

APARTMENTS IN A RENOVATED ALTBAU PROPERTY

WESERSTR. 32

BERLIN

- A BEAUTIFUL ALTBAU PROPERTY UNDER RENOVATION BY INSPIRATION
- LOCATED IN ULTRA FASHIONABLE KREUZKÖLLN
- VACANT AND RENTED 1-4 ROOM APARTMENTS, 3 COMMERCIAL UNITS
- 30%-50% FINANCING FOR INTERNATIONAL INVESTORS
- COMPLETE INVESTMENT MANAGEMENT BY INSPIRATION



Inspiration
Group

THE LOCATION

The property is located in the northern part of Neukölln, adjacent to Kreuzberg, in an area called Kreuzkölln. Over the past five years, the micro-location has emerged as one of the most fashionable areas in Berlin.

Trendy cafés, restaurants, bars, art galleries and organic shops dot the streets of the local Kiez (micro neighborhood). During the weekend the near by Maybachufer canal transforms into a vibrant market, a favorite spot for the areas residents to shop, stroll and meet friends.

Situated in the heart of the Kreuzkölln scene, the area of Weserstraße 32 has been dubbed the 'new Prenzlauer Berg', and is often compared to the teeming leisure nexus of Simon Dach Strasse in Friedrichshain.

The corner building is situated on the junction of Weserstraße and Weichselstraße, enjoying a lively pedestrian feel.

Transportation - The property enjoys easy access to U-Bahn and bus lines.

• Centrally located in Kreuzkölln near the Maybachufer canal.

• One of the hottest micro-locations in Berlin today

• Only minutes walking distance from public transportation, parks and leisure venues

• Urban Development area enjoying extensive municipal investments

1 – public school, and Sonnenalle a commercial street – 300m

2 – Reuter Platz – a charming garden – 500 m

3 – U7 Rathaus Neukölln – metro station at the historical municipal building – 700m

4 – Neukölln Arcaden shopping center – 600 m

5 – U7 and U8 Hermanplatz – metro station – 900 m

6 – Maybachufer – lively scene of farmers market

7 – Hasenheide Park – beautiful park with great public facilities

8 – Check Point Charlie – Mitte, the heart of Berlin – 4.5 km







THE PROPERTY AND APARTMENTS

The property is a unique, corner design, imperial era building, constructed in the beginning of the 20th century. There are 32 apartments in the building, 5 of which are penthouses. On the ground floor there are 3 commercial units.

The property's infrastructure was completely upgraded in the early 1990's, and a modern heating system was installed in 1998 – reducing heating costs, which are translated into higher rental incomes for investors.

The property is currently being renovated by Inspiration with the facades, balconies, stairwells and lobby being refurbished, and the yard's landscaping renewed.

Rental median price EUR/sqm by construction year

Before 1919 - Altbau	1920 -1945	1946- 1960	1961- 1975	1976- 1990	1991- 2008	after 2009
8.55	7.55	7.60	6.80	6.35	7.70	10

source: on.point residential city profile - JLL 2013

Altbau Architecture

Altbau Architecture is characterized by a passion for detail and quality, idiosyncratic of the German Imperial era beginning in the 1860's and culminating in the first decades of the 20th century.

Buildings often vaunt arched doorways, hardwood floors, ornamented stucco elements, balconies, and ceilings reaching a height of 3.5 meters.

The unique characteristics of Altbau buildings were lost in later decades as industrialized and functional designs became architecturally dominant.

The combination of location - most Altbau buildings are situated in Berlin's inner ring – and their unique design, render Altbau properties highly-attractive to Berlin's young professionals and international investors.





OPPORTUNITY ANALYSIS

The micro-area of Weserstraße 32, has become extremely attractive to young residents. The area has been zoned as an urban development area by the municipality – resulting in extensive investments in street infrastructure development, parks and kindergartens, tailored to the needs of the young population moving to the area.

The vibrant cultural scene, which has evolved in the area, is reflected in a strong demand for apartments. As the neighborhood's transformation unfolds in coming years, the prices of apartments and rents are forecast to rise significantly.

The unique GbR model enables investors to purchase apartments below market price, enhancing the capital gain potential.

Rental Demand

The high popularity of the micro-location particularly with younger demographics, has increased the price of new rental leases in to 10-14 EUR/SqM, with apartments in the top rental segment reaching even higher prices.

The current lease prices reflect the potential for significant increase in yields – 50% and above in most units – in future rental contracts.

The strong demand for apartments in the area creates a high level of security, ensuring future re-rental and very high potential increase in future yields.

Rental Comparison

Weserstraße 47 – 1st Floor

Size: 29.61 SqM

Price/SqM: 12.06 EUR

Distance: 270m

www.immobilienscout24.de/expose/75368817

Elbestrasse 25 - 4th Floor

Size: 64.46

Rent/SqM: 13 EUR

Distance: 500

www.immobilienscout24.de/expose/74682687

- Strong capital gain potential – one of Berlin's most sought after areas.
- Discounted apartment prices vs. neighborhood prices.
- 30%-50% financing available.
- High rental demand – secure and rising yields.
- Complete In-House management by Inspiration.

Re-Sale

The market price for newly renovated vacant apartments in the near vicinity surpasses 3,700 EUR/SqM. Rented units for sale in similar Altbau properties are marketed in the 2,500-2,800 EUR/SqM range. Unique Penthouse units are sold for even higher prices. This gap reflects the substantial capital-gain potential of the investment.

Apartments for sale

Rented Apartment in Anzengruberstraße / Donaustraße

Price: 293.606,39 EUR including closing costs (purchase tax, relator fee and notary) – 2.542,49 EUR/SqM.

Distance: 900 m

www.immobilienscout24.de/expose/64359190

Vacant apartment in Fuldastr. 37

Price: 322.380,49 EUR including closing costs (purchase tax, relator fee and notary) – 3.582,01 EUR/SqM.

Distance: 300 m

www.immobilienscout24.de/expose/75128798

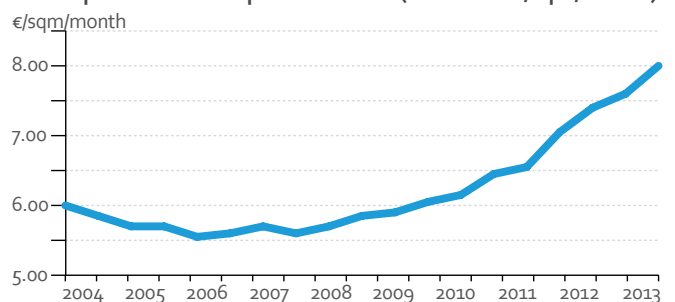
Vacant Apartment in Ossastr. 9

Price: 299.294,92 EUR including closing costs (purchase tax, relator fee and notary) – 3.649,94 EUR/SqM.

Distance: 210 m

www.immobilienscout24.de/expose/75128728

Development of rental prices in Berlin (Median in €/sqm/month)



Source: JLL, on.point - Residential Property Market Berlin, H1 2013



A multi-story apartment building with a light-colored facade and numerous windows. The building is viewed from a low angle, looking up. In the foreground, there are green trees and a courtyard area with some bicycles parked. The text is overlaid on a white rectangular background on the right side of the image.

GROUP ACQUISITION MODEL - GbR

Discount Prices with the Innovative Group Acquisition Model - GbR

The apartments in Inspiration Projects are purchased as part of a Group Acquisition Model in which each investor is allocated a specific apartment, which will be registered in the German Land Registrar under the investor's name.

- Purchasing the building in bulk with the GbR model enables significant savings by reducing the purchase price per SqM.
- The apartment price is all inclusive with purchase tax, realtor fees and the notary fee in Berlin, amounting to 12%-15% of the price of the property, included in the purchase price.
- A 30%- 50% financing is made available to international investors living outside of Germany.
- The property is managed entirely by Inspiration Group, including all aspects concerning the investment such as: rentals, maintenance, renovations and future re-sale.

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