



Housing Support Programs managed by BGK

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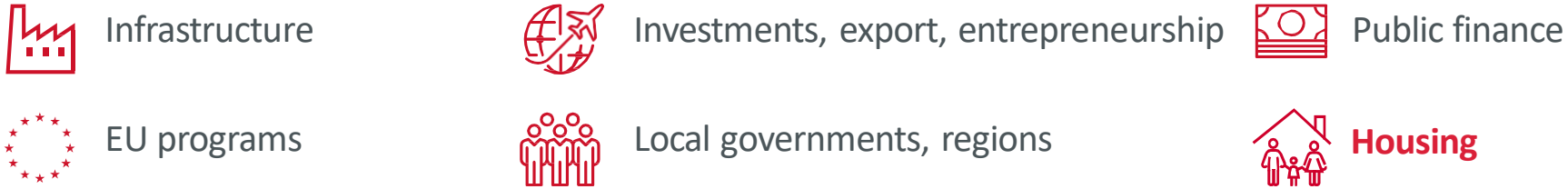
BGK – the Polish NPB




KEY FACTS

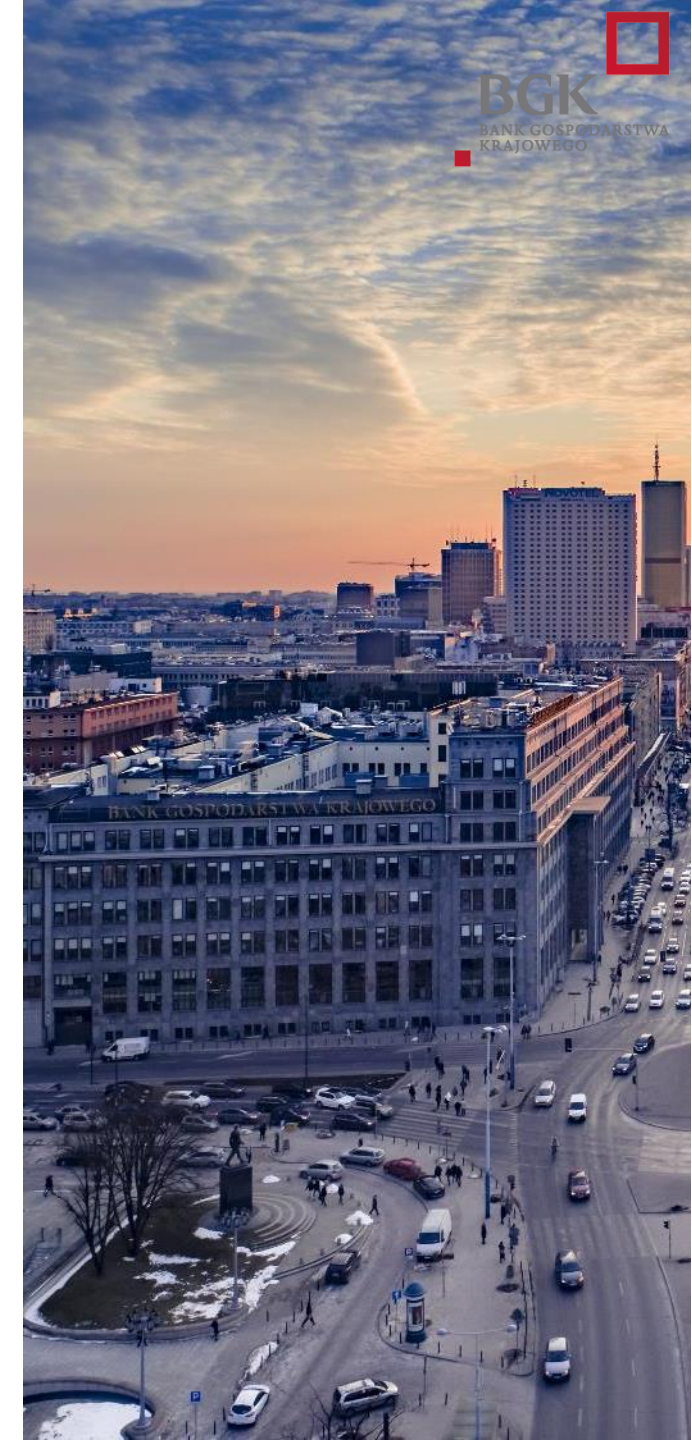
- 100% state-owned
- established in 1924, reactivated in 1989
- actively supporting the social and economic development of Poland
- HQ in Warsaw, present in all 16 regions
- approx. 1700 employees
- total assets of EUR 40 bn as of Q4 2020

STRATEGIC PRIORITIES



HOUSING SUPPORT

- 
- Several programs managed by BGK:
- construction of new and revitalization/modernization of existing dwellings
 - preferential loans, grants, bonuses, direct rent subsidies
 - all segments of broadly understood „social housing” covered



Affordable rental housing – key challenges



Polish mentality –
strong attachment
to ownership



poor demographics

limited financial capacity
of tenants



soaring prices in
construction



shortages of available
land



indebtedness of
municipalities, huge
increase of grants for
municipal housing

limited equity/capital
of investors



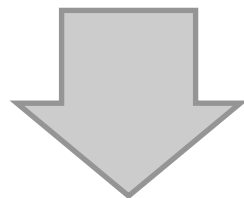
varying level of
knowledge of housing
support programs among
municipalities



Housing support programs managed by BGK

LEGACY PROGRAMS

- affordable rental housing – 99 ths dwellings financed, PLN 7.3 bn worth of loans
- ownership/purchase support – 300 ths supported dwelling purchase (mortgage loan interest rate subsidy or partial own participation coverage), PLN 7.1 bn worth of granted support

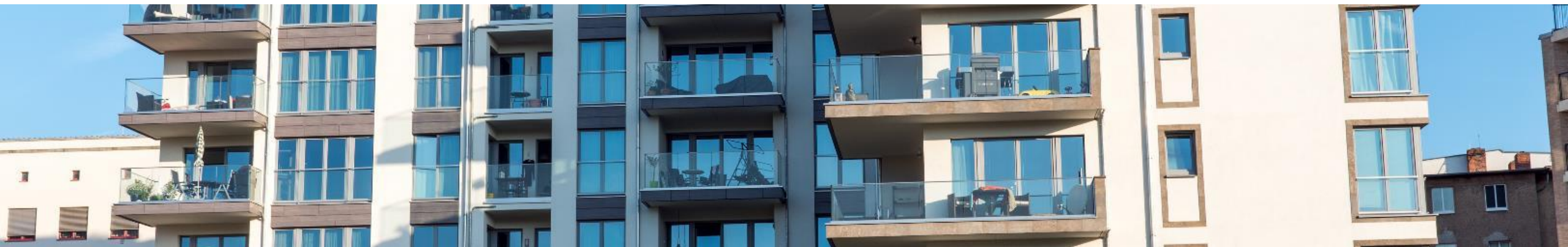


ACTIVE PROGRAMS

- municipal housing (Subsidy Fund) – 31 ths co-financed dwellings/shelters, PLN 1.5 bn worth of grants
- affordable housing (preferential and commercial loans) – 11 ths co-financed dwellings, PLN 1.2 bn worth of loans
- Thermal Modernization and Refurbishment Fund – 46 ths supported investments, PLN 2.6 bn of granted subsidies
- direct rent subsidies for tenants – PLN 66m of allocated funds



Integrated social and affordable housing support



+ thermal modernization
and refurbishment
bonuses



direct rent subsidies for tenants



commercial loans



preferential loans



Subsidy Fund – grants

shelters for
homeless people

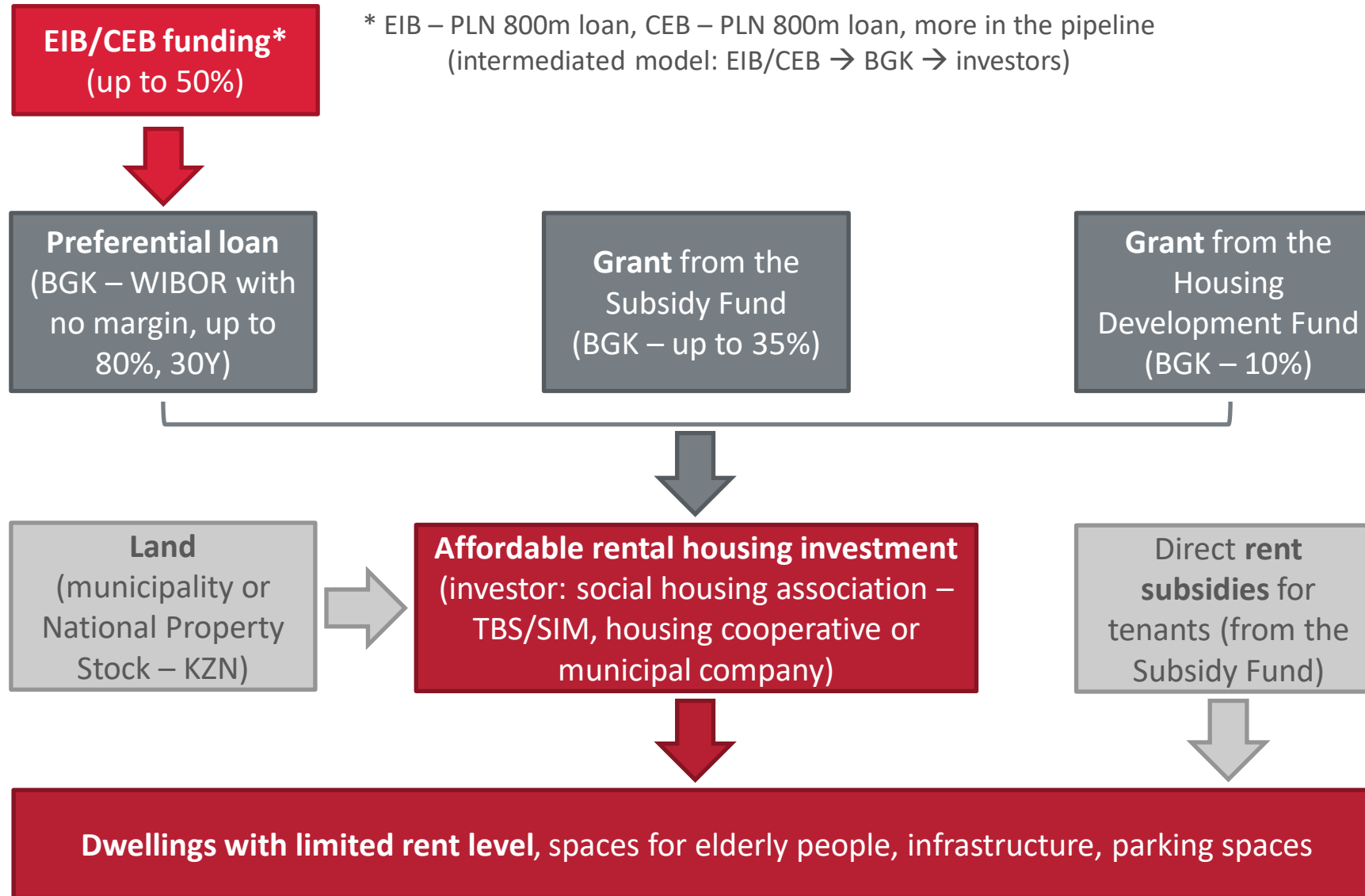
social housing

municipal housing

affordable rental
housing

affordable
rent-to-buy housing

Affordable rental housing – the hybrid model



Affordable rental housing – lessons learned

- 1 Even a good program won't sell itself – sales and promotion are key**
 - numerous municipalities have limited knowledge of our programs
- 2 The pandemic wasn't able to stop us in our tracks**
 - online/remote activity is still getting the job done, albeit not as efficiently
- 3 Reactivating housing cooperatives is particularly difficult**
 - they need dedicated legal changes in order to give them a nudge
- 4 The array of housing support programs has to be carefully planned**
 - they have to be complementary as it's easy to make them cannibalize each other
- 5 Changing mentality is difficult – market specifics have to be observed**
 - introduction of rent-to-buy option in our program should prove beneficial



Thank you for your
attention

