

# Residential Life Beyond the Metropolis.

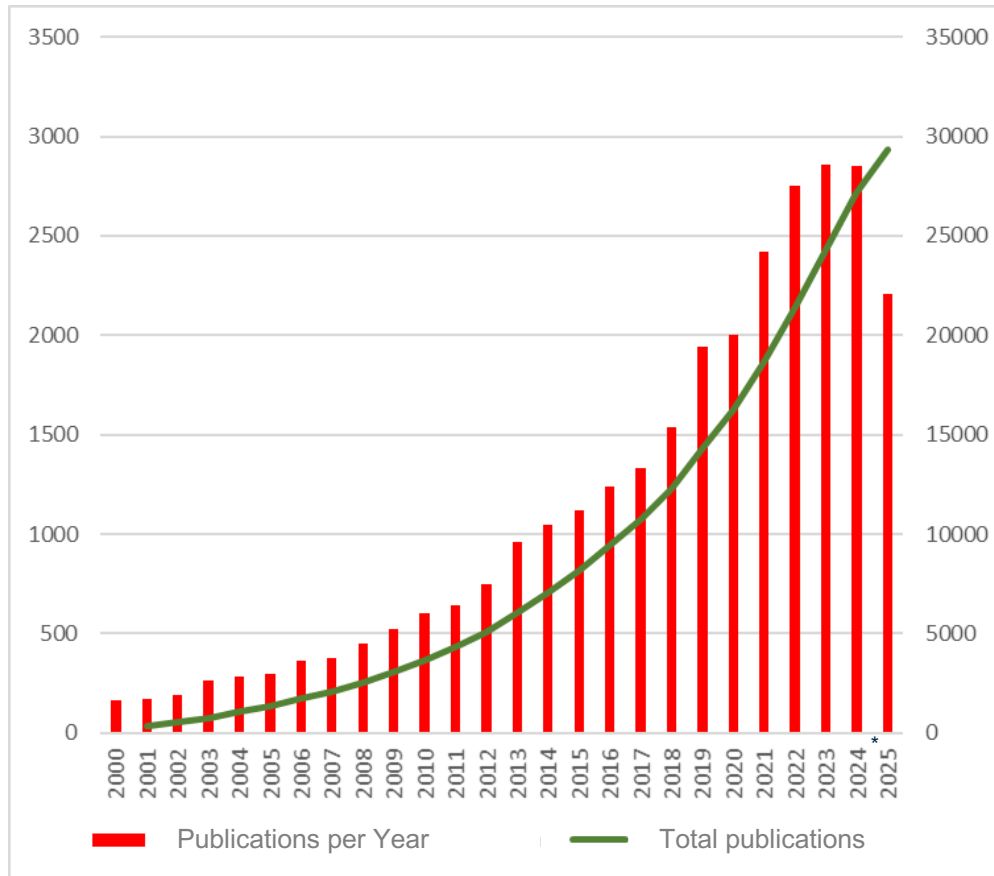
## A Geographical Overview of Housing Structures and Trends in Germany's Small Towns

European Lecture Series: Small Towns in Focus. Multi-Dimensional Perspectives on Today's Challenges  
10<sup>th</sup> November 2025

# Small and medium-sized towns as a new field of inquiry?

## Publications from 2000 to 2025\* on GoogleScholar

„small and medium-sized towns“ OR „small and medium-sized cities“ OR „Klein- und Mittelstädte“



\*2025 until Oktober 7

Akademie für Raumplanung in der Leibniz-Gemeinschaft (2019): Small Town Research in Germany. Status Quo and Recommendations. Position Paper of the ARL 114. Hannover: ARL.  
Wagner, M./Growe, A. (2021): Research on Small and Medium-Sized Towns: Framing a New Field of Inquiry. In: World, 2(1), 105-125. Doi: 10.3390/world2010008.

## Literature Review: Small and Medium-Sized Towns

Main Research Fields (Wagner/Growe 2021: 112):

- Issues of **economic development** in small and medium-sized towns (general economic development, development of the creative and cultural industries, and the effects of these developments on spatial planning hierarchies)
- Studies on **sociodemographic development** of small and medium-sized towns
- Research on **climate-friendly urban development and sustainability**, particularly with regard to urban design and the improved use of public transport
- **Politics, governance and definition** of small and medium-sized towns in international comparison

„perception gap of spatial research“ (ARL 2019: 4)

→ Open questions: housing structure and trends of residential lives

# Small and medium-sized towns in politics and planning



Hauptnavigation



[https://www.bmwsb.bund.de/DE/raum-und-region/europaeische-raumentwicklung/kleinstaedte-deutschland/kleinstaedte-deutschland\\_node.html](https://www.bmwsb.bund.de/DE/raum-und-region/europaeische-raumentwicklung/kleinstaedte-deutschland/kleinstaedte-deutschland_node.html)

## Initiative Kleinstädte in Deutschland

*Kleinstädte bieten Menschen attraktive Orte zum Wohnen, Leben, Arbeiten und Erholen.*



Lecture Series  
„Small Town Talks“



## Gemeinsam für starke Kleinstädte

**Die Kleinstadt Akademie** — Anlaufstelle für Unterstützung und Vernetzung deutscher Kleinstädte.

<https://kleinstadtakademie.de/>

„The Small Town Academy is the **national coordination platform for Germany's approximately 2,100 small towns**. We promote the exchange of knowledge and experience among small towns facing similar challenges. We connect decision-makers from small towns with experts on various urban development topics. And we advocate for **giving small towns and their concerns greater weight** in political, scientific, and public discourse.“  
(Kleinstadtakademie, o.A., translated by the author)

# Small and medium-sized towns in politics and planning

- International Working Group (2020): **Small towns and metropolitan cores: towards cooperation? A European perspective**
- Ad-hoc-Working Group (2018): **Small Towns Research**
- Working Group (2023): **Housing in Small Towns: Real Estate Markets, Segregation Patterns, and Housing Practices**

„The research field housing in small towns is characterized by the problem-oriented discourse of practitioners. They draw **attention to selective problems**, as well as to little examined myths about the features of small towns – such as historically evolved (idyllic) building structures and specific forms of housing and quality of life. [...] At the same time, **knowledge about the differentiation of real estate and housing markets as well as about housing demand and trends is selective**. The blind spots are particularly large with regard to socio-spatial development, social inequalities and social cohesion, as well as on neighbourhood development outside the centres of the small towns.“ (ARL, 2019: 6)

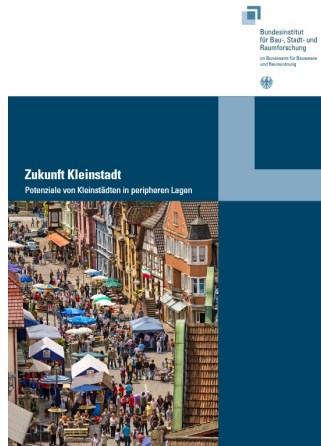


Graduate Research College: The Medium-Sized Town as a Participatory City – Qualitative Change Through New Cultures of Urban Making

# Klein- und Mittelstädte als Thema in Politik und Planung



June 2018



June 2019



June 2019



June 2021

„Small towns have long been considered preferred locations for **owning one's own home**, especially a **single-family or terraced house in a green setting**. Accordingly, the housing stock in small towns is characterized by a **higher proportion of single- and two-family houses** than in medium-sized and large cities.“ (Milbert/Porsche 2021: 24)



July 2022



November 2023



May 2024



September 2025

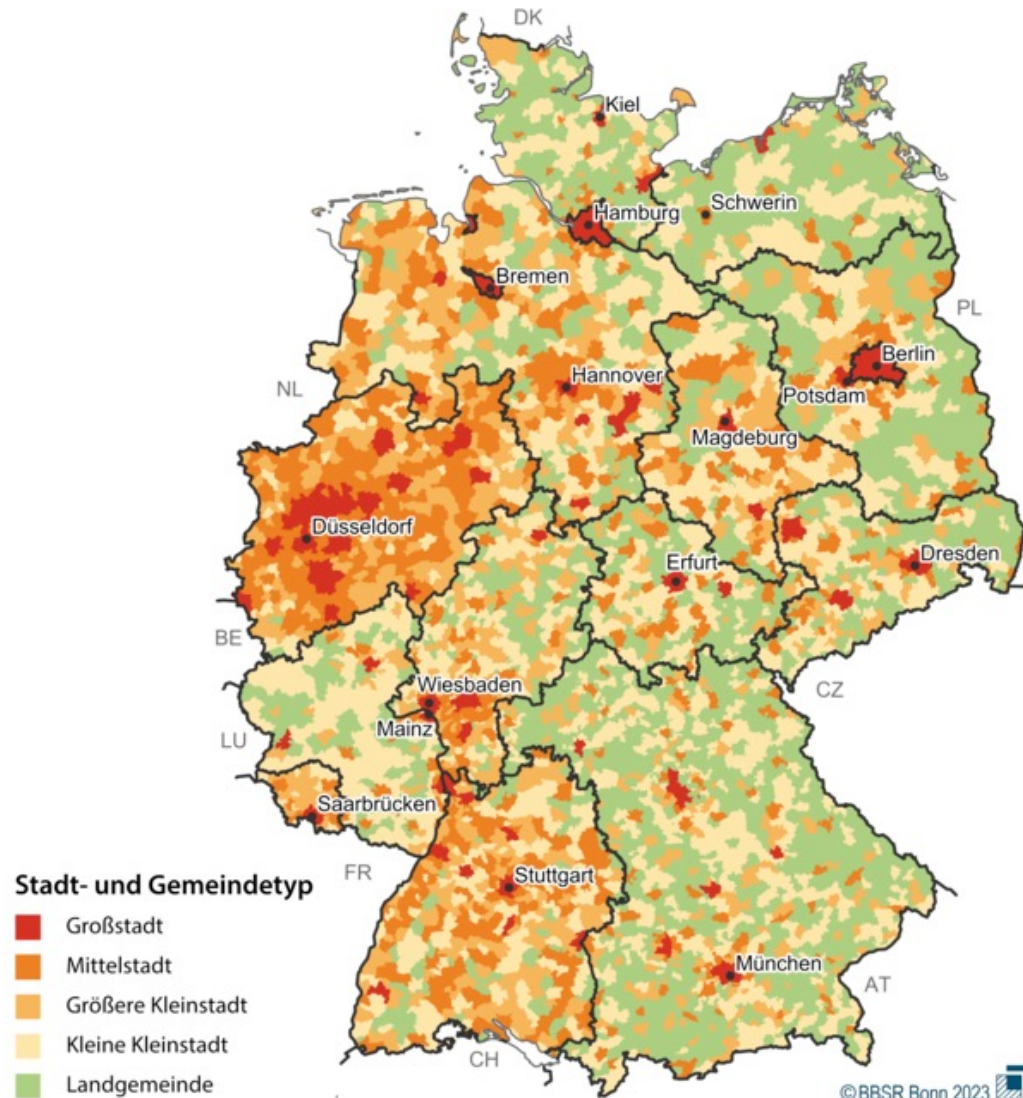
→ Housing in Small Towns

Milbert, A./Porsche, L. (2021): Kleinstädte in Deutschland. Bonn: Bundesamt für Bauwesen und Raumordnung.

# Research Question

- What does the **housing market** in German small towns look like?
- Which **geographical patterns** emerge?
  - To what extent are there **differences in location-specific characteristics** (small towns within large city regions vs. small towns outside metropolitan regions)?
  - Can differences be identified between **smaller and larger small towns**?

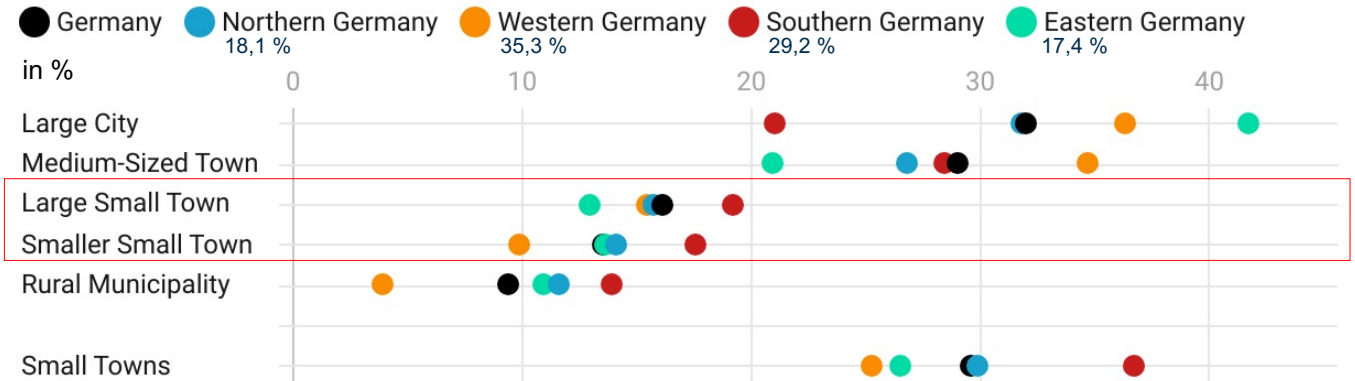
# Small Towns



**„Small Town:** A municipality within a municipal association or a unified municipality with 5,000 to under 20,000 inhabitants, or at least with a basic central function and partial medium-central function. Small towns can be further distinguished into:

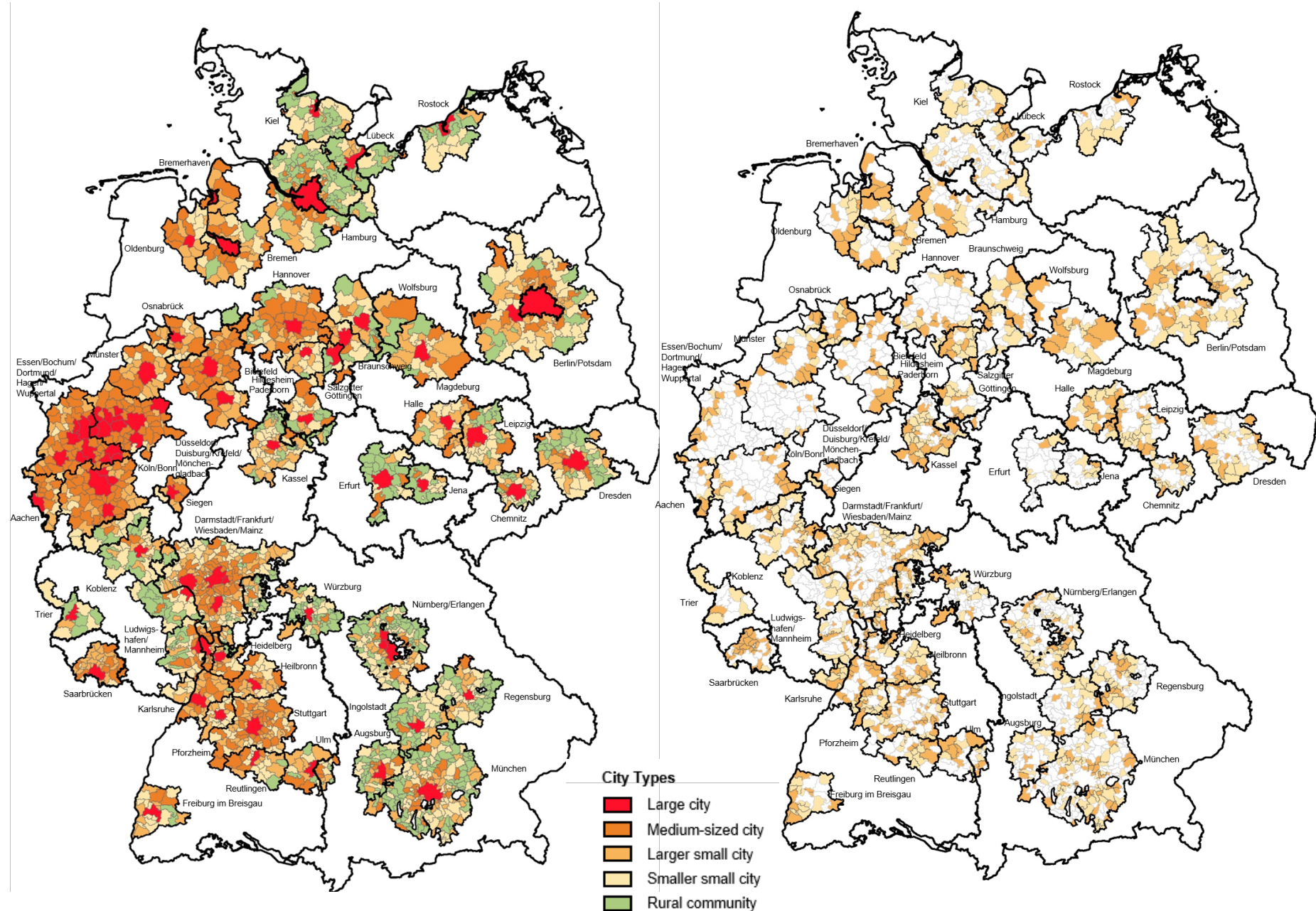
- „Larger Small Towns“ – with at least 10,000 inhabitants in a municipality within a municipal association or a unified municipality (or with upper-central function and fewer than 9,000 inhabitants), and
- „Smaller Small Towns – with fewer than 10,000 inhabitants.“ (BBSR, o.A.)

## Population Distribution in Germany



Data: INKAR, Population Data 2023, Municipalities

# Small and Medium-Sized Towns in Large City Regions



# State of the Art: Housing in Small Towns

- Major research gaps and simplifications: large-city lens (Schenkel & Großmann, 2021)
- Small towns as “specific type of urban settlement to which concepts and theories developed for and in cities are applied” (Steinführer et al., 216: 322)
- **Housing quality and everyday life:**
  - lower density, proximity to nature, affordable land prices, sociality, sense of community, but also limited mobility options, demographic decline
  - Attractive for families but also problems with youth-migration and vacancy issues
- **Housing market:**
  - Older housing stocks, low construction activity, partial vacancy
  - Data availability is fragmentary: most statistics are aggregated at country or regional levels
  - Housing policies and analytical frameworks are often transferred uncritically to small towns

Schenkel, K., & Großmann, K. (2021). Wohnen in Kleinstädten – zwischen Potenzial- und Problemheuristiken. ARL (Hrsg.), *Kompodium Kleinstadtforschung*. S. 235-257.

Steinführer, A., Vaishar, A., & Zapletalová, J. (2016): The Small Town in Rural Areas as an Underresearch Type of Settlement. Editors' Introduction to the Special Issue. *European Countryside*, 4, 322-332.

# State of the Art: Housing in Small Towns

- **Demographic and Mobility Dimensions:**
  - Regional differences: demographic shrinkages in peripheral small towns, growth in those near metropolitan regions?
  - Regional accessibility (commuting, car dependency) influences residential satisfaction and local development
  - Vicious circle: infrastructure loss affects housing attractiveness and vice versa
- **Perceptions and residential motives:**
  - Peace, space and social embeddedness as positive indicators
  - Concerns about job opportunities and social infrastructures
  - Idealized images are rarely supported by empirical evidence (Schenkel & Großmann, 2021)

# Housing in Small Towns: Research Challenges

- **Spatial diversity:** central vs. peripheral small towns face different challenges and developments
- **Conceptual ambiguity:** different definitions and usage of the term “small town”
- **Social inequality and segregation:** under-researched compared to large cities
- **Data scarcity:** lack of longitudinal and micro-scale housing data below the regional level
- **Governance and capacity:** limited planning and financial resources (administrative) → How to deal with it?
- **Housing Market** is under-researched: Owner-occupation dominance → **lock-in effects, low diversity, stigma of multi family-housing** (Schenkel & Großmann, 2021; Schönig, 2020)

## Open Questions

- Structure of **rental providers**, role of private, municipal, cooperative, and non-profit landlords unclear (Kadelke, 2025)
- **Effectiveness of instruments** to ensure affordable, accessible rental housing unknown
- Transparency and **accessibility of rental markets** poorly understood (Schenkel & Großmann, 2021; Steinführer et al., 2018)
- **Geographical patterns of structure of the housing market**

Kadelke, P. (2025): Mietwohnung oder Eigenheim? Soziologie des Wohneigentumsstatus. Beltz Juventa.

Schenkel, K., & Großmann, K. (2021): Wohnen in Kleinstädten – zwischen Potenzial- und Problemheuristiken. In: A. Steinführer, L. Porsche & M. Sondermann (Hrsg.): Kompendium Kleinstadtforschung. Hannover: ARL, 235-237. = Forschungsberichte der ARL 16.

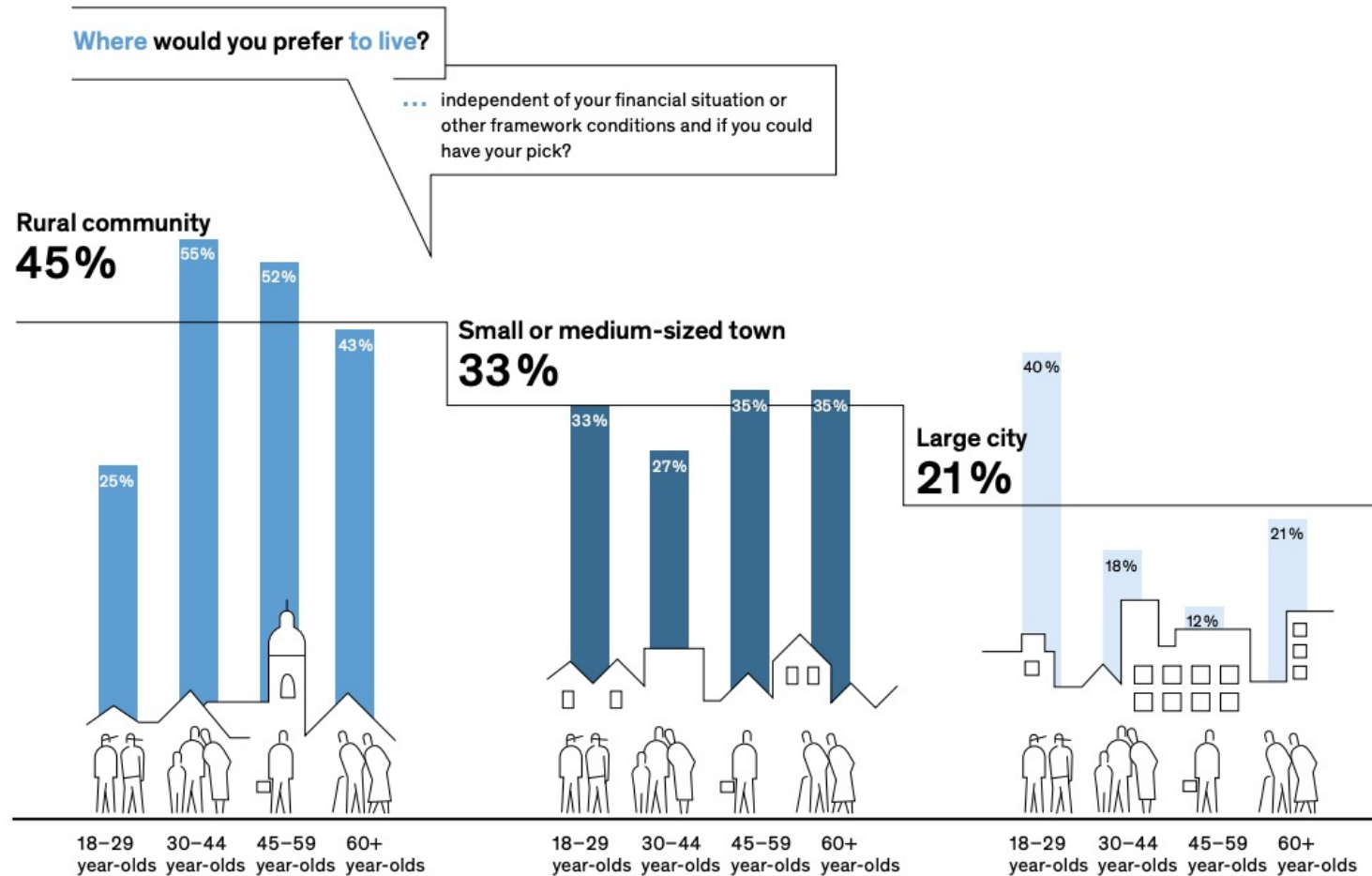
Schönig, B. (2020): Unter dem Radar: Wohnungsfragen abseits der Wachstumsräume in Thüringer Klein- und Mittelstädten. In: B. Schönig & L. Vollmer (Hrsg.): Wohnungsfragen ohne Ende?! Ressourcen für eine soziale Wohnraumversorgung. (S. 207-229). Transcript.

Steinführer, A., Großmann, K., & Schenkel, K. (2018): Wohnen in kleinen Städten. Plädoyer für eine sozialräumliche Perspektive. Informationen zur Raumentwicklung, 6, 65-79

# Residential location decisions

## Preferred residential area

Source: Population survey on Baukultur 2015

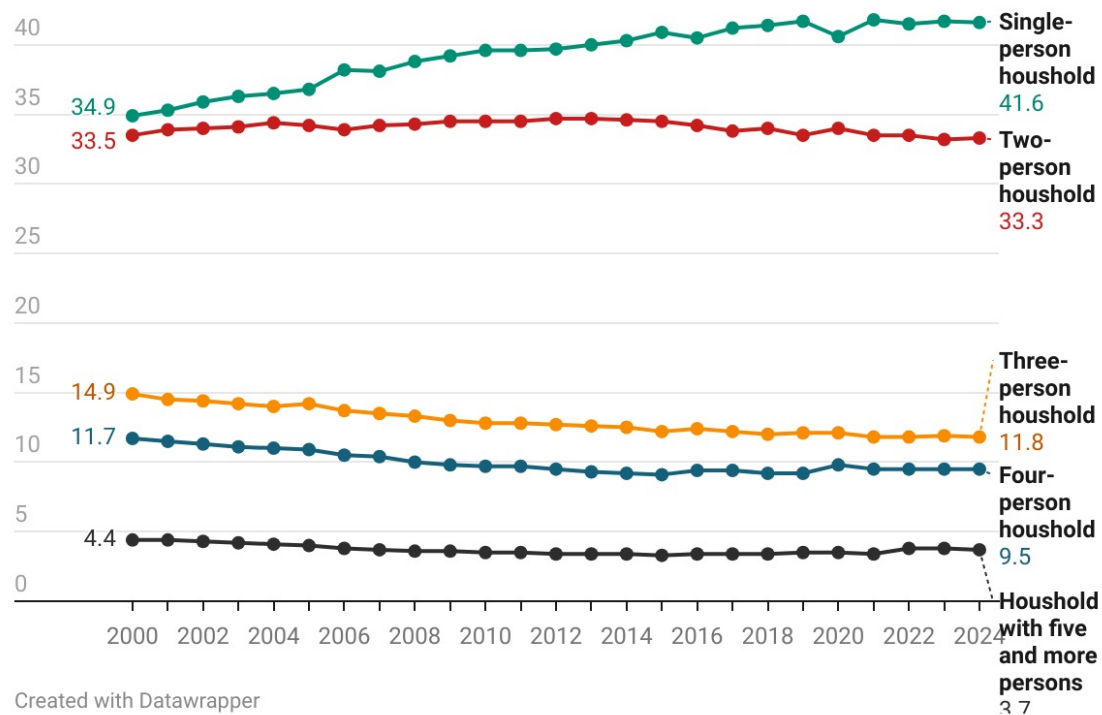


(Baukultur Bundesstiftung, 2016/17: 37)

Baukultur Bundesstiftung (2016/17): Baukultur Report City and Village 2016/17. Federal Foundation of Baukultur.

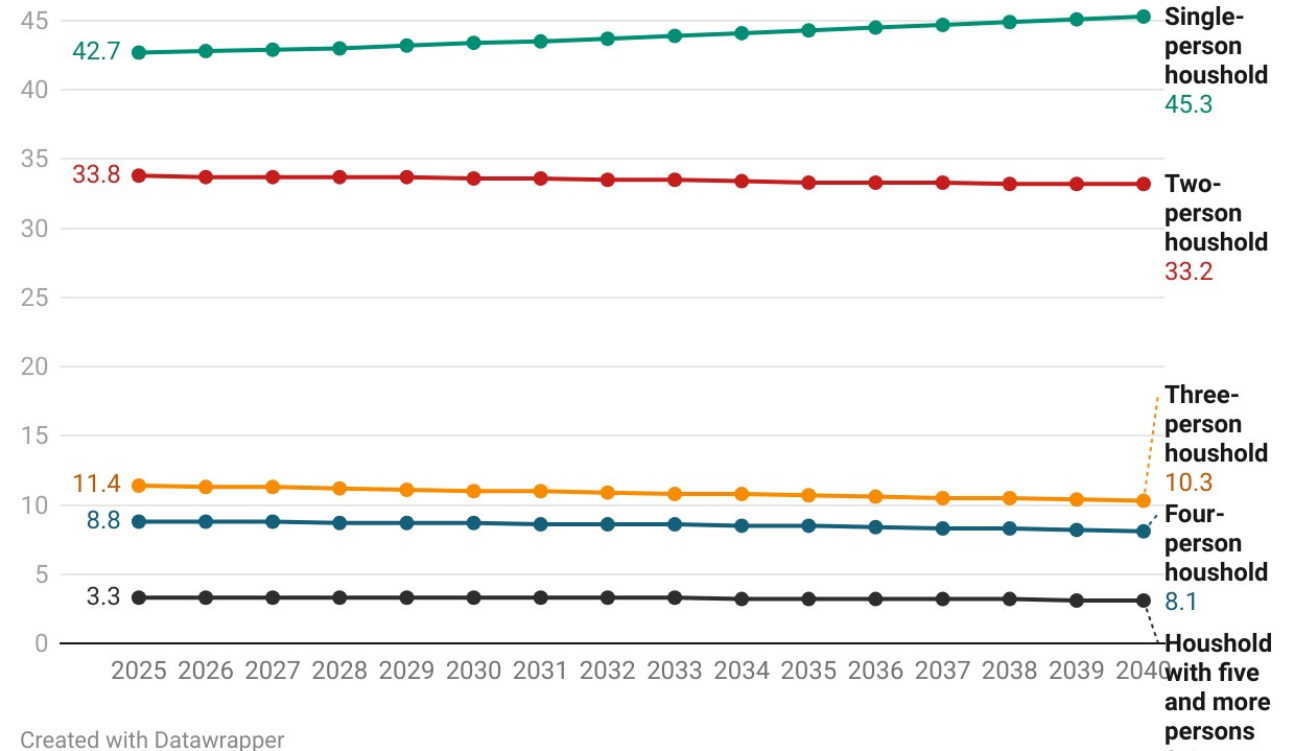
# Changing household sizes in Germany

## Households by household size over time



Data: <https://www.destatis.de/DE/Themen/Gesellschaft-Umwelt/Bevoelkerung/Haushalte-Familien/Tabellen/1-3-privathaushalte-neuer-zeitvergleich.html>, own calculation and diagram

## Forecast: Household sizes in Germany

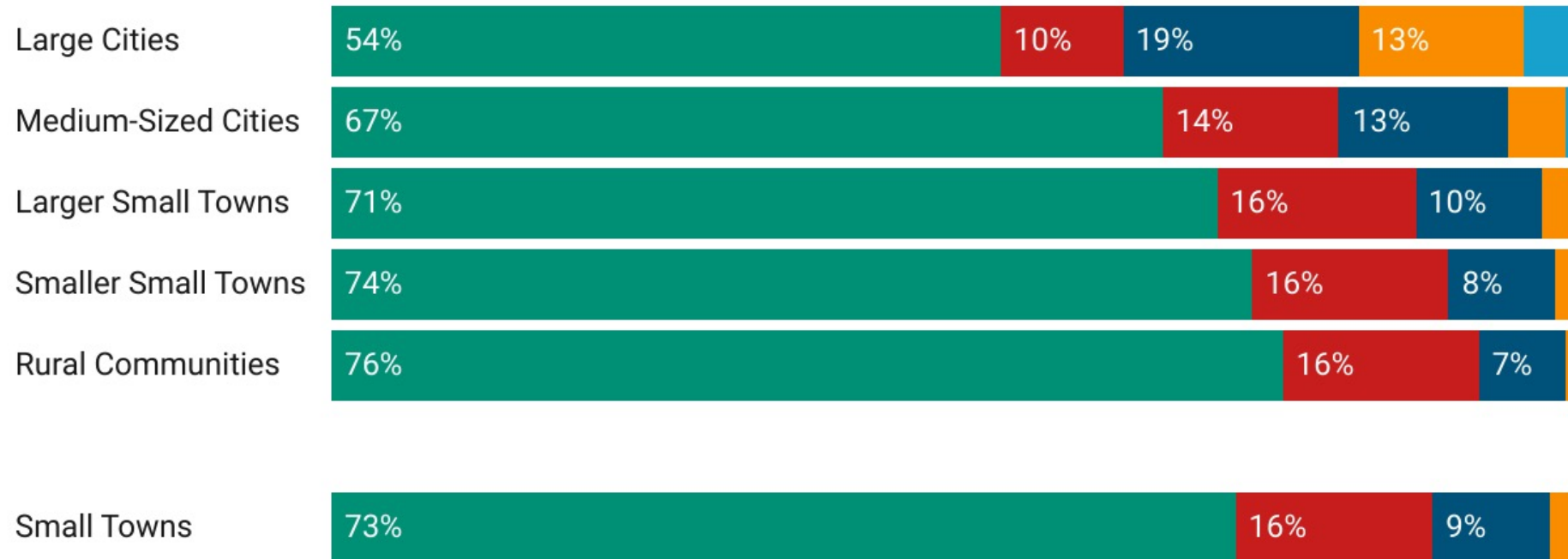


Data: <https://www-genesis.destatis.de/datenbank/online/table/12421-0100/table-toolbar>, own calculation and diagram

# Residential building types across different settlement structures

## Number of apartments in one building

■ 1 ■ 2 ■ 3 to 6 ■ 7 to 12 ■ 13 and more

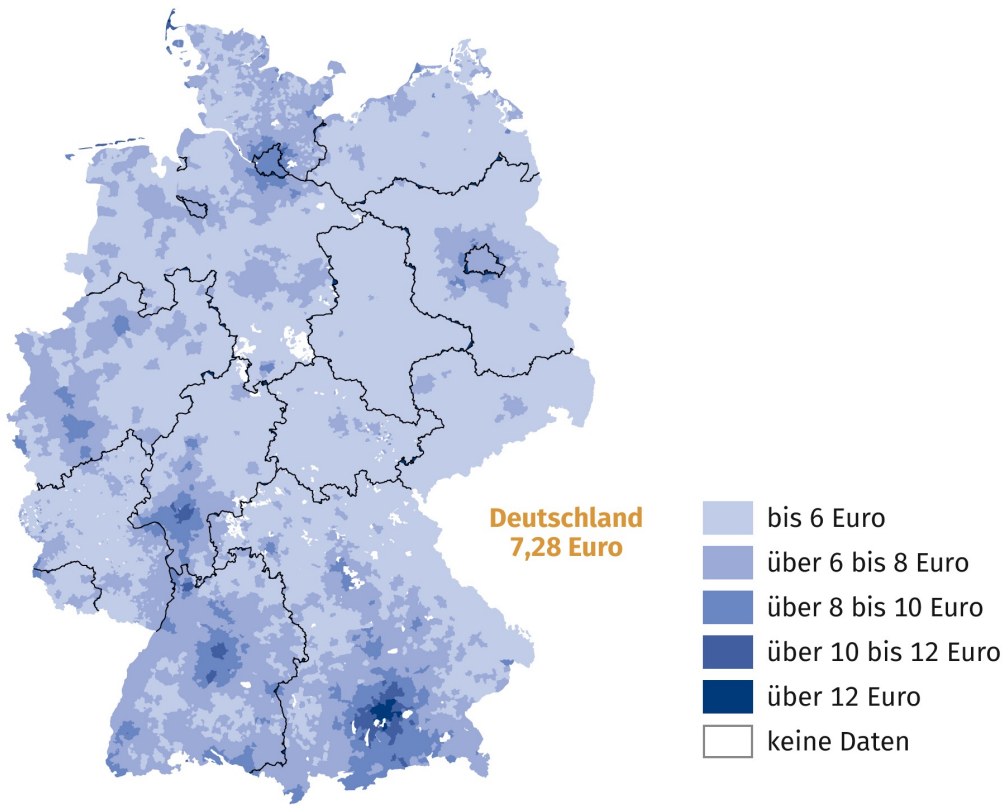


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Data: Zensus 2022, Own calculation and diagram

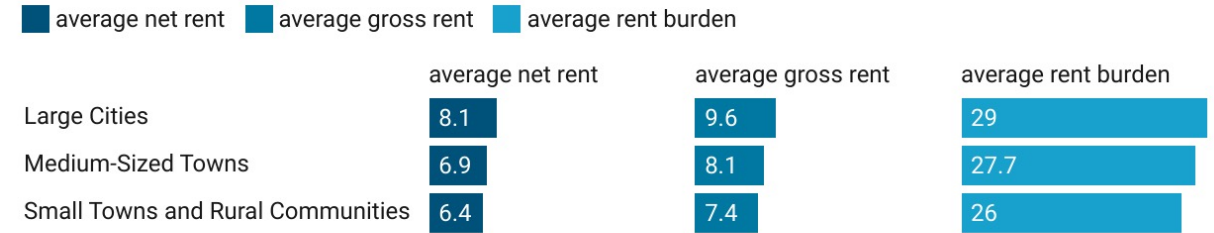
# Rental prices in Germany

## Average net rent per square meter for apartments in residential buildings (excluding dormitories)



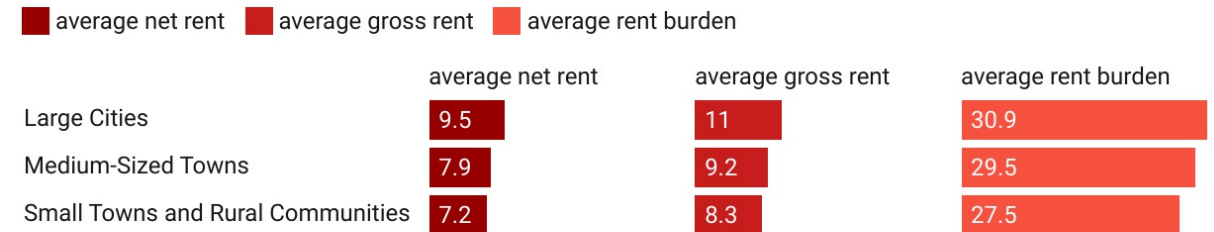
© Statistische Ämter des Bundes und der Länder, 2024

## Rent and rent burden in total



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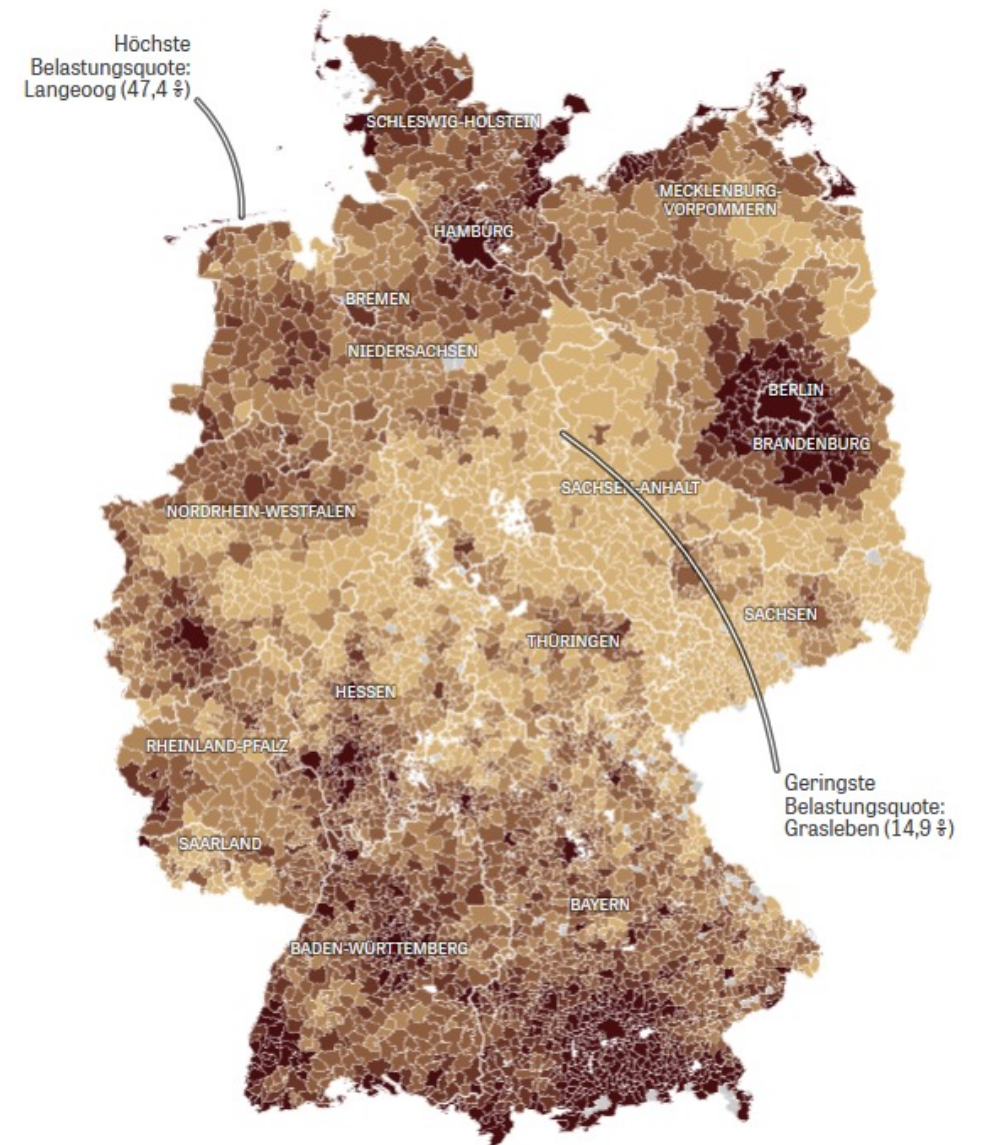
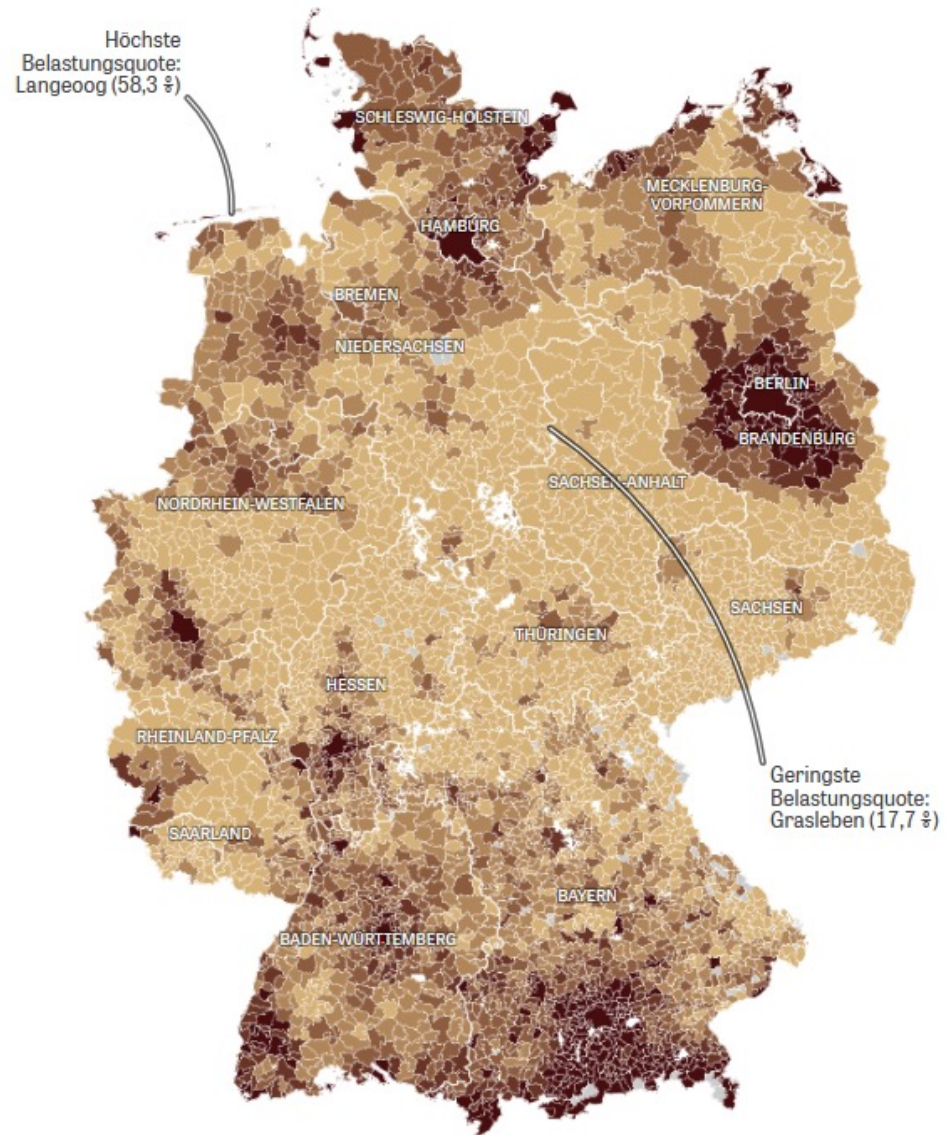
## Rent and rent burden (moved in 2019 or later)



Created with Datawrapper

The rent burden of a household is the proportion of the gross cold rent to the household's net income.

Data: <https://www.destatis.de/DE/Themen/Gesellschaft-Umwelt/Wohnen/Tabellen/tabelle-wo5-mieten-gemeindetyp.html>, own calculation and diagram



<https://www.zeit.de/wirtschaft/2025-10/nettoeinkommen-miete-gemeinde-mietbelastungsquote-vergleich>

Finden Sie Ihre Gemeinde

**Belastungsquote für Singlehaushalte**  
Anteil des Nettoeinkommens für die Warmmiete



Finden Sie Ihre Gemeinde

**Belastungsquote für Vierpersonenhaushalte**  
Anteil des Nettoeinkommens für die Warmmiete



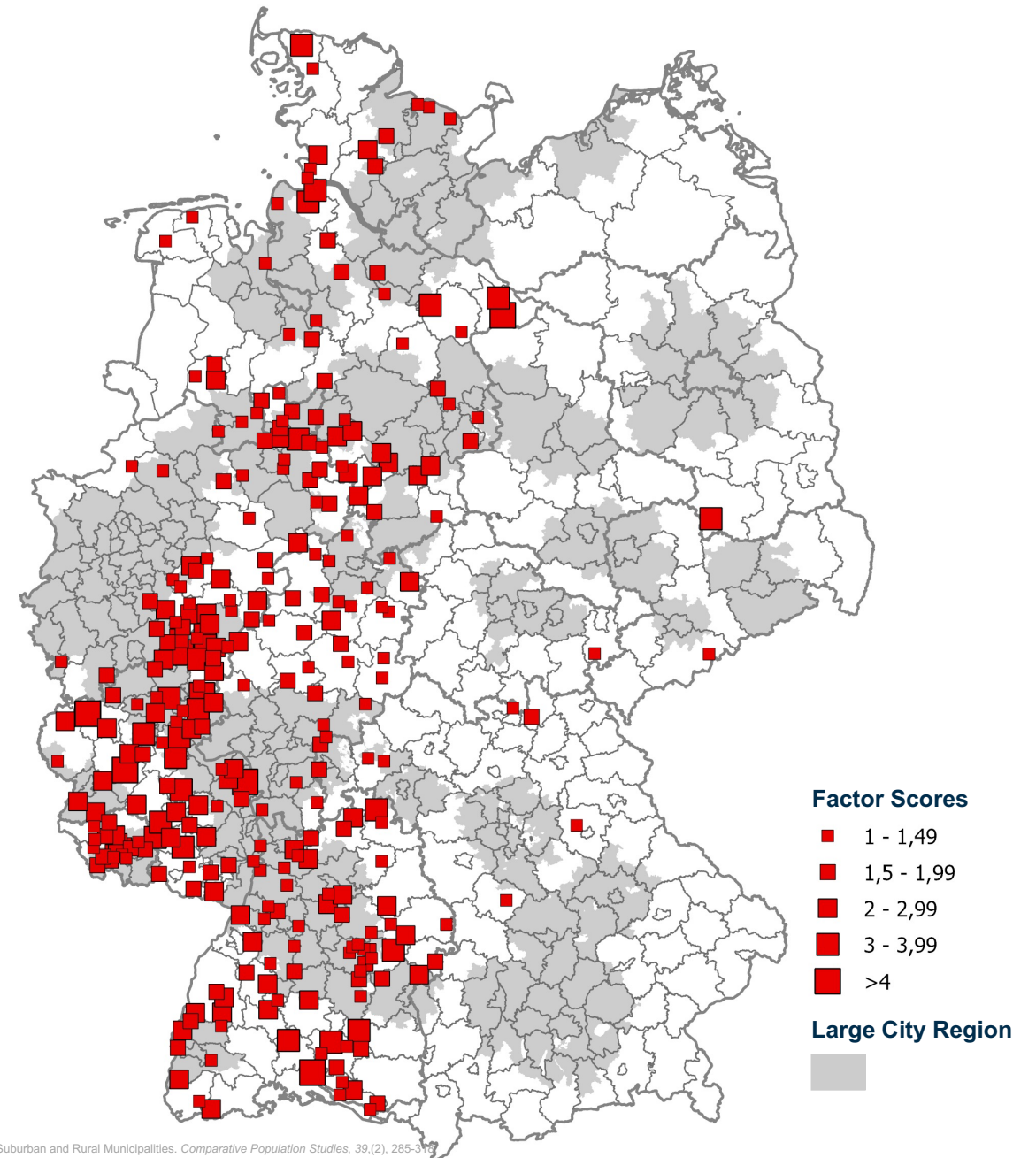
# Method: Structural Principle Component Analysis

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Square Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	7.750	55.355	55.355	7.750	55.355	55.355	4.661	33.295	33.295
2	2.517	17.979	73.333	2.517	17.979	73.333	3.508	25.058	58.353
3	1.059	7.565	80.898	1.059	7.565	80.898	3.156	22.545	80.989
4	0.707	5.049	85.947						
5	0.609	4.393	90.296						
6	0.373	2.661	92.957						
7	0.303	2.164	95.121						
8	0.253	1.807	96.928						
9	0.172	1.232	98.160						
10	0,143	1.023	99.183						
11	0,114	0.817	100.000						
12	0,001	0.000	100.000						
13	0,001	0.000	100.000						
14	0,001	0.000	100.000						

# Component I: Older detached private housing

- Buildings with **one to six** apartments
- Primarily **single-family houses** as the typical residential structure
- Ownership structure: predominantly **private**
- **Regional** focus: Western German Post-war single-family home neighbourhoods (Zakrzewski et al. 2014)
- State **subsidy programs**, loans and grants after World War II: f.ex. Housing Construction Act of 1950, Wohnungsbauprämie
- Aim: ensuring social stability, property ownership and security for private households

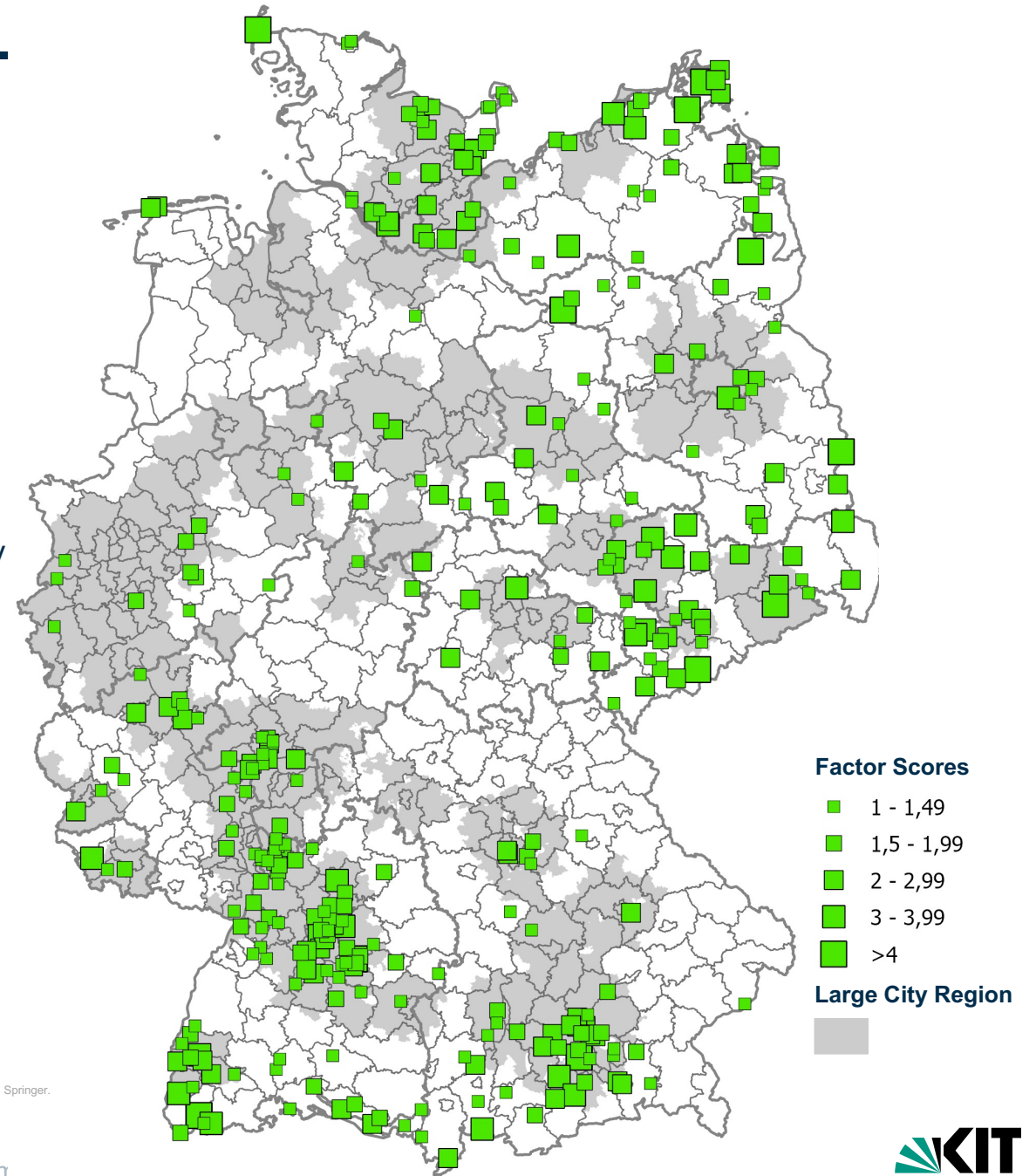
Number of apartments in the building: 2	0,904
Building type: detached	0,819
Building year: before 1919 to 2009	0,817
Ownership type: private	0,772
Building type: other	0,686
Number of apartments in the building: 1	0,683
Number of apartments in the building: 3-6	0,671
Ownership type: other	0,490
Building type: semi-detached	0,332
Building year: 2010-2015	0,273
Building year: from 2016 onwards	0,250
Building type: terraced	0,183
Number of apartments in the building: 7-12	0,002
Number of apartments in the building: 13 or more	-0,047



# Component II: Affordable multi-family housing developments

- **Non-private housing in multi-family buildings**, multi-storey housing (Schenkel & Großmann, 2021)
- Urban areas (western and eastern Germany) and in rural areas (eastern Germany)
- Eastern Germany: Under the socialist system of the GDR, **housing was regarded as a social right**, leading to rapid, low-cost, and standardized construction of residential buildings (Grunze, 2020)
- Small towns in large city regions: higher urbanity and settlement density (Baumgärtner et al. 2018)

Number of apartments in the building: 7-12	0,875
Number of apartments in the building: 13 or more	0,847
Building type: terraced	0,752
Ownership type: other	0,747
Number of apartments in the building: 3-6	0,623
Building type: semi-detached	0,577
Building year: before 1919 to 2009	0,252
Building year: 2010-2015	0,181
Building type: other	0,167
Ownership type: private	0,153
Number of apartments in the building: 1	0,135
Number of apartments in the building: 2	0,102
Building year: from 2016 onwards	0,054
Building type: detached	-0,021

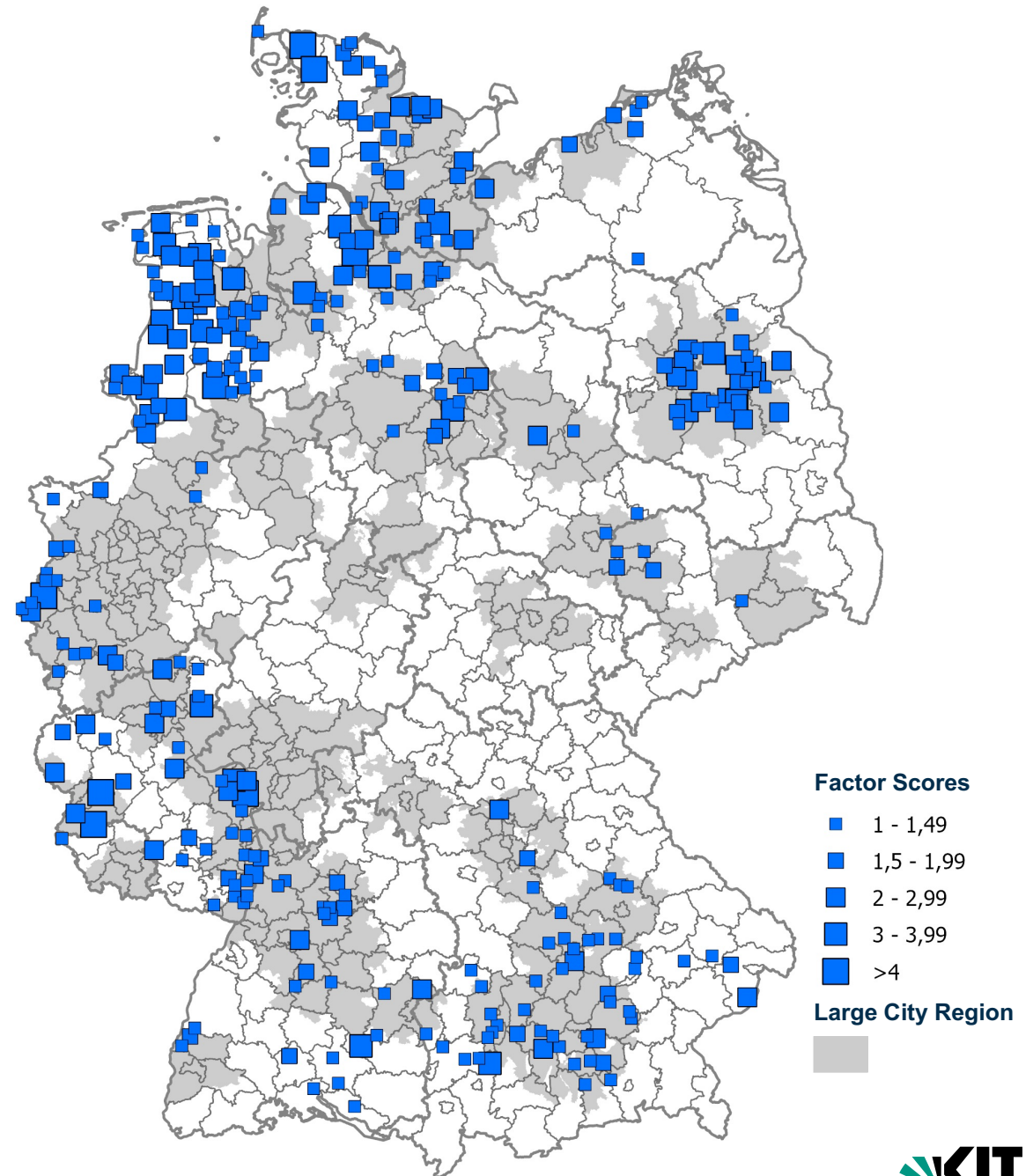


Grunze, N. (2020): Ostdeutsche Großwohnsiedlungen. Zwischen Wohnungsmarktentwicklung und politischen Entscheidungen. In S. Becker & M. Naumann (Hrsg.), *Regionale Entwicklung in Ostdeutschland*. Springer.  
 Schenkel, K., & Großmann, K. (2021). Wohnen in Kleinstädten – zwischen Potenzial- und Problemheuristiken. ARL (Hrsg.), *Kompodium Kleinstadtforschung*. S. 235-257.  
 Baumgärtner, C., Jessen, J., & Willnauer, I. (2018): Große Siedlungen in kleinen Stöden. Wüstenrot Stiftung.

# Component III: Recently developed detached housing

- Residential development in small towns during the **past decade**
- Concentration in suburban and peri-urban zones of major large cities and in **vacation regions** → privately-owned detached housing
- despite high rental prices, strong demand for housing
- Housing demand also in **industrial locations** (e.g., Wolfsburg)

Building year: from 2016 onwards	0,868
Building year: 2010-2015	0,861
Number of apartments in the building: 1	0,660
Ownership type: private	0,582
Building type: detached	0,509
Building year: before 1919 to 2009	0,478
Building type: semi-detached	0,454
Building type: other	0,342
Building type: terraced	0,227
Number of apartments in the building: 2	0,104
Number of apartments in the building: 13 or more	0,082
Ownership type: other	0,061
Number of apartments in the building: 3-6	0,036
Number of apartments in the building: 7-12	-0,013



# More open questions and next steps: focus rental market

- **Spatial distribution and regional disparities:**
  - spatially distribution of housing market → share of **rental housing**
  - role of small towns in **urban-rural housing market continuum**?
- **Economic perspectives:**
  - impact of **regional economic disparities** on rental housing markets
  - relationship between **commuting behaviour** and rental housing demand
  - influence of **socioeconomic characteristics of residents** on rental price levels
- **Demographic change:**
  - **demographic change** and the rental housing market
- **Accessibility:**
  - influence of **transportation accessibility** and **proximity to services** on rental prices
- **Policy and land use planning:**
  - impact of **local planning policies** and **land use regulations** on the development of the rental housing market

# Conclusion

- What does the **housing market** in German small towns look like?

In small towns near major cities housing demand and prices are rising, while many rural areas face vacancy and population decline. Overall, the housing stock is dominated by privately owned single-family houses, with only a few small multi-family buildings and little public housing.

- Which **geographical patterns** emerge?

- To what extent are there **differences in location-specific characteristics** (small towns within large city regions vs. small towns outside metropolitan regions)?

Small towns in Germany differ greatly depending on their location: whether peripheral or close to large cities, in the East or West, or influenced by external factors such as tourism or major industries.

- Can differences be identified between **smaller and larger small towns**?

Despite regional variations, it can be observed that as the size of settlements increases, the proportion of single-family homes within the housing market decreases. Thus, different starting conditions arise for new (housing) developments.

# Thank you!

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Wagner, M./Grove, A. (2021): Research on Small and Medium-Sized Towns: Framing a New Field of Inquiry. In: **World**, 2(1), 105-126. Doi: 10.3390/world2010008.



Wagner, M./Grove, A. (2022): Patterns of Knowledge Bases in Large City Regions in Germany: Comparison of Cores and Their Surrounding Areas. In: **Geografiska Annaler: Series B, Human Geography**. Doi: 10.1080/04353684.2022.2141131



Wagner, M./Grove, A. (2023): Medium-Sized Towns in the Knowledge Economy – Towards a Systematic Classification. In: **Sustainability**, 15, 1532. Doi: 10.3390/su15021532.



Wagner, M. (2024): On the Relationship Between Centres and Small Towns in a City-Regional Context: Knowledge-Intensive Concentration and Specialisation in Germany. In: **European Journal of Spatial Development**, 21 (2). Doi: 10.2581/zenodo.11387278.