

## The State of Housing in the EU 2015

### *Housing trends, statistics, policies, research & case studies A Housing Europe Review*



Housing Europe, the European Federation of Public, Cooperative and Social Housing presents a report that reflects the state of the housing sector in the continent.

- Detailed statistics per member state
- The latest housing trends in a cross-country observation
- A compilation of the most significant policy updates since 2012
- Case studies that feature energy efficiency, social integration, innovation in public policy and governance
- Analysis of the interaction of housing policies and EU policies

\* [More information about the research work of Housing Europe](#)

### Long Story Short

**The overall state of housing in the EU remains unstable:** Six years after the low point of 2009 many steps remain to be taken to respond to **two very alarming issues** that emerge according to the facts and figures of our report:

1. There are **more people without a home** today in Europe than six years ago
2. There are **not enough affordable homes** available in most European countries to meet the increasing demand

### Key Findings

**The housing markets are very heterogeneous**, making it very difficult to propose a one size fits all approach to housing markets and housing policy from the EU level. The best way, indeed, to observe the markets is at national and even **regional level**, since the needs of the metropolitan areas, which become increasingly dense, differ a lot from the ones of the rural areas.

**There is a sort of “housing trap”** in many EU counties, for people who try to enter the housing market:

- *The rental sector is expensive*
- *Home ownership is not an option* due to the even higher cost
- *Social homes are just not enough with waiting lists growing* in a number of countries, including Italy, the UK, France and Ireland.

This leads in many countries to the **generational phenomenon that the majority of people aged 18-34 still live with their parents**- 66% of them in Italy, 58% in Portugal, 55% in Spain, 74% in Slovakia etc.

**A large number of households are overburdened by housing costs** and this becomes more and more evident in the crisis-ridden countries like Greece, where more and more families appear to have difficulties to cover their housing expenses as the crisis keeps evolving.

**The quality of the dwellings is still a big challenge** for many Central and Eastern European countries despite the positive trends over the recent years. For instance, *in Romania 1 out of 3*

*homes does not have access to running water and just 65% of households benefit from a sewage system...* Therefore, governments in the region are trying to tackle this issue by establishing programmes to renovate the existing stock, and some of them are at the same time investing in new construction of social homes.

**Europe builds less since the beginning of the crisis**, regardless of the sector (private, public, cooperative), with the sole exception of Germany. Rising construction costs make it even more difficult for most countries to keep up with the demand. For example, in Sweden 436,000 homes are needed until 2020 while the government's national objective is 250,000. 245,000 new homes are needed in the UK every year and not even half of them are being built.

**Homelessness is on the rise** across the continent. The situation of the most vulnerable keeps getting worse and phenomena of social exclusion become more intense. The social housing sector needs to be supported to address this issue, at times when the state retreats from the social housing sector and hands over a big share of responsibility to private initiatives.

**Outstanding mortgages** are still at worrisome levels. The total outstanding residential debt to disposable household income ratio has also increased dramatically from 66.4 in 2004 to 81.8% in 2012.

**Migration flows** towards Europe as well as the increased internal migration within the EU put further pressure on the national housing markets, especially in the destination countries. The demand in most cases is immediate and creates a sort of emergency situation.

**Policy makers have become more "creative"**... The financial crisis forced countries to implement measures that have not been adopted before, including *taxation of empty homes* (e.g. Ireland, Malta), *mortgage-to-rent schemes* (e.g. Ireland) and to *promote the use of private housing stock*. On the other hand, the report confirms that there is a profound **lack of a long-term stable framework for the affordable housing sector**.

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## The Housing Europe View

The **President of Housing Europe, Marc Calon** underlines in his publication foreword:

*"Housing is the foundation for people's lives and their priority among their needs. We should make sure that it becomes a priority for policy makers, too. I see three major challenges for us:*

- 1. Promote cities which are accessible and affordable for all;*
- 2. More sustainable, efficient and decentralised energy;*
- 3. And neighbourhoods where people feel secure and where they can reach their full potential."*

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## The Launch Event

The report will be officially unveiled on **May 5<sup>th</sup> 2015 at 14:30 on the premises of the European Economic and Social Committee (EESC- Jacques Delors Building, Rue Belliard 99, 1040 Brussels, 6th floor, JDE 63)**. The presentation by the Housing Europe researchers will be followed by a debate with key housing related policy makers from the EU Institutions and with representatives of Brussels based civil society organisations.

[Info & Online Registration](#)