

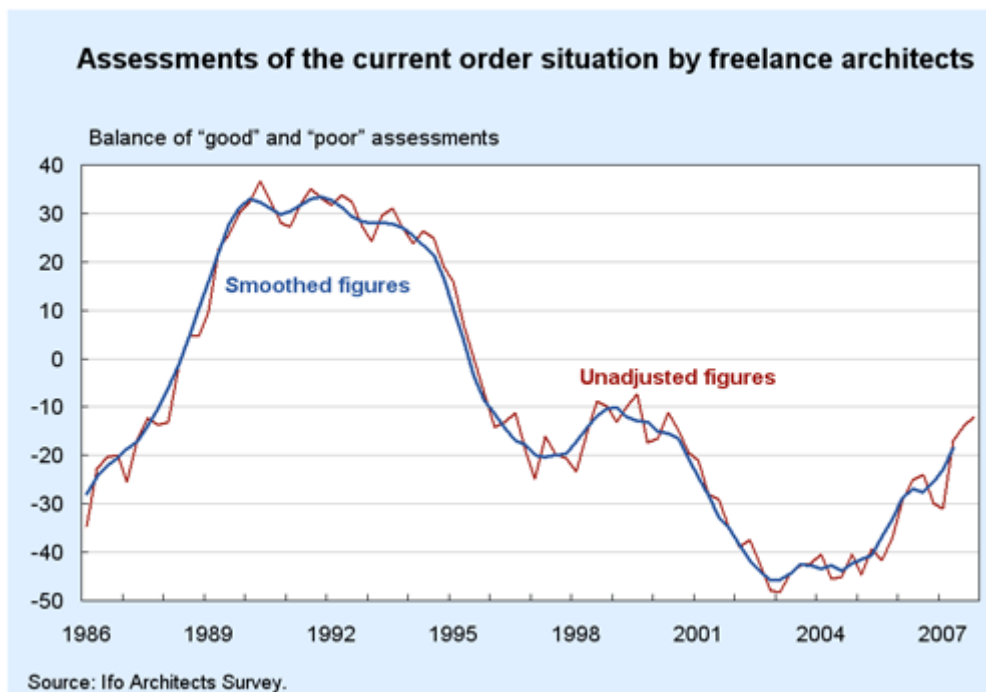
Ifo Architects Survey

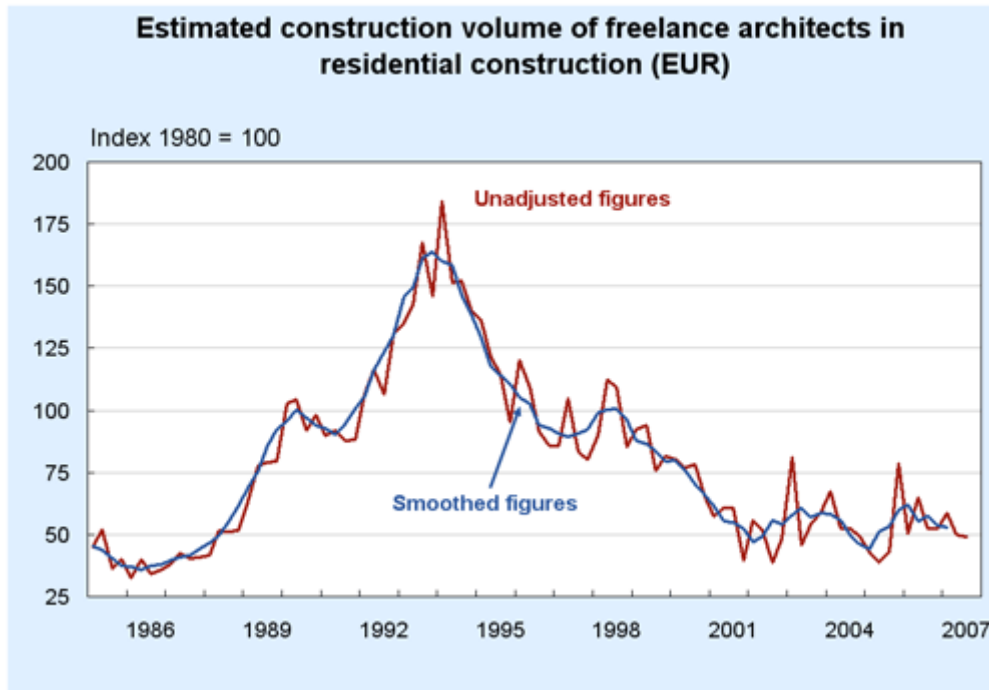
Ifo Architects Survey: Housing construction remains weak

According to the results of the quarterly survey of the Ifo Institute of freelance architects in Germany, the business climate at the beginning of the fourth quarter of 2007 remained unchanged over the previous quarter. Although assessments of the current order situation improved again, the expectations weakened somewhat. The share of architects that expect a "more unfavourable" development rose from 21 to 24 percent, while only one in eight survey participants expect a "more favourable" order situation in the next half year.

The share of freelance architects that were able to conclude new contracts during the third quarter of 2007, at 46 percent, was lower than in the two previous quarters.

In housing construction the demand for architects' services for single-family and duplex houses declined again. The planning volume in this construction segment sank by one fifth over the previous quarter, so that the rather low level of one year ago was nearly reached. The reserve in placing new orders was observed in all federal states in the survey. In contrast, planning contracts for multiple-family buildings rose, whereby it must be recalled that declines were recorded here in the previous four quarters and that the level of orders is low. Total orders in housing construction in the reporting quarter, as a result of the negative development in single-family and duplex houses, have reached the lowest level in the past two and a half years.





Publication:

Erich Gluch, „ifo Architektenumfrage: Weiterhin schwacher Wohnungsbau“,
ifo Schnelldienst 61(3), 2008, p. 39-40 (in German)

Legend: The Ifo Institute has conducted its quarterly survey of freelance architects Germany-wide since 1996 (since 1980 in only four federal states) among a panel of 2,500 architects. The survey gathers data on the business climate, new contracts – from which construction volume is estimated – as well as orders on hand. The quarterly data is supplemented by annually surveyed data on how large the architectural offices are and on their legal forms and volume of fees.