

## Introduction

Magdeburg, the capital city of Saxony-Anhalt Land based in east-central of Germany is set to become one of Germany's key emerging cities. With the help of Intel's 17 billion Euro investment to build two new chip factories in the city, over 7,000 construction jobs are projected over the course of the build as well as 3,000 permanent high-tech jobs at Intel. Exciting times indeed for the city!



## History

Founded in the year 805, Magdeburg first started off as a small trading settlement and is one of the oldest cities in East Germany. Until 1631, Magdeburg was one of the largest and most prosperous German cities and a notable member of the Hanseatic League, until it was destroyed twice in its history.

Situated on the <u>Elbe River</u>, the city boasts a wide variety of art and culture, leisure activities and excellent schools and healthcare. The colorful Magdeburg is not only home to a number of historical sights and landmarks, but also a multitude of modern attractions. The city is particularly known for its cathedral, which is the oldest Gothic structure of Germany.



### **Facts**

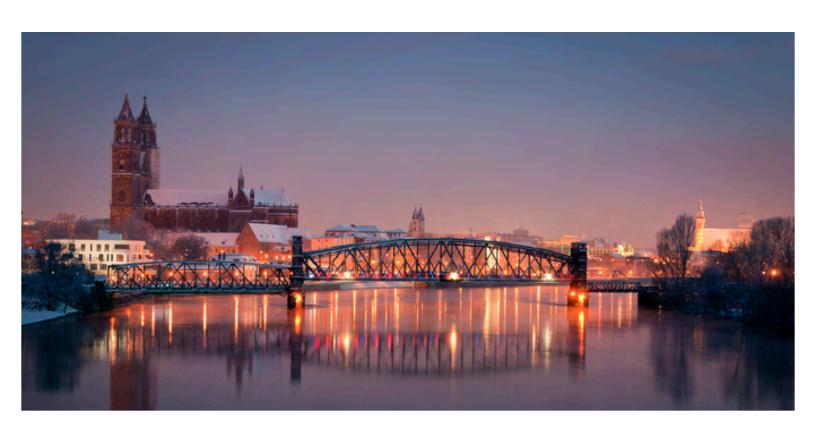
- German is the official language
- Currency used is Euros (EURO)
- Second greenest city and 32nd largest city in Germany
- Also known as the City of Otto, Magdeburg is home to more than 235,000 residents
- 20,000 technical students in Magdeburg
- 7 universities within 100 km of the city
- 56% of land is covered in vegetation, 5.6% in forest, 5% in water, 24.4% in settlement and the remaining are farms
- 90% of the population are Germans with the remaining 10% being foreigners
- The average household size is 1.8
- The city is situated on a hill and has no flood risk



## Weather

In Magdeburg, the summers are comfortable, partly cloudy and last for about 3.5 months with the average daily high of 20°C. Over the course of the year, the temperature typically varies from -1°C to 24°C.

Winters are snowy and windy from November to March with an average daily high temperature below 1C. The coldest month of the year is January, with an average low of -2°C and highs of 3°C. Average snowfall is 87 inches per year. Months with snowfall are November through April, with January being the highest snowfall month.



## Housing

Magdeburg is one of the top 20 German districts with the largest rental apartment markets at 74.5%. Rental homes and apartments have good availability as inventory is above average on a nationwide comparison. Although rents are expected to rise over the next 12-24 months, Magdeburg lies outside a metropolitan region and therefore, rents are ~25% lower than average German rent.

Top residential areas include Hegelstraße, Humboldtstraße and Margaretenhof, which are located in the Stadtfeld-OST district, right along the Elbe. Properties on the East/west bank of the Werder reach the highest rents. Alternative areas outside the city include Buckau, Herrenkrug, Neustadter platz, and Westring.

Magdeburg is a city with an upward perspective and increasing demand for residential and commercial space means growth of the city is set to continue for the next few years.

## Housing

Depending on location, size and the quality of the accommodation, average apartment rental prices in the city are:

- 1-bedroom apartment (city center): 381.25 EUR and 284.00 EUR (suburbs)

- 2-bedroom apartment (city center): 484.85 EUR and 398.00 EUR (suburbs)

- 3-bedroom apartment (city center): 930.00 EUR and 610.00 EUR (suburbs)

There are no restrictions to foreigners or non-residents buying property in Germany.



## Rental Market

Rents and leases are secured through a property management company, realtor, or landlord representing the property.

In Germany, it is common for apartments to be rented unfurnished, without a kitchen or appliances. However, in recent years, partially furnished apartments with kitchen and appliances are more frequently coming to market, although, these are in high-demand and tend to be more costly. Renters need to be financially prepared to fully kit out an unfurnished house (kitchen units and appliances) as well as home furnishings.

Security deposit equivalent to three months rent is standard (Kaution) plus one month's rent (Miete) are payable upfront upon signing the lease documents. A German bank account is typically a requirement in order to transfer the rent to Landlord.



### Rental Market

#### Useful Rental Terminology (German/English)

**Vermieter** – Landlord: The owner of the apartment.

**Zimmer** – Room: Pretty straight forward.

Altbau – Old flat: Usually means high ceilings. Make sure it is renovated though.

**GEZ** – Everybody in Germany has to pay this monthly fee to support ARD, ZDF, etc., which are like the German BBC.

**Anmeldung** – Registration: Once you have signed the contract you need to go to the Bürgeramt and do your Anmeldung.

**Kaltmiete** – Basic rent: The rent you have to pay just for the apartment (not including heating and water).

Balkon – Balcony: Great for having BBQs in summer

**EBK or Einbauküche** – Fitted Kitchen: Minimum a cooker and sink already installed.

**Hauptmieter** – Main Tenant: The person who signed the original contract with the Vermieter, especially when you live in a WG.

Altbauwohnungen – High ceilings

**Keller** – Basement: Make sure to check that the Keller is trocken, which means dry, so you can store stuff there without them getting moldy.

**Makler** – Real Estate Agent: The person who will show you around and the most important person you have to impress in order to get your dream flat.

**Maklergebühr** – Brokerage Fee: If you want to rent an apartment you don't need to worry about this. The Vermieter will pay this fee. If you are looking to buy it will be you who has to pay the fee, which is capped at 7,14% in Berlin.

Mieter – Tenant: This is hopefully you

**Mietschuldenfreiheit** – Trusted tenant reference: No translation for this, but this is the letter you ask you previous landlord to give you that states that you have paid all your rent in the past.

### Rental Market

#### Useful Rental Terminology (German/English)

**Renoviert** – Renovated: Usually most places have been renovated in the last 20-40 years, but still some flats that are Renovierungsbedürftig are still to rent.

**Renovierungsbedürftig** – Need for renovation: Make sure to check those apartments thoroughly before moving in in order to avoid problems afterwards.

**Untervermietet** – Sublet: You are not the main tenant and have fewer rights. Be careful with those kind of flats.

**Warmmiete** – Rent including heating: Includes all other fees such as heating and water.

WG or Wohngemeinschaft – Shared Flat: Living with usually 1-4 other people.

**Wohnberechtigungsschein** – Access to cheaper rentals: No translation for this, but if you are earning little to no money you might be eligible to apply for a Wohnberechtigungsschein.

**Wohnfläche** – Living space: The space of your apartment for living. Balconies count 1/4 of their size on top of the Wohnfläche.

### Rental Guide

1990, after the reunification of Germany, Magdeburg became the capital and second-largest city in the German State of Saxony-Anhalt. It is situated on the Elbe River.

#### Overview on:

- Districts
- Rent index
- Recommendations

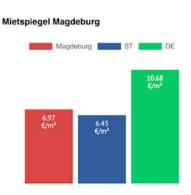
The city of Magdeburg is divided into 40 districts. The top residential locations in Magdeburg are in the Stadtfeld district around Goethestraße and generally near the Elbe River. Properties on Werder, on the East and West banks, are among the top addresses in the city. 13 percent of Magdeburg's city area consists of gardens and parks. This makes it one of the greenest cities in Germany.



Magdeburg is an attractive business location with optimal transport connections, highly developed commercial areas and profitable cooperations between business and science. In the current rental price ranking, Magdeburg ranks 2,892 out of 5,339 cities included to be the most expensive city in Germany... so, in the grand scheme of German rentals, Magdeburg is not one of the more expensive cities to live in!

The graphic is showing the 2022
Magdeburg rent index compared to other cities in Germany. Average tenants pay 7,57 EUR per m2 in Magdeburg.
Looking at around 757 EUR cold rent for a 100 m2 apartment.

m²	Magdeburg	ST	DE
30m²	7,39 €	7,36 €	13,92 €
60m²	6,70 €	6,09 €	9,71 €
100m²	7,57 €	6,90 €	10,76 €



Since each apartment differs in year of construction, residential location and equipment, this index is not a basis for the exact calculation of the rent per m2, but serves only as a guide.

## Rental Guide

Commuting times from the city center to the future Intel plant, located in the south of Magdeburg:

- 25-30 minutes by public transportation
- 15 minutes by car
- 25-30 minutes by bike

Areas in the south of Magdeburg, closer to the new Intel factory will be slightly cheaper to rent out:

- Ottersleben
- Hopfengarten
- Sudenburg

Since the commuting time from the center of the city is relatively short, it is recommended to look for apartments in more lively neighborhoods with better infrastructure, shopping opportunities, entertainment and sports clubs nearby:

- Old town around Hasselbach Square (younger people, more lively with bars and nightlife).
- Stadtfeld, alte Neustadt (for families).

Rent index with average m2 prices of all the important districts within Magdeburg:

Based on the average m2 prices and depending on location, size and the quality of the accommodation, average apartment rental prices in the city are:

Stadtteil	€/ m²	Stadtteil	€/ m²				
Werder	8,71 €	Lemsdorf	6,72 €				
Buckau	8,21 €	Sudenburg	6,70 €				
Rothensee Altstadt Ottersleben	8,17 € 8,11 € 7,51 €	Leipziger Str Cracau Westerhüsen	6,68 € 6,58 € 6,37 €				
				Stadtfeld Ost	7,21 €	Neue Neustadt	6,28 €
				Alte Neustadt	7,14 €	Reform	6,27 €
Herrenkrug	6,94 €	Salbke	6,26 €				
Hopfengarten	6,87 €	Neustädter See	6,22 €				
Nordwest	6,85 €	Fermersleben	6,20 €				
Stadtfeld West	6,84 €	Neustädter Feld	6,19 €				
Brückfeld	6,82 €	Kannenstieg	6,18 €				

- 1-bedroom apartment

(city center): 400 EUR unfurnished / 450 EUR partly furnished (suburbs): 340 EUR unfurnished / 370 EUR partly furnished

- 2-bedroom apartment

(city center): 580 EUR unfurnished / 630 EUR partly furnished (suburbs): 530 EUR unfurnished / 560 EUR partly furnished

- 3-bedroom apartment

(city center): 780 EUR unfurnished / 830 EUR partly furnished

## Utilities and telecommunication

Basic utilities such as electricity, heating, cooling, water and garbage for an 65 m2 flat cost under €200 per month (~€185). Utilities providers in Magdeburg include Städtischen Werke Magdeburg, MHKW Rothensee and Teleconcept.

Telekom, Vodafone, 1&1 and O2 are the bigger providers for mobile phones in this city. It is worth considering between a prepaid option and a flat rate contract, depending on your usage.

The local network provider MDCC, operates several hotspots distributed throughout the city, where free WiFi is provided for a maximum of 6 hours a day. A complete list of all hotspots and the conditions of participation can be found <a href="here">here</a>.

For TV and internet, the major providers such as <u>Deutsche</u> <u>Telekom</u>, <u>Vodafone</u>, <u>1&1</u> and <u>O2</u>, as well as <u>MDCC</u> are available in Magdeburg. Each service provider offers a range of tariffs for you to choose from, with a wide range of TV and internet contracts as well as various combinations of these and a landline.

### Education

Germany ranks high globally in terms of education. The Federal Ministry of Education and Research is responsible for the overall German education system. This system consists of pre-school, primary, secondary, and tertiary education. Full-time schooling is compulsory at primary and continuing levels for all children aged six to 15. However, German education generally lasts until the age of 18.

German is the main language spoken in schools unless the school is international or multilingual.

In Magdeburg, children from the age of one have a statutory entitlement to the care and support of a childminder or nursery (Kita), meaning that until they start school, children have an unrestricted right to supportive day-care.

Schools start in August or September and children start school when they are 6 or 7 years old in Saxony-Anhalt (the State where Magdeburg is located). If a child was born between July 1 and August 31, then the parent can decide on sending their child at age 6 or wait until the following year and start at age 7. If a child wishes to start school a year early, then an application must be made to the education office (Schultamt).

## Education

Children attend four years of primary school where they are taught basic German, mathematics and a variety of other subjects. Afterwards different types of school (comprehensive, secondary or grammar) offer different graduation paths in continuing education.

International schools in Magdeburg include a trilingual nursery, a trilingual international primary school and an international grammar school, where native speakers teach and care for the children in several languages and pursue an international, intercultural approach to learning. Some of the subjects in these schools are taught in English with additional emphasis on this language at primary levels.

Students with special educational needs (SEN) may be taught in mainstream schools with additional support or in specialist schools called *Sonderschulen* or *Förderschulen*. The type of education an SEN student receives will depend on their level of disability or need as well as what facilities are available in that German State. You can find support and information for families with children with disabilities in Germany on the Intakt website.

### Education

The state runs most German schools and they are free to attend. Denominational schools charge little or no school fees (~50 to 100 euros per month). However, parents can also opt for one of the many fee-paying private or international schools, which cost up to several thousands euros per month.

To attend school, eligibility for school year and type (for continuing education) must be assessed and the child has to be registered, typically on or before March 1 of the academic year, or on a case-by-case basis.

Depending on schools, the documents required for school registration include:

- Passport
- Residence permit
- Proof of correspondence address
- Proof of health insurance
- Information on German language abilities
- School reports (if applicable)
- Medical report from the city's health department

# Shopping

The Allee-Center lies in the heart of downtown Magdeburg and with over 150 shops offers a perfect blend of retail, service and restaurants. Freshly prepared food and appetising specials are served in the large dining area on the ground floor. Across the street, another shopping centre, Ulrichshaus, provides a collection of fine shops and retailers.

The Breiter Weg, Magdeburg's High Street, offers a large variety of shopping facilities. The high street runs for 2.2 km and is lined by many historical buildings such as the main post office which was erected in late Dutch Gothic and German Renaissance style as well as the Old Market with its old Town Hall.

The City Carré is located in the heart of the city and offers a vast range and diverse selection of shops, many nearby restaurants as well as a large 9-screen cinema complex.

Magdeburg has a wide variety of weekly markets. The city's most centrally located market is at the Old Market (Alter Markt) in front of the newly restored Old Town Hall.

## Local Registration

There are two official formalities to take note of when moving to Magdeburg. First, is registering at the citizens' registration office for individuals staying in Magdeburg for longer than three months and moving into a flat in Magdeburg. Second, registering at the Foreigners' Registration Office for non-EU citizens and those who come from abroad.

Individuals staying in Magdeburg for more than three months are obliged to register their residence addresses (Anmeldung) with the local citizens' office (Bürgeramt) within the first two weeks of moving into Germany. The temporary housing address is typically utilized in this process. An in-person visit to the Citizens' Office is required. The documents to bring along for this visit according to the official website (Magdeburg.de) are as follow:

- Original passport, ID card (electronic residence permit if available or fictional certificate)
- Original landlord certificate (Wohnungsgeberbestätigung)
- EU/EEA citizens should bring one photo suitable for biometrics

## Local Registration

In some instances, the submission of further documents may be necessary, e.g., certificate of enrollment or letter of admission, European Health Insurance Card (EHIC) and credibility of sufficient means of subsistence (Shufta).

The Anmeldung registration of residential address is free of charge, however, it is important to note, fines of 1,000 EUR may be imposed if registration is not completed within two weeks of moving into permanent residence.

## Getting Round - transport network

Magdeburg is a compact city and it is easy to travel around with options like bus, trams and bikes, in addition to cars.

Magdeburger Verkehrsbetriebe is the local public transport company and operates a 138-kilometer track network, with 10 tram lines and 15 city bus lines. Buses and trams operate around the clock, and tickets can be bought at machines in the trams and buses, at tram and bus stops, or at one of the various MVB kiosks.

Magdeburg is a very bike-friendly place with its wide green streets. Over the years, cycling has been one of the more popular forms of commute in this city as it offers a clean and quiet way to travel. There are several dealers offering both bike purchase or rental options in the city.



# Getting Round - transport network

Driving is definitely one of the options to move around the city. However, with the city's efforts to be responsible to the environment, most people prefer to stick to the public transport or their bikes. Car sharing is a good option for non-car owners who need one when the situation arises. There are several car sharing companies in the city and these include teilAuto and flinkster. Payment for parking has recently been made convenient by having the option to pay via a text message from your mobile. Information is available from the ticket machine.

Traveling in and out of Magdeburg is easy. Magdeburg Hauptbahnof is the main train station in the city centre, where commuters can travel to and from Berlin, Wittenberg, Leipzig, Braunschweig and Thale. By car, this city is connected to the state roadways A2 and A14.

# Distances from Magdeburg

#### Leipzig:

101.4 km / 63 mi

#### Berlin:

128.2 km / 79.6 mi

#### Hanover:

132.1 km / 82.1 mi

#### Dresden:

188 km / 116.8 mi

#### Hamburg:

192.8 km / 119.8 mi

#### Lubeck:

203.3 km / 126.3 mi

#### Ostholstein:

231.9 km / 144.1 mi



## Driver license conversion

EU/EEA citizens can continue to use their driving license without issue, even if they live in Germany for an extended period. However, it is advisable to replace one's license with its German equivalent. The Citizens' Office can help arrange this.

Citizens of non-EU/EEA states can continue to use their own driving license for up to six months after registering in Magdeburg. If they stay longer than this, they must apply for a German license (Führerschein) via the Citizens' Office (depending on country and even US State of origin, the process of obtaining a new license can be either one of simple paperwork or one where a written and / or driving test is required).

The cost of a driving license in Germany ranges from 1,500 EUR to 3,000 EUR, with the average of 2,182 EUR.

There are 31 driving schools in Magdeburg.

## Banking

Foreigners can open a bank account in Germany. However, options differ depending on their country of origin. To open a bank account in Germany without Anmeldung, you'll generally need to use a direct bank or a bank-like online service.

Documents required to open an account include:

- Passport
- Card issued as part of the Anmeldung process (Meldebescheinigung),
- Payslip statement

Most banks are privately owned, so belong either to individuals or institutional investors. Savings banks, on the other hand, belong to the local authority and serve its local citizens. In other words, they are publicly owned.

#### Main banks in Magdeburg include:

- Stadtsparkasse Magdeburg
- Deutsche Bank
- Commerzbank
- Postbank
- <u>HypoVereins Bank</u>
- Targo Bank

## Covid restrictions

For travelers entering Magdeburg, please refer to the official <u>Federal Ministry of Health</u> website for the most updated protocols to follow.

