

City Intelligence Vienna

Market snapshot

client logo

2015

CITY INTELLIGENCE - VIENNA

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MARKET SNAPSHOT

OVERVIEW OF HIGHER EDUCATION

In Vienna, students form more than 10% of the city's population. A total number of 187,303 students are spread among 13 universities and 12 colleges. Furthermore, there are 11 public higher education institutions in the city, which attract the vast majority of students - 166,638.

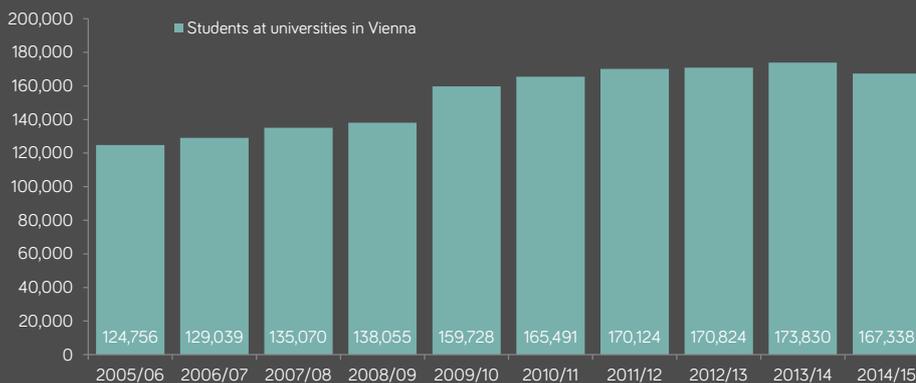
Overview of higher education institutions and student numbers in Vienna

Type of institution	Public sector		Private sector	
	No. of institutions	No. of students	No. of institutions	No. of students
Universities	9	163,456	4	3,882
Colleges of teacher education	2	3,182	3	2,825
Other colleges	0	0	7	13,958
TOTAL	11	156,638	14	20,665

Source: Statistik Vienna

The number of students (both domestic and international) enrolled at universities in Vienna has been rising at an average annual rate of 4.2% since 2005/06. With this pace of growth, the total student population increased by 42,582 students over the past decade. Last year, however, there were 6,492 less students at universities in Vienna.

Total no. of students at universities in Vienna (2005/06 - 2014/15)*



Source: Statistik Vienna, Statistik Austria

* 19,665 more students are enrolled at colleges in Vienna

MARKET SNAPSHOT

INTERNATIONALISATION OF HIGHER EDUCATION IN THE CITY

Thanks to its international nature, Vienna enjoys popularity among international students and higher education institutions collectively served 48,313 of them in the 2014/15 academic year. This represented 26% of all students in Vienna, a city with one of the highest concentrations of international students in Europe.

COUNTRIES OF ORIGIN INTERNATIONAL STUDENTS

No data is available to provide insight into the origin of international students in Vienna. The table below illustrates the top 10 source countries of international students enrolled at the largest university in Vienna (University of Vienna which caters to 49% of the total international student population in the city). The figures below indicate that Vienna predominantly attracts students from surrounding countries, rather than long-haul source markets.

Top countries of origin of international students at The University of Vienna (2014/15)

Country of origin	No. of students	% of all international students
Germany	8,537	18%
Italy	1,471	3%
Turkey	1,447	3%
Hungary	952	2%
Bosnia and Herzegovina	816	2%
Serbia	792	2%
Slovakia	767	2%
Poland	709	2%
Bulgaria	693	1%
Croatia	692	1%

Source: The University of Vienna

STUDENT ACCOMMODATION MARKET

The majority of students prefer to rent a room in a privately owned shared flat/apartment that is usually called “WG” (flat communities). The main advantages of cohabitation are: lower cost of shared premises (by a max. of 10 students at times), larger available space for students and a lack of rules that might be present at religious or social student residences.

Students who rent a private room through a real estate agent have to follow the Austrian law and pay two month advance in rent, and minimum one month refundable deposit. If a rental contract ends after a year or two, the process then needs to be repeated again.

In Vienna, and Austria in general, communal, social and cooperative housing that is usually co-sponsored by local authorities like Land Wien, and often provided by co-operatives, societies and foundations has been common practice for over 150 years. This type of housing includes student residences, homes for the elderly and flats for migrants.

MARKET SNAPSHOT

STUDENT ACCOMMODATION MARKET SATURATION

A total of 103 student residences operate 13,667 beds. Students who apply for a bed in a student residence have to wait in a queue for several months. Therefore, they tend to apply in advance – before a need for the actual accommodation arises. This means that student residences usually operate at full capacity.

No. of student residences in Vienna and their capacity

Type of ownership	No. of residences	No. of beds
Public	81	11,709
Private	20	1,813
University owned/managed	2	145
TOTAL	103	150,403

Source: StudentMarketing

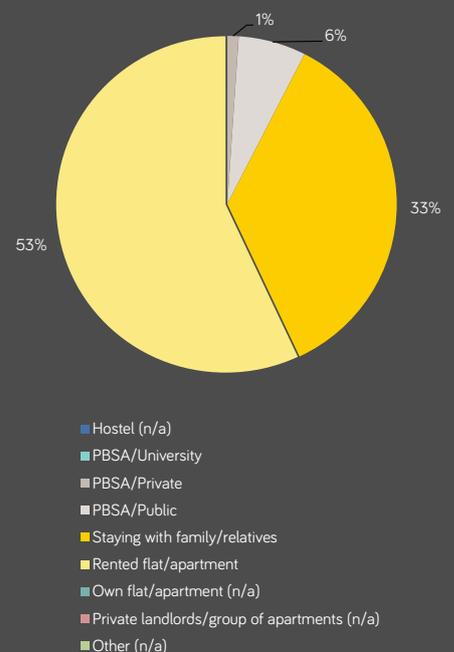
MAJOR STUDENT HOUSING PROVIDERS

A majority of the student houses belong in the category of non-private residences. These are owned or run by Christian organisations, co-operatives, societies, foundations, trade unions, hostel associations, political parties, charities, regions of Austria, City of Vienna and even the Republic of Slovenia. With the exception of the BOKU university, higher education institutions do not own or run student residences.

PRIVATE STUDENT HALLS OF RESIDENCE

Legal regulations describe student residences as social buildings that should be run as a non-profit activity, and are therefore not strictly commercial. An exception to the non-commercial rule is granted to several student residences that accommodate students for 9 months and tourists for 3 months, and support the (renovation) budget of the foundations or societies that run them (e.g. Porzellaneum, Kolping).

ACCOMMODATION TYPE USED BY STUDENTS IN VIENNA



Source: StudentMarketing. The figures are "guesstimates" based on available statistics on student housing provision, references and interviews with local stakeholders.

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Among typical private residences, the most visible are:

- up-market **City Life Apartments** offering 182 beds for students in 10 buildings
- **Linked Living** (by Corestate Capital), one of the recent additions to student housing stock in Vienna. The residence was opened on 30th September and offers 594 apartments.

STUDENT ACCOMMODATION PIPELINE AND CURRENT STATE OF INVESTMENT IN STUDENT HOUSING

The first signs of a possibility to consider and open independent private student residences in Vienna have been emerging recently.

This pipeline includes Kolping House Meiding (currently under renovation) and slated to open in 2017 and 2 Akademikerhilfe student residences, opening this month (October 2015).

In addition to these, it is highly possible that Linked Living student residence will change its owner in the future.

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