

# Press Release

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## Joint Arrangement for a Socially Responsible Refurbishment in Lichtenberg

**Berlin, February 22, 2023.** In the run-up to planned maintenance and modernization measures in Berlin-Lichtenberg, Deutsche Wohnen and the district office have reached a joint arrangement for implementing the measures in a socially responsible manner. The arrangement refers to Metastrasse 2–30 and contains, among other things, statements on maximum levels of rent, hardship cases and tenant communication. It was signed by Lars Urbansky, from the Management Board of Deutsche Wohnen SE, and Kevin Hönicke, deputy district mayor and city councilman for urban development, citizens' services, labor and social services.

Lars Urbansky: "With this arrangement, we are supplementing the legal regulations for modernization measures and creating even more reliability and predictability for our tenants. In addition, as with every Deutsche Wohnen refurbishment, tenants of Metastrasse will also benefit from our promise that no one will lose their apartment because of rent increases."

Kevin Hönicke: "The regulations set forth in the arrangement provide security and reliability for all tenants in the buildings. We were able to limit rent increases, agree upon special regulations for hardship cases, and ensure that there will be access to independent information. We have thus reached a very good agreement that goes far beyond the minimum standards required by law and that will substantially mitigate social hardship."

### Key points of the arrangement

- The modernization allocation will be applied to the amount specified in the modernization notification regardless of financial hardship cases. This means, for example, that any increased costs in the course of the construction measures will not be passed on to tenants but borne by Deutsche Wohnen.
- The tenants have until the end of the month after the month in which they receive the modernization notification to assert an objection on the basis of financial hardship. A case of financial hardship will always be recognized if the gross rent after the modernization, including ancillary expenses, would exceed 30% of the household net income.
- In cases of hardship, Deutsche Wohnen will offer adequate assistance measures. Cases of hardship requiring special regulations result in particular from issues related to health and age.

- In the case of recipients of basic welfare (formerly Arbeitslosengeld II) or social assistance, the rent after modernization may not exceed the permissible rent level according to the relevant housing cost guidelines.
- The net rent, excluding ancillary expenses, determined in the apportionment procedure shall remain unchanged for 36 months for eligible hardship cases and recipients of benefits under SGB II and SGB XII, i.e., rent adjustments pursuant to Section 558 and Section 559 of the German Civil Code (BGB) shall be excluded for this period, unless there are measures for which Deutsche Wohnen is not responsible. This provision does not apply to rent increases pursuant to Section 559 of the German Civil Code (BGB) in connection with the refurbishment and modernization work covered there.
- In addition to the tenant advisory service provided by Deutsche Wohnen, tenants can also take advantage of advisory services provided by the district office independently of the owners.

### **Information on the property to be refurbished**

Metastrasse 2–30 is part of a housing development comprising a total of 575 apartments. It was built in the 1930s and has been part of Deutsche Wohnen’s portfolio since 2013. It is located within the Weitlingstrasse area defined as protected by social preservation regulations and is a listed building.

### **Information on the construction measures**

Construction measures will be carried out on 146 apartments and will comprise maintenance and modernization measures.

The modernization measures aim to achieve a modern energy standard and increase the standard of living. This specifically includes insulating the top floor ceiling, reinforcing the electrical risers and installing an intercom system. In addition, single-glazed windows will be replaced at Metastrasse 14–20 with new wood, and insulated glass windows and the windows and loggia doors in the areas of the loggias that were previously enclosed in glass will be reinstalled. The context for these measures is a structural adaptation to conform with existing preservation orders.

In addition, the repairs – including the reworking of the apartment windows, staircases, roofs, facades, balconies and loggias as well as the preparation of the outdoor facilities – will ensure an improvement in the quality of living.

### **Deutsche Wohnen**

Deutsche Wohnen is one of the leading listed real estate companies in Europe and is part of the Vonovia Group. The operational focus of the company is on the management of its own real estate portfolio in dynamic urban and large metropolitan areas in Germany. Deutsche Wohnen believes it has a social responsibility and duty to maintain and develop livable and affordable housing in vibrant neighborhoods, and to develop new ones. In Berlin, the company’s portfolio comprises approximately 99,000 residential units.