



## Purchase Price

Purchase price : **6 million euros (last price!)**

Construction year: 1978-1980

Land area: 6,350 m<sup>2</sup>

Purchase price per m<sup>2</sup> area: 1,102 euros

(Average apartment price in Berlin: 4,852 euros/m<sup>2</sup>, average office price around 3,000 euros /m<sup>2</sup>)

Commission: 5.95% incl. VAT: 357,000 euros (Without VAT: 300,000 EURO)

Real estate transfer tax: 6,5%: 390,000 euros (no tax with “Share Deals”)

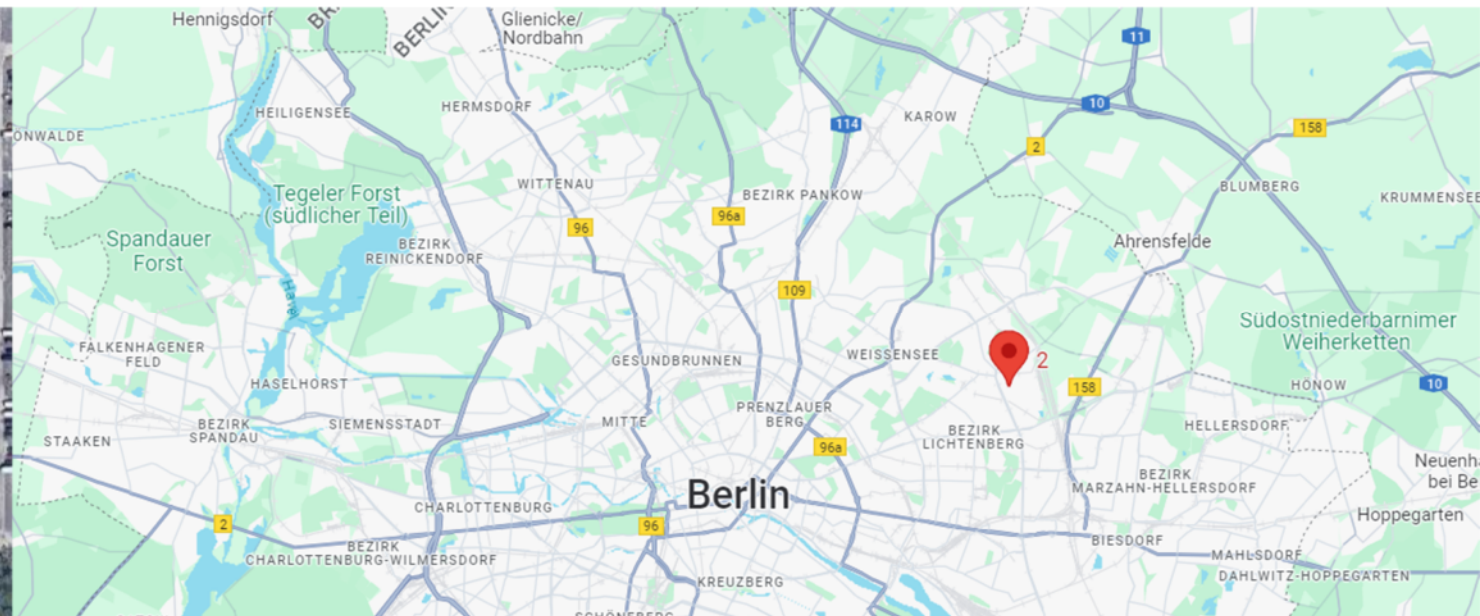
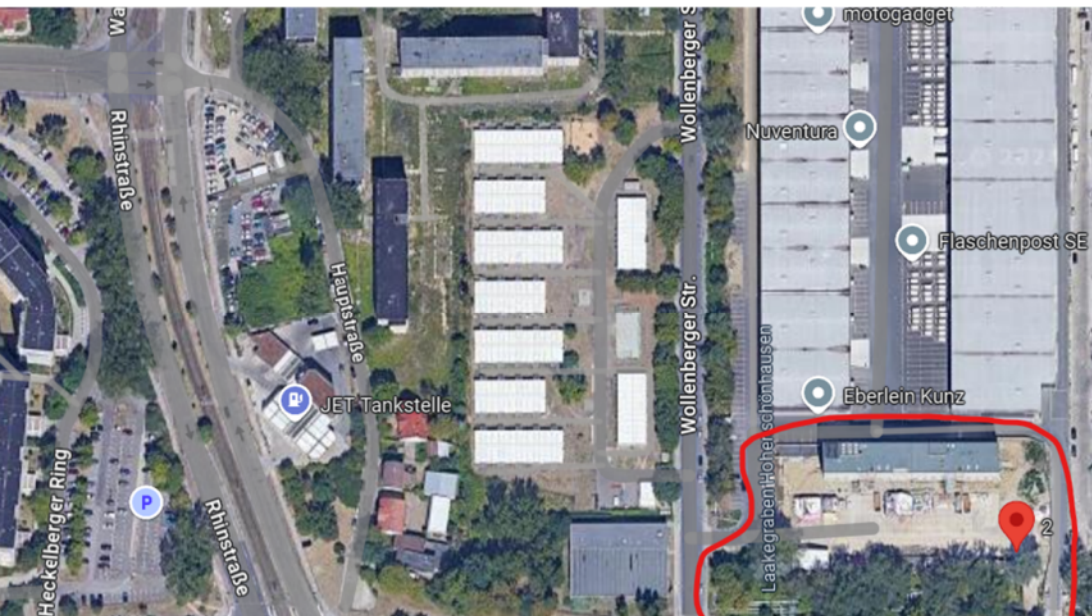
Notary Costs and Others: 45,000 euros

**Additional costs total: 735,000 euros (with “Share Deals”: 345,000 euros)**

Total Price for the investor: **6,735,000 euros (with “Share Deals”: 6,345,000 euros)**



# A building for living and working in the heart of Berlin





# Investing in real estate in Berlin is worthwhile !



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## Germany's housing market crisis intensifies: Exploding rents, evictions, homelessness

Tino Jacobson  
 © 2 June 2024

The state of Germany's housing market is becoming increasingly catastrophic. Millions of households are struggling with exploding rents, while property sharks skim off record returns. Evictions and homelessness are on the rise due to the deliberate lack of affordable housing and social housing.

## Exploding Rents: Where Prices are Rising in Germany

Rents are now also rising in the countryside by over 20 percent – Berlin is the most expensive after Munich.

6/3/2024, 1:40 PM

Eulerpool News Jun 3, 2024, 1:40 PM

In Germany, rents are rising not only in major cities but also in many rural regions, sometimes by 20 percent or more. After Munich, Berlin is the most expensive place for renters.

Region	Veränderung zum Vorjahr	Veränderung seit 2000
Tempelhof - Neukölln - Kreuzberg	0,9 %	288,8 %
Charlottenburg	1,0 %	256,9 %
Mitte	0,9 %	249,3 %
Wilmersdorf	1,0 %	245,8 %
Prenzlauerberg	0,9 %	240,7 %
Wedding - Gesundbrunnen	1,0 %	232,5 %
Schöneberg - Friedenau	1,0 %	229,3 %
Friedrichshain	1,0 %	219,1 %

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Berlin Berliner Wirtschaft Investition in Immobilien lohnt sich: Berlin mit 3,6 Prozent Mietrendite auf Platz zwei

## Investition in Immobilien lohnt sich Berlin mit 3,6 Prozent Mietrendite auf Platz zwei

Das Onlineportal ImmobilienScout 24 hat Kauf- und Mietpreise ausgewertet. Unter den deutschen Metropolen liegt die Hauptstadt in Sachen Rendite weit vorne. Nur in einer Stadt gibt es noch mehr.





# Unbeatable Top Real Estate : in the city of Berlin Germany



# outline

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- 2.2) Top Real Estate Top Price: 6.0 mil Euro 1st  
Floor
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- 03) Renovation: 13053Berlin Germany
- 04) Business Strategy After Take Over  
1st – 2nd Floor
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# 01) Commercial building in 13053 Berlin

With an extension or a new building, a higher gross floor area can be achieved.

The building is empty so it can be renovated immediately. There are spaces for more than 150 student apartments. It has great potential for value appreciation. The basic structures are very stable. The property is in the middle of Berlin and there is so much space that a comparable building can be built.

## Key data:

Construction year:	1978-1980
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Purchase price :	<b>6 million euros (last price!)</b>

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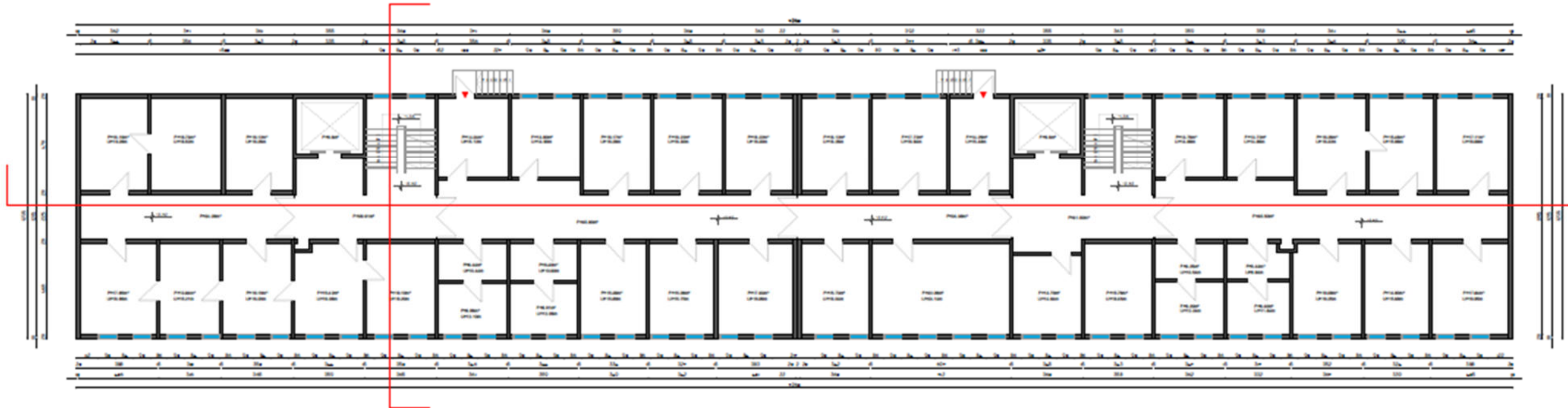
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# 2.1) Top Real Estate Top Price: 6.0 mil Euro

## Germany, 13053 Berlin

Basement - 777.39 m<sup>2</sup> living space

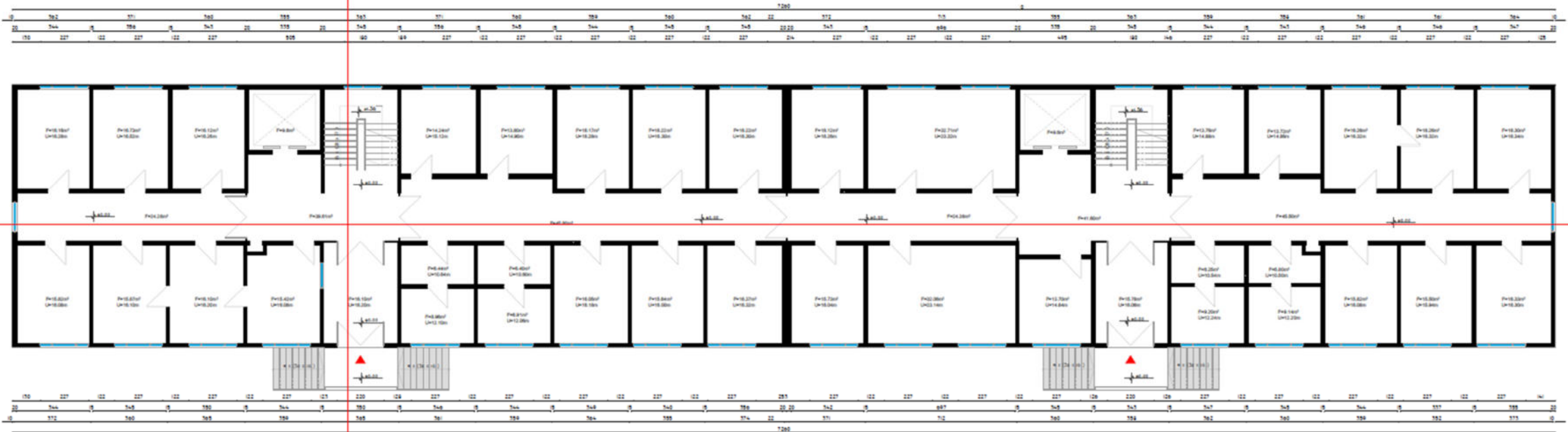


In the basement there would be space for 25 student apartments. All unusable pipes would have to be removed and the windows enlarged. The basement could be used as a laundry room, hobby room and basement room if major renovations were to be avoided.



# 2.2) Top Real Estate Top Price: 6.0 mil Euro Germany, 13053 Berlin

1st floor - 777.39 m<sup>2</sup> living space



The floor plans look the same up to the 6th floor. There is space for around 25 residential units on each floor. Combinations of 1-room apartments (with shower and toilet) and 2-room apartments can be built. Where there used to be toilets (each floor has 4 such rooms), communal kitchens (each room has 2 fitted kitchens with dishwashers) can be set up, where people can cook at any time..



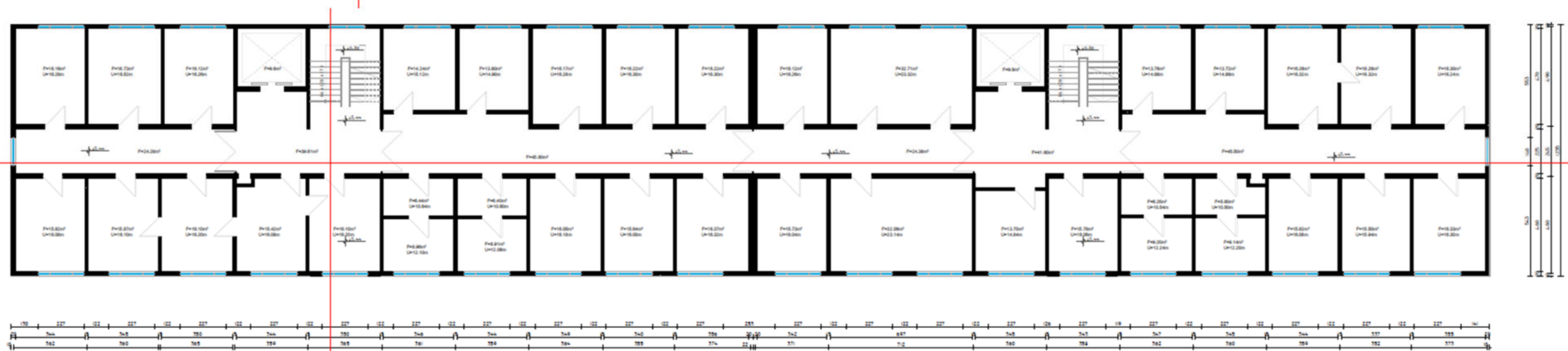


# 2.3) Top Real Estate Top Price: 6.0 mil Euro Germany, 13053 Berlin

2nd floor - 777.39 m<sup>2</sup> living space

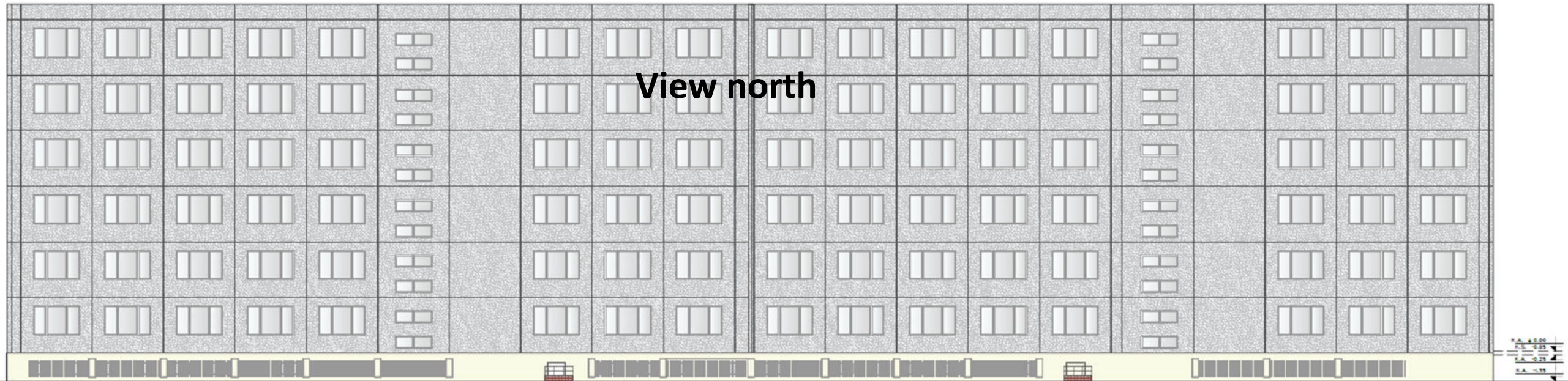


3rd floor- 6th floor: the same layout - 777.39 m<sup>2</sup> living space



# 2.4) Top Real Estate Top Price: 6.0 mil Euro

Germany, 13053 Berlin



# 2.5) Top Real Estate Top Price: 6.0 mil Euro

Germany, 13053 Berlin



The walls and fences are very solidly built. During the GDR era, this building was a Stasi building. So no expense was spared on building materials, which speaks volumes for the renovation. The prisons from the Stasi era are still there in the basement.



## 03) Renovation: 13053 Berlin

### **Renovation: it can be renovated immediately**

The office building on the property has a basement and 6 upper floors. It is a prefabricated building. This is characterized by the fact that all external walls from the basement to the roof have the same wall thickness. The internal walls are also standardized with the same thickness from the basement to the upper floors. All floors, including the basement, are symmetrical and all have the same floor area.

The floor height from the basement to the office floors is the same, and the corridor width is also the same. The total area of one floor is 777.39 m<sup>2</sup>.

The property area of 6,350 m<sup>2</sup> for the object of sale includes 4 parcels, corridor 9 with the sub-areas from parcels 235, 236, 237 and 238.

The commercial property is rectangular in shape, with supply lines, including the district heating line, The property to be sold must provide a right of way to the neighboring property and other easements.

# 04) Business Strategy After Take Over

## Basement \* 1st Floor \* 2nd Floor

Basement : for example

The basement floor has a washing and drying room for laundry. Every student or tenant has the opportunity to wash their own laundry here. Each residential floor has its own laundry room and bicycle storage area. There are hobby rooms that can be rented.

Whether you need a separate cellar for each tenant or whether you convert the cellar and rent it out is decided during the subscription phase and after the takeover.

**Development of a modernization concept with the help of architects and draftsmen.**

1st floor and possibly 2<sup>nd</sup> floor : for example

A language institute with training rooms for foreign specialists will be integrated here. The foreign specialists can rent free rooms here during their training. If required, the second floor can be offered for accommodation for the specialists for a maximum rental period of 6 months.

In addition to the training facility, the first floor will house housing management, a separate office, conference rooms, and a shared kitchen area. The rooms on the first floor can be used as work rooms for the company's own employees

or guest rooms for the company's own customers.

A caretaker, if he is employed, will find his own home here if possible.

# 05) Business Strategy After Take Over

3<sup>rd</sup> Floor \* 4<sup>th</sup> Floor \* 5<sup>th</sup> Floor \* 6<sup>th</sup> Floor

The housing situation in Berlin is unimaginably bad, as it has become worse due to the problematic housing policy. Berlin is attracting more and more people to the city. This means that more residents are coming to Berlin than vice versa. In addition, more and more students are coming to Berlin, which is further fueling and worsening the housing market.

The Berlin Senate, the city government, is desperately looking for ways to accommodate students and skilled specialists and is prepared to subsidize accommodation for students and skilled

We would like to work with the Berlin Senate by planning the accommodation of especially for students to help to relieve the burden on the city and make the city more attractive.

And we have the advantage of being able to count on fixed income. With a little bit of skill, the Berlin city government would even cover the modernization costs if we come to an agreement with the Berlin Senate beforehand.

We will try to contact the Berlin Senate immediately after the takeover and try to reach a long-term rental agreement with the Berlin state government.

If we make the entire floors from the 3rd to the 6th floor available to the Berlin Senate, there will be at least 150 apartments that could accommodate the students.

## 06) Property Offer: Berlin Wollenberger Str. 2

### **Purchase price:**

This consists of the existing building property;

**€: 6,000,000.00 euros (“last price”)**

With Real estate brokerage commission

5,95% (19% VAT included): 357,000 € (Net 5%: 300,000 €)

390,000 euros (no tax with “Share Deals”)

Notary Costs and Others: 45,000 euros

Additional costs total: **735,000 euros** (with “Share Deals”: 345,000 euros)

**Investment including additional costs, commission and tax:**

**6,735,000 euros (with “Share Deals” only 6,345,000 euros!)**

This price is the total cost of purchasing the property. There is a possibility of a discount of the purchase price towards 7 million euros.

The figures are based on rough monthly assumptions that have been roughly confirmed by the owners. Errors are possible. We assume no liability for incorrect information.

# 07 ) Alternative Repayment Plan



You can build an additional apartment building on the plot. The building permit is already in place.

The construction costs are around 1700 euros per square meter. The sales price per square meter is around 4,000 euros (realistic) if you sell individual apartments.

Let's look at the calculation of what investment is necessary if a residential building of the same size were to be built opposite the existing building.

## Construction costs for new building:

Construction costs per corridor: 777m x 1,700 euros :  
1,320,900 euros

A total of 6 corridors with an extra basement corridor.

Then it is a total of

6 x 1,320,900 euros = **7,925,400 euros**

Construction time: Maximum 3 years

Sales price

777 sqm x 6 = 4,662 sqm

4,662 sqm x 4,000 euros = **18,648,000 euros**

**Possible profit after 3 years:**

**Total Investment Needed : 10,722,600 euros**

**After tax around :**

**7,500,000 to 8,000,000 euros quite possible**





## o8) Summary

There are hardly any properties in Berlin that are so cheap and so large in the middle of the city of Berlin.

We have a great opportunity through our network to acquire the property at Wollenberger Str. 2.

Not only that, but we are in direct contact with the Berlin Senate (Berlin State Government) to work together and conclude a cooperation agreement for the accommodation of students and skilled professionals.

We firmly believe that we will reach a long-term contract with the city of Berlin so that we can count on stable rental income in the long term.

In addition, we would like to implement our language school program and train students (Studienkolleg) and the skilled professionals (Berufskolleg) here and then be able to place them with German companies.

It will be a great and much-needed business for the city of Berlin.

If our discussion with the Berlin Senate goes very well, and we expect it to, then we will immediately use funding to build another modern apartment building next door.

It is a great opportunity that we have all been waiting for.



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