



Berlin administrative court permits subletting

Bernd Muckenschnabel: "A happy day for tourism in Berlin"

Berlin, 11 August, 2016

Berlin has been experiencing a shortage of apartments for years now. As the construction of new housing is very slow and not at all keeping pace with demand, the Ministry for Urban Development and the Environment in the Berlin state government has been attempting to prohibit the subletting of residential properties for several years. To this end, on 1 May, 2014, an law was amended to "forbid the misappropriation of residential capacity" in Berlin. Ever since, in all boroughs of Berlin, the responsible borough offices have imposed hefty fines in an effort to protect existing residential capacity from misappropriation in the form of being left vacant, demolition, commercial use and holiday lettings.

But a second residence is not automatically a holiday residence. This was the decision recently reached by the sixth chamber of the Berlin administrative court (Verwaltungsgericht), supporting the lawsuit brought by three Berlin property owners who let their apartments to third parties on temporary leases during their own absence. The judges justified their decision on the basis that the leasing of properties whilst the owner is absent does not in any way result in the loss of residential capacity. The prohibition of misappropriation still applies when residential property is left vacant, but this does not apply to second homes, as it does not have a negative effect on the supply of residential capacity for the population as a whole, according to the judgment.

Bernd Muckenschnabel, Vice President of the European Holiday Home Association (EHHA) and Chairman of the Supervisory Board of the Novasol Group, one of Europe's largest providers, sees the verdict as a positive signal. For him, the misappropriation prohibition is more than just a violation of the rights of ownership. "It regulates and discriminates against citizens who wish to let their house or apartment when they are away. This law threatens people's livelihoods and is an impediment to an entire sector of the economy. The fact remains that, Europe-wide, around 35 percent of all holidaymakers stay in private holiday accommodation," according to Bernd Muckenschnabel. He therefore sees the verdict of Berlin's administrative court as more than just a "ray of hope" – he calls it "a happy day for tourism in Berlin".

Carlos Villaro Lassen, Secretary General of EHHA, also welcomes the verdict of the Berlin administrative court and is looking forward to seeing the written judgment. He is eager to see how other German cities react, too

Contact:

Carlos Villaro Lassen,
Secretary General
+45 3110 1090
info@ehha.eu



European
Holiday Home
Association

Kontakt:

Carlos Villaro Lassen,
Secretary General
+45 3110 1090
info@ehha.eu