

[August 22, 2022] Open letter to the Berlin Minister of Finance Daniel Wesener, Bündnis 90 / Die Grünen (Green Party)

Dear Minister of Finance Daniel Wesener,

Between 2006 and 2021, the real estate group Akelius purchased 14,048 apartments in Berlin, amounting to 3.814 billion euros by the third quarter of 2021 or 27 percent of the Group's total real estate property holdings.¹ By September 2021, Akelius had already transferred 43 percent of these apartments into the high-end market by aggressively displacing long-term tenants and subsequently carrying out luxury modernizations that were furthermore only superficial. Many of the apartments had previously been inexpensive, representing an irrevocable loss of affordable housing.²

On election night, September 26, 2021, Akelius surprisingly announced the 9.1 billion euro sale of all its apartments in Berlin, Hamburg, Stockholm, Malmö, and Copenhagen. The buyer was the real estate group Heimstaden.³ Four months after this mega-deal, Akelius decided to pay a record dividend of 6 billion euros.⁴ Akelius has announced future plans to focus on the North America and the UK markets, where it aims to regain the former size of its residential property portfolio. In other words, Akelius plans extensive purchases of about 25,000 – 30,000 apartments.⁵

Since the publication of our dossier "Akelius in Berlin 2018/2019"⁶ in the summer of 2019, we have continued to point out to tenants that Akelius' acquisition of many apartment buildings may have crossed the limits of legality with fictitious share deals. In several cases, we were able to prove that the two respective shareholders in the share deals are not independent of each other but rather are linked together through Akelius' complex network of international companies. The district of Berlin-Neukölln then successfully sued for the release and review of the documents relating to one house purchase by Akelius.⁷ In addition, Cansel Kiziltepe, social democratic member of the Federal German Parliament and current State Secretary, filed two complaints (09/20, 04/21) with the Berlin tax authorities demanding an audit of four Akelius share deals in total.⁸

Akelius has since withdrawn from Europe after a hasty and expansive sale to Heimstaden, and to this day the public has not been informed about the investigations against Akelius. We, former Akelius tenants from Berlin, suspect that Akelius is trying to circumvent the mounting pressure that various regulatory efforts have put on the Group.⁹ We furthermore believe that the decision to leave Europe was made in particular because of the increase in public demand for transparency and, if necessary, criminal prosecution in the case of the alleged illegal acquisition of numerous Berlin apartment buildings – as well as the avoidance of the land transfer tax. We were outraged that the former Social Democratic Party-led Berlin Department of Finance were not transparent about the course of the investigations regarding Kiziltepe's complaint – despite multiple hints and requests. In response, the Senate has invoked tax secrecy. However, German tax law provides for exceptions to tax secrecy if, for example, economic crimes are being prosecuted that have the potential to significantly disrupt economic order or significantly shake general confidence in the work of the authorities.¹⁰ We believe both of these conditions have been met in the case of Akelius because the ability to exercise the right of first refusal as an instrument for urban planning was thwarted and tens of millions of euros in taxes were potentially not paid. Since 2008, tax evasion of more than one million euros is usually punished with a prison sentence of more than two years, which no eligibility for parole.¹¹ Therefore, we are calling on the new Berlin Department of Finance to finally provide full transparency about the status or outcome of the investigations. The public has a right to know!

We demand:

1) Transparency: Has an investigation been conducted in response to the reports? What is the status of the investigation? How do/ did the investigations proceed? What are the results of the investigation so far? Have agreements been made between the tax authorities and Akelius concerning the investigations? If so, we demand transparency about this as well!

2) Redress of criminal and civil law: If the courts hold Akelius or its legal successor Heimstaden criminally accountable for these dubious activities, then all taxes that may have been evaded must be repaid!

3) Political redress: If the investigations were discontinued for any reason, if for example Akelius got away with paying a sum of money or making other concessions, then the entire matter must be investigated by a parliamentary committee. Accountability must be established and politicians and administrators must be prevented from granting such free rides. This requires full transparency in the tax authorities' dealings with Akelius!

4) Political consequences: Politicians at the state and federal level must stand up firmly and uncompromisingly for a wealth tax and a wealth cap. Furthermore, "The Shift Directives: From financialized to human rights-based housing" that have been published by The Shift organization must be incorporated into the relevant laws!¹²

We live in troubled times. The rich and wealthy are accumulating more and more wealth and assets, while world-wide the widespread impoverishment of most people is proceeding rapidly. Also rooted in this injustice is the dangerous erosion of confidence in democracy. This is a trend that is also fueled by the superrich, like Roger Akelius and profit-maximizers of the Akelius Group, who blatantly disregard existing laws and social fairness, especially when the already insufficient laws on enforcement and transparency in the area of white-collar crime are not even applied. This is indicative of a policy of contempt that structurally favors the superrich through wealth-friendly policy instruments while disregarding the vast majority of human beings.¹³

In solidarity with tenants in the UK and North America, we have translated and published our research on the Akelius foundations and the system of bluewashing and tax avoidance.¹⁴ Every cent that Akelius has moved out of Berlin because the German tax authorities are not acting responsibly will drive tenants in other cities in North America and the UK into misery and despair.

Mr. Wesener, act to bring transparency!

Yours sincerely,

Vernetzung der Akelius Mieter*innen Berlin (Network of Akelius tenants in Berlin), now merged with the StopHeimstaden tenants network.

<https://stoppakelius.de/>

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<http://stopheimstaden.org/>

Bündnis gegen Verdrängung und Mietenwahnsinn, Berlin (an alliance of non-parliamentary initiatives from Berlin against displacement and rent madness)

<https://stoppakelius.de/>

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Deutsche Wohnen & Co. enteignen! (Expropriate Deutsche Wohnen & Co.!)

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Berliner Mieterverein e.V. (Berlin tenants association)

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This Open Letter is sent to:

- Berlin Minister of Finance Daniel Wesener, Bündnis 90 / Die Grünen (Green Party)
senatorenbuero@senfin.berlin.de
- Rechnungshof von Berlin (Berlin Court of Auditors)
poststelle@rh.berlin.de
- Media in Germany, UK, USA, Canada, Sweden and France

1 <https://mb.cision.com/Main/3302/3441631/1487195.pdf>, p. 4

2 <https://mb.cision.com/Main/3302/3441631/1487195.pdf>, p. 13

3 <https://mb.cision.com/Main/3302/3421476/1473252.pdf>

4 <https://mb.cision.com/Main/3302/3542975/1561952.pdf>

5 <https://www.hemhyra.se/nyheter/akelius-vill-salja-28-500-hyresratter-vi-ska-lamna-sverige/>

6 <https://akelius-vernetzung.de/wp-content/uploads/2019/08/>

[Dossier Akelius in Berlin 2018 19 Auflage 2 lores.pdf](#)

7 <https://www.tagesspiegel.de/berlin/juristisches-neuland-gegen-investoren-berlin-neukoelln-uebt-erstmal-vorkaufsrecht-bei-share-deal-aus/27206288.html>

8 <https://cansel-kiziltepe.de/akelius-share-deals-rekonstruktion/>

9 <https://www.hemhyra.se/nyheter/akelius-vill-salja-28-500-hyresratter-vi-ska-lamna-sverige/>

<https://de.wikipedia.org/wiki/Mietendeckel>

<https://www.dwenteignen.de/>

10 Fiscal Code §30 Tax secrecy, paragraph 4, number 5a: “the disclosure is necessary for the prevention of significant disadvantages to the common good or a threat to public safety, defense, or national security or for the prevention or prosecution of crimes and intentional serious offenses against life and limb or against the state and its institutions.” and number 5b: “economic offences are prosecuted or are intended to be prosecuted which, by the manner in which they are committed or by the extent of the damage they cause, are likely to seriously disturb economic order or seriously undermine public confidence in the fairness of commercial transactions or in the proper functioning of public authorities and public institutions.”

11 Bundesgerichtshof (Federal Court of Justice), judgment of February 7, 2012, case number 1 StR 25/11, adapted from Ronen Steinke: Vor dem Gesetz sind nicht alle gleich. Die neue Klassenjustiz (Before the Law, Not Everyone is Equal. The New Class Justice), Berlin Verlag 2022, p. 145;

<https://juris.bundesgerichtshof.de/cgi-bin/rechtsprechung/document.py?>

[Gericht=bgh&Art=en&nr=59606&pos=0&anz=1](#)

Bundesgerichtshof (Federal Court of Justice), Press Release No. 20/2012: Sentencing in cases of tax evasion amounting to millions.

<https://juris.bundesgerichtshof.de/cgi-bin/rechtsprechung/document.py?>

[Gericht=bgh&Art=en&Datum=Aktuell&anz=1&pos=0&nr=59128&linked=pm&Blank=1](#)

12 <https://make-the-shift.org/>

13 Martin Schürz: Over-Richness. Special edition for the Bundeszentrale für politische Bildung (Federal Agency for Civic Education), Bonn 2020 (original edition Campus Verlag 2019), p. 113 ff.

14 English version of the research: <https://www.akelius-vernetzung.de/?p=1512>

Press release: <https://www.akelius-vernetzung.de/?p=1524>

First Publication in German language and press coverage: https://www.akelius-vernetzung.de/wp-content/uploads/2022/04/Bluewashing_Steuervermeidung_Akelius_Foundation.pdf

<https://www.spiegel.de/wirtschaft/unternehmen/akelius-wie-immobilien-milliarden-aus-dem-verkauf-an-heimstaden-auf-den-bahamas-landen-a-dd524b97-519c-4213-9dfe-2f616b87352e>

<https://taz.de/Akelius-schuettet-Dividende-aus/!5843609/>