

Some cooperatives have a savings scheme. What is that, actually?

Cooperatives with a savings scheme offer their members savings accounts and savings bonds with particularly attractive interest rates. The cooperative is not permitted to speculate with the money collected in this way. It may only be used for maintenance, modernisation and the construction of new housing. These savings schemes have received good scores from German product-testing foundation "Stiftung Warentest".

How does one become a member of a cooperative?

It's easy: You simply submit a declaration of membership to the cooperative of your choice and acquire the shares specified in the articles of association.

Do members of cooperatives automatically receive an apartment?

Many cooperatives quickly provide you with an ideal apartment. However, in regions where the housing market is strained, you might be placed on a waiting list. Therefore, it might well be worth joining a cooperative under certain circumstances, even if you are not seeking an apartment at that time.

How many housing cooperatives are there in Germany?

Almost 2,000. All together, they have 2.2 million apartments, corresponding to almost a tenth of all rental apartments in Germany. Also, there are completely different kinds of cooperatives in this respect: small ones that are characterised by the commitment of their members, large ones that have a broad portfolio of apartments, more recently established cooperatives and some that have been in existence for more than one hundred years.

Where can I receive more information?

From the website www.Wohn-eG.de. There, you will find cooperatives in your region. And we have no doubt that you'll find one that suits you!

**Housing
Cooperatives**

www.Wohn-eG.de



Living Life With a Future Housing Cooperatives

**EIN GEWINN
FÜR ALLE**
Die Genossenschaften



**Housing
Cooperatives**



What is a cooperative?

Housing cooperatives have been in existence since the 19th century. The first ones were established in order to enable their members to live in healthy, well-appointed apartments and protect themselves from exploitation. Co-determination and solidarity continue to be key principles to this day: The members of a cooperative have an extensive right of co-determination and can rest assured that the cooperative does not act in the interests of third-party investors, but rather exclusively in the interests of the members.

What is the difference between cooperatives and other lessors?

Cooperatives represent a good compromise between property and rent. On the one hand, the members are co-owners of the cooperative and consequently have greater security as lessees. On the other hand, they are more flexible than owners of apartments, as they can cancel the rental agreement (referred to as a usage agreement in the case of cooperatives) in the normal way.

Let's be honest: Aren't cooperatives rather old-fashioned?

That is a valid assumption, as some cooperatives do have old-fashioned names because of their traditions. However, that impression is misleading: Cooperatives are extremely modern on account of their orientation towards the good of their members. They do not consider apartments to be speculative investments – they consider them to be homes.

What are the benefits of being a member of a cooperative?

Primarily, the lifelong right to housing. Termination of a rental agreement because of the owner's own needs is ruled out. Furthermore, members can actively participate in day-to-day cooperative life. That, however, is not an obligation; if you simply wish to live well, you will also be most welcome in a cooperative. And ultimately, cooperatives take care of the maintenance and modernisation of their properties, as well as the upkeep of the outdoor facilities. And this business model pays off, as housing cooperatives even endured the global financial crisis unscathed.

What obligations does a cooperative member have?

If you wish to become a member, you must subscribe to shares in the cooperative. Additional share subscriptions are often due when moving into an apartment. The extent of these shares differs according to the respective cooperative. Some cooperatives even pay out dividends. However, one thing remains certain: Upon leaving a cooperative, the shares are paid out to you. And by the way, there are no such things as deposits or commissions in the case of cooperatives.

How does the right of co-determination actually work?

A cooperative is a legal entity characterised by self-administration. In principle, every member has a vote with which he or she can influence the business activities of the cooperative at the annual shareholders meeting. In larger cooperatives, however, this task is realised by the assembly of representatives. The business activities of a cooperative are managed by the board of management, which in turn is supervised by the supervisory board that is made up exclusively of members of the cooperative.

What services do cooperatives offer?

Cooperatives do more than just provide a good apartment. They also ensure a pleasant residential environment. A few examples: Many cooperatives provide shared facilities, such as function rooms, operate concierge services, assist their more elderly members in day-to-day life and organise children's events during school holidays. Joint festivals held for residents strengthen neighbourhood ties. And cooperatives are also service-oriented when it comes to administration: If you ever have to report damage, you can talk directly with trained staff on site, instead of having to call some anonymous hotline.

