

Press Release

Joint agreement on socially responsible refurbishment of the An der Kappe residential estate in Spandau

Berlin, 19 December 2022. Parts of the Spandau residential estate An der Kappe have been undergoing refurbishment work since October. The borough of Spandau and Deutsche Wohnen SE have now reached a joint agreement on key points for carrying out this work in a way that is socially responsible. The agreement includes clear statements on the apportionment of modernisation costs, regulations for hardship cases, and offers of help for tenants whilst the work is ongoing.

Lars Urbansky, co-CEO of Deutsche Wohnen: “By investing in the energy efficiency of our holdings, we would like to make a contribution to climate protection and also achieve lasting reductions to the energy costs of our tenants. It is important to us that, in doing this, we have the support of all of our tenants and that we can give them security in these uncertain times. With this agreement, we are putting these intentions into practice. In particular, the agreement gives expression to our promise to our tenants, which has been in force since 2019 – namely that no-one will have to give up their flat because of rises in rent or modernisation measures. I would like to thank both the borough of Spandau and the participating tenants’ associations for their constructive and successful work on this agreement.”

Gregor Kempert, borough cabinet member with responsibility for social affairs and services for citizens: “With this first agreement in the borough of Spandau between the local authority and Deutsche Wohnen, we have succeeded in providing a secure outlook over the long term particularly to low-income tenants in the estate. Following the modernisation work, the gross warm rent will not be allowed to exceed 30 per cent of the net household income. Moreover, general increases in the net cold rent are not allowed through to 31 December 2027. Given that the estate is not located in a social conservation area and that, therefore, the modernisation measures do not in principle require local authority permission, I would like to expressly thank Deutsche Wohnen for its willingness to cooperate and to make compromises on these social matters. I would also like to thank the borough mayor Dr Carola Brückner, Mr Jürgen Wilhelm from the Berlin tenants’ association and Mr Marcel Eupen from the AMV, the alternative federation for the protection of tenants and consumers, for their competent and productive support in the course of these negotiations.”

Key points of the agreement

- The apportionment of modernisation costs will be limited to an across-the-board amount of no more than €2.00 per m².
- The tenants will have 3 weeks after receiving notice of the allocated modernisation costs in which to raise an objection on the grounds of financial hardship. A case of financial hardship always applies if, following the modernisation work, the gross warm rent would exceed 30 per cent of the household net income.
- Where there are hardship cases, Deutsche Wohnen will offer adequate forms of help. Hardship cases that require particular intervention exist particularly for reasons of health and old age.
- In the case of recipients of basic unemployment benefit or social benefits, the rent following modernisation may not exceed the permissible rent level according to the applicable housing costs guidelines.
- The tenants who were the contracting party when the refurbishment and modernisation work began will be excluded from general rent increases in accordance with sections 558 and 559 of the German Civil Code from the date when they sign this agreement through to 31 December 2027 unless work is carried out due to circumstances for which Deutsche Wohnen does not bear responsibility. This regulation does not apply to rent increases in accordance with section 559 of the German Civil Code and in conjunction with the refurbishment and modernisation work that is the subject of this agreement.

Building work

The building work, which has been in progress since October, affects 203 flats. It includes repair and modernisation work.

The modernisation work aims to create a contemporary energy efficiency standard and serves to improve the living quality of the flats. In detail, it includes upgrading the buildings by insulating the facades and the ceilings of the upper floor, exchanging the existing stairwell and flat windows with synthetic insulating windows and providing new balcony doors. In addition, the wiring in the buildings will be replaced. This will ensure in future that there is sufficient electrical capacity in the flats and that energy-intensive appliances can be used by all tenants at the same time.

Finally, the repair and reworking of the stairwells, building entrance areas and balconies will ensure an overall improvement in living quality.

The residential estate An der Kappe

The estate, which was built in the 1930s, consists of around 1,200 flats. Since it became part of the holdings of Deutsche Wohnen in 2016, various problem areas of the estate have been addressed. For example, tenants' gardens that used to be overgrown were repaired, and active steps were taken to prevent litter and the dumping of bulky refuse. Moreover, when there was a change of tenant, Deutsche Wohnen invested in the flats and refurbished the bathrooms, for example, or redid the wiring. The refurbishment work that is now underway follows on from the work described above and will bring the estate up to a thoroughly contemporary standard.

Deutsche Wohnen

Deutsche Wohnen is one of the leading publicly listed property companies in Europe and is part of the Vonovia Group. The business focus of the company is on managing its own portfolio of residential properties in dynamic metropolitan regions and conurbations in Germany. Deutsche Wohnen sees itself as having both a social responsibility and a duty to maintain and newly develop good-quality and affordable housing in vibrant residential neighbourhoods. As at 30 September 2022, the portfolio comprised a total of around 142,600 units, of which 140,000 were residential and around 2,600 commercial.

Deutsche Wohnen SE

Mecklenburgische Straße 57
14197 Berlin
deutsche-wohnen.com

Contact

Marko Rosteck
Head of Corporate Communications

Telephon: +49 30 897 86 5201
Telefax: +49 30 897 86 5209
pr@deutsche-wohnen.com