Solikon 2015
Forum
Community Land Trust and Urban Commons

Mietshäusersyndikat
www.syndikat.org
inalienable housing commons

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The basics

- Network of autonomous, self-organized housing-associations
- Immovables as **inalienable** collective property
  - „the houses to those who live there“
- **Solidarity transfer** from older to newer projects
- Affordable rents forever
- Autonomy of the projects
- Open for new housing associations - always in development since 1987
- Help for self-help, Know-how transfer, open knowledge
The legal form of the housing associations

● Every house is owned by a **GmbH** (similar to a Ltd.)

● Associates of the GmbH are:  
  - the Mietshäuserssyndikat
  - the housing association
  (members = all inhabitants)

● According to the memorandum of association the **syndicates voting rights are limited to fundamental decisions**: Buying and selling of immovables, changing of the memorandum, authorization of financial statements and allocation of net income
The structure of the network

- All associations are members of the „Mietshäuser Syndikat Verein“
- This association is the proprietor of the „Mietshäuser Syndikat GmbH“
- Assembly of members / delegates makes decisions by consensus e.g. concerning participation in founding of new GmbHs
In the normal real estate business there are high capital costs first and high profits later.

**NORMALERWEISE**

In the Mietshäusersyndikat no profit is generated - the surplus is used for solidarity transfer to new associations.

All associations pay solidarity transfer starting at 0,10€ / m² / month and rising as net income rises.

**MIETSHÄUSERSYNDIKAT**

Used for:
- Public relations materials
- Consulting for initiatives
- Registered capital
- Start-up funding

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*Graphs showing the comparison between normal real estate business and the Mietshäusersyndikat.*
Financing the Mietshäusersyndikat

Own capital: secondary direct peer-to-peer credits (~25-50%)

outside capital: real-estate credit by banks, mostly GLS, public banks (Sparkassen), cooperative banks (Volksbanken)

- No (cooperative) shares
- No obligatory capital contribution of the inhabitants!

- Fixed interest for direct loans up to 2%, but no participation in increase in value of immovables
- There are no shareholders who could be interested in increase of value or selling = “capital neutralization” (Mathias Neuling)

Why do people give direct credits?
- 100% transparent, local, ethical and ecologic investment
- no speculation on increase of value
- no fees or administrative expenses for investors
- >20 Years of experience in the network
- Flexible conditions:
  - Interest rate, duration and cancelation period can be freely agreed upon

Why subsidary credits?
- legal requirement: otherwise it would be „illegal banking business“
- some protection against bankruptcy in case of temporary inability to pay interest or repayment: allows financing of long term investment with short time credits
The diversity of the member associations

98 housing associations + ~ 25 founding initiatives

from 6 to 285 Members from 154m² to 7.300 m² per association

~2500 Inhabitants