

# MUNICH: SIDE EFFECT OF THE MEDICAL TOURISM SUCCESS



Medical tourism in Munich is booming, but on the other hand, the living space is shrinking. The city of Munich is fighting against misappropriation, but is it successful? In some parts of the city the situation is especially alarming.

The Bavarian city saved 298 apartments in the past year – which were rented illegally as a holiday home or to medical tourists who were left empty or used as an office. **That does not sound like much, but to produce 298 social housing would cost around 69 million euros.** Social Affairs Officer Dorothee Schiwy emphasizes this in the new report on the misappropriation of housing. The action of the city shows “clearly visible successes”.

Eight employees are a part of the special investigation group of apartments as of now. Schiwy wants to hire three more to handle the multitude of cases. As of August 2018, the investigators plowed 220 cases in which apartments were rented illegally, meaning that they were rented to tourists for more than eight weeks.

Since this year, citizens can report alleged misappropriations online. Since then, 791 messages have been received, 263 apartments have been rented illegally as holiday apartments, 47 for medical tourists and 187 as commercial premises. For the rest, vacancy was suspected.

However, successes are difficult in the area of rents to medical tourists. The city is currently processing 200 cases. 86 apartments could be “saved”. In 2018, €622,800 in penalty payments were threatened, of which €285,000 were taken.

On the other hand, the city knows well where most of these apartments reported by citizens are. Most were in the Ludwigsstadt and Isarvorstadt (68 cases) because of the proximity of the inner-city clinics, and in Bogenhausen (52), where renowned clinics are also located.

Since December 2017, stricter rules apply in this sense. Since then, the city has been able to obtain data from Internet portal operators offering apartments on the Internet for rent. However, only one portal so far followed the call. Several portal operators have filed a complaint against municipal decisions. Even the giant Airbnb does not want to pay the penalty of 300,000 euros.

Since 2016, the city has imposed nearly 1.2 million euros in fines, of which around 188,000 euros in the area of apartments and 899,000 euros in the field of medical tourism. And it will be more expensive, as since December 2017, the city can impose a fine of 500,000 euros.

**There is a lot of money to be made with medical tourism, and illegal landlords also know that.**

According to the findings of the social department, it is a manageable number of actors who act professionally and are “unimpressed by both regulatory action and court decisions”.

They are officially insolvent, so the handling is limited. The city entered a new territory nationwide and imposed, for the first time, a compulsory insurance of one week against an illegal landlord, which was ordered by the Administrative Court.

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