Role of Culture and Consumption in the Process of Gentrification: Case Study of the Reuter Quarter in the Former West Berlin Neukölln (English Translation)

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Abstract  This study aims to identify the complex process of gentrification in Reuter Quarter, Neukölln, in the former West Berlin inner-city district Neukölln. First, the gentrification indicator model was incorporated to examine the functional, social, structural, and symbolic upgrading. Then, the author identified the geographical characteristics of the ‘New Use’ (art-related use, new retail business, and new service business) and its relevance to the ages of buildings. Further, interviews with business proprietors of New Use revealed changes in the commercial environment and its main causes in the subject area. As a result, the study indicated that the subject area initially showed signs of revitalization before it gradually transformed into gentrification; the symbolic upgrading induced other types of upgrading; scene gastronomies, specifically cafes, bars, and restaurants encouraged the formation of the nightlife district; and finally, as culture and consumption contribute to the transformation of the commercial environment, they play an important role in gentrification.

Key words  gentrification, commercial environment, Berlin, cafes and bars, nightlife

Introduction

Research background  Berlin has changed dramatically since the fall of the Berlin Wall in 1989, which used to divide the city both geographically and ideologically. Not only the weak economy of West Berlin, caused by the aid-dependent and vulnerable economic structure, but also the privatization of the enterprises owned by former East Berlin along with the withdrawal of the manufacturing industry triggered by the opening of free markets made Berlin an economically challenged city within reunified Germany (Bernt et al. 2013: 16; Häußermann and Kapphan 2002: 91). The first to be affected were the inner-city districts in East Berlin. ‘Plattenbauten,’ the pre-fab collective housings built systematically during the socialist era, were dominant in the outskirts of the city of former East Berlin. On the other hand, the inner-city district had many historical buildings whose value was not acknowledged by the East German government and remained neglected without any restoration, maintenance, or management. After the political and economic paradigm shift, namely the fall of the Berlin Wall and the reunification, cultural squatting took place in these historical buildings (Ikeda 2014), which led to Berlin’s unique cultural and creative urban change.

Cultural squatting also contributed to the creation of attractiveness of the district and triggered gentrification. Progression of gentrification was identified around Kunsthaus Tacheles in the former Mitte district between the late 1990s and the early 2000s, as mentioned in Ikeda (2014), and in the former Prenzlauer Berg district in the mid- to late 2000s (Bernt and Holm 2005; Holm 2010; Levine 2004). About those inner-city districts in former East Berlin, especially former Mitte and former Prenzlauer Berg, studies have been increasingly accumulated including case reports from not only geography but other related disciplines as well, with a wide variety of research perspectives (Holm 2011; Krajewski 2003).

Soon after the former East Berlin inner-city districts were restructured, the former West Berlin inner-city districts began to undergo a restructuring process. This almost paradoxical situation was reported sensationaly by a local major tabloid newspaper as ‘West Germans now poorer than the East Germans’ (16th August 2014 B. Z.). The article relied on the annual report titled ‘Regional Poverty’ (Regionale Armut) published by the Cologne Institute for Economic Research (Institut der
deutschen Wirtschaft Köln). As of 2017, the proportion of people with weak purchasing power in the former West Berlin inner-city districts was as high as 23.8% and ranked sixth among all German regions. On the other hand, the corresponding proportion in the former East Berlin inner-city districts was 17%, which is almost as low as Munich’s, which was 17.5% (Institut der deutschen Wirtschaft Köln 2017: 57). The ‘underestimation’ considering the former city of West Berlin was originally attributed to the city’s historical background, namely its unique position during the East-West division and the characteristics of its social structure because of this situation. It surfaced as an issue due to the unchanging economic standards in some West Berlin districts, while the economic standards of the East Berlin districts improved.

Now that more than a quarter of a century has passed since the fall of the Berlin Wall and the city of former East Berlin has developed, it is necessary to understand the urban transformation of the West Berlin inner-city districts. Being a mode of transformation, it will have implications for other West European cities, unlike the research reports on East Berlin which has a historical background as a former socialist state.

**Gentrification studies**

This section will briefly summarize the trends in gentrification studies both in Japan and abroad, as well as the research method followed, and the meaning of gentrification as endorsed in this paper. The term gentrification was first used in the 1960s by the sociologist Ruth Glass (1964) who was born in Germany and later moved to England. At the time, the term was used to describe the phenomenon of ‘gentrification’ of working-class districts in London. However, as Fujitsuka (1994) mentioned, the term is a geographical concept that has fostered a variety of discussions since the 1960s about its definition and range of occurrences. The emergence of discussions concerning gentrification can be traced back to North America in the 1970s. However, this paper will avoid going into its theoretical details, and will briefly review the transition after the late 1970s.

Ley (1994) was the first to point out the links between discussions on gentrification and researchers’ positionalities in Japan. He indicated that when researchers informed by the standpoints of different theoretical frameworks of anthropogeography in English-speaking countries that is, logical positivism, structuralism, and humanism study the same phenomenon, namely gentrification, each hypothesis conceived from those three theoretical approaches reach different research results. Since then, global academia in geography has seen major debates taking place between the conceptualization and criticism of gentrification. Those discussions then gradually revealed the presence of a priori discrepancies in the perception of the concept of gentrification as something that is self-evident (Atkinson 2003; Bernt and Holm 2010; Bondi 1999; Lees et al. 2008).

A series of discussions by Ley, Smith, Hamnett, and Lees, the major English and American geographers specialized in gentrification, was one of the most notable discussions in the process of its conceptualization. First, Ley (1978) argued that gentrification after the 1970s in the post-industrial cities was derived from a phenomenon of population retrogression from suburban to urban areas: as the rise of the new middle class followed that, specifically the migration of the white-collar class in the service industry, the importance of consumption increased. On the contrary, Smith (1979) placed his positionality in critical geography and observed the inflow of population in Society Hill, the inner-city district in Philadelphia. Since the proportion of the inflow to Society Hill was as low as 14% of the total inflow, he argued that Ley’s argument was difficult to generalize. He also raised an objection that rather than the movement of people, capital investment toward the built environment, that is capital regression plays a more important role, and thus, he advocated the ‘rent gap’ theory as a reasonable explanatory factor (Smith 1979). The rent gap theory was both defended and criticized from various positions, but here, the criticism offered by Ley, Hamnett, and Lees will be highlighted.

The first kind of criticism included those that related to the limitation of the rent gap theory (Hamnett 1984); those that pointed out the theoretical limitation of Marxists and indicated the necessity for empirical research based on specific examples (Rose 1984); and those that demanded political and economic perspectives (Williams 1984). At the same time, Ley (1986) categorized gentrification into four types: demographic changes, housing market dynamics, urban amenities, and changes in the economic foundation. He also emphasized again that the importance of urban amenities was more significant than the demographic explanatory factor and housing market dynamics especially in the context of post-industrial cities, and also demonstrated that the rent gap theory was not applicable to Canadian cities. Following this, Hamnett (1984), however, emphasized the importance of both Ley’s new middle class and Smith’s rent gap theory. Smith (1987), like Hamnett, admitted the potential of both perspectives.

Discussions in the beginning were led by Smith
and Ley, the North-American researchers, but English researchers generated more discussions in the late 1980s. Hamnett and Randolph (1984) advocated the value gap theory as the factor explaining the gentrification that occurred in the context of temporal differences in Barnsby, London. The value gap theory explains that an owner sells a building when a gap widens between the annual rental income of a rental building and the price of a turnkey building (the purchasing value of a rental property when it turns into a purchasing property in the future). Similar to Hamnett, this line of thinking was carried forward by English geographer Lees. Her idea was that while Smith's rent gap theory functioned as an explanatory factor in the US where they recognized land and buildings as equally valuable, it was not the case in England where the land law differed from that of the US, and the value of land was less significant. Thus, she noted that the value gap theory was more appropriate in this context than was the rent gap theory. Lees (1994) also argued that a method that was valid in the US was not necessarily valid in other countries or regions and termed this difference in the land laws in England and the US the 'Atlantic Gap.' Similarly, the differences in gentrification across Europe caused by the divergence in their regional characteristics and historical and cultural backgrounds were termed the 'European Gap' (Helbrecht 1996).

Nevertheless, this series of discussions indicates that there is no consensus on the phenomenon of gentrification. Although there is still room for discussion including its necessity for convergence (Fujitsuka 2017; Ley 1986; Smith 1987), it is important to have a good understanding of the regional background and context while examining the said phenomenon. Since this paper is concerned with a case from Germany, it will refer to the 'gentrification indicator model' used in existing German-speaking studies and identify the occurrence of gentrification in the subject region according to the model.

Incidentally, as mentioned above, the phenomenon of gentrification has diversified, and its range of occurrences has spread outside the cities to suburbs, rural areas, and tourist sites. The concept is now perceived in a wider sense (Lees et al. 2008). Revitalization, the other concept of urban transformation that this paper employs, is significantly related to gentrification. The term 'revitalization' has long been used to show other aspects of gentrification while discussions concerning its definition have been taking place simultaneously. For example, gentrification was studied as revitalization (Fujitsuka 1994: 498–499) when it was welcomed as a private voluntary renewal in England and the US where privatism was at its peak in the 1980s. Even later in England, after the 2000s, the Labour Party actively used the term ‘urban renaissance’ to indicate the new policy guideline to counter stagnation in the cities (Lees et al. 2008). While urban agenda manifestos issued by the government favorably used other expressions such as urban regeneration, revitalization, and urban renewal, the term gentrification was generally avoided. From these instances, Lees (2003) pointed out the nuanced distinction between the terminologies. Aside from this tone of argument, those terms were all treated as an equally ranked subordinate concept of reurbanization (Reurbanisierung) in Germany (Basten and Gerhard 2016: 120). Thus, the definition and distinction of such terms would depend on each researcher. Hence, the subsection below will identify the definition of gentrification and revitalization in the context of this paper.

Research perspective

In the field of geography in Japan, upward changes in the class of residents and displacement of existing residents were used as a general indicator to define the occurrence of gentrification (Fujitsuka 1994). The subject regions in existing Japanese research vary from domestic cases to England and Germany after the 2000s (Fujitsuka 1994, 2017). While their arguments support the findings of Smith and Lees that the increasing rent prices boost the upward changes in the residents' class (Fujitsuka 1992, 2015, 2016), this sub-section will briefly state the research perspective of this paper, which has not been employed in the existing research.

The gentrification model employed in this paper was formulated by the German urban geographer Krajewski (2003, 2004, 2006), hereafter referred to as the 'gentrification indicator model.' It differs from the rent gap theory and value gap theory and does not propose a model that enables quantitative measurement. However, it is deemed commendable as it extracts the phenomenal elements from gentrification and identifies the frameworks of its theoretical and methodological aspects clearly. This model is unique in that it focuses on the complexity and correlation between four types of upgrading in gentrification, namely structural, social, and functional upgrading, as well as the symbolic upgrading which triggers the increase of the preceding three types (Table 1). Since the social and functional upgrading, as shown in the table, especially strongly correlate to each other and drawing a clear distinction among them is difficult, a specific index employed in this paper will be introduced in the next section. In addition, the age of buildings, which is an essential element in a post-industrial city and a unique
tendency in Europe typified as the Atlantic Gap (Lees 1994), is effective in the sense that it is an important indicator for the inner-city districts in German cities.

The model also offers a valid framework for examining complicated and diversified concepts such as the difference between gentrification and revitalization. According to German geographers, revitalization (Revitalisierung) in the context of Germany is interpreted as ‘incumbent upgrading’ (Clay 1979; Dangschat 1988; Krajewski 2006; Rettberg 2011). This means that the premise of revitalization is that it must be something that ‘doesn’t change the existing social structure’ by the inflow of people or capital investment from outside of the district (Rettberg 2011: 54–58). When compared with the gentrification indicator model, revitalization is a similar phenomenon in terms of the structural and the functional upgrading; but it does not include social or symbolic upgrading. Thus, the definition of revitalization in the context of this paper will rely on the definitions mentioned in preceding studies.

Conforming to the reasons mentioned above, this paper aims to incorporate the gentrification indicator model to examine the complex process of gentrification, and to identify the important factors occurring during this process, while observing the chronological changes of functional, social, structural, and symbolic upgrading.

**Study area and research methods**

**Study area** Before introducing the multiple areal cat-

degories employed in this study, this section will briefly explain the rationale for the selection of such area. Reuter Quarter (hereafter referred to as RQ) is situated in the northern part of the Neukölln borough as one of its subdivisions. It is more convenient to use the bigger areal divisions such as boroughs in terms of obtaining statistical data. However, the author concluded that the areal range of a borough is too wide to be used as a subject area. In fact, the regional characteristics of Neukölln stretching from the northern part inside the loop line and the southern part outside the loop line vary significantly in terms of lifestyles, demographics of residents, and the percentage of foreign residents. The former is situated in the inner city, and the dominant housings are apartments in historical buildings built before WWII. The latter is situated in the suburbs and the dominant housings are owner-occupied houses built after the war. Transformation often emerges from specific streets or quarters and spreads around to the surrounding areas, especially in the European metropolises (Bernt and Holm 2013; Lees et al. 2008; Zukin et al. 2016). Using large regional divisions such as administrative divisions as a subject is beyond the scope of this study. Further, also, new findings may potentially be overlooked during field study. Therefore, this study will use smaller areal divisions, namely districts. However, the Berlin municipal government does not implement statistics based on smaller regional divisions. Thus, this study selected RQ as a subject district considering the accumulation and availability of preceding studies, that is, the TOPOS regional survey by a research institute in Berlin and the research conducted by Rettberg (2011).

**Research methods** In order to achieve the goal of this study, the author will proceed with the discussion according to the research procedures listed below. First, the outline of RQ, the subject area, will be demonstrated chronologically featuring the district’s historical characteristics; changes in social structures and declination of districts before and after the reunification of East and West Germany; the government’s efforts toward them; and relevant cultural projects undertaken by private organizations in the next chapter. Second, based on the reasons stated in the previous section, this study will incorporate the gentrification indicator model used in German-speaking countries to examine gentrification in RQ by evaluating four types of upgrading, namely the functional, social, structural, and symbolic upgrading. Rettberg (2011) concluded that the form of urban transformation observed in 2008 at RQ (the subject

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Table 1. Gentrification indicator model

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Phenomena</th>
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<tbody>
<tr>
<td>Structural upgrading</td>
<td>Renewal of buildings and housing stock by private investment and public subsidies</td>
</tr>
<tr>
<td></td>
<td>Building age, building renovation and construction of new buildings</td>
</tr>
<tr>
<td></td>
<td>Improvement of living environment and Improvement of living environment and infrastructure</td>
</tr>
<tr>
<td>Social upgrading</td>
<td>Exchange of residents</td>
</tr>
<tr>
<td></td>
<td>Change of social structure</td>
</tr>
<tr>
<td></td>
<td>Influx of social groups from other quarters (Accompanied by higher levels of education and rise in income)</td>
</tr>
<tr>
<td>Functional upgrading</td>
<td>Emergence of new uses</td>
</tr>
<tr>
<td></td>
<td>Cultural facilities</td>
</tr>
<tr>
<td></td>
<td>High-end gastronomy and high-end retailing</td>
</tr>
<tr>
<td></td>
<td>Effects of special projects</td>
</tr>
<tr>
<td>Symbolic upgrading</td>
<td>Policy, administration, media, economy, culture, activities by visitors and residents</td>
</tr>
</tbody>
</table>

area of this study) was revitalization. She also introduced town improvement projects by the government or groups in public interest exemplified by ‘Neighborhood Management (Quartiersmanagement)’ as the primary subject of revitalization. The gentrification indicator model commonly includes political/administrative efforts and cultural projects in the area as symbolic upgrading (Table 1). However, in order to focus on the difference from revitalization, those elements will be mentioned collectively with their historical backgrounds in the first section, and other cultural projects will be mentioned in the last section (‘increase in symbolic value’). As an indicator of each type of upgrading, Table 1 was used as a reference and the statistical data below were employed in this study. As for the indicator of functional upgrading, data related to the housing market were used, such as rent prices, residential floor area, vacancy rate, and demographic transitions. Similarly, RQs social structure and its changes were used to study the social upgrading, and the status of building renovations’ was used to study the structural upgrading. As for the symbolic upgrading, the fluctuations in the number of appearances and their dates in the media (magazines and newspapers) and real estate materials were employed, along with art-related business or cultural events. Respective data concerning the upgrading were incorporated from statistics by the federal government, federal states, and other regional administrative jurisdictions, existing studies and academic research, and materials provided by real estate companies and real estate consulting companies A, B, C, D, and E based in Berlin or in other parts of Germany. TOPOS Stadtplanung (2011) used as data in this chapter is a regional survey concerning changes in the social structure of northern Neukölln. It was conducted by the Berlin-based urban research consulting company TOPOS.

The following chapter will focus on the chronological transformation of the commercial environment that promotes or has an indivisible relationship with the transformation of the residential environment. Gentrification brings supplemental appreciation aside from the increase in the residential function, but its influence on the commercial environment is exceptionally substantial (Zukin and Braslow 2011). Although changes in restaurants and retailing businesses are included in the functional upgrading in the gentrification indicator model (Table 1), this chapter will focus on analyzing the commercial environment in order to explicitly examine the chronological transition of the commercial environment. Building use survey, visual appearance survey, and interviews were undertaken for primary data collection. These methods were used for the following reasons.

First, the proportion of rental housing in the entire housing market in Berlin ranged from 85% to 90%. The number was relatively high when compared to the entire German nation's 54% or the entire Europe's 26%, making Berlin ‘the tenant city (Mieterstadt)’ (Holm 2006, Senatsverwaltung für Stadtentwicklung 2011: 2). The percentage of rental housing was even higher in the inner-city districts, at 93.2% in Mitte, 93.8% in Friedrichshain-Kreuzberg (hereafter referred to as F-K), and 93.8% in Lichtenberg. Neukölln, where our subject area is located, was at 85.5%, with the fifth highest quantity of rental housing among the 12 boroughs (Investitionsbank Berlin 2016). In addition, since it was common for people to rent residential flats collectively to share living place in Germany, inner-city districts had a relatively high mobility when compared to the suburbs, and social structures are constantly changing (Kabisch et al. 2012, Steinführer and Haase 2009, Investitionsbank Berlin 2009b: 59). Thus, one research result would be differentiated depending on its setting of research period or the intervals in between multiple research periods. On the other hand, the retail and service industries had lower mobility. Hence, the commercial environment was considered as a relatively stable indicator when making a comparison with the past.

Following the ideas above, the author analyzed the geographical distribution and the characteristics of the commercial environment in RQ as revealed by the building use survey which was conducted between 2013 and 2014 by the author. As it was deemed necessary to draw a comparison with the results of the previous building use survey conducted by Rettberg (2011) in 2008, the author examined the results of the research in 2014 according to the classification of building usage in this study. The age of the business establishment in each industry and their trends in RQ were identified. To complement the information that the quantitative data did not offer, nine business proprietors from each industry were interviewed on their incentives for moving into the district, their store rents, and so on. Based on the information collected from these interviews, the author used information related to the commercial and service industries such as the year of establishment and the location of their previous stores acquired through interviews via emails, websites and so on, in a supplementary manner. The representation in local magazines and observations by the author are also reflected in the analysis. However, only quantitatively recognizable representations in such magazines are included.
due to the space limitations in this article. Finally, according to the data from the chapters above, the characteristics of gentrification in RQ will be analyzed with a focus on its chronological transformation process.

**Reuter Quarter and Upgrading**

**The outline of the Reuter Quarter**

RQ is situated in the northernmost part of Neukölln, a borough in the Berlin inner city located next to F=K (Figure 1). It consists of an area approximately 66.06 hectares in size, and a population of 19,633 as of 2013, which is about 0.57% of Berlin's total population (3,421,829) and 6.29% of Neukölln's total population (311,943) in 2013 (Amt für Statistik Berlin-Brandenburg 2014). Figure 1 shows the geographical scope of RQ as used in this article. RQ is adjacent to former Kreuzberg in the former inner-city West Berlin, as well as former Friedrichshain and former Treptow in the former inner-city East Berlin. Two U-Bahn underground lines run nearby RQ and are both easily accessible within 15 minutes from the city center. This article determined the geographical scope of inner-city districts in Berlin according to Häußermann and Kapphan (2002: 131).

Northern Neukölln belonged to the suburban area of the old city (Vorstadt) until the mid-19th century and was used as pastureland. When the population of the city increased rapidly during the industrial period between the late 19th century and the early 20th century, it became a designated residential district to accommodate the population overflow (Bach and Hüge 2004: 7). Since RQ was a residential district developed in order to provide relief for the socially vulnerable in Germany, residential floor areas were smaller when compared to that found in other districts, and many houses were small and narrow (materials provided by companies D and E). Owing to this, RQ has many Altbau, or five-story buildings built between the 19th century and 1945, many of which were composed of one- or two-bedroom apartments (Häußermann and Kapphan 2002: 169). Buildings and even their courtyards were densely integrated in an attempt at effective utilization of the limited land lots. Some buildings also had a complex for commerce or industry and residence, and those architectural characteristics remain till today. As the overcrowded lots required reformation, RQ was assigned as 'Kottbusser Damm Ost,' one of the district improvement projects as part of the housing renewal program in 1995. Subsequently, congested buildings on the 25 lots selected were partially demolished and their lands were converted to parks and kindergartens. As of 2017, RQ has a park, six children's playgrounds, and a public sports ground, and one lot was under construction.

Since RQ was right next to the Berlin Wall at the East-West division (Figure 1), population outflow during this period was significant. The high-income class moved out.

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**Figure 1.** Research area.
of the congested northern Neukölln into Gropiusstadt and other suburbs of the borough with social housings and modern amenities, especially during the period between the 1970s and 1980s, (Bach and Hüge 2004: 18). Students and immigrants who were confronted by the large-scale redevelopment projects in Kreuzberg moved into northern Neukölln in search of lower priced housings (Bach and Hüge 2004: 19, Häußermann and Kapphan 2002: 169–170, 215).

After the reunification of East and West Germany, the middle-income class moved out to suburban Neukölln or other boroughs in the city, and foreigners from Turkey, Yugoslavia, Poland, and Arabic countries moved in to RQ around the same time (Häußermann and Kapphan 2002: 170). Statistics show that the percentage of foreigners among all RQ residents has risen to around 31% (as of 2001) from around 18% (as of 1984) (Bach and Hüge 2004: 20). The unemployment rate in RQ in the 2000s was still as high as 16.4% (as of 2001), as was the case with the vacancy rate of shops and houses (35%, as of 2002) (QM Reuterplatz 2015). Eventually, the district was later acknowledged as a ‘problematic district’ by the city government (Bach and Hüge 2004: 20).

Given the situation, Neighborhood Management, a subordinate project of a German social urban program (Soziale Stadt), was launched in 2002 by the Ministry of Urban Development and Housing of the city government (Senatsverwaltung für Stadtentwicklung 2010)13. Its mission was to ‘promote social and economic growth of the districts where the district improvement program cannot work sufficiently’ (Senatsverwaltung für Stadtentwicklung 2010). The project aimed at implementing social programs in public interest to improve the social environment through efforts such as language courses for foreign residents that constituted a high percentage of the RQ population, and street festivals to promote the formation of neighboring communities (Bach and Hüge 2004: 20; Häußermann and Kapphan 2002: 262).

Further, district revitalization programs by private organizations commenced after the mid-2000s: ‘Temporary Use Agency’ (Zwischennutzungsagentur, hereafter referred to as ZA) is one of the examples. The organization was established in 2005 at RQ by an architect and an urban planner who were both interested in temporary use (Coopolis 2015). The first project for ZA was to utilize vacant stores in RQ, 130 of which existed as of 2005 (Brammer 2008: 73). First, ZA recruited people who were interested in using the vacant stores by offering them two years’ worth of free use after the contract, and mediated applicants and property owners (Quartiersbeirat AG Kultur 2007: 8). In the beginning, the applicants were primarily people related to art or social projects. The purpose of the program was to encourage district improvement through matching supply and demand for the vacant stores. According to ZA, 56 contracts were formed, and more than 200 jobs were created in RQ between 2005 and 2007. ZA received subsidies from Neighborhood Management between January 2005 and December 2007.

The Upgrading in Reuter Quarter

To provide an overview of the gentrification in RQ, this section will examine the functional, structural, social, and symbolic upgrading, with an emphasis primarily on the late 2000s and onwards.

Functional upgrading In this sub-section, the transition of figures related to the housing market in RQ will be reviewed (Table 1). First, changes in the rent prices in RQ are examined in comparison with those in Neukölln and all of Berlin (Figure 2). According to the materials provided by real estate company A, the average rent in RQ increased 1.99-fold from 5.28€/m² (as of 2007) to...
10.52 €/m² (as of 2016). In comparison with the fact that the average rent in Neukölln increased 1.86-fold from 5.1 €/m² to 9.47 €/m² and 1.51-fold from 5.96 €/m² to 9 €/m² in the city at the same time, it implies that the rate of rent increase in RQ was strikingly high. The year on year rate from 2008 to 2012 exceeded 110%. The growth rate of 116% in 2009 and 114% in 2010 were among the highest.

In addition to the rise in rent prices, the ways of living have also changed. The average floor space of the rental properties in Berlin is gradually decreasing and this is deemed to be in correspondence with the rise of average rent (Figure 2). RQ’s average apartment size decreased by 22.6% from 63.3 m² (2007) to 49 m² (2014). Similarly, in the Neukölln borough, it decreased by 16.8% from 68.5 m² (2007) to 49 m² (2014). The year to year decrease rate in the average apartment size shows that it dropped significantly in 2012 and 2013, which was at 15.2% and 12.5% respectively. One reason for this was the high demand in housings for a single resident use among new dwellers. This implies the high standard of the new dwellers’ income and social status and can also be considered an exhibition of their lifestyles in preferring to live alone. According to the IBB monitoring survey, single resident houses were in high demand, especially in F=K and Neukölln (Investitionsbank Berlin 2009a). As reported by D, a real estate company in the city, the residential neighborhood in northern Neukölln ranked among the top five in a ranking of smallest housings in 2015. The personalization of housing styles can also be interpreted as a trend across the entire city. The comparison of the proportion of the number of rooms per house (excluding kitchens and bathrooms) in the city in 2005 and 2014 shows that the proportion of single-room residences increased from 15% to 22%, while two-room residences decreased from 37% to 33% (Investitionsbank Berlin 2005, 2015).

The rising population inflow to the city and the chronic shortage of rental housings were also causes for the rising rent prices. A comparison of the transition in the permanent population between 2006 and 2011 showed that it increased by 1.9% in RQ from 18,697 to 18,993; by around 6.1% in northern Neukölln from 119,468 to 126,786; and by around 1.9% in the city from 3,340,905 to 3,404,382 in 2011 (TOPOS Stadtplanung 2011: 10). On the other hand, the vacancy rate of rental housings in the city dropped from 5.2% to 3.3% (2009), 2.0% (2012), then 1.5% (2014). The latest report from 2017 reveals that it decreased to 1.2% (2015) (Investitionsbank Berlin 2008a,b, 2012, 2014, 2016, 2017). While the vacancy rate in RQ increased from 3.6% in 2006 to 4.3% in 2008, it settled down to 2.8% in 2010 and 2012. The vacancy rate in Neukölln also increased from 4.6% in 2006 to 6.1% in 2008 but declined to 4.3% in 2009 and 2012.

Further, the mobility among the residents in RQ was significantly high. In terms of the length of residency, the percentage of residents who lived in RQ longer than 5 years ranged from 55% to 65% in 2014 (Investitionsbank Berlin 2015: 86), and those who lived for longer than 10 years was as low as 20% to 30% in 2009 (Investitionsbank Berlin 2010: 23). Considering that the rent price usually rises after a renovation or at the time of drafting a new contract or during a contract renewal, it implies that there is a relationship between the mobility of the residents’ demographics and the increasing rent prices. This is very similar to the phenomenon called ‘transitory urbanites’ (Haase et al. 2012).

**Social upgrading** This sub-section will incorporate the TOPOS regional survey to examine the increase in RQ’s social value (TOPOS Stadtplanung 2011). The purpose of this survey was to observe the feasible changes in the social structure that were expected to happen in northern Neukölln (TOPOS Stadtplanung 2011: 40). The results revealed that the point of transition in northern Neukölln was 2008. Hence, the author examined the transformation around 2008 by classifying the characteristics of residents’ demographics into four types as shown in Table 2, by their age, income, educational record, job category, marital status, and number of children (Figure 3). It was observed that the proportion of pioneers and gentri-
ers increased in the entire researched area in northern Neukölln since 2008, while in RQ, the pioneers grew from 20% to 39%, and the gentrifiers from 24% to 33%.

Income standard among residents’ demographics in RQ differed from that of the entire research area: RQ’s equivalent disposable income per capita was 1,404 €, exceeding the average of the entire research area (1,274 €) by 10.2%. The proportion of households with a disposable income per household of over 2,600 € was 18% in RQ, outrunning northern Neukölln’s average, which was 15% (TOPOS Stadtplanung 2011: 17–18).

The percentage of the number of residents per household in RQ was also examined. The highest was 43% with a single resident, followed by 34% with two residents; both combined consisting of 77% of the total (TOPOS Stadtplanung 2011: 11). The employment status of the RQ residents shows that the highest among them were workers at 58%, followed by unemployed (13%), students (11%), and pensioners (9%). The percentage of students was comparatively lower than in other researched districts. Among the proportion of types of employment, employees were the highest at 43%, followed by the self-employed at 28%. The share of self-employed people was larger than in other districts (TOPOS Stadtplanung 2011: 13, 15, 16). In terms of the educational background, 35% of RQ residents were at least university graduates, and the number was relatively high when compared to other researched districts, being in the range of 25% and 28% (TOPOS Stadtplanung 2011: 17). All the above indicate that RQ’s social structure has transformed since 2008.

Structural upgrading The increases in the functional and social values that took place in RQ are deemed to be in an indivisible relationship with the region’s built environment. Altbau was dominant in RQ with a very high density (QM Reuterplatz 2015). Altbau is characterized by high ceilings and large window frames, making it more popular than the buildings constructed after the war (Neubau) and highly appreciated in the housing market (Investitionsbank Berlin 2009a, 2015). The examination of the age of the buildings in RQ revealed that among a total of 467 buildings, 365 or 78.2% were Altbau and 102 or 21.8% were Neubau. Of all Altbau, the percentage of buildings constructed between 1900 and 1919 amounted to 75.3%. In terms of the purpose of the buildings, 80.1% of all the residential buildings were Altbau, and Neubau constituted barely 20% of the total (Table 3). Altbau is in high demand as it is popular not only for residential purposes, but also for commercial purposes, for use by the retail and service industries.

Altbau also suffers from ageing, particularly in its interiors and heating facilities, and many require repair work and improvements. According to the IBB monitoring survey, more than 60% of the total respondents felt the need for renovating Altbau between 2008 and 2009, and this demand is an increasing trend especially in the inner-districts areas, such as F=K (Investitionsbank Berlin 2008a, 2009a). Altbau in northern Neukölln has not undergone any repair work or had any improvements done since the reunification in the 1990s until the 2000s (Kucharzyk 2015: 32; Quartiersbeirat AG Kultur 2007: 8). However, around 23% of the houses in the surveyed area in northern Neukölln were renovated between 2006 and 2011,
and 2,400 units or 24% of all the surveyed households were also renovated in RQ (TOPOS Stadtplanung 2011). Nevertheless, the number of large-scale renovations only stayed as low as 600 units or 1.0% of the total; many were simply partial renovations such as the replacement of windows, improvements to existing heating facilities, bathroom repairs, and the installation of insulation materials, and so on (Table 4).

Renovations are usually followed by an increase in rent prices. From 2006 to 2011, 23% of the entire set of houses surveyed in northern Neukölln and 24% in RQ experienced increased rent prices that also involved renovations. As a result of renovations, rent prices increased by 0.6 to 0.8 €/m² on average (Table 4). In the case of large-scale renovations, the rent increased by 2.8 €/m² on average. At the same time, there were instances where rent increased without any renovations being involved. Between 2008 and 2011, 40% of the entire set of houses surveyed in northern Neukölln and 39% of the houses surveyed in RQ experienced an increase in rent prices without renovations. In this case, the price increased by 0.49 €/m² on average in northern Neukölln and 0.47 €/m² on average in RQ (TOPOS Stadtplanung 2011: 33), falling below the price increase induced by renovations. However, it exceeded the percentage of houses involving renovations that experienced an increase in rent.

The TOPOS regional survey, the source of the data listed above, defined renovations as repairs done inside the house, and did not include the restoration of building facades. Thus, the author investigated the status of facade restorations by conducting two landscape surveys in 2013 and 2014. A total of 221 buildings or 40.2% of the total number of residential properties in RQ were restored within the past few years, while 16 buildings were restored during the survey period.

<table>
<thead>
<tr>
<th>Renovation</th>
<th>Ratio per total number of households (%)</th>
<th>Average rent increase (€/m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large-scale renovation</td>
<td>1.0</td>
<td>2.8</td>
</tr>
<tr>
<td>Partial renovation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Modernization of heating</td>
<td>5.0</td>
<td>0.8</td>
</tr>
<tr>
<td>Modernization of bathroom</td>
<td>4.0</td>
<td>0.6</td>
</tr>
<tr>
<td>Renewal of windows</td>
<td>6.0</td>
<td>0.8</td>
</tr>
<tr>
<td>Insulation of facade and roof</td>
<td>4.0</td>
<td>0.6</td>
</tr>
</tbody>
</table>

*The total number of households in the northern part of Neukölln was approximately 60,000 in 2011. Source: TOPOS (2011).

Symbolic upgrading As an indicator of symbolic upgrading, domestic media (magazines and news articles) as well as reports by real estate companies were employed primarily to examine the period of RQ’s appearances and changes in their numbers. When a specific district is featured by the media, the demand for information on the specific district underlies it. In other words, the district already has high publicity at the time of the media exposure. Thus, it is more appropriate to consider the period of media appearance as an indicator of that the district is already undergoing appreciation, rather than as an early symptom of a symbolic upgrading. Similarly, it is possible to identify when RQ began to draw attention as an investable destination, and also examine the kinds of characteristics that were noted in that context by examining the period of RQ’s appearances and the content of the reports published by real estate companies and consulting companies. Those reports were created for local and international private investors and investing companies.

However, along with this observation, it is important to pay attention to various other regional names. In Europe, districts with high publicity usually have several regional names and nicknames. These common names and regional nicknames are usually common in daily life and in the local media in the city, and their origins or originators are unknown. RQ’s regional names outside its territory are ‘Reuterkiez’ and ‘Kreuzkölln’20. Kreuzkölln is especially used in the local media as a ‘secret information that only special people know (Geheimtipp);’ and the terms such as ‘hip’ and ‘the district inside (the scene) (In-Viertel)’ are used in association (Berlin.de 2017). Thus, the period when those regional names started to appear in the newspapers and the increase in the number of related articles are considered an indicator of RQ’s increasing publicity. Incidentally, while there were 551 articles mentioning Reuterkiez between 1999 and 2017 and 42 articles mentioning Reuter Quarter between 2004 and 2015, Kreuzkölln had the highest number with 900 articles from 2006 to 2017.

The information on RQ is summarized in Figure 4. First, the transition in the number of Kreuzkölln’s appearances was examined. There were none before 2005, one case in 2006, seven in 2007, 36 in 2008, and 115 in 2009. Finally, 2012 marked 181 cases, indicating the increase in its mentions. The first newspaper to use the word ‘Kreuzkölln’ was Berliner Zeitung (dated 3 April 2006), and the article described the emerging glimpse of a ‘new hot spot.’ After that, Zitty21, the magazine that caters to the young generation, featured RQ for the first time, with a headline saying ‘Neukölln Rocks (Neukölln rockt)’
On the other hand, according to reports drafted by real estate companies, the regional name Kreuzkölln was observed in A’s report in 2009, and in B’s and C’s in 2010, with slight temporal differences among them. All the reports described Kreuzkölln as ‘the district in the scene’ as a desirable investment destination. This description of RQ as a recommended area for investment continues (as of 2016).

This appreciation of the district outside revitalization is not unrelated to spontaneously forming art-related projects and cultural events. For instance, the ‘Neukölln Cultural Network (Kulturnetzwerk Neukölln)’ was established in 1995 in RQ before ZA was established. The aim of this organization was job creation in the field of culture and revitalization of RQ through culture. They believed that culture played an important role in imposing positive changes on socially problematic districts (Kulturnetzwerk 2015a) and began hosting an art festival called ‘48 Hours Neukölln’ (48 Stunden Neukölln) from 1999.

During this art event, the participating ateliers and galleries are open to the public. The event is held in June each year and is expanding in scale, having now become one of the largest art events in the city (Figure 5). Out of 250 stores that participated in the event in 2014, 110 were ateliers and art studios and the remaining 140 were eating/drinking venues and private stores such as cafés and bars (Kulturnetzwerk 2015b). The number of visitors in 2014 was around 60,000. According to the artists in RQ and festival visitors, the artists started to flow into RQ from 2002. That year, when the art event ‘Night and Fog (Nacht und Nebel)’ kicked off, artists began to form community activities spontaneously (Quartiersbeirat AG Kultur 2007: 1). At least two events out of many held by the ‘Neukölln Cultural Network’ limited their participation to galleries and art studios located in RQ. Further, an organization that hosts flea markets called ‘Art of Niu’ was established in 2010, enhancing RQ’s appeal and attracting many visitors to the district from within and outside the city (Nowkoelln 2015). Such appeal, combined with the relatively low rent prices for houses and stores compared to other inner-city districts, attracted inner-city residents from districts such as former Mitte, former Prenzlauer Berg, and former Kreuzberg (TOPOS Stadtplanung 2011: 51). This migration among the inner-city districts provoked a social upgrading.

Hence, the above findings revealed that since the late 2000s, the positive image of the district had been created especially by the media, and the image so created was distinct from that of other districts within the city. From 2009–2010, the district was described as a desirable residential investment in reports prepared by real estate companies. It was also clarified that art-related projects and cultural activities relevant to the district’s positive image existed since the mid-1990s, independently of the government.

**Changes in the Commercial Environment in Reuter Quarter**

The earlier sections have examined gentrification in RQ from the perspective of the region’s comprehensive increase in values. This chapter will examine the functional upgrading among the commercial and service busi-
nesses that are changing equally or even more rapidly, with due attention to its chronological transformation.

**Geographical distribution of the commercial use**

According to the results of the field survey conducted between 2013 and 2015 and the building use survey conducted in 2014, the author classified the commercial use located in RQ into two categories, namely ‘Existing Use’ (existing stores for local residents and ethnic stores) and ‘New Use’ (art-related use, new retail use, new service business, cafes, and bars), and studied their geographical distributions. While conducting the survey, the author bore in mind the fact that the entrance doors of retail stores and the service business stores are located in residential buildings, facing their courtyards, and accordingly, conducted the building use survey by including the courtyards.

It was identified that while Existing Use was concentrated along the two main roads, namely Kottbusser Damm (the border between F=K and Neukölln) as well as Sonnenallee, New Use tended to be situated on streets such as Weser Street, Friedel Street, and Sander Street. The number of Existing and New Use stores in the said streets are indicated in Table 5. While many Existing Use stores were located along the main roads, there were only very few New Use stores, just six in all.

On the other hand, New Use exceeded Existing Use in Weser Street, Friedel Street, and Sander Street. This result underpinned the trend that New Use was likely to be situated on streets than on main roads.

Then, in order to identify the main cause for this, the author investigated and compared the age of the buildings in the streets mentioned above (Figure 6). Neubau was situated in 36% of Kottbusser Damm and 15% of Sonnenallee. On the other hand, Weser Street, Friedel Street, and Sander Street only had 10 to 17% of Neubau, and 80 to 90% of the buildings located in the streets were Altbau. Thus, it is considered that the built environment including the age of buildings is one of the factors of New Use located on the streets.

The restoration status of the building facade by the type of commercial use is indicated in Figure 7, to clarify the relationship between commercial use and the restoration status.

![Figure 6](image)

*Figure 6. Percentage of buildings by year of construction along main streets and side streets in RQ.*

There are no buildings constructed from 1920 to 1945 in the above streets.

*Source: Own research based on field survey.*

![Figure 7](image)

*Figure 7. Condition of repair of building exteriors in RQ by type of use.*

*Source: Own research based on field survey.*

---

**Table 5. Number of stores in RQ by type of street and commercial use**

<table>
<thead>
<tr>
<th>Street</th>
<th>Existing Use</th>
<th>New Use</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Main street</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sonnenallee</td>
<td>47 (100%)</td>
<td>0 (0%)</td>
<td>47</td>
</tr>
<tr>
<td>Kottbusser Damm</td>
<td>70 (92%)</td>
<td>6 (8%)</td>
<td>76</td>
</tr>
<tr>
<td><strong>Street</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weser Str.</td>
<td>22 (45%)</td>
<td>27 (55%)</td>
<td>49</td>
</tr>
<tr>
<td>Friedel Str.</td>
<td>24 (41%)</td>
<td>35 (59%)</td>
<td>59</td>
</tr>
<tr>
<td>Sander Str.</td>
<td>15 (41%)</td>
<td>22 (59%)</td>
<td>37</td>
</tr>
<tr>
<td>Other</td>
<td>204 (57%)</td>
<td>156 (43%)</td>
<td>360</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>382 (61%)</td>
<td>246 (39%)</td>
<td>628</td>
</tr>
</tbody>
</table>

*Source: Own research based on field survey.*
status of the building facade. The proportion of buildings with unfixed facades was 35.5% among Existing Use, exceeding New Use’s 21.0%. On the other hand, many of the buildings whose restorations were observed during the survey period of 2012 to 2014 were New Use. Hence, there is a noticeable trend in facade restoration in the buildings with New Use located in them.

**Characteristics of New Use**

The increase in scene gastronomies in the late 2000s Here, a comparison with Rettberg’s (2011) survey results in 2008 will be undertaken to identify from when and by how much New Use has increased. The results from the author’s survey in 2014 were categorised into two for comparison, that is, creative economy (Kreativwirtschaft), and scene gastronomy (Szenegastronomie), according to Rettberg (2011). The comparison indicated that while creative economy establishments decreased 0.9-fold from 96 to 82 cases, scene gastronomies increased 4.5-fold from 22 to 99 cases from 2008 to 2014 (Figure 8).

Whereas the section above employed the classification with Existing and New Use, it is reclassified further into

![Figure 8. Changes in the number of creative economy and scene gastronomy establishments in RQ in 2008 and 2014. Source: Rettberg 2011 and field survey.](image)

**Table 6. Businesses representing new types of use in RQ**

<table>
<thead>
<tr>
<th>Category</th>
<th>Business (Number of each business)</th>
<th>Number of stores</th>
<th>Ratio per category(%)</th>
<th>Ratio per New Use(%)</th>
<th>Ratio per all stores(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Art-related use</td>
<td>Atelier, studio, gallery</td>
<td>42</td>
<td>67.7</td>
<td>17.1</td>
<td>6.7</td>
</tr>
<tr>
<td></td>
<td>Cafe* (7), bar (13)</td>
<td>20</td>
<td>32.3</td>
<td>8.1</td>
<td>3.2</td>
</tr>
<tr>
<td></td>
<td>Subtotal</td>
<td>62</td>
<td>100.0</td>
<td>25.2</td>
<td>9.9</td>
</tr>
<tr>
<td>New retail business</td>
<td>Boutique (20), jeweler (1)</td>
<td>21</td>
<td>33.3</td>
<td>8.5</td>
<td>3.3</td>
</tr>
<tr>
<td></td>
<td>Toy store</td>
<td>7</td>
<td>11.1</td>
<td>2.8</td>
<td>1.1</td>
</tr>
<tr>
<td></td>
<td>Books (6), clothing (5), furniture (2), record store (4)</td>
<td>17</td>
<td>27.0</td>
<td>6.9</td>
<td>2.7</td>
</tr>
<tr>
<td></td>
<td>Bicycle store</td>
<td>8</td>
<td>12.7</td>
<td>3.3</td>
<td>1.3</td>
</tr>
<tr>
<td></td>
<td>Organic food store (4), wine store (6)</td>
<td>10</td>
<td>15.9</td>
<td>4.1</td>
<td>1.6</td>
</tr>
<tr>
<td></td>
<td>Subtotal</td>
<td>63</td>
<td>100.0</td>
<td>25.6</td>
<td>10.0</td>
</tr>
<tr>
<td>New service business</td>
<td>Company/small agency</td>
<td>30</td>
<td>24.8</td>
<td>12.2</td>
<td>4.8</td>
</tr>
<tr>
<td></td>
<td>Office space</td>
<td>3</td>
<td>2.5</td>
<td>1.2</td>
<td>0.5</td>
</tr>
<tr>
<td></td>
<td>Hair salon (4), tattoo parlor (2)</td>
<td>6</td>
<td>5.0</td>
<td>2.4</td>
<td>1.0</td>
</tr>
<tr>
<td></td>
<td>Yoga</td>
<td>1</td>
<td>0.8</td>
<td>0.4</td>
<td>0.2</td>
</tr>
<tr>
<td></td>
<td>Hostel</td>
<td>3</td>
<td>2.5</td>
<td>1.2</td>
<td>0.5</td>
</tr>
<tr>
<td></td>
<td>Restaurant (11), ethnic restaurant (16)</td>
<td>27</td>
<td>22.3</td>
<td>11.0</td>
<td>4.3</td>
</tr>
<tr>
<td></td>
<td>Cafe (29), bar (19)</td>
<td>48</td>
<td>39.7</td>
<td>19.5</td>
<td>7.6</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>3</td>
<td>2.5</td>
<td>1.2</td>
<td>0.5</td>
</tr>
<tr>
<td></td>
<td>Subtotal</td>
<td>121</td>
<td>100.0</td>
<td>49.2</td>
<td>19.3</td>
</tr>
<tr>
<td>Total number of stores</td>
<td></td>
<td>628</td>
<td></td>
<td>100.0</td>
<td>39.2</td>
</tr>
</tbody>
</table>

*Cafes and bars which provide services besides food and drink are categorized as Art-related use while all others are categorized as New service business. Source: Own research based on field survey.*
three categories in this section, namely art-related use, new retail business, and new service business including cafes and bars. Table 6 indicates the specific business types in each category along with the number of their stores. During reclassification, cafes and bars that served something else than their actual focus of business (sale of food and drinks) were categorized into 'art-related use,' and cafes and bars without this characteristic were categorized into 'new service business.' Cafes and bars categorized as art-related use regularly host cultural events such as live music, film screenings, and book/poetry reading sessions.

Out of the 628 stores in RQ, 246 (39.2%) were New Use and 382 (60.8%) were Existing Use. Among all cases of New Use, new service business amounted to 49.2% and had the greatest number of stores, while new retail business (25.6%) and art-related use (25.2%) had around the same share. Typical business types among the proportion of each business type in all of New Use were: cafes and bars (total 68 cases or 27.6%); ateliers, studios, and galleries (42 cases or 17.1%); firms and small-scale agencies (30 cases or 12.2%); and restaurants and ethnic restaurants (27 cases or 11.0%) in order of descending prevalence.

Next, the composition of business types among each classification is described. Art-related use consisted of 42 (67.7%) ateliers, studios, and galleries and 20 (32.3%) cafes and bars. Boutiques and jewellers comprised the biggest fraction of the new retailing category with 21 cases (33.3%), followed by specialized stores that sold both new and second-hand books, clothing, furniture, and records with 17 cases (27.0%). Bicycle shops were also specialized shops that sold both new and second-hand goods, and there were eight of them (12.7%) in RQ. There were 10 stores (15.9%) that specialized in organic food and wine. While stores specializing in children's toys were only at 11.1% in all and the percentage was relatively low, seven of them existed in RQ. One of them started their business in the early 1990s, but six other stores opened between the mid-2000s and early 2010s. This suggests the significant relevance of household composition and consumption tastes among the pioneers or the gentrifiers mentioned in the second chapter.

Many of the business types in new service business were related to food and drinks, and 62.0% of the entire new service business were composed of 75 restaurants, bars, and cafes. Following that were office spaces, firms, and small-scale agencies such as consulting firms related to policies, urban planning, or the geographical information system, law firms and printers, which comprised 33 cases or 27.3%. There were six (5.0%) hair salons, tattoo studios, and other beauty-related stores and three hostels and tourist accommodations.

The facts mentioned above indicate four characteristics of RQ's New Use. The first characteristic is their food consciousness. There were ten stores in RQ that specialized in organic food and wine, and 27 restaurants in the new service business category. There were 37 stores in all, comprising 15.0% of the entire New Use. Those specialized stores related to food have been increasing since the mid-2000s, indicating a rising demand for food-related goods of taste. The second characteristic is the variations in businesses that were closely related to lifestyles. There were 25 specialized stores that handled books, LP records, clothing, furniture, and bicycles including second-hand goods, and there were seven stores that provided services related to health and beauty consciousness such as hair salons, tattoo studios, and yoga classes. Organic food stores and wine stores mentioned in the first characteristic were also closely related to lifestyles and combining them would result in 42 lifestyle-related stores, constituting 17.1% of the entire New Use. The third characteristic was also related to lifestyles, which was represented by many cafes and bars. In Table 6, they are categorized separately into art-related use and new retail business. By combining them together, cafes account for 14.6% of New Use with 36 venues, and bars constitute 13.0% with 32 venues. The fourth characteristic was its high proportion of tourist-related business. In many cases, nightlife tourism is the main purpose of visitors. RQ has been gaining attention since a new bar opened in Weser Street in 2006 and the region came to be featured as 'the new trendy nightlife district' (Boese 2008: 15–16). Bars and restaurants that opened since then gradually gained more publicity not only in the city but also in and out of Germany as the nightlife tourism destination in RQ (Posener 2011: 7). There are three hostels in RQ which serve as the city's tourist accommodations and there are eight bicycle stores that provide a bike rental service for city sightseeing. The four characteristics mentioned above are all considered to be correlated to each other.

The trend over the year of business establishments by category under New Use. The author sampled 82 stores, equivalent to 33.1% of the total number of stores to examine the trend in the year of business establishment by category under New Use. The result showed mixed trends among categories (Table 7). Two stores from the art-related use category opened in the 1990s, which are the earliest among all New Use. One store from the new retail business category also opened at around
the same time, which was a record shop that opened in 1990. Although its business category was relatively new, it should be regarded as an exceptional case. Thus, new store openings in RQ by both new retail business and new service business were not confirmed during this period. However, after the late 2000s, all three categories had increased their openings and the increase was more significant in the early 2010s. The proportion by years of establishment show that while the establishment of art-related use was prominent from the late 2000s to early 2010s, the inflow of the establishment of retail business and new service business were more prominent after the 2010s. The openings of new retail stores were also observed in the 2000s, but the establishment of new service business took place after 2005 and its continuance was still observed after 2015. The trend varied across art-related use category, between ateliers, studios and galleries, and cafes and bars. While the establishment of the former was concentrated in the late 2000s, the latter clustered around the early 2010s. All these show that a transition prevailed among the categories of New Use.

Case studies of New Use

To obtain qualitative data concerning RQ's New Use, the author conducted interviews with artists and managers of retail and service businesses in RQ (Figure 9). The interviews were conducted in the style of semi-structured interviews using survey items that the author had prepared in advance. Based on the information acquired through the interviews, example cases are listed below in specific categories concerning the site selection factors and store rents in RQ.

Art-related use The respondents from art-related use category were artists and business managers of cafes and bars aged between 30 and 60 years. The descriptions of both sets of respondents are as follows.

First, the respondents ‘a’ and ‘b,’ who are both artists, use the stores as a combination of an atelier/gallery and their residence. Both ‘a’ and ‘b’ moved to RQ in the mid-2000s. Both ‘a’ and ‘b’ stated that the biggest factor for them to have chosen RQ was ‘the distinctive ambience of the district,’ and they described it specifically using words such as ‘bohemian,’ ‘lively,’ or having ‘an alternative feel.’ For instance, respondent ‘a’ acknowledged the area as a region with multicultural and tolerant characteristics and stated that the ambience of the district contributed to their inspiration at work. They also stated that there were many artists and galleries when they moved to RQ, and a potential for collaborative exhibitions was another factor encouraging their site selection. Respondent ‘b’ said that their reasons for selecting RQ were the low rent prices, strenuous artist communities, proximity to those communities, and the abundance of cultural amenities, aside from the district’s ambience. Both ‘a’ and ‘b’ mentioned the proximity to former Kreuzberg, the area famous for its resistance culture. RQ is adjacent to the former Kreuzberg. Kottbusser Tor Station, the central station of the area, is within walking distance.

Incidentally, both ‘a’ and ‘b’ found the properties they eventually rented through the mediation of ZA. The store rent at the time of the interview was about

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Art-related use</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Atelier, studio, gallery</td>
<td>1</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>Cafe, bar</td>
<td>1</td>
<td>4</td>
<td>9</td>
<td>0</td>
<td>14</td>
</tr>
<tr>
<td>New retail business</td>
<td>1</td>
<td>6</td>
<td>13</td>
<td>0</td>
<td>20</td>
</tr>
<tr>
<td>New service business</td>
<td>0</td>
<td>11</td>
<td>28</td>
<td>2</td>
<td>41</td>
</tr>
<tr>
<td>Total</td>
<td>3</td>
<td>25</td>
<td>51</td>
<td>3</td>
<td>82</td>
</tr>
</tbody>
</table>

Source: Own research based on field survey.
6 €/m². Further, their answer to the inquiry concerning the past price variations was either that it stayed flat or showed a slight increase. Many artists including the respondents opened their ateliers, studios, and galleries before 2008. This is also clarified by a comparison with Rettberg (2011), as it indicated the number of art-related use remaining almost unchanged. However, some were confirmed to have moved out of RQ after the survey.

Second, the respondents from the cafés and bars category, ‘c’ and ‘d’ are both managers in their thirties and forties. Respondent ‘c’ moved to RQ in 2013, and ‘d’ moved in 2014. Both ‘c’ and ‘d’ are cafés that host cultural events. Both stores are owned by more than two business proprietors. Two business proprietors that manage ‘c’s’ café stated that they chose RQ because they were Neukölln-natives and wanted to open their business in the vicinity. They also described that since they organized concerts and other music events every weekend, they were looking for a vacant venue in RQ where ‘many musicians in the world music genre lived.’ They eventually chose the said venue because it was located along the river, so they could install terrace seating in the summer and could enjoy the scenery of the river. On the other hand, ‘d,’ the owner of the bar with films as its concept, ran their first café/bar in the southernmost former Kreuzberg, within five minutes’ walking distance from RQ. As a result of that, they were looking for a vacant venue that was eligible for a second store which was physically close to the first one. As for the site selection factor in RQ, they mentioned that at the time of their opening in 2014, RQ was busy with people visiting bars and that they could expect many customers.

This means that both owners ‘c’ and ‘d’ already had the experience of living or managing in Neukölln or the neighboring former Kreuzberg before they established their business and were thus aware of RQ’s environment. However, as their store opening dates show, they moved in slightly after the artists mentioned above. This trend was also clarified from the store rents, as the store rent of ‘c’ was 10 €/m². On the other hand, ‘d’ purchased the venue upon their establishment. They mentioned that this was because at the time of the contract, the property owner offered them a rent price higher than that of their previous store which was 13.75 €/m², and the rent could possibly have continued to increase after signing the contract. Both ‘c’ and ‘d’ continue to participate in the 48 Hours Neukölln.

New retail business The respondents from new retail business, ‘e’, ‘f’, ‘g’, and ‘h’, are managers in their thirties and forties. ‘e’ began business in RQ in 2006, ‘f’ in 2010, ‘g’ in 2011, and ‘h’ in 2013. Their retail businesses focus on sales of clothing, hats, books, and LP records. These stores are all registered as business establishments owned by the business proprietor themselves. They hire between one and three employees. The rationale behind their site selection in RQ varies between ‘e’ and others, namely ‘f’, ‘g’, and ‘h’. Three joint business proprietors including the respondent ‘e’ are freelancers who engage in clothing design and patternmaking. When the respondent moved to Berlin from Hamburg in 2006, they felt the potential in RQ as ‘it had nothing’ and tried to look for a store in RQ. Being close to the river, the Landwehr canal, was a decisive factor. ‘e’ also shared that Neukölln had a negative impression at the time of the store opening in 2006 but ‘cafes and what not’ had started to increase since 2010, and ateliers and galleries that had existed before had also begun to decrease in number. Further, ‘f’ and ‘g’ who had moved into RQ after the 2010s mentioned that they were looking for a place initially in former Kreuzberg and former Prenzlauer Berg, but eventually selected RQ because of the cheap store rents and store vacancies. Further, ‘h’ whose store specialized in newly released electro music records, owned their first store in former Prenzlauer Berg, but later decided to open the second store in RQ following their customers, many of whom had moved to Neukölln.

There were differences in the timings of ‘e’, ‘f’, ‘g’, and ‘h’ moving in, and this is also apparent in the price gaps between their shop rents. While ‘e’ paid 8 €/m², ‘f’ paid 10 €/m², ‘g’ paid 10.8 €/m², and ‘h’ paid 9.2 €/m² respectively as their rents. This indicates that the store rents were on the rise over time. Further, ‘e’, ‘f’, ‘g’, and ‘h’ all continue to participate in the 48 Hours Neukölln through live music, book readings, and/or art exhibitions.

New service business The respondent from new service business category, ‘i’, was a proprietor of a store specializing in repairs and custom-made guitars and ukuleles. He moved to RQ in the early stage, in 2007. Hence, the rent ‘i’ paid was 5 €/m² which was the lowest among all the respondents. He said that the reason why he chose RQ was that he had originally rented an atelier/workshop with another person in Treptow, but the place was far from the other inner-city districts and customers who resided there. Thus, he wanted to move to former Kreuzberg and was looking for properties there. As his business handled musical instruments, he was looking for a semi-underground property that would also suit as the storage requirement as well. When he was taking a walk
in former Kreuzberg, he stumbled upon this vacant store by coincidence and decided to take it. ‘i’ does not participate in the 48 Hours Neukölln.

**Various Phases of Gentrification in Reuter Quarter**

**The transition from revitalization to gentrification**

The process of the transformation in RQ can be summarized as follows. First, since RQ is adjacent to the former East-West Berlin boundary and has long been in the peripheral area in the former city of West Berlin, the high-income class moved out to suburban Neukölln or other boroughs. Thus, RQ became a residential area for the new middle class. After the reunification, the inflow of foreigners increased significantly and RQ was recognized by the city government as a ‘problematic district’ due to its high unemployment rates and high house/store vacancy rates. A Neighborhood Management was established as a counter measure, and urban policies were implemented in both hard and soft aspects to improve its living environment. After the mid-2000s, the private organization ZA undertook projects for the revitalization of vacant stores. Subsidies provided by the Neighborhood Management were partially used in the measures undertaken by ZA against vacant stores. These indicate that the collaboration between ZA and Neighborhood Management contributed to RQ’s revitalization. Further, Rettberg’s (2011: 136) argument that it was more appropriate to interpret RQ’s urban transformation as revitalization induced by utilization of vacant stores rather than gentrification was a valid understanding of an aspect of the transformation, at least in 2008. Even during the interview, the artists ‘a’ and ‘b’ who moved into RQ between 2004 and 2007 were mediated by ZA.

However, according to the findings of various statistical materials and the TOPOS regional survey, it was identified that a social and symbolic upgrading came to be observed from 2008, meaning that it has transitioned to a phase of gentrification that is also a regional transformation that differs from district vitalization. First, the average rent of rental apartments in RQ nearly doubled in ten years from 2007 to 2016. Around the same time between 2008 and 2012, when the rent increase rate was substantial, an increase in the demand for single resident houses was observed from 2011 to 2013. This means that along with a functional upgrading, the social structure also changed. Social groups that differed from the demographics of the existing residents, namely pioneers and gentrifiers emerged from 2008 in RQ. The transformation in RQ’s social structure was apparent when compared to the entire Neukölln borough. Similarly, the functional and social upgrading is closely related to the structural upgrading. RQ is an area where Altbau dominated roughly 80% of the entire region. Complying with the demand induced by the economic and social upgrading, renovation works for Altbau continued. It can be understood that the increase in economic value intensified as a result of the renovations.

This means that although there was a sign of revitalization without an accompanying social upgrading in the 2000s in RQ, the social upgrading along with functional and structural upgrading became even clearer by the late 2000s to early 2010s. Thus, it can be interpreted that RQ’s revitalization transformed into gentrification at around the same time.

**The significance of symbolic upgrading**

In order to examine gentrification in RQ, this article explored four types of appreciation as its indicators. Existing research in German-speaking countries have been vaguely recognizing symbolic upgrading as a facilitator of the increase in other values (functional, social, and structural upgrading). However, the author concluded that new findings can be achieved by focusing on the process of upgrading in RQ, that is, its chronological changes. The chronological changes for each type of upgrading are summarized in Figure 10.

Around the same time as the media exposure becoming apparent between 2008 and 2010, a functional upgrading was observed by the rent price increase. Its year on year rate ranged between 114% and 116% during that period and continued until 2013. The rent increase between 2008 and 2010 was especially significant. The rent increase without any accompanying investment for housing renovations or modernization was observed in the overlapping period from 2008 to 2011. Slightly later than that, from 2010 to 2013, a structural upgrading concerning building appearances was confirmed. This means that while the enhancement of individual houses or an increase in rent prices occurred in the beginning, the housing investment or enhancement for the entire building unit began only after 2010.

The sign of the new residents’ lifestyles was observed from the increase in single resident apartments from 2011 to 2013. The increase in social value occurred earlier around 2008, but it can be interpreted that the demographics of the residents had been constantly changing since then and the social upgrading had also intensified. Further, since the increase in the single resident apart-
ments is indivisibly related to the fragmentation of hous-
ings and renovations, it is also relevant to the structural
upgrading. Therefore, it is identified that the appreciation
of the entire district occurred transitionally especially
after the late 2000s, while various types of upgrading were
interlinked.

The significance of the symbolic upgrading serving to
induce other types of upgrading in the district is note-
worthy. When a district gains publicity, it also gains atten-
tion from the residents in other districts or boroughs in
the city, and gains even more publicity through media
exposure, as seen in the chronological changes that are
illustrated in Figure 10. Media in this context includes
newspapers, magazines, and other online digital media
(websites, blogs, and SNS), along with printed media. The
information on such media is published in multiple lan-
guages, which leads to gaining publicity as a popular des-
tination among urban tourists in and outside the country,
migrants within the EU, and people on temporary vaca-
tion. In RQ's case, some factors for it to gain publicity
included 48 Hours Neukölln (1999 onwards); the increase
in art-related use through temporary use (2005); and
openings of famous bars (the late 2000s). It can be inter-
preted that all of them contributed to the positive image
of the district as 'the cultural scene' or 'the place to be,'
which eventually encouraged the consumption of places.

They were also highly appreciated in the housing
market since the late 2000s which then facilitated build-
ing renovations. At the same time, it was reorganized
into a residential structure that complied with the life-
styles of the new residents with strong economic power.
Hence, gentrification in RQ can be interpreted as having
been led by a symbolic upgrading, along with its origi-
nal built environment such as the dominance of Altbau
and its geographical conditions, namely its proximity to
Kreuzberg, which has a strong characteristic of urban cul-
ture and subculture, being a progressive district adjacent
to the former city of East Berlin (Funck 2007).

The formation of nightlife districts and the
transformation of the commercial environment

The positive image of the district mentioned above
also encouraged the reorganization of RQ's commercial
function aside from its residential function. The reorgan-
ization of the commercial function after the 2000s is
especially significant after gentrification has surfaced. The
fact that scene gastronomies, that is, cafes, bars, and restau-
rants increased 4.5-fold between 2008 and 2014 indi-
cates that RQ strengthened its characteristic as a nightlife
district from the end of the 2000s.

While RQ was enhancing its presence as a nightlife
district, its commercial environment was dichotomized.
Defined as Existing Use and New Use in this article, their
geographical distribution is uneven: while the former
concentrates on main roads such as borough or district
boundaries, the latter tends to concentrate on the streets.
While it is difficult to explain the uneven distribution
using just one variable, that is the age of buildings, it
is still comprehensible that there is some relationship
between the age of buildings and the commercial func-
tion. It was identified that New Use tended to be situated
in Altbau unlike Existing Use, which did not have any
characteristics such as the age of buildings. This is signifi-
cantly in line with an argument advanced by urban soci-
ologist Jane Jacobs (1961: 188), who stated that 'new ideas
are born in old buildings.' Further, 46% of the facades

Figure 10. Chronological process of urban change in RQ.
Source: Own research based on field survey.
of the buildings that New Use stores were in had been restored after 2004 and this indicates the relationship with the status of facade restoration, more so than that of Existing Use. This suggests that either New Use encouraged restoration or that it tended to prefer inhabiting the restored Altbau.

The number of New Use located mainly in the streets were 0.64-fold that of Existing Use and was numerically lower. However, sorted by the types of business, cafes and bars had the largest number with 68 stores (10.8%) in comparison with other business types, exceeding ateliers, studios, and galleries which had 42 venues (6.7%). This indicates the significance of these factors among the commercial function in RQ as of 2014. In addition, as mentioned in the second section of the third chapter, food consciousness and the increasing number of stores specializing in young people's lifestyles were observed as the characteristics of New Use as mentioned above.

Conclusion

This study on the characteristics of gentrification in RQ, Neukölln borough, Berlin, with a certain consideration of its chronological transformation, unveiled four findings.

The first finding is that the transformation of the district of RQ accompanied by functional, social, structural, and symbolic upgrading took place in the late 2000s. Initially, around 2000, a Neighborhood Management that aimed to improve the social environment of 'the problematic district' was deployed in RQ. Its partial collaborator, ZA, began its temporary utilization of the vacant stores from 2005 onward. As a result, the demand for the stores on the artists side and the supply of the vacant stores matched and enabled the efficient use of vacant stores. In this sense, the artists that use vacant stores contributed to RQ's revitalization and RQ succeeded in revitalizing up to a certain point, thanks to culture and art. However, according to the series of statistics and the outcomes of the TOPOS regional survey, it was found to have shifted to the phase of gentrification from around 2008 onward. The average rent of the residential flats in RQ roughly doubled and the average floor space per house decreased. At the same time, the social structure also changed. In sum, although the symptom of revitalization was stronger in the early stages in RQ, later from the end of the 2000s to the early 2010s, the functional and structural upgrading along with a social upgrading became apparent and began to present the dimensions of gentrification. Several artist communities already existed in RQ since the 1990s before the establishment of ZA. This indicates that they were formed spontaneously, independent of efforts put in by ZA. Thus, it is difficult to conclude that the district was revitalized solely by the utilization of the vacant stores by ZA.

The second finding is that out of four aspects of appreciation used as indicators of gentrification, the influence on the region by a symbolic upgrading emerged at the earliest stage and played an important role in inducing other appreciations including the transformation of the commercial environment. Especially in RQ, triggered by the emergence of cafes and bars in art-related use category that engages in art and cultural practice, the district became 'the place to be' as portrayed by the media. RQ enchanted not only the newly inflowing urban residents but also the proprietors of retail and service businesses that aimed to satisfy their lifestyles and consumption needs.

The third finding is the transitionality of these. Chronologically overviewing the transformation of the district, the inflow into RQ started with art-related use and was then followed by new retail business and new service business. Even within art-related use category, there were differences in the timings of the inflow. The ateliers, studios, and galleries moved in after the 2000s, while the cafes and bars moved in after the late 2000s. In other words, artists who were commercial and serving the larger public benefit were the pioneers of gentrification. On the other hand, it can also be interpreted that cafes and bars induced the inflow of more business-oriented, for-profit New Use into RQ, such as new retail business and new service business. Cafes and bars encouraged the formation of the nightlife district in a common residential neighborhood. Almost every month during the survey period, the new appearance of cafes, bars, and restaurants was observed. As a result, RQ was transformed from 'the problematic district' that it was in the 1990s to a lively and popular district by the early 2010s.

Gentrification is an ever-changing process in urban transformation. And Japanese academia in the field of geography has only been focusing on the aspects of demographics and social groups while overlooking the detailed patterns of the transformation process itself. However, by following the detailed process of gentrification, the actor and the social group of the city become more tangible from the perspective of people's consumption of taste and the attributes of cultural groups. Especially in Berlin, markets and cultural or artistic events held along the river, second-hand clothing, and record shops along the streets, as well as the ambience of
the district generated by the cafes and bars themselves are the attractions that are distinctive from other districts. They captivate young people and people who engage in creative business.

The urban transformation with an emphasis on consumption and lifestyle also has segmented phases within itself. Gentrification from this perspective should provide many implications for discussions concerning the creative city theory and the creative class. In other words, gentrification is significantly related to culture and consumption, and examining it from this perspective will be highly effective in understanding European cities as they are now. In this sense, the gentrification indicator model which this article employed presents an efficient framework for the systematic understanding of the multifaceted and complex aspects of gentrification. Further, although the regionality of the subject area must be considered each time, the said model is adequately applicable to other European cities that generally cherish buildings from older eras. In addition, the transitionality of gentrification, the relationship between culture/consumption and gentrification, and the regional transformation in relation to urban nightlife can be generalized among urban areas not only in Europe but also in North America, Asia, and the entire world.

At the time of conducting the survey for this article, it was necessary to uncover the gentrification process, and thus, qualitative data were identified. However, continuous observations of secular changes are also necessary along with quantitative data as a supplement. This point shall be addressed in future research.

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Notes

1. By the reorganization of boroughs in 2001, the former Mitte borough became the current Mitte borough, and the former Prenzlauer Berg borough was incorporated into the current Pankow borough. When the name of a borough before the reorganization is used in this article, it will be written with the word ‘former’ included, such as ‘former Mitte.’
2. Given that this is a front-page article, the content should be the kind that provokes a consumer appetite among buyers. A stereotype that generally prevails in Germany is that West Germany is wealthier and East Germany is poorer.
3. This is a numerical evaluation of poverty in each region based on economic indicators such as income and purchasing power, and social indicators such as unemployment rates and proportion of foreigners. The same report ranked cities and states (boroughs for Berlin) according to the data in 2012. For instance, in terms of the proportion of weak purchasing power, former Tiergarten, former Wedding, F=K, Charlottenburg-Wilmersdorf, and Spandau were all equally ranked third with 24.5% (Institut der deutschen Wirtschaft Köln 2014).
4. This is recognized as a common model in geography in the German-speaking world and is also used as a part of the explanation of gentrification in the urban geography textbook for institutions of higher education (Heineberg 2006).
5. In Narita (1987), this is translated as ‘incumbent upgrading.’
6. Nakamura et al. (1991) introduced the scales concerning the space of style in France and other locations (zones, territories, provinces, regions, boroughs, districts, blocks, and estates), and indicated the benefits of micro-scale research in that they can provide detailed conclusions and are capable of demonstrating the transformation of a phenomenon with fixed time intervals. Takahashi (1998) indicated that even in the actual field survey, it is necessary to pay attention to the multi-layered property of the spatial scales of the subject area, as well as its mosaic-patterned multilaminarity. His survey for the study of the urban area in Paris took cognizance of the entire area, district, blocks, and houses. Other studies by Japanese academia of the geography that handles European cities occasionally used district classifications as well (Ito 2007, Ito 2008).
7. This article uses the word ‘renovation’ for the German ‘Renovierung’ and ‘Sanierung.’ While ‘Renovierung’ includes small-scale remodeling that is voluntarily undertaken by each household, ‘Sanierung’ means an act of large-scale repair which comes with the generation of value-added as a result of renovations that includes structural changes in the building (such as room arrangements and the installation of bathtubs). Further, the word ‘restoration’ is used to indicate painting work on the buildings’ exterior walls and maintenance and preservation work on the building facades.
8. The said data is based on the questionnaire survey conducted from July to August 2011. Its subjects were residents of northern Neukölln (inside the loop line). The survey sheets in the survey were distributed to 9,150 of all the houses in northern Neukölln (roughly 60,000 houses), and they were retrieved from 1,830 houses, equivalent to around 20% of the total (TOPOS
Stadtplanung 2011: 6). Further, in RQ, the survey sheets were distributed to 2,857 out of all houses (10,000 houses), and were retrieved from 735 houses, equivalent to 25.7% of the total. However, while the results of the survey imply the rise in social value in RQ, no scholarly analysis has been done on the result.

9. For instance, during summer or other times when there are many tourists, a lot of urban tourists from the EU visit on vacation. They tend to not use lodging facilities and instead temporarily live in rental apartments which they use as vacation rentals while on vacation. There are many other cases of temporary visitors staying in the inner-city districts.

10. This refers to the land use survey. However, since it differs from the land use survey on the following points, it is called the building use survey in this article: first, buildings are inherently concentrated in the case of a metropolis with high land use intensity and second, the detailed survey of business types inside the buildings are conducted in this survey.

11. In Berlin city, Altbau constitutes roughly 42% of all housing (Investitionsbank Berlin 2015).

12. The said project is managed by the Urban Development Funding of Federation and States (Städtebauförderung des Bundes und der Länder) by the Federal Ministry for the Environment, Nature Conservation, Construction and Nuclear Safety (Bundesministerium für Umwelt, Naturschutz, Bau und Reaktorsicherheit) and subsidized by the Berlin city government. A total of 15 regions in Berlin city were selected as Neighborhood Management regions in 1999. The Neighborhood Management office, which is a satellite administrative agency, was implemented in the Neighborhood Management areas.

13. The said project is managed by the European Regional Development Fund as well as the Urban Development Funding of Federation and States by the Federal Ministry for the Environment, Nature Conservation, Construction and Nuclear Safety (Bundesministerium für Umwelt, Naturschutz, Bau und Reaktorsicherheit) and subsidized by the Berlin city government. A total of 15 regions in Berlin city were selected as Neighborhood Management regions in 1999. The Neighborhood Management office, which is a satellite administrative agency, was implemented in the Neighborhood Management areas.

14. The average floor space in the city had an upward trend in 2016. The factors underlying it are the progress of renovation works among rental properties in the city and the new construction of rental housings as a solution for the city’s chronic housing deficiency.

15. This is a monitoring survey conducted by Investitionsbank Berlin to evaluate the trends in the city’s housing market. For example, in 2009, 950 survey sheets were distributed, and 232 or 24.4% were retrieved.

16. The house vacancy rate in this context is defined as properties available to move in immediately or within six months based on a lease agreement (Bundesinstitut für Bau-, Stadt- und Raumforschung 2014). Thus, while vacant houses under renovation works are still included, abandoned houses or other properties that are not immediately available are excluded.

17. According to the results of a survey concerning residence years, the TOPOS regional survey is classified between the households that moved into RQ or northern Neukölln after 2008 or the households that moved in before 2008.

18. Equivalent disposable income refers to income calculated by the household’s disposable income divided by the number of household members.

19. The count of buildings was not calculated from construction drawings or urban planning drawings. Instead, it was calculated from the building numbers used in their addresses.

20. The name Kreuzkölln is a combination of ‘Kreuz,’ the first syllable of Kreuzberg, and ‘kölln,’ the second syllable of Neukölln. Since Kreuzkölln is a regional nickname, it is difficult to identify its geographical scope, but it has roughly the same regional scope as RQ.

21. Zitty is a weekly magazine that publishes the latest urban culture information in Berlin.

22. The retail stores and commercial/service business stores including bars and restaurants are categorized as ‘Existing Use’ (which existed in RQ before the 2000s and is not art-related) and ‘New Use’ (cafes, bars and restaurants which opened in RQ after the 2000s). Rettberg (2011) was referred to upon the categorization.

23. One lot is composed by the following elements: a front building which is a residential building facing the road (Vorderhaus); a rear building which stands opposite the front building across the courtyard (Hinterhaus); and side buildings that stand on either side (Seitenflügel).

24. In this article, all are defined as streets except Kottbusser Damm, and Sonnenallee which are the main streets (main roads). There are 21 streets in RQ, but Weser Street, Friedel Street, and Sander Street, in which the accumulation of New Use were significant according to the field survey, were used as examples in Table 5.

25. Rettberg (2011) considers the creative economy and scene gastronomies as ‘the use that stimulates the rise of the region’s value.’ Creative Economy refers specifically to media production, the book market, software development, and telecommunications. Artists, galleries, and designers involving media production are not included. Scene gastronomies refer to trendy bars, cafes, and restaurants, and the term is said to be defined uniquely by the names, interior and exterior designs, menu composition and the demographics of the stores (Rettberg 2011: 92, 95).

26. In order to achieve the goal of this study, artists and people who engage in creative business need to be distinguished for further examination. Thus, the author organized the classification by Rettberg (2011) and reclassified it according to the author’s findings in the field survey and the types of business, of which inflow into RQ was observed after the Rettberg’s (2011) survey.

27. As clothing and jewelry designers and patterners sell their own works at the stores, they can also be regarded as artists, but this article focused on their sales aspect and categorized them as new retail stores.

28. Some cafes operate as bars from early in the evening to late into the night, and some bars operate as cafes during the day.

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