KNOWLEDGE

Fact sheet: operating costs

Which costs landlords in Germany may pass on to tenants – and which they may not.

Landlords in Germany may pass the running **operating costs** on to their tenants – but only the types of cost named in the Operating Costs Ordinance (BetrKV), and only if the tenancy agreement provides for it. This overview shows all 17 types and what to watch for.

The three conditions

1. **Agreed in the tenancy agreement.** A reference to the Operating Costs Ordinance is usually enough. What isn't agreed cannot be charged.
2. **The costs must actually have been incurred**, and only within the principle of economy – tenants don't have to bear excessive costs.
3. **A statement on time** – no later than 12 months after the end of the billing period.

The 17 types of operating cost (§ 2 BetrKV)

No.	Type of cost	Examples and notes
1	Ongoing public charges	Property tax (Grundsteuer)
2	Water supply	Water usage, meter rental, calibration
3	Drainage	Wastewater fees, rainwater
4	Heating	Fuel, operating electricity, servicing, metering service
5	Hot water	Heating the water, servicing, billing
6	Combined heating and hot water	where both are produced centrally
7	Lift	Electricity, servicing, emergency line, inspection – not repairs
8	Street cleaning and waste disposal	Fees, bulky waste within the fees
9	Building cleaning and pest control	Stairwell, cellar, communal rooms
10	Garden care	Ongoing care, play-area sand, replacing plants
11	Lighting	Electricity for outdoor and stairwell lights
12	Chimney cleaning	Sweeping and measuring fees
13	Property and liability insurance	Building, glass, liability insurance

No.	Type of cost	Examples and notes
14	Caretaker	Only routine work, without repairs and administration
15	Aerial and broadband systems	Cable TV fees no longer recoverable since July 2024; running and servicing a communal aerial still is
16	Laundry facilities	Communal washing machine: electricity, servicing
17	Other operating costs	Only if named individually in the tenancy agreement – e.g. smoke-alarm servicing or gutter cleaning

Worked example by living area

A building's waste fees are €3,240 a year. The total living area is 1,800 m², the flat has 72 m²:

> €3,240 ÷ 1,800 m² × 72 m² = **€129.60** share for the flat

Every area-based cost is allocated this way. Consumption-based costs such as heating and water are billed by consumption where meters exist.

What landlords always bear themselves

Management, repairs, the reserve, vacancies and financing costs stay with the owner. A full comparison is in recoverable and non-recoverable costs.

Tip

Check the operating-cost clause in your tenancy agreements – especially whether "other operating costs" are listed individually. What is missing there cannot be charged, even if the costs actually arise.

Umlagefähig (recoverable) costs are those a landlord may pass on to the tenant through the operating-cost statement. **Nicht umlagefähig** (non-recoverable) costs are always borne by the owner. The difference is real money for every landlord – and a frequent source of errors.

The basic rule

Only **operating costs** are recoverable: costs that arise for the owner **on an ongoing basis** from owning the property or from the intended use of the building. The Operating Costs Ordinance lists them exhaustively (§ 2 BetrKV).

Expressly **not** operating costs (§ 1(2) BetrKV) are:

- **Management costs** – the property manager's fee, bank charges, postage
- **Maintenance and repair costs** – repairs and replacements

The tenancy agreement must also provide for passing costs on.

Overview

Recoverable (if agreed)	Not recoverable
Property tax (Grundsteuer)	Management fee
Water, wastewater	Repairs and maintenance work
Heating and hot water	Contribution to the maintenance reserve
Lift (operation, servicing)	Bank charges
Waste collection, street cleaning	Costs of the owners' meeting
Building cleaning, pest control	Financing costs, interest
Garden care	Costs of vacant units
Communal electricity	Legal and court costs
Chimney sweep	Special levies for repairs
Property and liability insurance	Rental fees for smoke alarms
Caretaker (without repair and admin share)	Caretaker's repair share

Typical borderline cases

Case	How it is treated
Caretaker	Only routine work (cleaning, checks, winter service) is recoverable. Repairs and admin tasks must be deducted.
Servicing or repair?	Regular inspection and servicing (e.g. of the heating) is recoverable. Repairing a fault is not.

Case	How it is treated
Garden care	Ongoing care and replacing individual plants: yes. Laying out a new garden: no.
Smoke alarms	Servicing is recoverable; renting the devices is not, according to the Federal Court of Justice.
Cable TV	No longer recoverable through operating costs since 1 July 2024.
CO_2 costs of heating	Since 2023, split between landlord and tenant under the Carbon Dioxide Cost Allocation Act – the worse the building, the higher the landlord's share.

The link to the owners' statement

In a WEG's Hausgeldabrechnung, recoverable and non-recoverable costs appear side by side. Good managers mark each item – which saves landlords a lot of work on the operating-cost statement.

Commercial leases

The Operating Costs Ordinance is not mandatory for commercial leases. There – if clearly agreed – further costs such as management costs can be passed on. The lease decides.

This article is general information and not legal or tax advice for your individual case. Your contract, your association's resolutions and current law are what count.