith Maryon

Foundation, the group must raise a total of €2.5 million to cover the lease and the renovation.

Laura Röllmann is a PhD psychology student and a member of the steering group managing the renovation of the apartment building on Georg-Schwarz-Strasse. She has been part of the team raising the deposit through shares and small loans from friends, family and supporters. One day, she will join Goebel as an owner-tenant in the building. "I'm doing it because I think housing is a human right – it shouldn't be private property," she says. "The co-operative concept isn't alien to people here, which helps."

Once the group has raised the remainder of a €600,000 deposit, they will approach an ethical bank, such as Triodos, which has a history of supporting collective housing projects. Manuel Ehlers, a relationship manager for sustainable properties at Triodos in Berlin, says the bank finances projects like this one as part of a broader belief in sustainability over the relentless pursuit of profit and growth. "We strive to finance only projects with a positive impact on society," he says. "Co-operative housing projects are perfectly in

line with our idea of a socially responsible development of inner city districts providing low rents."

The Solidarity Co-operative hopes to finish the renovation of the building on Georg-Schwarz-Strasse by

2020. Already they have cleared out the rubble from an attic and ripped out some rotten floorboards. The initial work has left the building shell-like. It is almost impossible to imagine it restored and inhabited by tenants. But Goebel is confident.

"When I refused the money to stay in this house, many of my friends told me I was crazy. I was the only one who believed something could be done," he says. "Now there are many of us who believe in it, it doesn't seem so crazy!"

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