TENSE HOUSING MARKETS: DISPLACEMENT AND RESIDENTIAL LOCATION DECISIONS IN BERLIN

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Summary

Given the tense situation in many metropolitan housing markets, concerns have arisen about tenants being displaced from their homes. The debate not only focuses on the num-

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ber of people obliged to move, but also on the challenges and burdens it entails and, above all, where it leads them. Empirical, notably quantitative, findings on these questions, however, are rare. This article presents such findings for the German capital. These are based on a representative survey on moves between 2013 and 2015 and show that the majority of displaced tenants strive to find a new flat near their old one and for the most part succeed. It also shows that they have to make a much greater effort to find a new flat than those who have not been displaced.

A detailed, spatially explicit analysis of where respondents moved to also indicates that some displaced tenants feel forced to move to locations not of their preference, including the outskirts of the city. That said, this only affected a comparatively small proportion of displaced tenants, at least in the period under review. It can be assumed, nonetheless, that with the further tightening of Berlin’s housing market in recent years, the problem of displacement to specific areas of the city is gaining substantial significance. In addition, there is evidence of exclusionary displacement, although this phenomenon was not the focus of the study: Low-income households in search of housing are excluded from certain urban areas in Berlin due to high asking rents.

Keywords: Displacement, residential location decision, gentrification, Berlin, tense housing market, house hunting

Zusammenfassung

ANGESPANNTE WOHNUNGSMÄRKTE: VERDRÄNGUNG UND WOHNSTANDORTENTScheidungen in BERLIN


Eine detaillierte, räumlich explizite Analyse der Zuzugsorte der Befragten liefert darüber hinaus Hinweise, dass sich ein Teil der verdrängten Mieterinnen und Mieter gezwungen sieht, in von ihnen nicht präferierte Lagen, nicht zuletzt auch am Stadtrand, umzuziehen. Zumindest im Untersuchungszeitraum betraf dies allerdings nur einen vergleichsweise kleinen Teil der Verdrängten. Es steht aber zu vermuten, dass mit der weiteren Verschärfung der Situation am Berliner Wohnungsmarkt das Problem der Verdrängung in ganz bestimmte Stadtgebiete mittlerweile deutlich an Bedeutung gewonnen hat.
Zudem finden sich Hinweise für eine ausschließende Verdrängung, auch wenn dieses Phänomen nicht im Blickpunkt der Studie stand: wohnungssuchende Haushalte mit niedrigem Einkommen sind in Berlin von bestimmten Stadtgebieten aufgrund hoher Angebotsmieten ausgeschlossen.

Schlagwörter: Verdrängung, Wohnstandortentscheidungen, Gentrifizierung, Berlin, Angespannter Wohnungsmarkt, Wohnungssuche

1 Introduction

Mounting tension in housing markets has led to a return of the housing question, especially in large cities. In academia, politics and the public arena, hot debates on rising rents, declining vacancy rates and their associated effects are flourishing. One possible effect is the displacement of tenants, which is frequently discussed in connection with the term gentrification. In this vein, it is a frequent assumption that tenants are being forced out of their flats in the inner cities by rising housing costs (or even immediate coercion by landlords) and have to move to the outskirts of the city. The hypothesis of displacement to the outskirts has, however, seen little empirical testing. This is not surprising, since the observation and examination of displacement poses a considerable scientific challenge, one that Atkinson (2000, p. 163) aptly describes as “measuring the invisible”. This paper is based on a study that tackles the challenge with a representative survey of movers and analyses their reasons for moving and their choice of residential location.

In the following, we first of all present what is known from previous research about the residential location decisions of displaced tenants. Our definition of displacement and how we studied it with the help of our survey will be explained prior to providing some information on our case study, the Berlin housing market. We subsequently present and discuss our empirical results on the move of displaced tenants. Finally, our conclusion highlights the implications of our findings on urban development and urban politics in a context of pronounced housing market tension.

2 State of research: Residential location choices of displaced tenants

Displacement has been the subject of empirical studies for decades. These studies and their results are for the most part heterogeneous and difficult to compare as they are based on different understandings of the term and different methods of research. This is because there is no agreement on the precise meaning of the term displacement (Beran and Nuissl 2021; Elliott-Cooper et al. 2020, p. 493). Displacement tends to be discussed and studied in association with (the term) gentrification and is linked accordingly to real estate upgrade. Our article focuses exclusively on forms of displacement that imply a move. One

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1) The authors conducted the study on which this article is based together with the “Wüstenrot Foundation” (Beran and Nuissl 2019).
of the earliest and at the same time most precise definitions for such an understanding of the term comes from Georg and Eunice Grier (1980, p. 256):

“Displacement occurs when any household is forced to move from its residence by conditions which affect the dwelling or its immediate surroundings, and which: 1. are beyond the household’s reasonable ability to control or prevent; 2. occur despite the household’s having met all previously-imposed conditions of occupancy; and 3. make continued occupancy by that household impossible, hazardous, or unaffordable.”

Peter Marcuse (1985, pp. 204–208) used and expanded this definition to develop a typology of displacement that is frequently cited in the literature on displacement. He distinguishes between direct and indirect forms of displacement. He understands direct displacement as moves triggered by physical (e.g., turning off the heating in the building) or economic (e.g., rent increase) causes directly related to the respective tenancy. Indirect displacement, according to Marcuse, can arise as displacement pressure due to changes in the residential environment (e.g., new shops) that are not required by the current residents. Another indirect form of displacement outlined by Marcuse is exclusionary displacement, which occurs when a flat can no longer be occupied by households with comparable socio-economic characteristics once the previous tenants have moved out. This paper provides empirical insights into direct displacement and its socio-spatial effects. It will also become clear that direct displacement and exclusionary displacement are two sides of the same coin.

A spatially explicit study of displacement calls for the (quantitative) measurement of displacement in a territorial setting. In an attempt to achieve this task, two empirical approaches have been established in the research literature. In one approach, secondary data analyses measure displacement in a way that allows descriptive or inferential statistics to determine the proportion of people moving out of an area due to certain displacement-related causes, notably gentrification (e.g., Atkinson 2000; Ding et al. 2016; Freeman et al. 2015; Schulz 2019). Having said that, these studies often conceptualise their explanatory variable – gentrification – simplistically (Easton et al. 2020, p. 288). Very few studies use indicators suited to proving real estate economic upgrading (Holm and Schulz 2018, pp. 258–259; Zuk et al. 2015, p. 34). Moreover, secondary data analyses cannot provide insights into the individual processes of deliberation and decision-making that underlie the housing location choices of displaced households.

Surveying people who have moved is a second quantitative approach to the study of displacement. It allows for the operationalisation of displacement via the immediate reasons for moving and can be considered the most valid method of investigating the phenomenon empirically (Carlson 2020, p. 577; Diller 2014, p. 29). Primary surveys on displacement, however, are demanding (e.g., Blasius 1993; Schill and Nathan 1983), since drawing a random sample from a group of people who have moved – a prerequisite for representativeness – is particularly difficult to achieve. Studies that try to grasp displacement by using other survey data not tailored to this issue are more common (e.g., Freeman and Braconi 2002; Newman and Wyly 2006). In terms of displacement, however, the significance of these studies is limited by the fact that the underlying surveys only roughly trace the motives and circumstances of the moves. Martin and Beck (2018),
for instance, use the rather broad expression “external events” as a category by means of which respondents can indicate their reasons for moving, making it nigh to impossible to draw conclusions about concrete displacement triggers.

Very few studies examine the residential location choices of displaced tenants explicitly and those that do often focus on the distance between the location of displacement and the new place of residence. SCHILL and NATHAN (1983, p. 111), for example, show for five US cities that displaced tenants move to nearby areas, while KEARNS and MASON (2013, p. 189) prove the same for redevelopment areas in Glasgow. Other studies that come to similar conclusions have a more “hypothetical character”. FÖRSTE and BERNT (2018), for example, analysed migration data for a gentrification area in Berlin and found nearby neighbourhoods to be the dominant destination of movers. The authors take this as an indication that displaced tenants try to find living space close to their old apartments unless soaring rent levels prevent it. KOCH et al. (2018) asked residents of an upgraded area in Berlin where they would move to if they were displaced and found that the respondents were inclined to stay in their neighbourhoods. The most important reason for the (presumed) preference of displaced households to move somewhere nearby seems to be their desire to maintain social contacts and the accessibility of places important to them (KLEIT and GALVEZ 2011, p. 375; POSTHUMUS et al. 2013, pp. 281–289).

In addition to the (anticipated) finding that displaced people prefer to move locally, some of the literature suggests that households are displaced to the urban periphery (ATKINSON and WULFF 2009, p. 11). HOLM (2016, p. 207), for example, notes that numerous recipients of transfer payments in Berlin move from inner-urban to peripheral areas and sees this as “displacement of the poor to the outskirts”. The cascading migration pattern frequently observed in large cities like Berlin – strong interregional and international migration to the inner city and dominance of a centrifugal migration pattern in intraregional moves (e.g., HIERSE et al. 2017) – also points in this direction. Correspondingly, in their secondary analysis of registered data from Amsterdam and Rotterdam Hochstenbach and Musterd (2017, pp. 47–48) reach the conclusion that many low-income households are displaced to the urban periphery or surrounding municipalities. At the same time, they point out the frequently successful strategies (such as flat-sharing) of poor inner-city households to stay. Employing a similar methodology, the authors provide additional insights into the “suburbanisation of poverty” in a recent study on Amsterdam and Utrecht and claim that this phenomenon is inextricably linked to gentrification processes elsewhere in the city (Hochstenbach and Musterd 2021). The above-mentioned studies, however, contain no information on the reasons for moving and cannot therefore prove direct displacement.

A specific question discussed extensively in the research literature on displacement concerns the effects that demolition of socially bound housing has on urban patterns of socio-spatial segregation. It has been observed in both the Netherlands and the USA that households forced to move out of their social housing for this reason are more likely to move (again) to socially disadvantaged neighbourhoods than households that move voluntarily (GOETZ 2002, pp. 110–111; BOLT et al. 2009, p. 515; POSTHUMUS et al. 2013, p. 281; VISSER et al. 2013, p. 307). In a similar vein, Desmond and Shollenberger (2015, p. 1768) conclude in their study on forced moves (e.g., due to eviction) in Milwaukee that the neighbourhoods where displaced households end up are, on average, poorer and more prone to crime than the neigh-
bourhood destinations of voluntary movers with a similar socio-economic background. One of the very few studies that yielded empirical evidence of displacement to the urban periphery was presented by Sink and Ceh (2011), who show that those displaced from demolished social housing estates in Chicago often moved to outer city areas.

3 Research design: Conceptualising and measuring displacement in Berlin

In the remaining part of this article we will focus on where displaced tenants move to, for what reasons, and under what circumstances. We use our own empirical material from the aforementioned study, in which we operationalised displacement along the lines of decision-theoretical migration research. Accordingly, every move is seen as the result of a decision-making process consisting of two phases (Föbker 2008, p. 50): a household first of all develops a desire to move before, secondly, actively looking for a new home.

The first phase of conceptualising displacement is crucial due to the discrepancy between housing preference and housing situation. This discrepancy can be the result of changes in housing demands – for example, when a baby is born into the family – but also changes in the housing and rental situation – for example, a rent increase. The latter are external from the point of view of the affected household and key to the notion of displacement used here. In order to reduce the discrepancy between housing demands and housing situation, households have the option of three sets of actions: opposition, passivity or migration (Kecskes 1994, pp. 130–131). If they decide to move, we interpret the internal and/or external factors that led to the change in the housing situation as reasons for moving.

In the second phase of the decision-making process prior to moving, the household in question looks for and chooses a new place to live. If the household consists of more than one person, its members must agree on their requirements and location preferences for the new dwelling (Münter 2011, p. 99). Numerous studies deal with the residential location decision of households (i.e., the second phase) (e.g., Clark et al. 2006; Dieleman 2001; Lu 1998). Among other things, they come to the conclusion that housing-related criteria (e.g., the size and furnishings of the dwelling) (Dobroschke 2005, p. 227; Gans et al. 2010, p. 55) as well as workplace accessibility, social infrastructure and social contacts (Kühl 2014, pp. 35–36) are of great importance for intra-urban moves. Household preferences are not the sole criterion, however, since households are also subject to constraints, in particular financial constraints (Dittrich-Wesbuer et al. 2010, pp. 92–93; Kühl 2014, p. 37). If a household fails to find a new home, it is once again confronted with the three sets of actions mentioned earlier and, thus, back to square one.

Based on the phase model to explain the decisions to move, we define displacement as moving out of rented accommodation due to changes that:

1. affect the tenancy of the moving household,
2. cannot be controlled or avoided by the person(s) moving (so that they can occur, for example, even if all the obligations prescribed in the tenancy agreement are fulfilled) and
3. have significantly contributed to the decision to move.
This definition is confined to direct displacement in the sense of Marcuse (1985) and based on that of Grier and Grier (1980) but modified to correspond to the phase model. The survey we prepared along the lines of this model was conducted in Berlin in 2015. The study area consisted of the two inner-city boroughs of Friedrichshain-Kreuzberg and Mitte, where the housing market is particularly tight; the population under scrutiny was defined as all tenants over eighteen years of age who moved from their flat (primary residence) in the study area to another flat in Berlin between 1 September 2013 and 31 August 2015. A random sample of 10,000 residents was drawn using registered data. The (largely) standardised questionnaire was sent to the selected 10,000 persons by post. To increase the response rate and minimise bias with regard to respondent demographics, the survey procedure drew on the “Tailored Design Method” (TDM) (Dillman et al. 2014): The people to be interviewed were contacted three times and the questionnaire was made available online in German, English and Turkish. In total, 2,082 respondents sent back questionnaires containing substantial information.

It was a key concern of the survey to establish the reasons that prompted respondents to move. The questionnaire aimed to record changes in housing circumstances in the sense of the above-mentioned definition. Seven of these changes were assessed as potential displacement triggers: 1) structural upgrading (modernisation and energetic rehabilitation), 2) disturbances due to construction noise, scaffolding and/or flat inspections, 3) sale of houses or flats, 4) rent increases, 5) terminations (through no fault of tenant), 6) pressure from landlords and 7) structural decay. If respondents cited at least one of these displacement triggers as a significant reason for moving, they were classified as directly displaced; all other respondents were considered non-displaced. This enabled comparative statistical analyses between displaced and non-displaced respondents (note that the latter are movers, too!).

We also detected substantial demographic differences between the two groups: the displaced proved, on average, to be older, to earn less, and far more often than the non-displaced to be single parents (Beran and Nuissl 2019, pp. 135–138). We interpret this observation to mean that advanced age, low income and single parenthood increases the probability of being displaced. Note, however, that by no means do we understand the displaced and non-displaced as a sort of natural group, let alone as ontological entities. Rather, the distinction between the two groups serves the purpose of learning more about displacement, i.e., the characteristics, circumstances and destinations of moves that result from displacement. The people who move are the unit of analysis that allows for empirical access to these moves.

4 The case study: Berlin

Similar to many large European cities, Berlin has faced a tightening housing market in recent years due to both demand and supply-related factors. On the one hand, macro-dynamics such as individualisation (reflected in a growing number of single-person households) and reurbanisation have led to a greater demand for housing. Since 2003, the overall demand has constantly exceeded the available housing stock in Berlin (in 2019: 2.03
million households, 1.97 million housing units) (Investitionsbank Berlin 2021, pp. 28/36), as housing construction failed to keep up with population growth. On the other hand, recent decades have seen a significant shift in the ownership structure of the housing supply. While Berlin can still be labelled a “Mieterstadt” (city of tenants) – approximately 84 percent (2019) of the housing stock is offered on the rental market\(^2\) (ibid., p. 37) – the share of owner-occupied housing is gaining currency. What is more, government authorities privatised over 40 percent of the state-owned housing stock (more than 200,000 units) in the wake of austerity policies between 1990 and 2012 (KITZMANN 2017, p. 2).

In turn, boosted by low interest rates on international capital markets and large rent gaps in the undervalued German housing markets, (international) real estate companies and financial investors with short-term profit interests entered into the city’s housing market, where they now have considerable market power (HEEG 2013, pp. 85–86). This change went hand in hand with soaring rents and property prices. Overall, asking rents rose between the first quarter of 2010 and the last quarter of 2020 by ca. 75 percent on average and far more in most inner-city areas (Investitionsbank Berlin 2011, p. 46; 2021, pp. 66–67).

Despite comparatively restrictive German tenancy laws (including rent control mechanisms), these trends have led to growing displacement pressure (e.g., rent increase, structural upgrading, conversion of rental into owner-occupied housing; see section 3) on the Berlin housing market, notably on low-income households and inner-city districts. It has prompted a surge of civil society initiatives, non-profit organisations and tenant collectives to lobby for the expansion of housing commons in Berlin. At the same time, the city-state government of Berlin has been trying to counter this displacement pressure with various policy measures, such as reviving public housing schemes, supporting cooperative housing and the resolute implementation of existing instruments for the protection of tenants in the most sought-after inner-city areas. In 2020, it even tried to impose a city-wide “rent cap”. This was overturned by the federal constitutional court, which denied the city-state’s warrant to set up its own legislation on tenancy.

5 Results

In the survey on which this article is based, we identified 313 respondents as directly displaced according to the definition and operationalisation of displacement introduced in section 3. This corresponds to a displacement rate of 15.4 percent, as measured by the 2,028 questionnaires containing sufficient information on reasons for moving. In the following we look at the circumstances of the housing search of the 313 displaced respondents (section 5.1) and their place of residence after displacement (section 5.2) so as to shed light on the (socio-)spatial dimension of displacement.

\(^2\) This is the highest share of rental housing of all large cities in Germany, where the home ownership rate has been traditionally very low compared to other European countries (Bundesinstitut für Bau-, Stadt- und Raumforschung 2016, p. 68).
5.1 House hunting

A move is usually based on a complex and iterative process of consideration and decision-making (see section 3), which may involve a series of modifications and readjustments of housing preferences and house-hunting criteria. It is almost impossible to fully capture this process in a standardised survey. We consequently simplified operationalising the choice of housing location and used only four variables. According to these variables, relocating tenants initially have (1) certain ideas about where they would like to live (desired residential areas). As soon as the actual house hunting begins, they (2) focus on certain spaces (search areas). These may differ somewhat from the desired residential areas due to individual, mostly financial, constraints. Since the decision for a certain dwelling is based on (3) further criteria (apart from location), twelve of the criteria proven in migration research were tested in the questionnaire. In addition, respondents were also asked to provide some information on the circumstances and difficulties involved in finding a new home (4), as these issues are relevant to the understanding and evaluation of displacement processes.

Desired residential areas

On the basis of 34 urban zones into which we subdivided the city of Berlin in the questionnaire, the 305 displaced respondents whose data was analysed in this context indicate an average of 4.3 desired residential areas. In so doing, respondents signal a strong preference for centrally located places of residence, close to their previous home (see Map 1 in Figure 1). Three of the five zones that make up the study area are also the main desired residential areas of displaced respondents. One adjacent zone (6 – Prenzlauer Berg) is frequently mentioned as a desired residential area.

In contrast, only a few of the displaced want to live in neighbourhoods outside the inner city. The same holds for the Berlin hinterland and, to a somewhat lesser extent, other places in Germany or abroad. The non-displaced (n = 1,615) on average name 4.0 desired residential areas, which is slightly less than the displaced, although this

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3 Berlin consists of 12 boroughs (“Bezirke”) as administrative units and 97 districts (“Ortsteile”) as statistical units; some districts are former boroughs and quite large (e.g., Prenzlauer Berg or Kreuzberg, each with a population of more than 150,000), while many others are fairly small and home to far less than 10,000 inhabitants. Furthermore, three layers of statistical partition (with 60, 138, and 447 units, respectively) were established in the course of social monitoring. With the exception of boroughs too large to allow for a meaningful and spatially explicit analysis on housing market issues, these taxonomies are nonetheless too fine-grained for a survey that asks respondents to indicate where they live, want to live, and looked for a house.

Drawing on the existing districts, we have therefore delineated 34 “urban zones” (“Ortsteilzusammensetzungen”) for the purpose of our survey by aggregating the smaller districts to larger units based on similarities in their physical urban structure. On the one hand, this number is manageable for the respondents, on the other hand, the “zones” (and their denominations, which simply combine the names of the aggregated districts) adequately reflect their life-world perception of Berlin’s spatial structure. Figures 1, 6 and 7 build on the urban zones we delineated and give their names and an identification number. We also indicate this number when referring to particular zones in the text.
Figure 1a: Desired residential areas – displaced and non-displaced tenants
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Figure 1b: Desired search areas – displaced and non-displaced tenants

Source: Slightly adjusted after Beran and Nuissl (2019, p. 155); Graphic and Design: Aumann / Henki
difference has no statistical significance. Most zones are named as desired residential areas by both displaced and non-displaced respondents with roughly the same frequency (see Map 2 in Figure 1). There are, however, four zones where the displaced would like to live significantly more often than the non-displaced (Chi² test: p < 0.05), three of which form part of Berlin’s inner city (5 – Kreuzberg, 19 – Schöneberg/Friedenau and 20 – Tempelhof), whereas the remaining zone extends from the edge of the inner city to the Berlin city border (23 – Britz/Buckow/Rudow). On the contrary, there are no zones where significantly more non-displaced than displaced respondents would like to live.

Search areas

Similar to the desired residential areas, the search areas of all respondents are predominantly located in the inner city (see Maps 3 and 4 in Figure 1). Displaced respondents name an average of 5.0 search areas in their hunt for a flat. This figure is significantly higher than the average number of search areas of the non-displaced (4.3; U-test: p < 0.05). We thus concluded that notably displaced tenants tend to expand the radius of their search for a new flat beyond areas of the city they would prefer to live in – which again probably reflects their (greater) difficulty to find housing. There are zones, particularly in the north (3 – Wedding/Gesundbrunnen) and towards the southeast and east (22 – Neukölln, 30 – Lichtenberg/Fennpfuhl/Rummelsburg) of the study area, that displaced respondents name more frequently as search rather than desired residential areas. These areas of the city have a similar urban structure to their preferred residential areas and are located in spatial proximity to the sites of their displacement.

About a third of displaced respondents name Neukölln (6) and Wedding/Gesundbrunnen (3) as search areas, for example, but only about a fifth refer to them as desired residential areas. This discrepancy is even more pronounced for Lichtenberg/Fennpfuhl/Rummelsburg (3), which is adjacent to the inner city and the study area to the east, where only about half of the displaced respondents looking for a flat were keen to live originally. In contrast, significantly fewer displaced respondents (3.3 percent) looked for a flat in the high-priced southwest of Berlin (18 – Dahlem/Zehlendorf/Nikolassee/Wannsee) than would like to live there (7.2 percent). This is probably due to the fact that the displaced see their chance of finding a suitable flat in these traditionally “good” locations as too low to merit any effort to house hunt there. Discrepancies between desired residential and search areas are also found among non-displaced respondents, although these are less pronounced than in the case of the displaced.

It is at the urban periphery that we find areas with the most distinctive mismatch between the number of displaced or non-displaced respondents who wished to live there and respondents who actually looked for a flat there: Only about one in four respondents who looked for a flat in Marzahn/Hellersdorf (28), Wilhelmstadt/Falkenhagener Feld (14) or Gropiusstadt (24), all of which are characterised by large housing estates, originally wanted to live there. It should be remarked, however, that the number of respondents who mentioned these neighbourhoods at all (be it as search or desired areas) is too low to derive statistically sound statements.
Criteria for residential location choice

With regard to the criteria according to which the surveyed movers chose their new home, the picture that emerges is broadly the same as in many previous studies on migration motives and behaviour (see Figure 2 and 3). Approximately 90 percent of all respondents in our survey, displaced and non-displaced, name the quality (size and furnishings) and the transport links of the (new) flat as key criteria for the choice of residential location, followed by criteria referring to the residential environment – quiet location, (availability of) shopping facilities, and green and open areas – that were important for at least two-thirds of the respondents. Social location criteria, which result from the (individual) action areas of the respondents, such as proximity to the workplace/place of education or proximity to relatives, friends and/or acquaintances, have a somewhat lower significance. The same holds for the type of building and the neighbourhood image. Apparently, these criteria become important when the primary criteria are fulfilled (OOSTENDORP 2014, p.140).

In our study we found the (rental) cost of the (new) dwelling to be the most important criterion for the housing location choice. This criterion was important for almost all respondents in the course of their move, and for over 70 percent even very important. While this finding is in line with other studies, the importance attributed to housing costs by moving tenants in their search for housing proved to be particularly high in our survey (likewise in comparison with other studies). This is further evidence of the assumption that

Source: Slightly adjusted after BERAN and NUSSL (2019, p. 156); Graphic and Design: AUMANN
Figure 2: House-hunting criteria of displaced tenants
tenants (have to) adapt their house-hunting criteria when it comes to tight housing markets like Berlin. In addition, displaced tenants are more likely to attach greater importance to the cost criterion than the non-displaced: four-fifths of the displaced rate this as very important (U-test: p < 0.05). For the displaced, who typically have a lower income than the non-displaced, the challenge of finding affordable housing at all tends to override all other house-hunting criteria. Another difference between the displaced and the non-displaced, although quantitatively less eminent, is revealing: More than a third of the displaced respondents deemed it either important or very important what type of landlord (e.g., private or municipal housing companies) they would be facing after the move. For the non-displaced, the corresponding value is significantly lower (U-test: p < 0.05). It would appear that the – presumably negative – experience of displacement heightens tenant sensitivity to landlords in general.

**The house-hunting process**

It seems reasonable to assume that house hunting due to displacement runs less smoothly than house hunting as a result of intrinsic motivation. We found evidence of this assumption in the study presented here, since displaced respondents normally had to search longer for their new flat than the non-displaced (see Figure 4). This distinguishes the two groups significantly (Chi² test: p < 0.05). More than half of the displaced but only about 40 per-
Figure 4: Duration of house hunting – displaced and non-displaced tenants

Source: Slightly adjusted after Beran and Nuissl (2019, p. 159); Graphic and Design: Aumann

Figure 5: Number of appointments to view a flat – displaced and non-displaced tenants

Source: Slightly adjusted after Beran and Nuissl (2019, p. 159); Graphic and Design: Aumann
cent of the non-displaced respondents look back on at least three months of house hunting. The slightly above-average proportion of non-displaced tenants among the respondents who had looked for housing for over a year can be attributed to the fact that almost a third of these respondents had decided on home ownership in the course of the move. With only three exceptions, they were all non-displaced tenants.

Displaced and non-displaced respondents also differ significantly from each other with regard to the number of flats viewed (Chi² test: p < 0.05) (see Figure 5). More than one in five of the non-displaced respondents was successful after only one viewing; the corresponding proportion among the displaced respondents is – at 17.4 percent – significantly lower. That said, however, 13.2 percent of the displaced had to view more than twenty flats before they could move; here the corresponding proportion of the non-displaced is 7 percent. In other words, displacement increases the likelihood that finding a new flat – in this case unavoidable – is time-consuming in the extreme. Income also seems to have an influence on the effort required for house hunting. The (few) displaced tenants who were able to move after viewing only one flat have an average net equivalent income of EUR 2,018. In contrast, the average net equivalent income of displaced tenants who looked at more than twenty flats amounts to EUR 1,602.

5.2 Places of residence after the move – where do the displaced move to?

In order to analyse where displaced tenants move to and consequently to test the hypothesis of displacement to the outskirts, we will now look at the residential locations of displaced and non-displaced respondents after they move. We will map their place of residence within the city before going on to examine whether the displaced tend to concentrate in parts of the city with particular characteristics.

Location of mover destinations

The interviewed movers clearly tended to move to somewhere close to their former home and thus to remain in the inner city: As the distance to the study area increases, the number of respondents moving in decreases significantly (see Map 1 in Figure 6). This is true for both displaced and non-displaced respondents, but to a greater extent for the former. Approximately two-thirds of the displaced respondents still live in the study area after their (displacement-related) move; and as many as three-quarters have succeeded in remaining in the inner city (see Map 2 in Figure 6).

Among the areas that stand out but do not belong to the study area are the adjacent inner-city zones of Neukölln (22), where 8.1 percent of them have found their new home, and Prenzlauer Berg (6), where 7.2 percent of them now live. On the other hand, substantially fewer displaced tenants have found a new home in the western part of the inner city (10, 11, 12; i.e., Charlottenburg, Wilmersdorf, Schöneberg). The importance of this part of the city as a destination for those who were displaced in the study area is similar to several other zones north, east and south of the study area, which are located outside the inner city and to which between 2 percent and 4 percent of the displaced respondents have
Figure 6a: Residential locations after moving

Source: Slightly adjusted after Beran and Nuissl (2019, p. 160); Graphic and Design: Aumann / Henki
Figure 6b: Residential locations after moving
moved. Here again, the outskirts of Berlin are of only minor importance as a destination for displaced tenants.

A look at the distances covered also confirms that the majority of those displaced move close to their previous home. Their new flat is on average 4.1 km away from the old one; in half of the cases (median) the distance is even less than 3.1 km. Displaced respondents’ inclination to move to a new flat close to their former abode is even more pronounced than is the case with non-displaced respondents, whose new flat is on average 4.73 km away from the old one (median 3.7 km).

Contrary to widespread fears, no distinct trend of direct displacement to certain urban areas in general or the urban outskirts in particular were detected on the basis of our survey. (Note, however, that the reference period for this observation is 2013–2015.) Nevertheless, with regard to how housing market dynamics will reshape the socio-spatial urban structure in future, it still seems worthwhile to analyse the location of the minority of displaced tenants whose home is now somewhat further away from the study area. In this context, a look at the proportion of displaced tenants among all newcomers from the study area to different parts of the city is revealing (see Map 3 in Figure 6).

First of all, the proportion is higher than 15.4 percent (i.e., higher than the proportion of displaced tenants in the total sample) in three of the five zones into which the study area is divided. This finding is explained by the propensity of displaced tenants to move close to their former flats. Outside the study area, however, a disproportionate share of displaced tenants among those moving in can be interpreted as an indication of the fact that the respective zone serves as a kind of refuge for the displaced. In this sense, Neukölln (22), Treptow (25), Tempelhof (20), and Charlottenburg (10) – i.e., a major part of Berlin’s inner urban ring – stand out. In the southwest of the inner city, in Wilmersdorf/Halensee, however, only 4.8 percent of those who moved here were displaced. This very low proportion corresponds to high rents and property prices in this traditionally well-off part of the city.

Yet, there are also some peripheral zones with an above-average influx of displaced respondents. These zones are characterised by multi-storey and single-family housing. In a city-wide comparison they are described as having below-average rental and property purchase prices (34 – Tegel/Konradshöhe/Heiligensee/Frohnau/Hermsdorf/Lübars in the north, 29 – Biesdorf/Mahlsdorf/Kaulsdorf in the east, and 21 – Mariendorf/Marienfelde/Lichtenrade and 24 – Gropiusstadt in the south of the city). Among the 73 respondents who moved to one of these areas, there are no less than 21 displaced tenants (28.8 percent). Other peripherally located neighbourhoods also have disproportionately high numbers of displaced tenants moving in, although the number of cases is very low. While the absolute number of moves from the study area to the outskirts is too low to allow for statistical inference, these observations can be seen as a sign of looming displacement to the outskirts, one that may already be more pronounced today than in the survey’s time period of reference.

**Social and urban structure of mover destinations**

According to a frequently expressed assumption, displacement processes lead to the concentration of affected households in disadvantaged urban areas. We will now look at the
social and physical structure of the neighbourhoods that become the moving destinations of the displaced. Official social monitoring in Berlin regularly maps the social status of neighbourhoods, using key demographic indicators such as (long-term) unemployment, transfer payments and child poverty (Senatsverwaltung für Stadtentwicklung und Umwelt 2015). Based on this data, it can be determined that the displaced live in lower-status areas after their move with above-average frequency, while the non-displaced live in lower-status areas with below-average frequency. This difference between the two groups, however, is not statistically significant (see Table 1). Moreover, the most low-status neighbourhoods are located in the study area or its immediate surroundings; hence the slightly disproportionate influx of displaced respondents there is probably related to the lower mean moving distance in this group compared to the non-displaced group.

<table>
<thead>
<tr>
<th>Social status of neighbourhoods to which respondents move</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
</tr>
<tr>
<td>%</td>
</tr>
<tr>
<td>Displaced (n = 307)</td>
</tr>
<tr>
<td>Non-displaced (n = 1,688)</td>
</tr>
</tbody>
</table>

Chi²-Test: p = 0.4915
Source: Slightly adjusted after Beran and Nuissl (2019, p. 163); data source: Senatsverwaltung für Stadtentwicklung und Wohnen 2018a
Table 1: Displaced and non-displaced tenants by social status of their current residential area

Differentiating respondent destinations according to their urban structure reveals only moderate and statistically insignificant differences between the displaced and non-displaced (see Table 2). In both groups, almost two-thirds moved to areas with predominantly dense perimeter block development. Neither does the proportion of those who now live in an area characterised by multi-storey housing from the mid-twentieth century differ between the two groups. For large housing estates and other types of urban structures (especially single-family housing areas), however, there are indications of a selective influx of displaced (large housing estates) and non-displaced (other types of urban structures) tenants, respectively. Very few who move to large housing estates migrate to the outskirts of the city; most of them move to inner-city areas of former East Berlin with prefabricated construction. These moves are therefore a sign of growing demand pressure on the remaining cheap rental housing stock in central locations rather than an expression of displacement to the periphery.

In sum, the survey data presented here do not prove a pronounced trend of displacement to low-status residential areas or areas with a certain (dense) building structure. If housing market tensions continue to rise and displacement dynamics intensify further, the spatial concentration of displaced tenants in areas characterised by social disadvantages, for which there are initial indications, will more than likely increase.
When comparing respondents’ current place of residence with their desired residential areas (see chapter 5.1), no differences were identified between displaced and non-displaced tenants. The proportion of those who found a new home in one of the desired residential areas they mentioned is more or less exactly the same for both groups and amounts to almost 80 percent. Here displacement seems to have had no influence on the probability of being able to live in a preferred location in the future (which is why we abstain from differentiating between the two groups in what follows).

The fact that over 20 percent of the respondents are unable to find a flat in their preferred location, however, points to the exclusionary effects of the tight housing market in Berlin that affect all tenants. This is most evident in the inner city (see Map 1 in Figure 7). Friedrichshain (4), Kreuzberg (5) and Prenzlauer Berg (6), for example, are each named as desired residential areas by about a third of the respondents who have not moved into a flat in one of their desired residential areas. That being said, these respondents (with unfulfilled locational preferences) have primarily moved to inner-city areas (see Map 2 in Figure 7). For example, 14.3 percent of them now live in Wedding/Gesundbrunnen (3), which makes this zone the most salient “refuge” (i.e., the zone with an above-average percentage of in-movers from the study area who had not originally chosen to live there). Overall, “refuges” that emerge in the figure largely coincide with zones that have the highest number of in-migrating respondents and include most of the inner city and the semi-ring that wraps around its eastern edge.

Nevertheless, while inner-city “refuges” were also named as desired residential areas by many (other) respondents (taking all respondents into account, not simply those who moved there contrary to their individual preference), this is hardly the case for those in the outer city. Accordingly, the proportion of respondents who (now) live in their desired residential area is mostly below average in the latter case, and in some areas on the outermost

<table>
<thead>
<tr>
<th>Dense Perimeter Block Development</th>
<th>Cooperative Housing Estates 1920–1930</th>
<th>Housing Estates 1950s</th>
<th>Large Housing Estates 1960–1980s</th>
<th>Other (housing development after 1990 and single family housing areas)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Displaced (n = 307)</td>
<td>62.2</td>
<td>12.1</td>
<td>4.6</td>
<td>15.3</td>
<td>5.8</td>
</tr>
<tr>
<td>Non-displaced (n = 1,688)</td>
<td>62.1</td>
<td>11.2</td>
<td>5.6</td>
<td>11.4</td>
<td>9.7</td>
</tr>
</tbody>
</table>

Chi²-Test: p = 0.0833
Source: Slightly adjusted after Beran and Nuissl (2019, p. 163); data source: Senatsverwaltung für Stadtentwicklung und Wohnen 2018b

Table 2: Displaced and non-displaced tenants by urban structure of their current residential areas

Mover destinations versus desired residential areas

When comparing respondents’ current place of residence with their desired residential areas (see chapter 5.1), no differences were identified between displaced and non-displaced tenants. The proportion of those who found a new home in one of the desired residential areas they mentioned is more or less exactly the same for both groups and amounts to almost 80 percent. Here displacement seems to have had no influence on the probability of being able to live in a preferred location in the future (which is why we abstain from differentiating between the two groups in what follows).

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Figure 7a: Realisation of housing wishes with regard to the location of the flat after the move (desired residential areas) – all respondents
Figure 7b: Realisation of housing wishes with regard to the location of the flat after the move (desired residential areas) – all respondents
western and eastern fringes of the city even strongly below average (see Map 3 in Figure 7). Whether movers succeed in finding a new flat in their desired residential area seems to depend to a large extent on their financial resources. Respondents who were unable to fulfil their locational preferences have significantly lower net equivalent incomes (on average EUR 1,746) than those who live in one of the zones they named as a preferred place of residence (on average EUR 2,001; Wilcoxon signed-rank test: p < 0.05).

6 Conclusion

This paper offered fresh empirical material on the residential location decisions of displaced tenants – an issue that has rarely been studied empirically. Based on the findings presented in the previous sections, it can be stated that direct displacement of tenants is a serious problem in a tense housing market situation. In line with previous studies, our analysis revealed that displaced tenants look for a new flat predominantly in the vicinity of their old one. At least with regard to the study area (Berlin city centre) and study period (mid-2013 to mid-2015) of the research on which this article is based, it can be stated that about four out of five displaced tenants actually succeeded in moving to an area they preferred. Thus, direct displacement (so far) seems to have no substantial influence on whether people succeed in moving to a preferred residential area, although house hunting in their case is quite demanding. The opposite, however, is true for the financial resources of movers: unlike displacement itself, the disposable (net equivalent) income of a moving household has a significant effect on whether this household is able to move to a preferred neighbourhood or not.

In addition, given that certain parts of the city have an above-average proportion of displaced people among those moving in, they seem to function as a kind of refuge for displaced tenants. This is notably the case where quoted rents (rent a landlord wants to charge when he submits his offer to the market) are still relatively cheap in a citywide comparison, while the reverse is true for the traditionally upscale areas that are more expensive than average. The proportion of displaced tenants among all those moving in is particularly high in some areas of Berlin’s periphery with well below average rents and property prices (but these areas overall play a subordinate role as a destination for the movers surveyed which is the reason why neither a general trend of displacement to the outskirts of the city nor a disproportionately high influx of displaced tenants into socially disadvantaged areas can be proven). Nevertheless, the above-average relocation of displaced tenants to some of the less sought-after suburban zones can be interpreted as a first sign that the dynamics of displacement in Berlin have already begun to act as a mechanism for socio-spatial sorting and segregation.

In addition to initial signs of the socio-spatial effects of displacement processes in Berlin, the findings presented in this article provide specific evidence of the effectiveness of exclusionary displacement in tense housing markets. It has been shown that both displaced and non-displaced tenants who moved to a part of the city they had not initially preferred as a place to live, now live for the most part in or at least close to the inner city and enjoy good transport links and urban surroundings similar to the inner-city residential areas they preferred but (still) at a comparatively low rent and property price level. Thus, large parts
of Berlin’s inner city are apparently ruled out as a place to live for more and more low-income households, forcing them to move to neighbouring areas where affordable housing is still available. This fits with Förste and Bernt’s (2016) assumption that displaced households move within their neighbourhoods until closure effects prevent this. That said, the fact that households are also looking for housing beyond their preferred residential areas indicates that they cannot find affordable housing that meets their requirements in places of their choice. This affects the displaced to a greater extent than the non-displaced, but it seems that even the latter are not always in a position to confine themselves to their desired residential areas when looking for housing.

Overall, it is not possible to statistically prove direct displacement of tenant households to specific parts of the city for the case of Berlin in the period from mid-2013 to mid-2015. At the same time, there is evidence of displacement to the outskirts on a small scale and exclusionary displacement to a larger extent. Furthermore, while the observations presented in this article are based on primary empirical data obtained more than five years ago, the tension in the Berlin housing market has increased dramatically since then. The demand for housing continues to rise, while the supply still lags far behind. So, there is much to suggest that the socio-spatial consequences of existing displacement dynamics have continued to increase to this day and would most likely be shown statistically even more clearly in a quantitative survey. New construction – especially affordable construction – is a crucial measure when it comes to easing the housing market and reducing displacement pressure. Due, however, to the emergence of new types of owners such as financial investors with short-term profit interests, which they achieve by investing in the existing stock rather than in new construction, building new housing will not be enough. Displacement calls for further steps if tenants in existing tenancies are to be protected from it.

In addition to the above-mentioned forms of displacement, it is to be feared that other indirect forms of displacement have also intensified, not least exclusionary displacement, i.e., when those in need of rental housing are simply unable to afford it in vast parts of the city. So far, however, there is a lack of studies that quantify indirect forms of displacement. The number of people, for example, who suffer from displacement pressure as a result of rising rents or changing residential environments but are not in a position to move because they are unable to find affordable housing has not yet been researched. Households who are “locked in” to their flats in this sense, in addition to the directly displaced tenants considered in this article, are also victims of hot housing markets and the profit interests of rented property owners. If these households cut their expenses in other areas of living in order to pay the (rising) rent for their flat, they can be seen as displaced from their standard of living, which is yet another form of displacement that occurs in tense housing markets.

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7 References


