

The contribution of National Promotional Banks and Institutions in Europe

Addressing the Housing Crisis



EUROPEAN
ASSOCIATION
ELTI
LONG-TERM
INVESTORS

European Long-Term Investors Association (ELTI)

A.I.S.B.L.

Rue Montoyer 51

B-1000 Brussels

Belgium

EU Transparency Register ID: 977980112556-82



www.eltia.eu



+32(0)460 952 632



secretariat@eltia.eu



@ELTIassociation



European Association of Long-Term
Investors (ELTI)



Logos until April 2025



EUROPEAN
ASSOCIATION
OF PUBLIC
BANKS

European Association of Public Banks (EAPB)

A.I.S.B.L.

Avenue de la Joyeuse Entrée 1-5

B-1040 Brussels

Belgium



www.eapb.eu



+32(2) 898 30 00



info@eapb.be



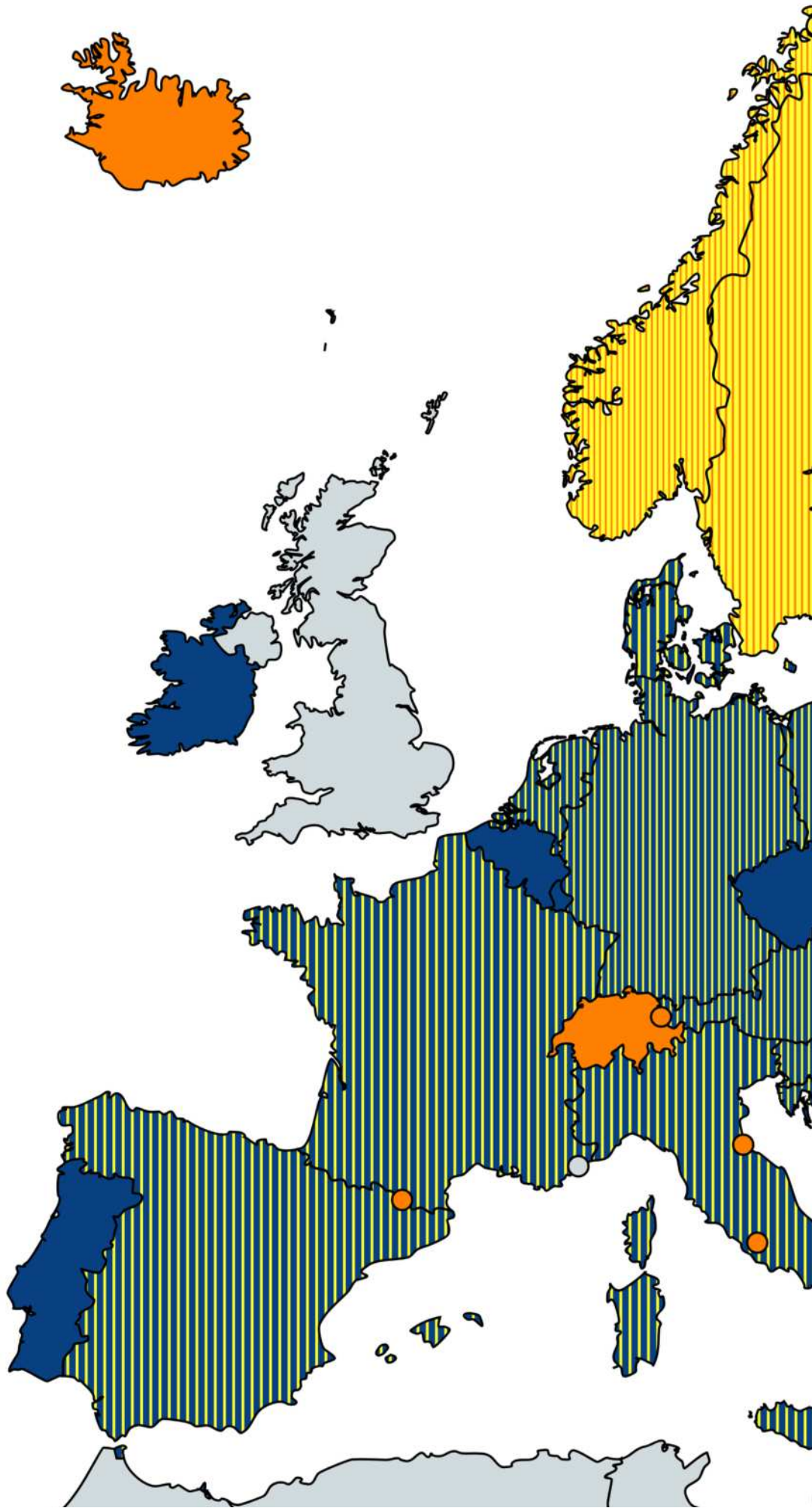
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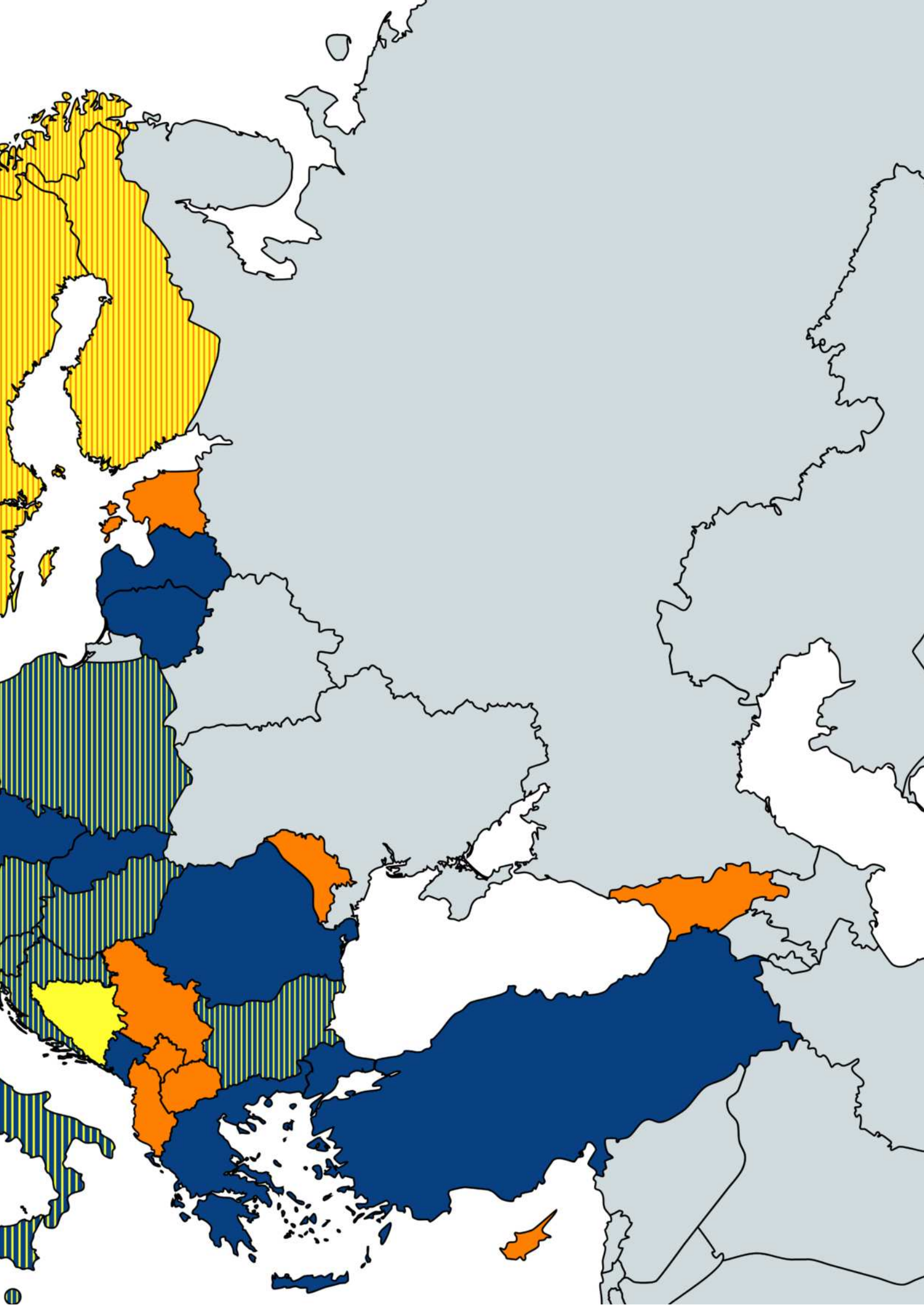


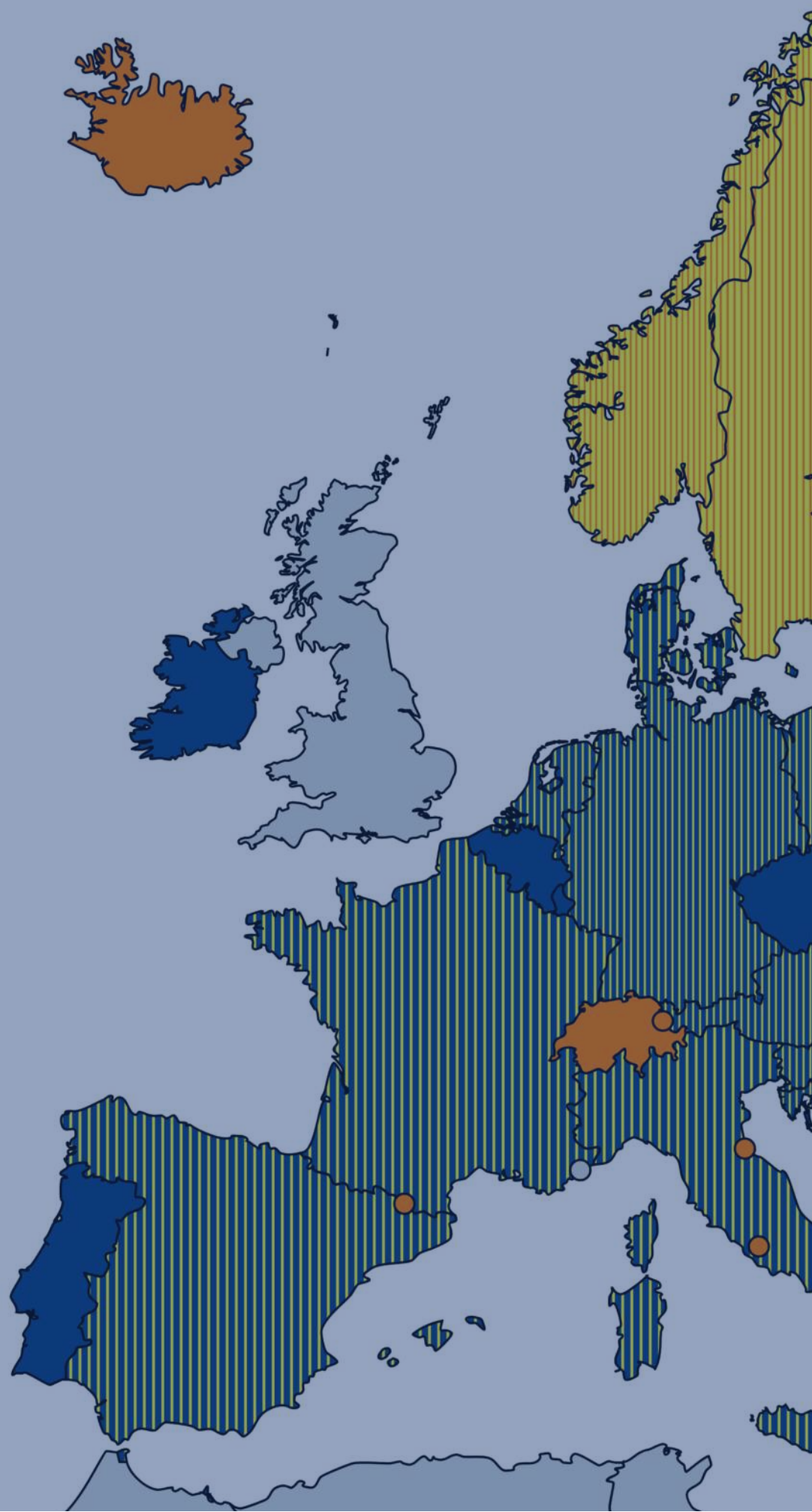
European Association of Public Banks
(EAPB)



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-  ELTI Multinational Member (CEB, NIB)
-  ELTI Multinational & EAPB Member









Preface by ELTI & EAPB Presidents

National promotional banks and institutions (NPBIs) play a vital role in mobilising capital for sustainable growth. Typically, NPBIs are designed to provide financial support to national, regional or local policy objectives. Their unique status allows them to leverage on public funds to stimulate public and private long-term investments in sectors that are neglected by traditional financing, such as those addressing social and environmental challenges and promoting innovation.

Housing is an essential need for every citizen; it is a prerequisite for social cohesion, helping to build communities that are resistant to social, economic and geographic fragmentation. The market failure in financing housing projects extends well beyond what have traditionally been called marginalised or disadvantaged citizens: while many individuals are able to cover their own living expenses, nowadays, there is a growing need to support more vulnerable families and individuals all over Europe. Various socio-economic challenges have amplified this need, including:

- **Rising property prices:** property prices have surged, especially in urban agglomerations where employment opportunities are concentrated. This creates significant challenges for young families trying to purchase homes and for students and early-career workers seeking affordable, conveniently located housing options. Adding to the problem, a lack of investment in social housing across Member States disproportionately affects the most vulnerable segments of population;
- **Demography:** an aging population across Europe has created a growing demand for housing solutions tailored to seniors, including accessible housing and care facilities;
- **Energy costs and efficiency:** energy prices are significantly higher than five years ago, leaving many people unable to afford adequate heating or energy resources. Moreover, outdated housing stock often requires substantial renovations to improve energy efficiency and reduce environmental impact. The consequent “renovation wave” will require long-term financing and investment.

Each EU Member State addresses these challenges through different public financing support structures, coordinated either at the national or regional/local level. The overall common challenge for Europe is the need to cover a high number of individual cases (dwellings, apartments, etc.) with limited public funding available for each project.

Promotional banks at national and regional level have been key players in bridging the market gap in housing financing by providing public support for housing for decades as well as through specialised advice on social and affordable housing topics linked to investment in the sector. They are well placed to do so thanks to their detailed knowledge of local markets, longstanding connections to public authorities and private investors, as well as their financing expertise, able to maximise the impact of public resources. In 2023 promotional banks at national and regional level promoted more than 380.000 dwellings and committed financing of close to €50 billion.

This brochure presents a variety of projects in different Member States, showcasing how Promotional Banks and Institutions have addressed specific needs and established tailored support structures. I trust these examples will offer you valuable insight into addressing housing challenges through innovative financing structures and mutual collaboration within our Associations, to foster new social housing approaches in our countries.

Looking ahead, it is imperative to preserve successful financing approaches and structures, while recognizing the need for greater financial capacity across Europe. By working together, we can enhance our impact and ensure that every citizen has access to safe, affordable, and sustainable housing.

Together we can do more!

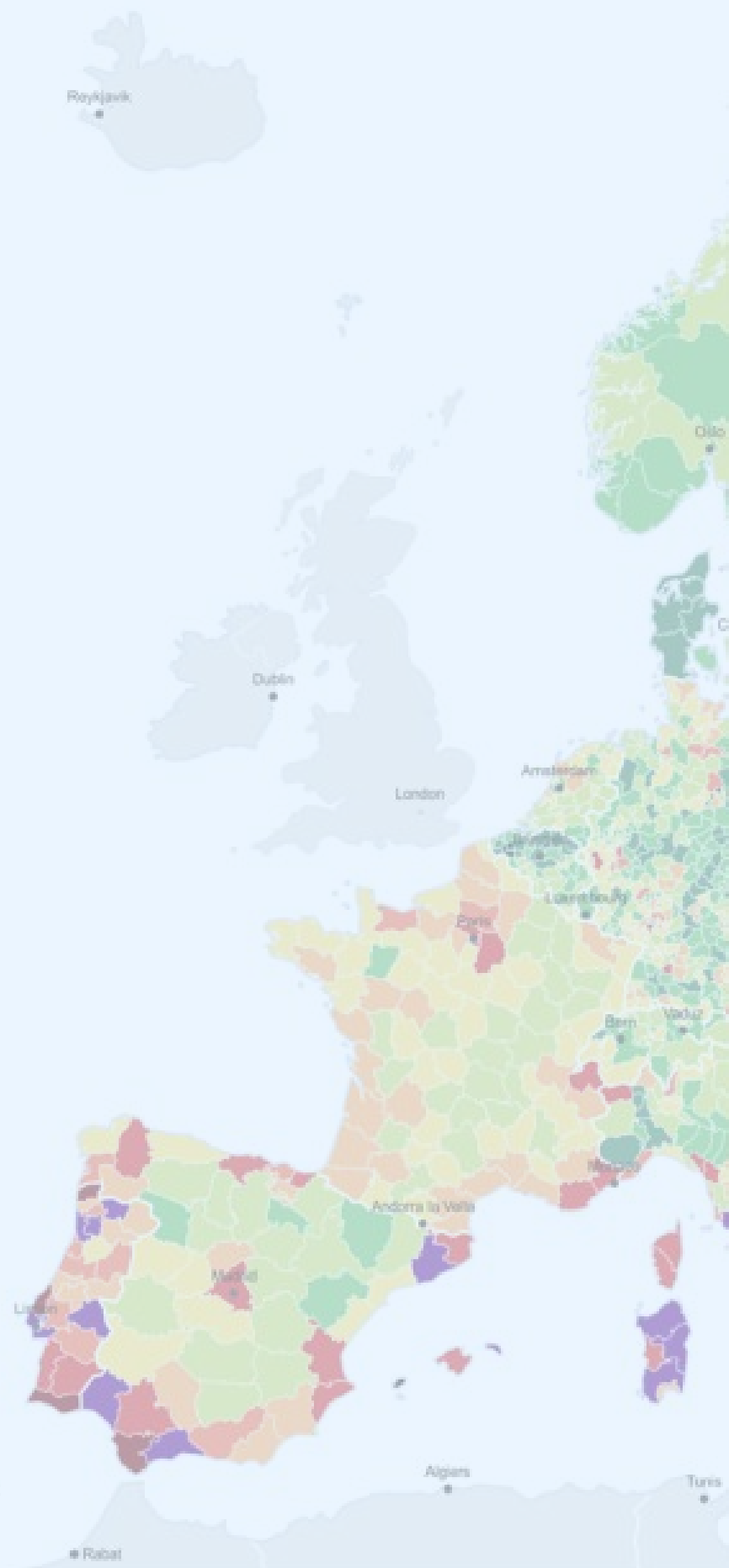
Dario Scannapieco
ELTI President

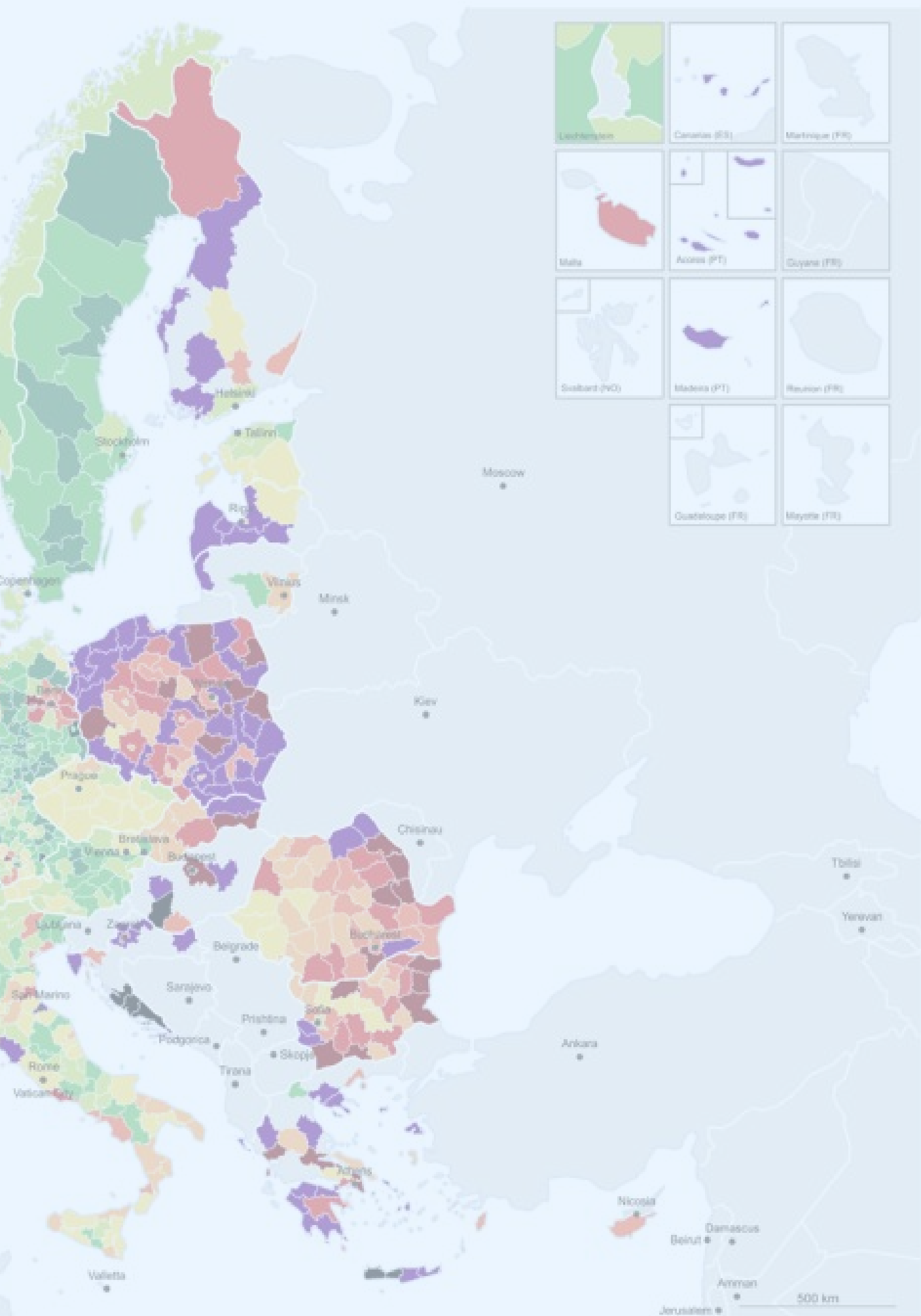
Lidwin van Velden
EAPB President

Percentage of monthly income to rent 100m²

Legend

- Less than 20%
- Between 20% and 30%
- Between 30% and 40%
- Between 40% and 50%
- Between 50% and 60%
- Between 60% and 70%
- Between 70% and 80%
- Between 80% and 90%
- Between 90% and 100%
- Between 1 and 2 persons income
- More than 2 persons income





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Bulgaria





Housing Market in Bulgaria

Bulgaria’s housing market is shaped by economic factors, regional disparities, and historical influences, creating distinct conditions in urban and rural areas. In cities like Sofia, Plovdiv, and Varna, the demand for housing has surged due to population growth, urbanization, and foreign investments. This has led to rising property prices, making homeownership difficult for many Bulgarians, especially young people and low-income families. New, energy-efficient apartment buildings are being constructed, but the rental market remains smaller. In rural areas, depopulation is a significant issue, with many villages facing empty homes and poor infrastructure, though properties remain more affordable.

The quality of housing, especially older buildings from the socialist era, is often outdated, contributing to higher maintenance expenses and energy inefficiency. Many Bulgarians also struggle with securing financing for home purchases due to strict lending conditions. To address these issues, the Bulgarian government and the EU have introduced programs to improve housing conditions, focusing on energy efficiency upgrades and revitalizing rural areas.



Bulgaria, a captivating Eastern European nation, showcases a fascinating blend of historical landmarks, stunning Black Sea beaches, and a rapidly developing property market that presents a range of affordable options for both local residents and international investors.

PROPERTY MARKET IN BULGARIA

Projected GDP (\$B)	101
Population (M)	6.8
GDP per Capita (PPP)	24,400
Interest Rate (20Y)	3.27%

	CITY CENTRE	OUTSIDE
Price to rent	21.21	19.73
Gross Rental Yield	4.71%	5.07%
Price per sqm	1,695\$	1,154\$
1-bedroom (rent)	376\$	278\$
3-bedroom (rent)	636\$	459\$

Sources: World Bank Data, Numbeo, OECD, IMF (projected GDP)



**BULGARIAN
DEVELOPMENT BANK**





BDB as a key player



The Bulgarian Development Bank (BDB) plays a key role in addressing housing challenges in Bulgaria by providing financial support and funding for projects aimed at improving the quality, affordability, and accessibility of housing.

BDB collaborates with EU initiatives, such as EIF-guarantee agreements, EIB, and CEB for funding. These include projects that align with EU goals such as improving energy efficiency, reducing carbon footprints, and ensuring social inclusion. Through these partnerships, BDB ensures that housing projects can benefit from EU financial resources, making them more viable and impactful.

In partnership with the Electricity System Operator (ESO), BDB is developing a program for public entities, such as hospitals, schools, and municipalities, to accelerate implementation of renewable energy sources.

BDB is also focused on supporting sustainable and environmentally friendly housing developments. With growing concerns about climate change, the bank encourages the construction of green buildings that comply with international environmental standards. This includes funding for projects that integrate renewable energy solutions, energy-efficient technologies, and sustainable building materials.

BDB provides targeted bridge financing through an on-lending program with commercial banks for citizens who wish to install photovoltaic systems with a capacity of up to 10 kWp. This is part of the efforts to promote renewable energy sources and reduce electricity costs in households.

Bulgarian Development Bank plays a key role in the implementation of the National Program for Energy Efficiency of Residential Buildings. The second stage of this program is planned for the period 2025-2029, with a total budget of BGN 2.5 billion.

The BDB's housing initiatives are expected to grow as the demand for affordable and energy-efficient homes continues to rise. The bank is committed to further expanding its support for housing projects, focusing on social inclusivity, sustainability, and energy efficiency. By doing so, BDB aims to contribute to a more balanced and accessible housing market in Bulgaria, improving living standards for all citizens, particularly those who face economic and social challenges in securing housing.



Energy Efficiency in multi-family buildings



Due to the absence of energy efficiency norms in the building codes of the time, most of the 500,000 buildings (3.35 Mio dwellings) in Bulgaria had little or no thermal insulation. The energy consumption was at least twice as high as those built to current standards. Many buildings were severely underheated, typically about 13 - 16°C, well below the 20 - 21°C national standard. The buildings were also in very poor condition and structurally unsound due to chronic lack of maintenance of the building envelopes.

In 2015, the Bulgarian Development Bank (BDB) implemented the first stage of the National Program for Energy Efficiency in Multi-Family Buildings. Within 30 months, more than 2,000 buildings were renovated in close cooperation with municipalities. They have responsibility for preparing project financing applications and signing the contracts, as well as for all procurement and supervision of the energy and structural audits, detailed designs, construction permits, construction works, construction supervision, and building certification.

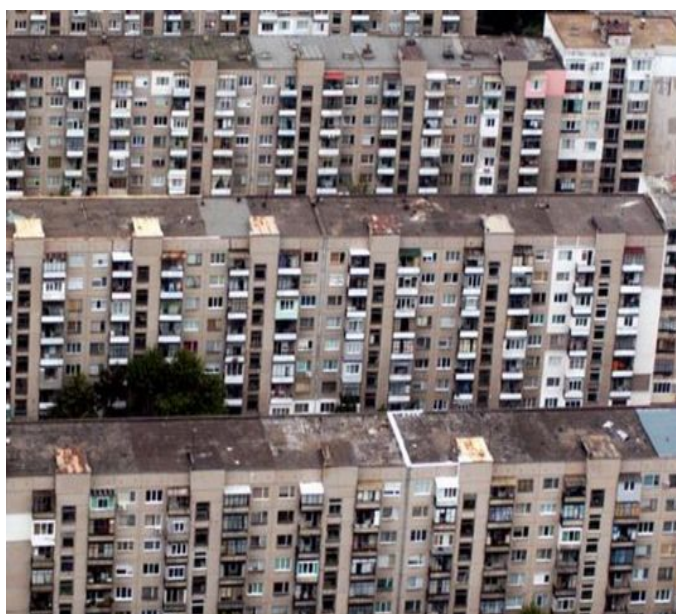
The Program resulted in significant environmental, social, and economic benefits:

- Annual CO₂ savings are more than 300,000 t;
- Less dust accumulation, lower noise levels;
- Average decrease in utility bills of homeowners of 25%;
- Increased thermal comfort level by 3°-5°C during the winter months.

All of these benefits will contribute to an increased valuation of the property as a result of the full renovation of the buildings



Energy Efficiency in multi-family buildings



The second stage of the National Program for Energy Efficiency of Multi-Family Residential Buildings, managed by the Bulgarian Development Bank, is planned for the period 2025–2029 with a total budget of BGN 2.5 billion.

The program provides free renovation of residential buildings, with financing being carried out through the BDB and the state providing guarantees.

Annual allocation of funds:

2025: BGN 40 million

2026: BGN 100 million

2027: BGN 380 million

2028: BGN 800 million

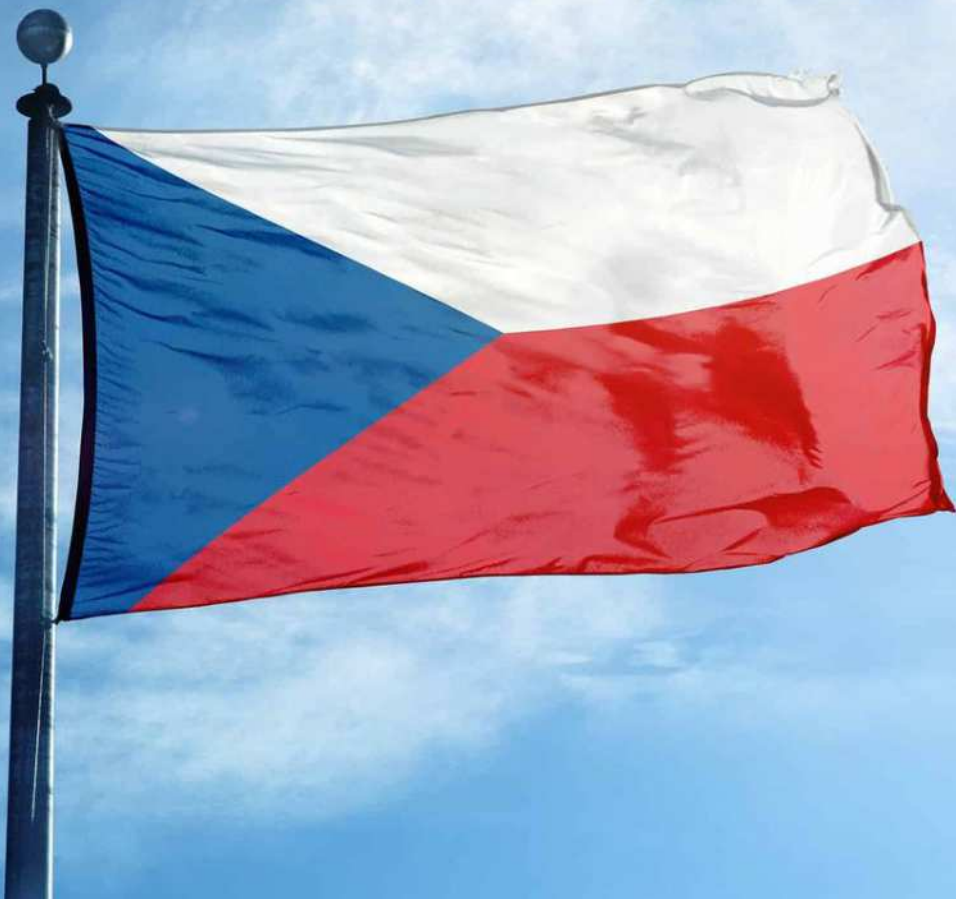
2029: BGN 1.18 billion

In the first stage of the program, which started in 2015, about 2,000 apartments were renovated.

Expected benefits:

- Environmental: Significant reductions in carbon emissions and improved air quality.
- Social: Increased comfort for residents and improved living conditions.
- Economic: Stimulation of the construction sector and job creation

Czechia



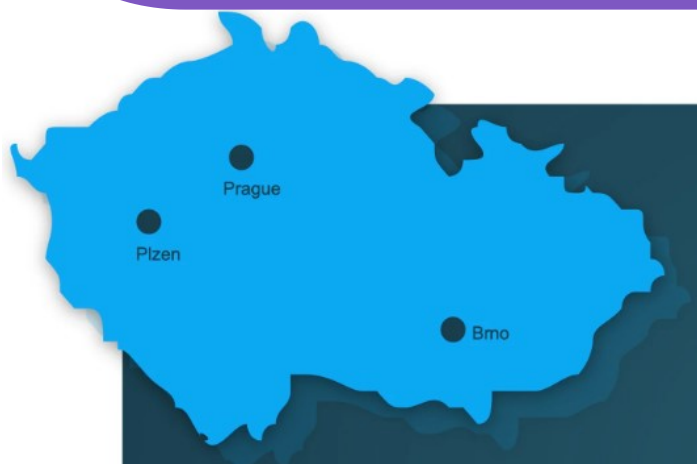
Housing Market in Czechia

In the Czech Republic, housing policy has been facing long-term problems mainly in the lack of affordable housing, a congested housing market and the rising cost of new buildings. The issue has intensified in recent years due to high real estate prices, a lack of available land for construction and a complicated process for issuing building permits. This has created pressure on the housing market, leading to higher rents in many cities, which has a negative impact especially on young families with children and low-income groups.

One of the key steps in response to this situation has been to provide more support for the construction of social and affordable housing. Nevertheless, not nearly enough of this type of housing is being built. The government has introduced a number of programmes for the construction and modernisation of housing and for promoting rental housing. But it remains to be seen whether these steps will have any major impact on improving the affordability of housing. The government is also discussing the possibility of legislative changes, especially in construction law, with the aim of speeding up construction.

Another challenge is rent regulation: while there have been some efforts to introduce instruments that would protect tenants from excessive price increases, there is also discussion concerning the risks of regulation that may have a negative impact on the supply of rental housing.

At present, the Czech Republic is facing a difficult housing situation that requires a comprehensive approach and effective strategies for providing quality and affordable housing for all groups of the population.



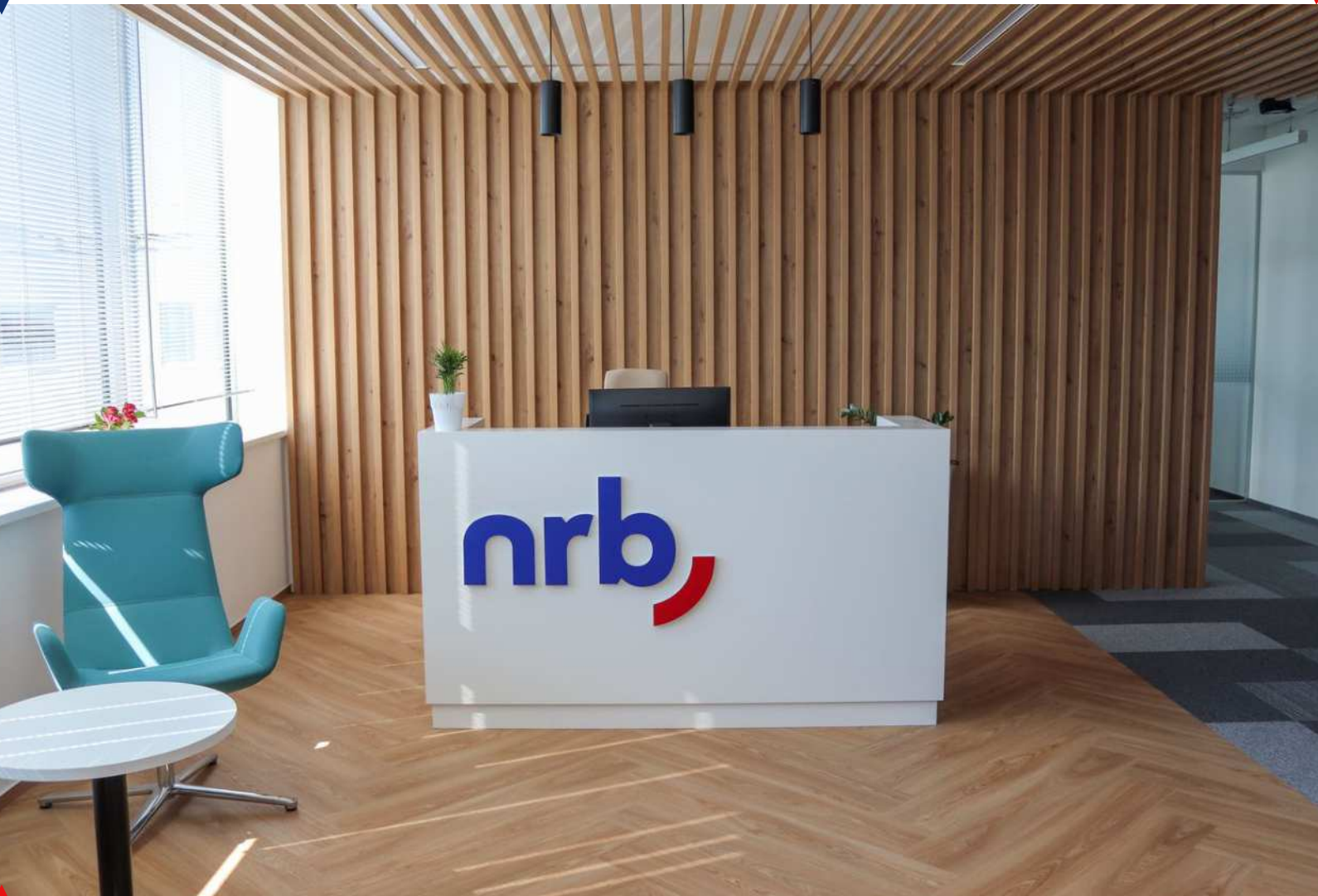
PROPERTY MARKET IN CZECH REPUBLIC

A rich history and a robust property market that offers many investment options, from charming apartments in Prague's Old Town to countryside estates in picturesque regions like South Bohemia.

Projected GDP (\$B)	330
Population (M)	10.5
GDP per Capita (PPP)	40,700
Interest Rate (20Y)	5.54%

	CITY CENTRE	OUTSIDE
Price to rent	32.65	31.71
Gross Rental Yield	3.06%	3.15%
Price per sqm	5,048\$	3,970\$
1-bedroom (rent)	754\$	600\$
3-bedroom (rent)	1,176\$	973\$

Sources: World Bank Data, Numbeo, OECD, IMF (projected GDP)



NRB as a key player



In April 2025, the National Development Bank (NRB) together with the Ministry of Regional Development launched a programme to support affordable housing which will stimulate housing construction through a subordinated loan. The programme, which has been co-created with National Development Investments, a subsidiary of the NRB, aims to create quality housing with guaranteed rent that will not exceed 90% of the average market price for at least 20 years. The programme is designed to be attractive both for the public sector and for private investors, who will be motivated both to build and to own and lease the properties for the long term.

Affordable housing will be targeted to select groups such as young people and families under 35, seniors without their own homes and workers in key professions such as doctors, nurses, firefighters, police officers, teachers and social workers. The aim is to ensure that housing is also available to these groups of people who usually have limited access to the general housing market.

The preferential loan will be available to municipalities, cities and regions, as well as companies and organisations established by them, who wish to improve the availability of housing for their residents. Development companies interested in long-term management of their projects and investors seeking opportunities with a positive social impact will also be eligible to apply.

The programme should contribute to the development of affordable housing and improved living conditions for the general public.

Modern home in Karlovy Vary



The demographic trend in Europe for the coming decades is obvious – the population is aging. The Czech Republic is no exception to this trend. With the growing number of elderly people, it is in public interest to substantially increase the capacity of social care facilities across the country, including the private ones. It will ensure dignified living conditions for our grandparents, but it will also save scarce public resources. A home for the seniors in Karlovy Vary (Carlsbad), which was built with the support of the National Development Bank, is one of the most modern facilities of its kind in the Czech Republic.

Karlovy Vary is a beautiful city located in the Western part of the Czech Republic. It is famous for its thermal springs, recently inscribed on the UNESCO list of world heritage sites. However, despite attracting a number of visitors every year, the Karlovy Vary Region is one of the most disadvantaged in the country. According to official data, this is the region with the lowest number of available places for the elderly people in Czechia. Building new facilities is highly desirable and welcomed. A new privately owned home for the elderly people is among the top ones in Czechia in terms of comfort and staff attitude. It operates as a home for the elderly as well as a home with a special regime for people suffering from Alzheimer's disease and various forms of dementia, offering a number of modern activation and rehabilitation programmes for the clients. Its capacity is 184 persons accommodated in single and double rooms.

Modern home in Karlovy Vary



Source of funding: ESIF 2014-2020; ERDF

Name of the programme: EXPANSION – LOANS: Interest-free, investment loan

Structure of financing:

- Budget of the project: CZK 100 million (EUR 4 million)
- Interest-free NRB loan 40 mil. CZK (€ 1.6 m) with the duration of 10 years;
- Interest rate subsidy for commercial part of the project
- Other resources: commercial loan and own funding
- Construction period: July 2020 – August 2021

Link

**Case Study video :
Domov seniorů
Karlovy Vary**

Finland



MuniFin

Housing Market in Finland

The housing stock in Finland is approximately 3,2 million dwellings. Around 62% of all apartments in Finland are owned and 34% rented. Approximately one third of all apartments have been constructed using special state subsidised loans.

In Finland, affordable social housing is mainly provided by municipality-owned companies and nationwide non-profit housing organisations. The production is financed through interest subsidy loans granted by a commercial bank or other financial institutions such as MuniFin.

The Finnish government updated its housing policy development programme in 2021. Some of the main objectives of this programme include increasing housing construction in growing urban areas and eradicating homelessness within two government terms. Affordable social housing has played a remarkable role in tackling homelessness in Finland, especially family homelessness. Affordable social housing is also instrumental in preventing segregation and facilitating labour mobility.

The right to housing is enshrined in the Finnish constitution. The largest cities in Finland have for a long time had a principle of ensuring that 25% of new homes are affordable social housing apartments and the aim is to increase this share up to 35%.



The property market in Finland is known for its emphasis on quality, functionality, and sustainability. Finland's unique aspect lies in its well-designed and energy-efficient housing, reflecting the country's commitment to environmental consciousness.

PROPERTY MARKET IN FINLAND

		CITY CENTRE	OUTSIDE	
Projected GDP (\$B)	302			
Population (M)	5.5			
GDP per Capita (PPP)	48,800			
Interest Rate (20Y)	1.35%			
		Price to rent	31.45	24.7
		Gross Rental Yield	3.18%	4.05%
		Price per sqm	5,670\$	3,550\$
		1-bedroom (rent)	850\$	696\$
		3-bedroom (rent)	1,433\$	1,104\$

Sources: World Bank Data, Numbeo, OECD, IMF (projected GDP)

INVESTROPAN.COM

MuniFin



MuniFin

Munifin as a key player



MuniFin is by far the largest financier of affordable social housing production in Finland and the only Finnish credit institution that specialises solely in financing the municipal sector and non-profit housing production. In 2024 MuniFin's financing for social housing sector was over €2 billion and loan portfolio to social housing sector reached €16,8 billion, equal almost halve of MuniFin's total loan portfolio.

MuniFin's sustainability agenda supports the development of a sustainable welfare society and promotes investments that are friendly for the climate and environment. The company has set an emission intensity target for financed emissions from buildings, which is 8 kgCO₂e/m² in 2035. In 2023, the emission intensity was 10.8 kgCO₂e/m².

Many of the Finnish social housing providers have climate change mitigation high on their agenda, and many social housing projects are pioneers in sustainable construction in Finland. More than half of the long-term financing granted by MuniFin in 2023-2024 has been allocated to sustainable projects, and a significant portion of these were granted for social housing.

MuniFin

Niiralan Kulma emphasises green and societal values in ten new housing projects



Niiralan Kulma, the largest rental company in the city of Kuopio, invests significantly in sustainable and environmentally friendly living. Its recent investments adapt to changing needs. New residents move to the city for work and require comfortable reasonably priced homes, but among the projects are also rehabilitative service housing for young adults, service housing apartments and rental apartments for seniors.

Seven new apartment buildings are currently financed with MuniFin's green finance, and three service housing projects have been completed with MuniFin's social finance.

The buildings effectively utilise energy-saving technology and renewable energy. Building technology takes into account the by-products of energy: geothermal heat is used, heat from wastewater recovered, excess energy from mechanical ventilation captured, and solar energy utilised. The houses are designed to be maintenance-free and long-lasting.

Many methods are in use to improve environmental friendliness. The new apartments do not have unusable space that requires heating, and there are multiple waste bins in the apartments for recycling. In addition to the living spaces, Niiralan Kulma has also invested in bicycle parking and charging points for electric cars.

MuniFin

A wooden student residence Lighthouse soars above the rooftops



At 14 storeys and 50 metres tall, Lighthouse is both Finland's tallest wooden apartment building and its tallest student residence. This building, with its 117 apartments, stands proudly in the city of Joensuu and it's built by Joensuun Elli, the company responsible for the city's student housing.

The wall elements are made of laminated veneer lumber (LVL) while the intermediate floor elements are cross-laminated timber (CLT). There are many benefits of wooden construction: working with wood is usually easier than working with concrete. Once a wooden frame has been completed, there's no need to dry it as is often the case with a concrete frame. Conditions on the construction site are also more pleasant than they usually are in concrete construction.

Although wood is not vastly different to concrete in terms of livability, it does have one special advantage. Sound does not echo as much in a wooden house, which results in very pleasant acoustics.

The building was already attracting plenty of attention during the construction phase. Almost 500 people attended an open-door event over the space of three hours. The location is great – close to educational institutions, the city centre and the railway station – with the added bonus of really amazing lake views.

France



Housing Market in France

As in many Member States, housing affordability is a major concern in France. Estimates suggest that there is a structural shortfall of around 170,00 to 200,00 housing units per year to meet demand. **The social and affordable housing sector in France plays a crucial role in acting as a buffer, protecting residents from the burden of escalating housing costs.**

At the end of 2024, the social and affordable housing stock comprised 5.4 million units, mainly provided by social housing organisations, specific public or private actors, which are locally embedded and entrusted with this mission of general interest. Social and affordable housing accounts for a quarter of all new housing construction in France.



The property market in France is notable for its rich historical heritage, offering a wide range of stunning properties, including châteaux, farmhouses, and villas, which attract both domestic and international buyers seeking a taste of French charm.

PROPERTY MARKET IN FRANCE

Projected GDP (\$B)	2,923
Population (M)	64.6
GDP per Capita (PPP)	45,000
Interest Rate (20Y)	1.76%

	CITY CENTRE	OUTSIDE
Price to rent	33.69	32.54
Gross Rental Yield	2.97%	3.07%
Price per sqm	6,126\$	4,700\$
1-bedroom (rent)	791\$	640\$
3-bedroom (rent)	1,593\$	1,239\$

Sources: World Bank Data, Numbeo, OECD, IMF (projected GDP)

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**Caisse
des Dépôts**
GROUPE



CDC as a key player



Caisse des Dépôts et Consignations (CDC) plays a key role in the financing model for social and affordable housing in France. The French system is well established, long-standing, and well-integrated in the European sphere, thanks to the catalytic role played by CDC's Banque des Territoires. Founded in 1816, CDC granted its very first loan for social housing from its own resources as early as 1905. Today, CDC offers a wide range of financing to meet the housing needs of one in five French citizens, providing 70 % of the sector's financing. CDC finances public interest housing in the broadest sense, from emergency housing to middle-income housing, as well as housing for students and the elderly, providing a diversified range of loan products, quasi-equity instruments, including intermediated loans on EIB resource, which complement the traditional offer.

In addition to its lending activities, CDC Group is active in the entire value chain through its subsidiary CDC Habitat, a French global operator in affordable housing, managing nearly 554,000 housing units, including nearly 364,000 social housing units, 109,000 intermediate and affordable housing units, and nearly 82,000 supported housing units and dedicated accommodation places managed by its subsidiary ADOMA. CDC Group is also an investor in the sector through its Banque des Territoires, which provides capital to companies that develop innovative building schemes allowing for synergies with social housing provider clients.

Focus on CDC lending activities



In 2024, CDC's lending activity in the housing sector amounted to €20.1 billion in new loans, of which €14.7 billion was allocated to housing construction. This facilitated the addition of 115,000 new dwellings to the French social housing stock. €2.9 billion in loans were also allocated to renovation operations, enabling the thermal renovation of 39,000 existing social housing units. Given the large existing stock of social housing units in France, and in line with the requirements of the French Climate and Resilience Law, one of the key challenges today is renovating nearly 1.8 million social and affordable housing units without compromising the high levels of new construction of the sector. In financing these efforts, CDC loans are often combined with EU grants for energy efficiency rehabilitation of social housing units provided through the ERDF.

The sector is predominantly financed through loans using the CDC's Savings Fund, channelling French household savings into social and affordable housing. Through its Savings Fund, CDC manages, under the supervision of the Parliament, a large proportion of French household savings accounts known as "Livret A" (historic product with tax-free status and state guarantee). CDC's Banque des Territoires thus transforms these private savings into long-term loans (with maturities of up to 80 years) for projects of general interest, such as the provision of social and affordable housing or the renovation of existing housing stock. In terms of volume, at the end of 2023, French household savings in CDC-managed, government-guaranteed savings accounts amounted to €370 billion, providing a stable resource that guarantees CDC's long-term financing capacity.

CDC role in channelling European resources for housing



CDC is ensuring the link to European resources. This approach is embodied in the so called “**European Alliance for Sustainable and Inclusive Social Housing**”. In close collaboration with the French Social Union for Housing (USH), the European Investment Bank (EIB) and the Council of Europe Development Bank (CEB), this alliance has already been signed in 2020 as a partnership agreement to facilitate access to European and national funding for French social housing organizations. CDC (Banque des Territoires) mobilises in a structured, fluid, efficient and sustainable way the resources of the EIB (social and affordable housing, energy efficiency of housing) and the CEB (specific housing) and combines these European resources with the national ones (stemming from popular savings) via a platform in form of a one-stop shop for social housing organizations seeking national and European funding.

This coordinated approach is an effective intervention model for the sector, allowing the various national and European mechanisms to be articulated.

The “Au Cheval Blanc” neighbourhood in Fismes



In 2021, Plurial Novilia, a subsidiary of the Action Logement group, partnered with Muance, an innovative French start-up specialising in low-carbon modular construction, and CDC’s Banque des Territoires to meet France’s housing needs while minimising environmental impact. This collaboration has resulted in the “Au Cheval Blanc” project in Fismes, a commune in the Marne department, part of the Grand Est region.

The project is a clear example of how CDC’s Banque des Territoires is involved at every stage of the social housing value chain. Banque des Territoires has not only provided financing to social housing provider Plurial Novilia, but has also become a financial partner to Muance, investing in equity and quasi-equity in Muance’s real estate company to help finance the development of the factory. This investment is part of CDC’s Banque des Territoires’ wider mission to promote economic cohesion and environmental sustainability.

The first phase of the project comprises seven housing units, with completion expected in the third quarter of 2025. **As well as providing affordable housing, the homes will be built using low carbon, construction methods.** The homes will provide affordable housing for low-income individuals and families, while some units will be reserved for very vulnerable households. A significant proportion of the project’s funding has been provided by CDC’s Banque des Territoires, which has committed over €900,000 in loans.

A key innovation in this project is the use of low-carbon modular construction, provided by Muance’s newly established factory in Vatry, Marne. **The factory produces volumetric modules using sustainable materials, including low-carbon concrete and plant-based insulation sourced from local biomass.**

Muance’s modular construction process, which involves off-site manufacture and on-site assembly, offers flexibility, energy efficiency and the ability to scale up production quickly. With Muance’s new production site in Vatry, the partnership could deliver up to 90 social housing units, including small collective housing and single-family homes in the area. This initiative is in line with the objectives of the Banque des Territoires, which is committed to supporting innovative, solutions to both housing shortages and environmental challenges.

Batigère Habitats Solidaires



Batigère Habitats Solidaires (BHS) is a French affordable housing provider, subsidiary of the Batigère Group, operating nationwide a portfolio of 12,000 social housing units.

In 2021, BHS partnered up with the social housing actors CDC and Action Logement and applied to the call for expressions of interest launched by the Paris Region for the construction of a social and shelter housing residence in the southern Parisian suburb of Antony, in order to address the critical affordable housing shortage there.

BHS proposed an innovative relocatable modular social housing solution on temporarily vacant public land currently awaiting development (land available for 8 years). Off-site construction to produce fully relocatable detachable housing units, allowed for construction works to be completed in less than 1 year and were built relatively inexpensively due to the factory prefabrication process.

Overall, the housing project provides 150 housing units: 60 affordable housing units, 30 reinforced social support housing units, 60 units for young workers and more than 500m² of common areas and shared spaces.

**Learn more about
the project**

Germany



Housing Market in Germany

The German housing market is characterized by strong regional disparities which lead to a design of tailor-made instruments meeting distinct needs and conditions at national, regional and local level. To support housing supply, both regional housing subsidies provided by the individual federal states (through regional promotional banks) and nationwide subsidies implemented by the national promotional bank KfW exist. The requirements for regional housing subsidies vary greatly and applications can only be submitted within the respective region.

The federal and state governments use housing subsidies to support the construction of energy efficient new residential buildings as well as retrofit for specific target groups, promote barrier-free and age-appropriate housing, and support energy-efficient construction projects.



The property market in Germany stands out for its strong rental culture, with a significant portion of the population opting to rent rather than own properties. Additionally, the "Mietpreisbremse" (rental price brake) legislation in certain cities aims to regulate rent increases, providing tenant protection and influencing the dynamics of the rental market.

PROPERTY MARKET IN GERMANY

Projected GDP (\$B)	4,309
Population (M)	83.4
GDP per Capita (PPP)	53,200
Interest Rate (20Y)	2.52%

	CITY CENTRE	OUTSIDE
Price to rent	35.56	34.17
Gross Rental Yield	2.81%	2.93%
Price per sqm	7,099\$	5,135\$
1-bedroom (rent)	908\$	677\$
3-bedroom (rent)	1,662\$	1,264\$

Sources: World Bank Data, Numbeo, OECD, IMF (projected GDP)

KFW



KfW as a key player



KfW plays a significant role in addressing the housing challenges at national level by providing financial support for various housing projects, thereby implementing political priorities in particular in conjuncture with the Ministries of Economy and Housing. This includes funding for energy-efficient renovations, the construction of affordable housing, and loans for first-time homebuyers. KfW's programs aim to promote sustainable development and improve living conditions, thereby contributing to the overall housing policy objectives in Germany..

The objectives are four-fold:

1. Climate protection for existing buildings (heating systems, efficiency in buildings, sustainable buildings)
2. Creation of residential property, e. g. for families, cooperative housing, climate friendly housing
3. Creation of affordable rental property
4. In light of demographic change, supporting the removal of barriers in residential buildings

KfW

KfW as a key player



Housing at KfW includes:

- Affordable housing
- Energy efficiency in housing (existing buildings)
- Construction of Sustainable housing
- Barrier reduction

In doing so, KfW applies the on-lending principle, which means that applications for the respective support programmes can only be done via the customers' house banks. In case of public support from the federal budget, KfW can offer loans (with interest rate subsidy) combined with (redemption) grants, thus enhancing the attractiveness of the product. Typically, the grant element is higher, the more ambitious the project is.

In Germany, public authorities dedicate support to the non-purely private housing sector through various mechanisms aimed at promoting affordable housing, social housing, and sustainable development. Here are some key aspects of this support:

- Subsidies and Grants
- Public Housing Programs
- Tax Incentives
- Partnerships with Housing Associations
- Regulatory Frameworks
- KfW Support

Independent living for disabled persons



For many persons with disabilities, being able to live on their own instead of living with their parents or in a dedicated assisted living environment, being able to decide independently about the daily schedule and receiving assistance only when needed, is at the heart of this dream.

Via the daughter company “Selbstständiges Wohnen gGmbH”, 15 new construction projects for some 180 flats specially designed for persons with disabilities have been supported over a period of five years. Each flat on average has 45m² and each project on average contains 12 flats.

Support came from KfW's then flagship programme for energy efficient construction in the form of grants combined with subsidised interest rates loans for the projects in Paderborn and in Münster. In addition, SeWo gGmbH had €10 million equity.

Links

[SeWo - Selbstständiges Wohnen](#)

[KfW Award Leben für die Selbstständig Wohnen gGmbH](#)



NRW.BANK

Wir fördern Ideen



NRW.Bank as a key player



After nearly 140 years of industrial history, the old plant premises of Clouth Gummiwerke, a rubber goods company, in Cologne's Nippes district have been revitalised. A new residential complex, constructed by the private housing cooperative Kölner Wohnungsgenossenschaft (KWG), combines social inclusion, climate protection and affordable housing. The complex offers barrier-free flats for families and individuals, two assisted living communities for people with intellectual disabilities, and an inclusive advice centre. A community garden and neighbourhood café promote cohesion. Furthermore, the new housing estate is very eco-friendly: its own photovoltaic system covers a large part of the electricity requirements of the flats and the 32 charging stations for electric vehicles.

NRW.BANK provided a promotional loan of €11.1 million from funds of the State of North-Rhine Westphalia (NRW) for the 26-million-euro project. It was only thanks to this loan that such a large number of affordable rental flats could be built in this central location: 78 of the 88 residential units are publicly subsidised and rent-controlled.

NRW.Bank as a key player



- In Cologne, one of the cities with the highest population growth in North Rhine Westphalia, housing is scarce and rents are on the rise. In 2020, the State of North Rhine-Westphalia estimated that in Cologne alone, an average of nearly 6,000 new homes per year – and around 46,000 across NRW – will be needed up to 2040 in the base scenario. While a recalculation is forthcoming, the overall scale of the need can be considered unchanged.
- As the federal state considers housing a social service of general interest, it supports construction projects such as the residential complex built by KWG on the Clouth site in cooperation with NRW.BANK all over NRW.
- There is strong demand for social and affordable housing promotion from the federal state and NRW.BANK. In 2023, NRW.BANK's new commitments totalled €3.8 billion, an increase of 29%.
- Promotional loans enable investors to realise projects that would otherwise hardly be economically viable under the current difficult conditions.
- The target group is broad: in the rental housing sector, e.g. municipal housing companies housing associations, charitable organisations and private investors. Private individuals can receive support for owner-occupied residential properties.
- Promoted construction projects must comply with certain conditions: Flats must be rented to people with lower incomes for 25 or 30 years (tenant restrictions) and the monthly rent may not exceed a certain amount (rent restrictions).
- To maintain socially stable resident structures, a mix of rent-controlled and freely financed flats has to be ensured.

Public subsidiation enables affordable living in Cologne



After nearly 140 years of industrial history, the old plant premises of Clouth Gummiwerke, a rubber goods company, in Cologne's Nippes district have been revitalised.

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Links

[Clouth promotion example](#)

[Public housing promotion of the State of North-Rhine Westphalia](#)

Greece



Housing Market in Greece

Access to affordable housing remains a persistent challenge in Greece, particularly for young individuals, couples, and families. Rising property prices, stagnant incomes, and limited availability of modern housing options have intensified housing pressures. Furthermore, a significant portion of the housing stock consists of older properties, many of which are not energy-efficient or require substantial renovations, making them unsuitable for immediate use.

To address these issues, the government has introduced initiatives like the "My Home" program, offering low-interest or interest-free housing loans to support affordable homeownership for young people aged 25–39. Public authorities also focus on renovating vacant properties and addressing demographic challenges by providing additional support to large families.

Programs like "Exoikonomo" further enhance housing conditions by promoting energy efficiency, reducing living costs, and modernizing the country's housing stock. These measures collectively aim to ease housing pressures and improve urban living standards.



The property market in Greece is distinguished by its diverse offerings, ranging from picturesque islands and coastal properties to historic city apartments and rural retreats. Greece's unique aspect lies in its popularity as a second home and vacation destination, particularly among international buyers.

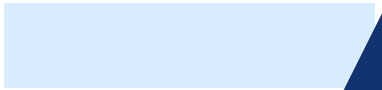
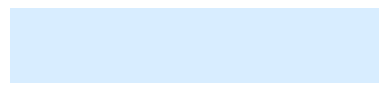
PROPERTY MARKET IN GREECE

Projected GDP (\$B)	239
Population (M)	10.4
GDP per Capita (PPP)	29,500
Interest Rate (20Y)	4.32%

	CITY CENTRE	OUTSIDE
Price to rent	23.63	23.15
Gross Rental Yield	4.23%	4.32%
Price per sqm	2,266\$	1,931\$
1-bedroom (rent)	448\$	380\$
3-bedroom (rent)	771\$	692\$



HELLENIC DEVELOPMENT BANK



HDB as a key player



The Hellenic Development Bank actively addresses Greece's housing challenges through targeted programs focused on affordability, energy efficiency, and urban renewal. Rising property prices, stagnant incomes, and an aging housing stock have made homeownership challenging, particularly for young people and low-income families. To tackle these issues, the bank provides financial solutions that make housing more accessible while also supporting sustainable development. By offering low-interest and interest-free loans, as well as subsidies for home renovations, the bank plays a key role in improving living conditions, modernizing homes, and promoting urban regeneration.

The **"My Home"** and **"My Home II"** programs provide low-interest or interest-free loans to individuals and families, making homeownership more accessible. These initiatives particularly support young people and first-time buyers, helping them secure stable housing while revitalizing the existing housing stock. Special provisions assist families with multiple children, further easing financial burdens.

The **"Exoikonomo"** and **"Anavathmizo to Spiti Mou"** programs promote energy-efficient home upgrades through subsidies and zero-interest loans. These programs help homeowners invest in thermal insulation, new windows, modern heating and cooling systems, and renewable energy solutions. By reducing household energy costs, they improve living conditions and contribute to environmental sustainability.

"ΣΠΙΤΙ ΜΟΥ" ("My Home") – Affordable Housing Loans Program



The "ΣΠΙΤΙ ΜΟΥ" ("My Home") program, implemented by the Public Employment Service (ΔΥΠΙΑ), was a landmark initiative in Greece, offering co-financed affordable housing loans to young individuals and families aged 25-39. The program was funded by Public Employment Service (ΔΥΠΙΑ) and had a total loan budget of €1 billion. It was designed to address critical housing affordability challenges, providing 75% of the loan capital as interest-free financing, while the remaining 25% was financed by collaborating credit institutions. Families with three or more children received a 100% interest subsidy, significantly reducing the cost of acquiring a home.

This project also covered the administrative costs of the loans and placed a strong emphasis on revitalizing the existing housing stock. Its goal was to make use of old and vacant properties by encouraging their renovation and to facilitate access to affordable housing for young families, while also creating incentives to support the country's demographic growth.

The program has supported more than 9,000 new borrowers, with a total approved loan value of **€877 million**. By providing affordable housing solutions and promoting sustainable urban development, the "My Home" program played a pivotal role in addressing Greece's key social and economic challenges.

Residential Energy Efficiency Programs



The "Exoikonomo" programs have been a series of initiatives aimed at improving the energy efficiency of residences in Greece. They offer subsidies and also combine low-interest loans from commercial banks for the financing new energy efficient windows and aluminium frames, thermal insulation upgrades, installation of energy-efficient heating and cooling systems, and the adoption of renewable energy sources.

The goal of these programs was to reduce energy consumption and costs for affordable households while contributing to sustainable development and environmental protection. With subsidy rates reaching up to 85%, "Exoikonomo" programs enabled thousands of low income families to enhance the energy performance of their homes.

Overall, since the launch of the "Exoikonomo" programs, more than €1.18 billion has been allocated, supporting the energy efficiency upgrades of 92 thousands residences. These programs continue to play a crucial role in promoting energy sustainability and reducing energy costs for Greek households.

The Next Day



«Αναβαθμίζω το σπίτι μου» (“Anavathmizo to Spiti Mou”) – Home Upgrade Program

Launching in January 2025, “**Anavathmizo to Spiti Mou**” by the Hellenic Development Bank offers zero-interest loans of €5,000–€25,000 to support energy-efficient home upgrades. The program is funded by RRF and has a total budget of €400 million new loans. Eligible improvements include thermal insulation, window replacements, heating and cooling systems, and renewable energy installations.

The program, provides loans with 75% interest-free, with extra interest rate subsidy and with flexible repayment terms of 3 to 7 years with no restrictions on income or age of the borrower. It aims to upgrade 20,000 homes, reduce energy costs, and promote sustainability. It reflects the Hellenic Development Bank’s commitment to better living conditions and environmental goals across Greece.

«Σπίτι μου II» (“My Home II”) – Affordable Housing Loans Program

Having launched in January 2025, “**My Home II**” continues the Hellenic Development Bank’s work in tackling housing affordability. The program is funded by RRF and has a total budget of €2 billion new loans. It provides low-interest or interest-free loans to individuals and families aged 25–50 to buy their first homes with houses being up to 150 sq. m. and constructed up to 2007. Loans are 50% interest-free, with extra interest rate subsidy for families with three or more children, reducing ownership costs significantly.

By encouraging homeownership and the renovation of properties, “Spiti Mou II”, “Anavathmizo to Spiti Mou” and “Exoikonomo” programs support urban regeneration and addresses Greece’s demographic challenges, showcasing the Hellenic Development Bank’s dedication to be engaged in sustainable housing solutions.

Εξοικονομώ 2025 (Exoikonomó 2025) – Energy Efficiency Program



Εξοικονομώ 2025 (Exoikonomó 2025) – Energy Efficiency Program

Starting January 8, 2025, "Exoikonomó 2025" offers subsidies up to 100% to achieve energy savings of over 30% and upgrade homes by at least three categories. Eligible properties include legal, non-demolishable main residences not used for short-term rentals, with a Building's Electronic Identity required. Individual income up to €5.000 or family income up to €10.000 qualifies for a subsidy of 95%-100%, while income over these amounts receives subsidies ranging from 50% to 80%, with higher support for disabled persons, large families, or disaster-affected households.

The program supports upgrades such as replacing windows, improving insulation, modernizing heating and cooling systems, installing renewable energy solutions, and integrating smart home or energy storage systems. Additionally, from January 8 to March 31, 2025, a supplementary initiative offers subsidies up to 60% for replacing heating systems and water heaters. Applications are submitted electronically, aiming to reduce energy costs, boost sustainability, and achieve energy upgrades of over 30% per home.

Ireland





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Housing Market in Ireland

Housing affordability and availability continue to fall short in Ireland, which affects both the well-being of certain segments of society and the economy's competitiveness. Recent policies have increased housing completions, but continued imbalances between housing supply and demand reflect structural impediments to a well-functioning housing market. Given the dynamism of the Irish economy and growing population, regular updates of housing needs are needed.

Compared to the EU average Irish dwellings perform poorly in terms of energy intensity and carbon dioxide emissions, with the residential sector accounts for almost one quarter of the energy used in Ireland. It is also responsible for 15.5% of the energy-related CO2 emissions. The SBCI's role is to address these gaps and providing affordable solutions.



Ireland's unique property landscape is shaped by factors such as high demand in urban areas, limited housing supply, and the influence of government policies aimed at promoting affordable housing and addressing housing shortages.

PROPERTY MARKET IN IRELAND

Projected GDP (\$B)	594
Population (M)	5
GDP per Capita (PPP)	102,500
Interest Rate (20Y)	3.49%

	CITY CENTRE	OUTSIDE
Price to rent	14.82	13.08
Gross Rental Yield	6.75%	7.65%
Price per sqm	4,955\$	3,673\$
1-bedroom (rent)	1,551\$	1,359\$
3-bedroom (rent)	2,714\$	2,157\$

Sources: World Bank Data, Numbeo, OECD, IMF (projected GDP)

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SBCI as a key player



MAKE YOUR HOME WARMER, HEALTHIER AND CHEAPER TO RUN

The Home Energy Upgrade Loan Scheme provides low-cost, flexible loans to help make your home more energy efficient.

The scheme works hand in hand with Sustainable Energy Authority of Ireland's (SEAI) grant programmes. Loans can be used for a full range of home energy upgrades.

- **LOANS** from €5,000 to €75,000
- **TERMS** from 1 to 10 years
- **LOANS UNSECURED**
- **REDUCED** interest rates



Visit [SBCI.GOV.IE](https://www.sbc.gov.ie)





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SBCI as a key player



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STEP 1

Contact a SEAI registered **One Stop Shop**, or **Energy Partner**, or a **Community Project Coordinator** to plan your home energy upgrade.



STEP 2

They will carry out an assessment, provide you with a **Home Energy Summary Report** and apply for your SEAI home energy upgrade grant.



STEP 3

You engage with a participating finance provider for the **Home Energy Upgrade Loan Scheme** at SBCI.gov.ie



STEP 4

Apply for your **low-cost, flexible loan** using your Home Energy Summary Report.

(Terms and conditions apply).



STEP 5

Once approved for your loan, you can start your **home energy upgrade** and carry out work.





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Corporation of Ireland

Green Home Evolution



The Home Energy Upgrade Loan Scheme, delivered by the Strategic Banking Corporation of Ireland (SBCI) on behalf of the Department of the Environment, Climate and Communications, is a game changer for Irish homeowners.

This government-backed loan scheme is integrated seamlessly with home energy upgrade grants provided by the Sustainable Energy Authority of Ireland (SEAI). By combining low-interest loans with SEAI grants, financial barriers to undertake these upgrades are lowered. This due support system ensure that homeowners can carry out home improvements without the stress of high initial expense.

Loans are available though a range of lenders in the Irish market, from the pillar banks through to credit unions. Interest rates vary from lender to lender and are significantly lower than any comparable loan rates.

By leveraging this support, homeowners can access affordable loans financing for home energy upgrades, resulting in warmer and more comfortable homes. These homes are also healthier, cheaper to run and have a reduced carbon footprint. Homeowners whose property has a high BER rating may also be able to benefit from lower mortgage interest rates by switching to a green mortgage once their property upgrade is complete.

The Home Energy Upgrade Loan Scheme is aligned with Ireland's Climate Action Plan.

Statistics:

- **Projected GDP:** The GDP of Ireland is projected to be \$552.1bn in 2023
- **Population:** The population of Ireland is estimated to be around 5.31 million people in 2023
- **GDP per Capita:** The GDP per capita for Ireland in 2025 is projected to be approximately €129,100
- **Interest Rate (20y):** The long-term interest rate in Ireland is expected to be around 2.50% in 2025

Italy



Housing Market in Italy

Housing as a social infrastructure is a central issue in Italy, given the growing challenges that larger portions of the population face in meeting housing expenses. Beyond the significant rise in housing costs in recent years, other critical factors driving the demand for affordable housing solutions nationwide include the ageing of the population, family structures that are changing, and the emergence of new socio-demographic categories vulnerable to fluctuations in housing prices and availability.

In this context, an adequate, government-supplied social housing infrastructure has become increasingly relevant and represents a strategic priority for the country, especially in light of two ongoing macro-trends affecting housing demand, i.e., the rise in socio-economic hardship, and the emergence of new housing demand profiles.



The property market in Italy is distinguished by its diverse regional offerings, ranging from picturesque countryside villas to historic city apartments. Italy's rich cultural heritage and attractive lifestyle make it a sought-after destination for both domestic and international buyers, while factors such as complex bureaucracy, regional variations in property regulations, and fluctuating market conditions contribute to the unique dynamics of the Italian property market.

PROPERTY MARKET IN ITALY

	CITY CENTRE	OUTSIDE
Price to rent	24.63	20.31
Gross Rental Yield	4.06%	4.92%
Price per sqm	3,874\$	2,374\$
1-bedroom (rent)	709\$	548\$
3-bedroom (rent)	1,323\$	935\$

Sources: World Bank Data, Numbeo, OECD, IMF (projected GDP)

ERP (“Edilizia Residenziale Pubblica”)

Currently, there are two main housing policies in Italy, intended to operate in a coordinated manner,

1. **ERP (“Edilizia Residenziale Pubblica”)**: introduced in 1978, ERP is implemented directly or indirectly by public agencies and focuses on rental or sale under subsidized terms to low-income categories or those in critical financial conditions. ERP addresses: (i) public social housing (“edilizia sovvenzionata”), fully financed by public entities and intended for the most vulnerable households; (ii) subsidized housing (“edilizia agevolata”), housing built by private operators and financed by regional and local authorities under favorable conditions; (iii) private social housing (“edilizia convenzionata”), provided by private operators in agreement with local authorities, which set the sale or rent prices. Each of the above is allocated based on statutory eligibility requirements and criteria, typically set by regions;



ERS (“Edilizia Residenziale Sociale”)

2. **ERS (“Edilizia Residenziale Sociale”)**: introduced in 2008, it broadened the target recipients for social housing to include individuals and families with low-to-moderate income levels, above the poverty line, who struggle to pay market-level rents. Social housing allows to meet wider housing needs, including single-parent families, young professionals, and healthy individuals aged over 65. ERS also promotes alternative forms of housing beyond those offered by ERP, such as short and medium-term solutions (e.g., student housing, senior housing, single housing and co-housing).

According to the latest estimate, at least 250,000 additional housing units are needed to provide an initial response to families in need.



cdp 



CDP as a key player

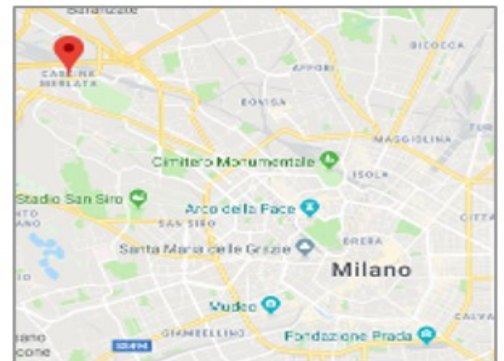


CDP Group has been financing solutions for social housing since 2010 in partnership with CDP's minority shareholders i.e. the banking foundations.

Nowadays, through a dedicated asset management company - **CDP Real Asset SGR (CDP RA)**, **CDP Group promotes the development of social housing infrastructure in Italy** with a focus on fostering sustainability, urban regeneration, and social cohesion.

CDP RA operates in the affordable social housing market through an **equity solution** based on a "**Funds of Funds**" scheme in which **CDP, as the National Promotional Institution, serves as the cornerstone investor**. Over the years, this scheme has enabled the creation of **more than 30 funds** managed by third party asset management companies across the country.

CDP as a key player



	Shopping Centre - Merlata Mall:	65.000 sqm
	Expo Village/Social housing:	52.320 sqm
	Affordable residential buildings:	129.342 sqm
	Free-market residential buildings:	146.844 sqm
	School district	
	Nursery school	
	Cascina Merlata - Community centre	

This model has enabled the **blending of different financial resources**, creating a **multiplier effect** and increasing the overall availability of financial resources. A key example is our first **Fund of Funds, FIA (“Fondo Investimenti per l’Abitare”)**, managed by **CDP RA** and established back in 2010, with **CDP as anchor investor (€1 billion)**. FIA contributed to the **creation of 28 different funds**, typically operating at regional level and primarily focused on social housing with the aim to create up to 19,000 new dwellings and 7,000 beds for temporary housing, including student accommodation.

We initially focused on **social housing**, our first asset class, and later expanded our investment strategy to what we call the **‘three S’ of the market**, namely **social, student, and senior housing**. We acknowledge that the expertise gained in social housing can be effectively applied to other segments, where we see **significant market trends** linked to infrastructure gaps, such as the **ageing of the population** and the **lack of accommodation for non-resident students**. With CDP’s new strategic plan (2025-2027), we introduced the **fourth ‘S’ for service housing**, targeting young professionals who struggle with unaffordable rents in high-cost cities such as Milan.

Milan, Cascina Merlata, part of the urban regeneration project in Milan «EXPO» area



CDP Group, through Fondo Investimenti per l'Abitare, has played a significant role in regenerating a large area within the Municipality of Milan through the Cascina Merlata project.

This 900,000 sqm redevelopment focuses primarily on residential spaces while also integrating essential community facilities, including a kindergarten, an elementary school, a middle school, and two-day nurseries.

The project features a mix of social housing, affordable units, and free-market residences, totalling approximately 330,000 sqm, making it a model of integrated urban development. Additionally, the historic Cascina Merlata farmhouse, a key landmark, will be restored and transformed into a community centre.

Milan, Cascina Merlata, part of the urban regeneration project in Milan «EXPO» area



More recently, backed by InvestEU and the European Investment Bank (EIB), CDP has approved co-financing for the University of Milan's (UniMi) new campus, located across from Cascina Merlata.

The new facilities will increase the University of Milan's training capacity by approximately 20%.

Transformation of a peripheral area into a smart neighbourhood: Merezzate – Milan (Italy)



Merezzate is an innovative affordable housing project focused on sustainable living, environmental quality, and social cohesion. The district consists of 615 apartments, spread over 56,000 sqm, offered for either lease or sale at capped rental and sale prices.

Housing solutions are allocated according to rules set by the Municipality of Milan regarding target groups and conditions. Maximum rents and sale prices, determined by the Municipality of Milan, are approximately 30% lower than market rates.

Project Merezzate is part of the social housing portfolio of the “Fondo Immobiliare di Lombardia (Lombardy Real Estate Fund)” managed by Redo SGR, whose main shareholder is “Fondo Investimenti per l’Abitare”, a fund of funds managed by CDP RA, primarily financed by CDP.

The total investment in the project is approximately €70 million, with CDP’s indirect equity share amounting to around €25 million.

Transformation of a peripheral area into a smart neighbourhood: Merezzate – Milan (Italy)



Links

Merezzate: RedoMilano.it

Merezzate: il quartiere smart che
punta su innovazione e
sostenibilità

CDP's InvestEU Advisory Initiatives on Social Housing



CDP has consistently supported the Public Administration in social infrastructure investments, particularly focusing on housing infrastructure. This includes addressing unmet housing demands through social, student, and senior housing. Through its InvestEU Advisory services, CDP aims to enhance its role in affordable social housing, especially under the Social Investments and Skills Window (SISW).

CDP's interventions include:

- Supporting Public Administrations in managing authorization processes, planning actions, and monitoring and evaluating projects.
- Improving the technical quality of investments through facility management plans ensuring effective long-term maintenance.
- Acting as a catalyst for private resources and promoting underdeveloped markets such as senior housing.

One notable example is the “**Ex Officine Reggiane**” urban regeneration programme in Reggio Emilia. The “Ex Officine Reggiane” area, a former factory near Reggio Emilia’s city center, is undergoing a mixed-use urban regeneration program, which aims to rehabilitate existing buildings and revitalize the surrounding area. In this context, CDP conducted a pre-feasibility study for affordable residential infrastructures for young couples and students, benchmarked best practices, analyzed housing demand and supply, assessed the appropriate scale and mix of units for long-term sustainability, conducted a market analysis, defined construction costs and revenues, and developed business plan scenarios to attract investors/partners.

Another notable example relates to the Municipality of Livorno, which adopted a new Urban Plan focusing on enhancing social and affordable housing. The plan includes specific regulations for Affordable Housing, which is fully funded and managed by private operators through agreements with the Municipality. This initiative aims to provide housing for families with incomes above the social housing eligibility limit but unable to afford market rents, offering reduced rents. Additionally, the plan addresses Temporary Social Housing, fully funded and managed by the public sector, available for periods ranging from 1 month to 3 years, targeting individuals facing extreme and sudden housing emergencies. CDP’s support was instrumental in defining a comprehensive framework of rules, selecting transformation areas, conducting market and sustainability financial analyses, assessing feasibility indicators, and creating guidelines to incentivize additional affordable housing.

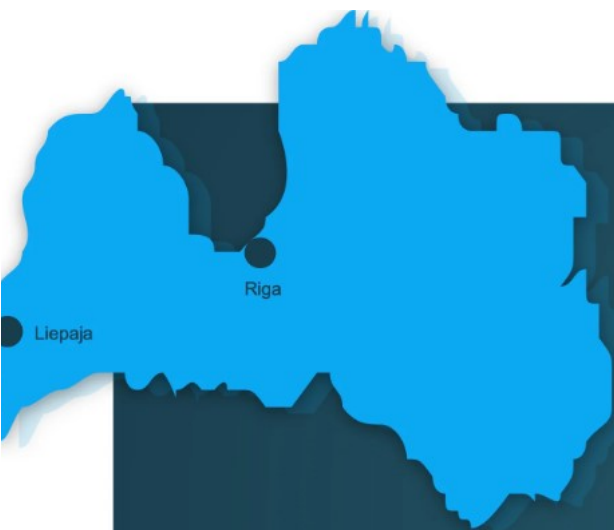
Latvia



Housing Market in Latvia

Being a state-owned development finance institution, ALTUM engages in improvement of the housing market in 3 areas that the private sector cannot tackle:

- Access to housing for young families and families with children, including multi-child families families and families with disabled children
- Outdated housing stock, emergency situations and disproportionately expensive housing maintenance are the problems faced by more than ½ of Latvia’s population.
- Latvia has a distinct shortage of good quality housing that would allow attracting or retaining skilled workforce in the regions both in the private and public sectors, including medical staff, teachers, specialists.



Enchanting natural landscapes, rich cultural heritage, and a dynamic property market that offers a diverse range of investment opportunities, from historic buildings in Riga's Old Town to idyllic countryside properties in regions like Sigulda and Jūrmala.

PROPERTY MARKET IN LATVIA

Projected GDP (\$B)	47
Population (M)	1.9
GDP per Capita (PPP)	32,100
Interest Rate (20Y)	2.64%

	CITY CENTRE	OUTSIDE
Price to rent	23.28	21.84
Gross Rental Yield	4.30%	4.58%
Price per sqm	2,110\$	1,381\$
1-bedroom (rent)	403\$	287\$
3-bedroom (rent)	774\$	526\$

Sources: World Bank Data, Numbeo, OECD, IMF (projected GDP)



ALTUM as a key player



3 challenges - 3 solutions

- ALTUM's first instalment guarantee significantly increases availability of housing loans enabling transactions that would not otherwise have taken place. Availability of housing is a pronounced problem in the regions where property liquidity is lower, hence a higher first instalment is requested.
- Latvia has a large post-Soviet housing stock of which more than 26,6 thousand multi-apartment houses have not been restored. With EU support, more than 1,500 multi-apartment houses have already been or are being renovated. Altum is currently working on a new programme that will allow for renovation of another 266 houses and once completed, 6.7 % of Latvia's old housing stock would be renovated.
- A new initiative – construction of quality new multi-apartment rental housing, thus fostering availability of much needed affordable housing in the regions.

Energy Efficiency in multi-apartments



At the end of 2016, ALTUM started implementing a new program for improving the energy efficiency and transitioning to renewable energy technologies of multi-apartment buildings financed by ERDF. In 2016 and 2017 a lot of work was spent on informational and advisory activities to assist final beneficiaries to prepare project applications. 94% of the projects supported within the programme have been committed since January 1, 2018. Hereinafter, all numbers and project (expected) results are provided for the projects committed since 2018.

The programme, administered by ALTUM, provides loans or guarantees for energy efficiency projects and grants (50% of eligible project costs) to projects implemented by housing associations and building managers. The final recipients are owners of apartments – private persons and companies (a very limited number of apartments are owned by legal entities).

Energy efficiency in multi-apartment buildings was supported by ERDF also in the 2007-2013 EU funds programming period but only in the form of grants (the programme was not managed by ALTUM), and loans had to be attracted only from the commercial banks.

Energy Efficiency in multi-apartments

The main goal is to provide a simple way for housing associations to access financing for project implementation – primarily through commercial loans that were, where necessary, guaranteed by ALTUM, and for projects that were considered too risky by commercial banks – to access loans provided by ALTUM. For all projects also grants were made available, and Altum monitored the implementation of projects for compliance with the grant rules and loan/ guarantee requirements.

As a result, commercial banks expanded their offering and could provide better loan terms, since a part of their risk was secured by ALTUM guarantees (up to 80% of the eligible loan amount). Three commercial banks have provided continuous support for energy efficiency projects.

As part of the project implementation monitoring process ALTUM has also helped the final recipients to ensure appropriate quality of construction works, and the role of building supervisors in the renovation process.

As a result, by the end of 2023 the total number of newly renovated and energy efficient buildings, mainly multi-family houses will be 589. These buildings not only provide a better quality of life for their inhabitants (lower energy bills, improved micro-climate and ventilation, lower expected repair works in the upcoming years, increased lifespan of the buildings built in the Soviet period), but also serve as good practice examples for their neighbours and encourage other people to start implementing energy efficiency activities in their own property.

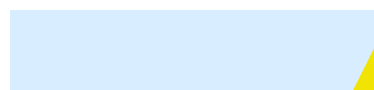
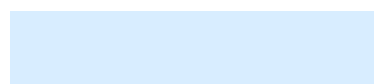
Link

Vai ir iespējams nosiltināt
"Lielo Ķīnas mūri" Rīgā?



EUROPEAN UNION
European Regional Development Fund

Lithuania

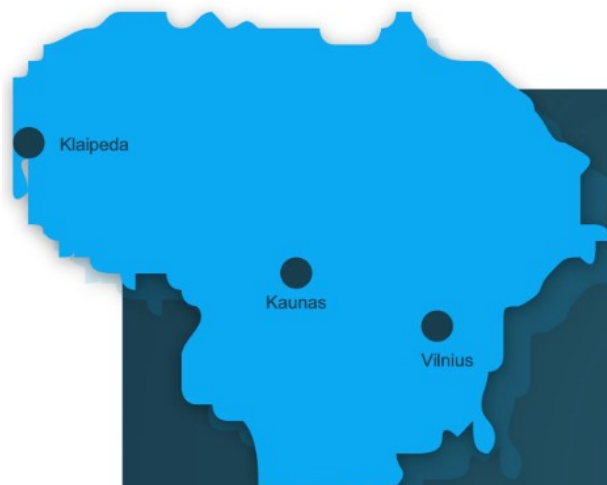


Housing Market in Lithuania

The origins of the Lithuanian housing market go back to the end of the Soviet era, when mass privatisation of housing was carried out. As a result, Lithuania today stands out in the EU for its very high level of privately owned housing, with around 90% of all housing in the country owned by private owners.

With 2/3 of the country's population living in multi-family housing, it is crucial to address housing affordability issues at a strategic level and in a focused, supply-driven policy. Many Lithuanian households struggle to access good-quality affordable housing. Average household spending on housing is low, but many people live in low-quality housing, unable to afford necessary repairs or a commercial mortgage to move to a higher-quality home.

While housing quality has improved in recent decades, progress remains slow. The stock is ageing, energy-inefficient and of poor quality, with critical gaps in basic amenities. Around 8 in 10 residential buildings were constructed before 1993 and have been poorly maintained. Moreover, the need to find agreement across multiple owners in a large multi apartment residential buildings adds to difficulties in conducting major renovation and interventions aimed at improving the energy efficiency of buildings.



Lithuania, a charming Baltic nation, blends picturesque landscapes, a thriving tech industry, and a growing property market, attracting both locals and international investors.

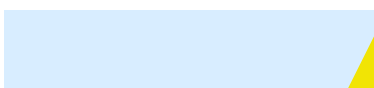
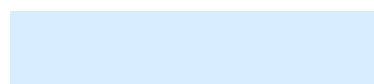
PROPERTY MARKET IN LITHUANIA

Projected GDP (\$B)	78
Population (M)	2.8
GDP per Capita (PPP)	39,300
Interest Rate (20Y)	2.78%

	CITY CENTRE	OUTSIDE
Price to rent	25.97	24.69
Gross Rental Yield	3.85%	4.05%
Price per sqm	3,701\$	2,344\$
1-bedroom (rent)	640\$	442\$
3-bedroom (rent)	1,203\$	767\$

Sources: World Bank Data, Numbeo, OECD, IMF (projected GDP)

ilte



ILTE as a key player



In the coming years, ILTE is expected to channel nearly €900 million into multi-apartment housing renovation projects, leveraging additional funding from private financiers and reinvested funds.

ILTE also plans to issue debt securities backed by financial flows from the multi-apartment building modernization loan portfolio to attract additional private capital.

It is projected that the Multi-Apartment Building Modernization Fund's loan portfolio will reach €1.5 billion.

Multi-Apartment Building Modernization Fund



The **Multi-Apartment Building Modernization Fund**, administered by Lithuania's National Promotional Bank **ILTE**, has been providing soft loans for the modernization of multi-apartment buildings since 2015, with total investments nearing **€500 million**. The initiative aims to reduce thermal energy consumption, improve energy efficiency, ensure the sustainable use of housing, enhance the living environment, and improve residents' quality of life.

To date, more than **1,000 contracts** have been signed, and more than **950 completed projects** have improved living conditions for approximately **34,000 households**. The energy savings from these completed projects exceed **300 GWh per year**, resulting in an annual reduction of **65,000 metric tons of CO₂** equivalent emissions. Among the projects, 0.2% have achieved energy class A, 42.9% class B, and 56.9% class C.

The **2023 call for applications** has attracted funding requests totaling over **€700 million**. As part of the new funding period, **three pilot panel renovation projects** have been approved. These projects—the first in Lithuania to use factory-made standardized wall and roof panels for renovation—will have a total loan value exceeding **€4 million**.

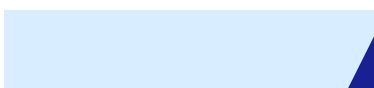
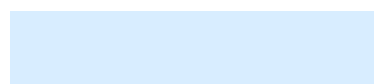
Multi-Apartment Building Modernization Fund



Links

Apartment buildings
renovation fund 2023

Netherlands



Housing Market in the Netherlands

The housing stock in the Netherlands amounts to approximately 8 million dwellings. The split over owner occupied and rental is roughly 60/40%. There has been a shortage in available housing for many years, despite the intention of the government to increase the housing supply.

In 2024 more than 82.000 new dwellings were built. The average house price in 2024 amounted to €460.000 and as such affordability is going down especially for lower income and starters. Social housing makes up roughly 1/3 of the total housing stock. Social housing associations together with the government have the ambition to build 250.000 new dwellings in the period 2022-2030.



PROPERTY MARKET IN THE NETHERLANDS

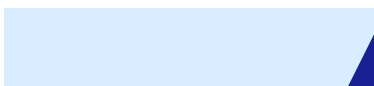
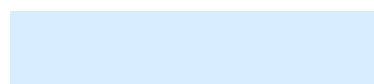
The property market in the Netherlands is known for its strong rental culture, with a significant portion of the population opting to rent rather than buy homes.

Projected GDP (\$B)	1,081
Population (M)	17.6
GDP per Capita (PPP)	56,600
Interest Rate (20Y)	2.73%

	CITY CENTRE	OUTSIDE
Price to rent	21.05	19.03
Gross Rental Yield	4.75%	5.25%
Price per sqm	5,551\$	4,040\$
1-bedroom (rent)	1,301\$	1,049\$
3-bedroom (rent)	1,971\$	1,582\$

Sources: World Bank Data, Numbeo, OECD, IMF (projected GDP)

NWB) BANK

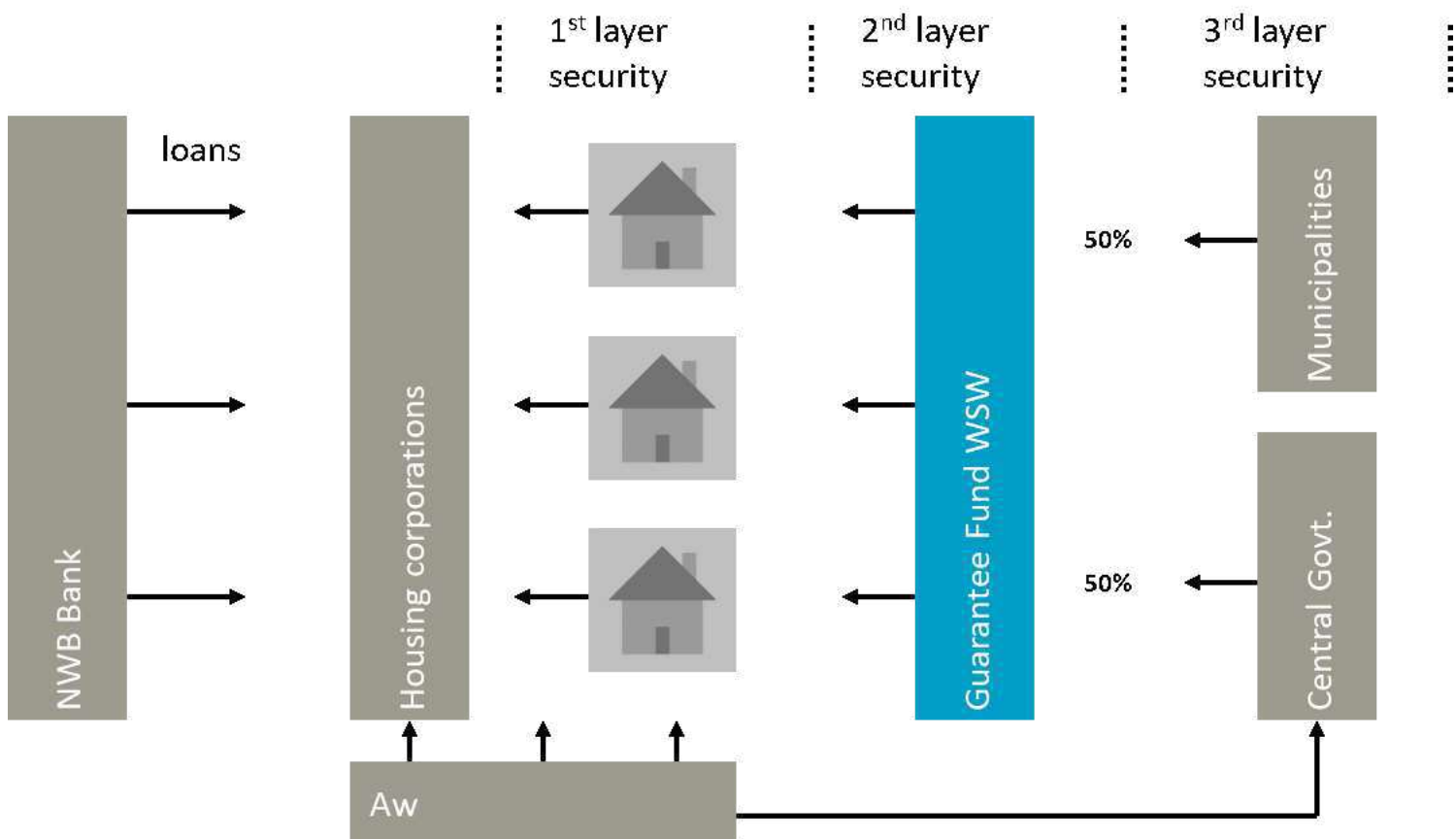


NWB as a key player

Nederlandse Waterschapsbank (NWB Bank) is a Dutch promotional bank owned by and operating for the Dutch local authorities. Next to its focus on lending to the Dutch water authorities and water utilities, NWB Bank is lending to Dutch Housing associations.

More than 60% of the loan portfolio is to the Dutch social housing sector. There are about 275 housing associations active in the Netherlands which together own and manage nearly 2.4 million homes. NWB Bank roughly finances 1 out of 3 social dwellings in the Netherlands.

The housing associations have a substantial financing need for the years to come in order to make their existing housing stock more sustainable and also build 250.000 new dwellings by 2030.



NWB as a key player



In the Netherlands, social housing is managed by registered social housing associations, the 'woningcorporaties'. These are private, not-for-profit organizations that have a legal mandate for supplying social housing and are regulated by the national government but are independently responsible for their finances.

The majority of the housing associations' financing is via bank loans; due to the strong guarantee structure 90% of this financing is supplied by the two Dutch promotional banks, NWB Bank and BNG Bank.

Lending to housing associations in the Netherlands is guaranteed by the Guarantee Fund for Social Housing (WSW), a private fund created by the housing organizations. The framework consists of three layers of protection. The first layer is the creditworthiness of the housing association itself, strengthened by the oversight of government (Autoriteit Wonen; Aw). The second and third layer, the protection layers of WSW, include the capital reserve of WSW, the ordinary contributions of the housing associations up to 0.34% of the guaranteed debt, and the collateral value being the housing stock of the housing association. If this is insufficient, under the Committed Obligo system, additional capital would be contributed by the housing associations up to 2.6% of the total amount of guaranteed debt. Finally, there is a government backstop, which obligates central and local governments to provide interest-free loans if necessary to WSW.

NWB Bank as a key player



**CASE: KEY
PLAYER IN PUBLIC
SECTOR FINANCING**



Transaction
Loans totalling €491 million

- Key figures De Woonplaats**
- 260 employees
 - 19,000 rental units and 30,000 residents
 - 50% energy B or higher
 - 600 new homes in 2024
 - €150 million turnover
 - €3 billion total balance



Erwin Hofhuis
Finance manager
De Woonplaats

From contraction to expansion

FLEXIBILITY AND INNOVATION IN HOUSING CONSTRUCTION

Build, build, build - that is the motto of our time. It goes hand in hand with major challenges in terms of space, nitrogen problems and sustainability. De Woonplaats, a housing association that operates mainly in the municipalities of Enschede, Aalten, Oost Gelre and Winterswijk, is everything in its power to help those seeking homes as effectively and efficiently as possible.



Wikash Gokoel
account manager Public Finance
NWB Bank

Housing association De Woonplaats and NWB Bank have a relationship that goes back decades. And with good reason. "We can always count on NWB Bank, with its favourable interest rates," says Michiel Bulters, Financial Steering team leader. Erwin Hofhuis, finance manager, adds: "It's a stable factor. A reliable stronghold of the (semi-) public sector, where maximising profits is not the raison d'être. "As a sector bank, we limit ourselves to borrowing and lending, nothing more," explains account manager Public Finance Wikash Gokoel. "Thanks to our AAA rating, we are able to issue bonds at very competitive rates, which benefits our clients."

Good insulation

Although NWB Bank was founded by water authorities, housing associations are its largest client group in terms of outstanding loan volume. As the client base has grown, so has the knowledge base. Erwin: "They're willing to

think about sector-specific problems. Everyone plays their part in providing expert solutions to challenges such as the energy transition and sustainability. Of course, De Woonplaats also has houses that need to be made more sustainable. "We've been working on this for decades, so we're making good progress. We always start with the shell: the exterior. There's much to be gained from good insulation."

Innovative approach

In its quest for climate-neutral houses, De Woonplaats is not afraid to experiment. "We value innovation," says Erwin. "For example, we did a pilot project with hydrogen heating. It turned out that the cost of producing the hydrogen was too high, and the system was not yet profitable. A few years ago we started building circular houses combined with climate-adapted gardens. We're doing an experiment with a manageable number of houses, and we'll only go ahead with it if the experiment succeeds. You shouldn't introduce new technologies on a large scale too early, when they're still expensive and can quickly become obsolete. There's no such risk with our jeans campaign, Michiel explains. "We have a collection area for jeans in the office. They're used to make floor insulation for our apartments. This kind of a collection point creates awareness among employees."

Balancing the cash flow

Of course, residents have to agree to make their homes more sustainable, but the benefits are usually compelling enough. "If you only tackle the shell, it doesn't mean much to the residents," says Erwin. "That's why we combine it with a new bathroom, kitchen and toilet wherever possible." Some of these costs have to be recovered, even though De Woonplaats has no profit motive. "We could increase the rent, but that would be disproportionate to the investment. No, you're not in it to make a profit - actually, we're making a loss on it." De Woonplaats rents out around 19,000 units, with a mix of new and old. This still balances the cash flow.

Rapid construction

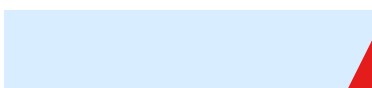
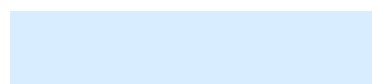
Enschede may be a city with well-known housing problems, but the East Netherlands region was actually heading for a population decline. But the tide has turned. "The situation has changed very quickly, so the waiting time for a house is also increasing here," says Michiel. It is still less than a year, which is nothing compared to the Randstad, but it is reason enough to double the investment volume in the coming years. Erwin: "This will require extra effort in view of the difficult labour market, capacity problems with suppliers and lengthy procedures. In Enschede, we sat down with the municipality to speed up construction. The result was four sites for a total of 200 partly modular houses. Thanks to the commitment and courage of everyone involved, the time to completion was cut in half. Michiel: "These

houses will be up in one and a half to two years. There are objectors and bat colonies in the eastern part of the country too, but there are fallback options. "If a new construction project is delayed, we turn to other projects where we can actually speed things up," he says.

Digitalisation drive

It is a flexibility inherent in the organisation, says Erwin. "The world is changing rapidly, and the question is how we, as De Woonplaats, can evolve to continue to fulfil our role in society. Take artificial intelligence and robotics: they can take away dull and repetitive work, but then you have to allay fears of job losses. We're doing this by introducing our employees to these innovations and getting them excited about them. There has also been a digitalisation drive to provide a better service to house hunters. Michiel: "Together with 13 other housing associations in the region, we now have a website with our joint housing offer."

Poland



Housing Market in the Poland

The Polish housing market is mostly focused on home ownership. More than 80% of housing stock remains in the hands of private owners. Housing developers are the principal providers of dwellings. However, approximately 30-40% of population are people in the so-called “rent gap” who cannot satisfy their housing needs on the free market but on the other hand their household income exceeds the caps specified by municipalities when applying for a municipal dwelling.

BGK has been active in the area of affordable housing for 30 years now, mainly as operator of government programs aimed at housing affordability, social inclusion and energy efficiency. The bank manages several funds fully dedicated to housing, like the Subsidy Fund or the Thermal Modernization and Refurbishment Fund.

Housing support programs operated by BGK comprise of an array of financial instruments dedicated to addressing different needs of final beneficiaries. The bank supports municipal housing through grants sourced directly from the state budget, provides affordable housing investors with concessional loans, and also manages both programs aimed at home ownership and the “TERMO” program the purpose of which is to modernize and renovate the existing housing stock.



Poland, a captivating country in Central Europe, delights with its vibrant cities, impressive historical sites, and a dynamic property market that offers diverse investment opportunities for those seeking a thriving real estate sector.

PROPERTY MARKET IN POLAND

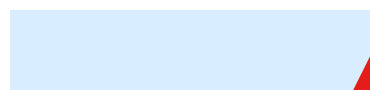
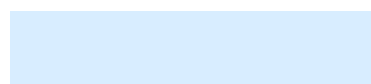
Projected GDP (\$B)	749
Population (M)	39.9
GDP per Capita (PPP)	34,900
Interest Rate (20Y)	7.48%

	CITY CENTRE	OUTSIDE
Price to rent	25.56	21.86
Gross Rental Yield	3.91%	4.57%
Price per sqm	3,406\$	2,370\$
1-bedroom (rent)	643\$	526\$
3-bedroom (rent)	1,028\$	830\$



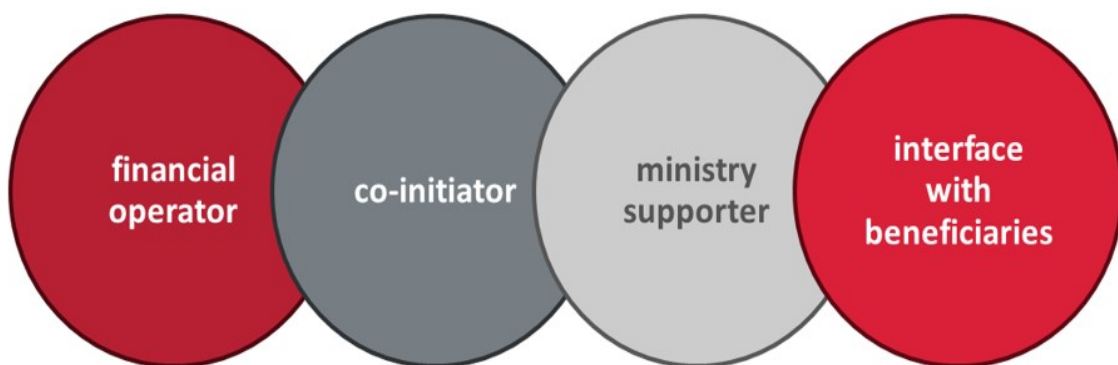
BGK

BANK GOSPODARSTWA
KRAJOWEGO



BGK as a key player

BGK maintains its status as the competence center and key provider of financial support in the area of affordable housing. Our activity in housing programs consists of four main interconnected roles, as depicted below



Essential enablers for effective support in local housing programs

- NPB-specific approach: not-for-profit orientation, focus on social/economic programs, addressing market gaps and vulnerabilities in local/regional realities
- status of development institution: direct consultation role in Poland's housing law revisions
- portfolio of diverse instruments for municipalities and affordable housing investors including both grant-based financing and long-term concessional loans
- link to national programs via state budget support
- unique know-how, 30 years of experience in the social/affordable housing sector
- direct presence in all Polish regions

Program portfolio

- grants from the Subsidy Fund
- long-term loans (both concessional – SBC program and commercial)
- rent subsidies for tenants
- preferential loans for home buyers (plus housing savings accounts)
- subsidies for loans provided by commercial banks aimed at modernization and renovation, including improvement of energy efficiency

BGK as a key player



Affordable housing program (SBC) – key features

- 30-year loans (50-year loans in development) priced at the Warsaw interbank rate (currently stabilized below market), with no margin (low interest fixed rate loans in development)
- borrowers: SIMs (affordable housing companies), housing cooperatives, municipal companies
- grants for municipalities as additional funding source
- often in-kind contributions of land owned by municipalities
- both for new construction and renovation
- state aid handled as SGEI compensation
- partially refinanced by EIB and CEB

... leading to

- affordable rent, significantly cheaper than commercial
- fully outfitted, ready-to-move-in dwellings
- civilized rent contracts, reliable and credible partners for tenants
- availability of dwellings even in smaller townships
- well maintained buildings for many years

“high mobility of tenants – no mortgage loan slavery”

Examples of completed projects - New Constructions



Konin

- investor/borrower: MTBS Konin
- 100 dwellings
- financed with concessional loan and grant for municipality
- awarded twice (country-wide and regional awards for best residential project)



Rybnik

- investor/borrower: TBS Rybnik
- 44 dwellings
- financed with concessional loan and grant for municipality
- nominated to prestigious award for year's best project in terms of architecture in Poland (modern solutions combined with elements of traditional Silesian architecture)



Examples of completed projects - Renovations

Before Renovation



Oława

- investor/borrower: TBS Kamienna Góra
- 111 dwellings
- financed with concessional loan and grant for municipality
- award-winning project (renovation of historic stables and riding hall for affordable housing purposes; multiple awards including KfW's international award for the best foreign housing project in 2019)

After Renovation





BGK
BANK GOSPODARSTWA
KRAJOWEGO

SBC Programs



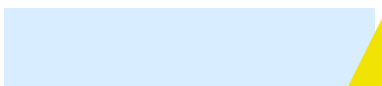
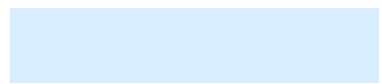
Links

Dzierżoniów

Opole

Oława

Spain





Instituto de Crédito Oficial

Housing Market in Spain

The housing debate in Spain revolves around the lack of access to affordable housing, especially for young people and low-income families. Rental and purchase prices have risen significantly in recent years, demanding solutions from the government to intervene.

Some of the key points of the debate include:

Rent regulation: Measures such as price controls in stressed areas have been pushed through.

Lack of public housing: Spain has a very low stock of social housing compared to other European countries. Investments have been announced to increase the supply of affordable rental housing, but their impact is still limited.

Public-private partnership: Mixed models are being explored where private companies and public administrations work together to build affordable housing.

The Government of Spain has established as one of its priorities to increase the public housing stock for social or affordable rentals with high energy efficiency standards

In general, the debate pits those who advocate greater state intervention to ensure access to housing against those who favour encouraging supply through the market

Spain's unique lifestyle, pleasant climate, and relatively affordable prices compared to other European countries make it an attractive destination for those seeking a second home or retirement options

PROPERTY MARKET IN SPAIN



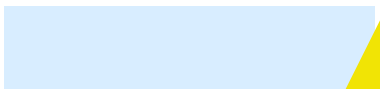
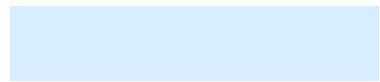
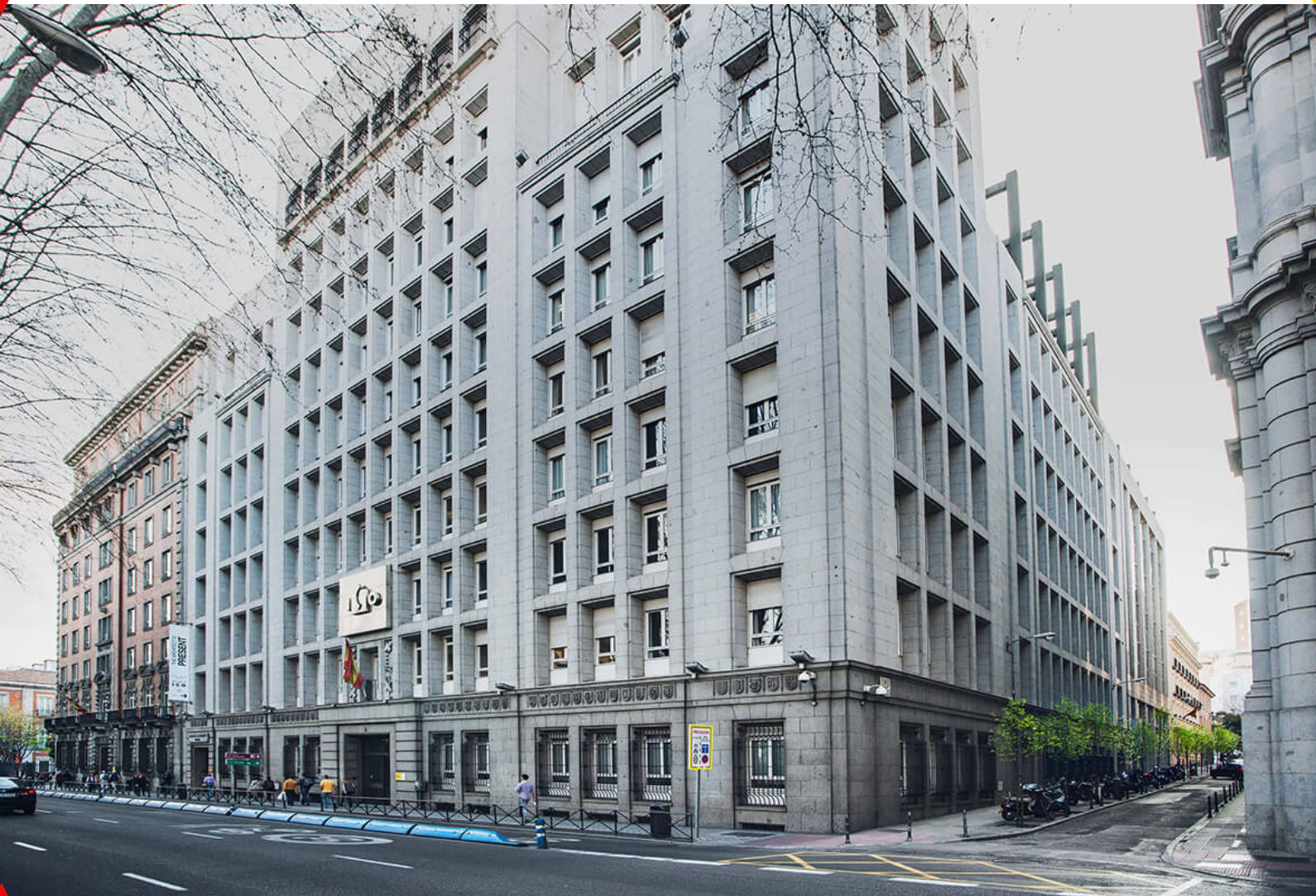
Projected GDP (\$B)	1,492
Population (M)	47.6
GDP per Capita (PPP)	37,900
Interest Rate (20Y)	2.24%

	CITY CENTRE	OUTSIDE
Price to rent	20.29	16.56
Gross Rental Yield	4.93%	6.04%
Price per sqm	3,423\$	2,168\$
1-bedroom (rent)	802\$	643\$
3-bedroom (rent)	1,328\$	984\$

Sources: World Bank Data, Numbeo, OECD, IMF (projected GDP)



Instituto de Crédito Oficial





Instituto de Crédito Oficial

ICO finances the construction of 386 affordable rental homes in Madrid



The financing of affordable housing has always been a priority within ICO's strategy, as it has extensive experience in financing the promotion of official or subsidised rental housing in a range of housing plans. The Institute has promoted projects both for local councils and companies and agencies dependent on the government (regional and local), as well as private sector companies.

This area of action has been empowered through the management of the ICO Housing Facility with the European #NextGenerationEU funds through the Government's Recovery, Transformation and Resilience Plan, endowed with €4 billion to increase the stock of social or affordable rental housing, as well as to improve the existing stock of social housing.



Instituto de Crédito Oficial

ICO as a key player



ICO has recently stepped up its support for affordable housing in Spain. It is currently evaluating the financing of 64 property developments totalling 20,000 affordable homes, a figure that equals the total number of homes financed by the ICO in the last 35 years. This initiative is part of a €4,000 million line of guarantees aimed at increasing the stock of socially rented or affordable housing.

In addition, ICO has launched the 'ICO Fondos Sociales Invest EU' initiative, with an investment of €268 million and a 50% guarantee provided by the European Commission. This programme seeks to mobilise up to €550 million in collaboration with private fund managers to promote the construction of approximately 10,000 new social and affordable rental housing units.

These actions reflect a significant effort by ICO to address the shortage of affordable housing in Spain through public-private partnerships and the efficient use of European resources.



Instituto de Crédito Oficial

ICO finances the construction of 386 affordable rental homes in Madrid



ICO has signed a €43 million loan to finance the construction of 386 affordable rental housing units in the city of Madrid.

The financed housing is earmarked for affordable rent to offer a home to those whose financial situation prevents them from accessing a residence under other conditions. The rental price will be very affordable compared to housing prices in Madrid and its metropolitan area. The loan is granted to the temporary joint venture Madrid Vivienda Asequible, formed by Pecsá Real Estate, S.L.U and Avintia Desarrollos Inmobiliarios, S.L.U.

This project is part of the tender promoted by Madrid City Council. The houses will be built on municipal land and distributed in various neighbourhoods of the capital. The plots are located in the neighbourhoods of Valdebebas, where 92 homes will be built, Opañel, with 58, Peñagrande, with two plots for 36 and 63 homes, Aluche, where 47 homes will be built, and Butarque, with 90. The loan will cover the costs of the execution of the six developments into which the dwellings are divided. Work on the six plots began on 7 May 2024 and is scheduled for completion in January 2026.



Instituto de Crédito Oficial

ICO Housing Programmes



Links

**ICO Housing and Urban and Rural
Regeneration Programme**

**Invest EU Social and Affordable Rental
Housing**

Línea ICO Vivienda MRR

**ICO MIVAU Rehabilitation of
Residential Buildings**

Multinational





CEB

— COUNCIL OF EUROPE DEVELOPMENT BANK —
BANQUE DE DEVELOPPEMENT DU CONSEIL DE L'EUROPE



Bulgaria : increasing energy efficiency in residential buildings



A €150 million loan from the CEB has helped the Bulgarian government implement its housing stock renovation programme, aimed at reducing energy consumption and greenhouse gas emissions by improving energy efficiency. Bulgarian households are the third largest energy consumer in the country, so the modernisation of housing stock built in the 1960s, with an emphasis on energy efficiency improvements, has helped the government to reach its sustainability targets. The programme concerns 2000 apartment buildings and approximately 300,000 residents.

The programme has given homeowners' associations of eligible buildings access to grants covering the full cost of renovation and modernisation. These have not only improved the energy consumption of the buildings in question but have also extended their lifespan and improved significantly the living conditions of their residents.

Commenting on his own renovation project and how his life changed, Dimcho Topchiiski, a resident of the renovated Boulevard Osvobojdenie building in Karlovo, said: "The cost of heating my apartment has fallen by more than 40% to 130 lev, which is enough of a benefit in itself."

Finland : student housing in Tampere



The CEB has teamed up with Tampere Region Student Municipal Housing Company (POAS) in order to increase the availability of student housing in Tampere, Finland's third largest city with several universities and vocational schools.

Demand for student housing in Finland far exceeds supply, rentals are high and there are long waiting lists. With a €8.3 million loan, the CEB financed the construction of more than 250 affordable apartment units for 360 university students, recent graduates, and young professionals.

The investment has specifically targeted vulnerable people and has delivered housing units in accordance with high energy efficiency standards. The project was completed in 2022.

Germany : social and affordable housing in Berlin



The CEB has teamed up with two of Berlin's municipal housing companies, Gewobag and HOWOGE, to increase the stock of modern social and affordable housing in the city. This is in response to a strong population growth and limited housing supply, which has led to record rent increases in the city.

Through two loans totalling €200 million, the CEB is financing the construction of more than 1,300 new residential units and the modernisation of another 1,460 units in Berlin, including high accessibility and energy efficiency standards.

The investments are targeting members of vulnerable population groups, in line with the social mandate of the municipal housing companies and of the CEB. Once completed in 2025/2026, the housing units will benefit low-income households, migrants and refugees, and persons with disabilities, ensuring a high social impact.

A substantial share of new apartments is reserved for social-housing-certificate-holders. This is combined with rent ceilings and limits to rent increases under a specific agreement with the city administration as well as neighbourhood development initiatives for tenants who need support. Average rents of Gewobag and HOWOGE are financially sustainable and considerably below market rents.

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