

PRESS RELEASE

ULI Discussion Forum:

Berlin: Destination and Destiny

Experts discuss the outlook for the capital as a transport hub and tourist attraction

At an event organised by the Urban Land Institute (ULI) Germany on 1 June, more than 200 experts from the fields of real estate, municipal government and academia met at the DomAquaree DIFA CityQuartier in Berlin to discuss the development outlook for the German capital.

After many years of transition, the news from Berlin is good again: The economy is growing, unemployment is falling and the outlook for the future is predominately optimistic. The city has successfully transformed itself into a location for service companies, while the new main station and expansion of Schönefeld airport will boost Berlin's importance as an international transport hub and the gateway to Eastern Europe.

Dr. Reinhard Kutscher, member of the Management Board of DIFA Deutsche Immobilien Fonds AG, which sponsored the event, talked about the activities of open-ended real estate funds in Berlin. Over the past few years the city has become the second most important domestic investment market for German open-ended real estate funds after Frankfurt. While the Berlin portfolio of most funds is dominated by office property, DIFA has divided its holdings of approximately €1.6 billion between office and hotel investments (around 40 per cent in each sector). "With the Radisson SAS at DomAquaree, the Dorint Hotel Schweizerhof, the newly opened Park Plaza on Wallstrasse and four other well-known hotels, DIFA is successfully leveraging the growing attractiveness of the city to tourists and trade show visitors," said Dr. Reinhard Kutscher.

Jörg Hennerkes, State Secretary at the German Federal Ministry of Transport, Building and Urban Development, highlighted Berlin's current status and future prospects as an international transport hub. "In a globalised, increasingly interdependent world, mobility is a key prerequisite for our country's economic success and for the quality of life and well-being of our citizens," said Hennerkes. For this reason, the federal government's transport policies are aimed at securing a strong economy and good, skilled jobs.

Dr. Hans Stimmann, Director of the Berlin Senate Department of Urban Development, pointed out that Berlin faces fierce competition from other German and European cities. The capital has an advantage, however, in that real estate is available in central locations on attractive terms. "The role of the public sector has changed radically," said Dr. Stimmann. "Its task today, and in future, is above all to clarify strategic objectives, initiate key projects, adopt framework plans and actively assist private bodies through the necessary processes."

Kevin Murphy, Senior Vice President of Anschutz Entertainment Group, presented O2 World, which his company is building on the site of a former rail depot in eastern Berlin. The Arena will be a world-leading, modern entertainment and sports venue capable of being transformed from an ice hockey stadium into a stylish concert hall in just a few hours.

Urban Land Institute

The Urban Land Institute (ULI) focuses on urban and regional planning issues, land use and real estate development. This non-profit research and education organisation founded in Washington D.C. now has more than 22,000 members in 52 countries. The German branch comprises over 240 professionals from the real estate sector, local authorities, the academic world and the media.

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