

FAQ: BUY-TO-LET / INVESTMENT APARTMENT

GENERAL

Is it possible to live in a buy-to-let or investment apartment myself?

No, the apartment must be rented for at least 20 years in order to avoid any tax disadvantages.

Can I rent it to a relative?

Yes, if the rent reflects market values and meets the arm's length principle, and if the relative can afford the rent.

Is there a rent guarantee or a rental pool at Raiffeisen WohnBau for investment apartments?

No, this is not offered by Raiffeisen WohnBau.

FINANCING

How much own equity do I have to provide?

A share of approx. 30% is recommended.

Can I cover the loan installments with the rental income?

This is only possible with an own equity share of approx. 50%.

Does Raiffeisen WohnBau offer financing?

Yes, in cooperation with the Raiffeisen banks or the Raiffeisen Bausparkasse.

TAXATION

What are the tax advantages of purchasing an investment apartment?

VAT: Due to the pre-tax deduction, the investment apartment is acquired at the net purchase price.

Income tax: income-related expenses (interest on loans, depreciation, tax advice costs, etc.) can be deducted from the taxable rental income. This creates losses in the first few years, which can be offset with other income.

When can I sell the investment apartment?

It makes sense to sell after 20 years (pre-tax correction otherwise) and reaching the total tax surplus. The income from the sale of an investment apartment is subject to a tax rate of 30% (capital gains tax), unless an application is made for taxation according to the rates (standard taxation).