

German News Headlines (week ending 14th August 2009)

The German Economy

The German economy is “Officially” out of recession, statistically!

The German economy grew for the first time since early 2008 in the second quarter of this year, the Federal Statistics Office reported on Thursday. Gross domestic product increased by 0.3 percent from the first quarter, “*The stabilisation of the German economy in the second quarter was better than we expected*”, Economy Minister Karl-Theodor zu Guttenberg said. “*They show that the worst part of the economic downturn could be behind us.*”

The positive data is proof the government’s stimulus programme is taking hold, but we warned against being too euphoric in light of the dramatic economic collapse caused by the financial crisis.

The German Property Market

Developments at the new Berlin International Airport

The new BBI (Berlin International Airport) at Schönefeld has invited tenders for the construction of a four star hotel with 300 rooms, an adjoining conference centre, office space totalling 4,300 sqm and a freight handling facility with a capacity of 60,000 tonnes. These buildings will form part of the “Airport City,” with construction planned to start by the beginning of 2010.

Vivacon sells 2,400 Commercial & Residential Units

Vivacon AG has sold a residential property portfolio with more than 2,400 separate units totaling c.146,000 sqm of residential and other lettable area, primarily in western Germany. The sale price was undisclosed.

Strabag RE sells “Le Ciel” office building

Strabag Real Estate has sold the office building called “Le Ciel” in Düsseldorf. It is a five-story building with some 6,200 sqm of lettable area. Tenants include TK Maxx and the sale price was between €22 & €30 million.

Other News

Anniversary of the Construction of the Berlin Wall

Thursday saw the 48th anniversary of the construction of the Berlin wall. From the end of the second World War until 1961 over 2.5 million people left the communist run east Berlin so overnight on the 12th August, 1961 tens of thousands of guards, soldiers and police hastily erected checkpoints and barbed wire barriers.

On what became known as “Barbed Wire Sunday,” some awoke to find themselves suddenly trapped in the Soviet sectors, separated overnight from families, friends and loved ones who happened to live on the other side of the Wall. More than 1,000 people lost their lives trying to escape the oppressive communist regime in East Germany to a life of freedom in the West.

Berlin will to celebrate the 20th anniversary of the fall of the wall on November 9, 2009 and only small fragments of the Wall are left scattered throughout the city mainly as tourist attractions.

For further information please contact RealReturns on 01 647 1121 or by email on info@realreturns.eu