



SPAIN

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T H I S R E S E A R C H H A S B E E N
F U N D E D B Y



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The views expressed in this paper are those of the authors and they should not be regarded as an official position of the Department of Housing, Local Government, and Heritage.

Table 1: Residential housing stock in Spain

Tenure type	Number of dwellings	Percentage
Owner-occupied	13,988,627	75.5%
Private rental	2,693,619	14.5%
Social rental	290,000	1.5%
Other	1,564,370	8.4%
Not identified	2,607	0.1%
Total occupied	18,539,223	

Source: Author's estimates, based on: INE Censos 2021 (2021); Estimates of social rental housing from AVS. Notes: The Census data do not distinguish between social and private rental. Thus, the author has used secondary sources to estimate the tenure breakdown in Spain.

Brief historical overview

Since the 1950s, Spain has pursued a housing policy that is strongly geared towards promoting homeownership. This approach was largely unaltered by successive Governments over many decades. This helped to establish the “absolute predominance of a culture of property ownership” in the country.¹

However, the Global Financial Crisis (GFC) of 2007/08 had a profound impact on the Spanish approach. Many low-income and vulnerable households found themselves overleveraged, causing a wave of mortgage defaults and destabilising the wider financial sector.² This highlighted the inherent risks of a public housing model that was based on the principle that the vast majority of households needed or could sustain a mortgage.³ It also provoked a credit crunch and new lending standards that meant that new households, especially those on lower incomes, could not become homeowners in the future.

In line with the overall priority of supporting homeownership, social housing in Spain has historically consisted of the so-called *Vivienda de Proteccion Oficial* (VPO), or simply ‘*Vivienda*

protegida’ (publicly protected housing) sector. However, social housing in Spain is quite peculiar in the broader EU context, as it has largely been geared towards providing homes for affordable purchase, rather than long-term rental options.

In some cases households began as social tenants, before acquiring their home at a below market price after a few years (i.e., through a form of ‘right to buy’ scheme). This policy of constantly selling publicly provided housing explains the small size of the social housing stock in Spain today (c.1.5%).

Indeed, according to data from the Architects' Association and the Ministry of Housing, between 1952 and 2016 more than 6.8 million subsidised housing units were built under various public schemes,⁴ with only a fraction remaining in the hands of social housing providers over the longer-term.

What is meant by social housing?

The recently adopted ‘Law on the Right to Housing’ defines social housing as public housing which can be both for rent or sale to

¹ Sánchez-Martínez, M. T., Sanchez-Campillo, J., & Moreno-Herrero, D. (2016). Mortgage debt and household vulnerability: evidence from Spain before and during the global financial crisis. *International Journal of Housing Markets and Analysis*, 9(3), 400-420.

² *Ibid.*

³ Charlotte Vorms (2017), Long term social impact of Franco's housing policy in Spain; Montserrat Pareja-

Eastaway and Teresa Sánchez-Martínez (2017), More social housing? A critical analysis of social housing provision in Spain. *Critical Housing Analysis*, Volume 4 | Issue 1 | 2017 | 124-131

⁴ Bellart, C.T., & Meda, J. B. (2018). El parque público y protegido de viviendas en España: Un análisis desde el contexto europeo. *Laboratorio de Alternativas* N°197, 1-107. Fundación alternativa.

households that have difficulties accessing housing on the private market.⁵

As mentioned above, “publicly protected” VPO housing in Spain is provided mainly for affordable home purchase. Only a small proportion of this housing is offered for rent, and even part of the homes that are currently rented to social tenants include a future buy option, meaning many current social rental dwellings could become privatised in the coming years.

Publicly owned rental housing currently consists of around 290,000 homes, representing about 1.5% of the 18.5 million primary residences homes in Spain. Out of these:

- 180,000 are owned by regional authorities and dependent entities;
- 110,000 homes are owned by municipalities and dependent entities⁶.

The federation *Asociación Española de Gestores Públicos de Vivienda y Suelo* (AVS) represents these entities, with 127 associated public companies in charge of housing and land development at the regional and local level.⁷

It is also important to note that housing is a largely devolved competence in Spain, with the country’s regions and municipalities having a strong degree of autonomy to devise and fund different approaches to social housing development and management. This means that ‘social housing’ can mean slightly different things in different parts of Spain, with some regional governments being supportive of the sector, and others less so.

Financing and supports

Protected housing is mainly financed through funding from the National Housing Plan (currently ‘*Plan Estatal de acceso a la vivienda*

2022-2025’),⁸ as well as borrowing from private credit institutions. The Spanish national government contributes the majority of public funding for the implementation of housing policy. ‘Autonomous Communities’ (i.e. regional governments, that according to the Constitution have full competence on housing) can also allocate regional funding.

Currently the main sources of funding and supports include loans from the public bank *Instituto de Crédito Oficial*, grants from Spain’s Recovery and Resilience Plan (including both renovation and supply of new social rental housing), and access to public land through leasing agreements with municipal authorities.

Accessing social housing

As a general rule, beneficiaries of protected housing must not own or have a permanent right to use another dwelling and must have an income below certain limits—which in most cases are lower in order to access protected housing for rent than for sale.⁹

The household income limit for subsidised housing for rent varies significantly between regions. However, in all cases it is based on a set multiple of the *Indicador Público de Renta de Efectos Múltiples* (IPREM), which is a Spanish income threshold used when granting access to social services. In 2025, the IPREM was set at €600 per month.¹⁰ Eligibility to access social housing ranges from 1.2 times the IPREM level in Andalusia for (€720 per month), up to 7.5 times the IPREM for the so-called intermediate rental housing in Extremadura (€4,500).¹¹ This highlights the broad divergences in the conceptualisation of social housing between different regions in Spain.¹²

⁵ Law 12/2023 on the Right to Housing

⁶ Bellart, C.T., & Meda, J. B. (2018). El parque público y protegido de viviendas en España: Un análisis desde el contexto europeo. Laboratorio de Alternativas N°197, 1-107. Fundación alternativa.

⁷ Asociación Española de Gestores Públicos de Vivienda y Suelo, AVS <https://gestorespublicos.org/>

⁸ Available at : <https://www.mivau.gob.es/vivienda>

⁹ Bellart, C.T., & Meda, J. B. (2018)

¹⁰ See: <https://www.iprem.com.es/>

¹¹ Bellart, C.T., & Meda, J. B. (2018)

¹² It can be possible that regions apply the IPREM multiple to the equivalised households income. In this way, household size and composition is taken into account. See, for example, an overview of how the “family weighting” procedure is applied in the case of Andalucía: <https://www.juntadeandalucia.es/organismos/fomentoarticulaciondelterritoriyvivienda/areas/vivienda-rehabilitacion/vivienda-protegida/paginas/que-es-vivienda-protegida.html>

Usually the Autonomous Communities set criteria to give priority to a range of groups that are considered to be in a precarious situation on the housing market, including young people, the homeless, the elderly, persons with disabilities, single-parent households and victims of domestic violence.

Once a household has been granted social housing, there is no national policy on periodic reassessment of their eligibility. In other words, in some cases public authorities may reassess the means of social tenants, and it can be possible that an income that has become too high—or some other factor—could be grounds for their contract to be terminated. However, such decisions are the devolved competence of the local public authorities.¹³

Service delivery

The main characteristic of protected housing is that construction, renovation and buying are subsidised by the state through incentives for developers, as well as buyers. In exchange for this, dwellings complying with a number of conditions concerning size and quality are sold or let at prices below market values to people with revenues below certain income ceilings (based on the IPREM).

What happens after the homes are sold is that some conditions still apply which differentiate them from purely privately owned housing. For instance, as a general rule, they cannot be re-sold before a period of 10 to 15 years, and even afterwards a maximum regulated price applies (changing according to the number of years the owner has lived in their home).¹⁴ Thus, when building with public subsidies, the state imposes conditions aimed at keeping homes affordable.

Again, it is important to highlight that each autonomous region in Spain has the power to define its own housing policy. In case of protected housing for rent, for instance, rules vary significantly across regions in terms of rent

levels and the duration of the ‘obligations’ that result from accepting state financial supports.

In some parts of Spain protected dwellings (typically built on public land by private developers) are rented for 10 years and afterwards can be sold at market prices. On the contrary, in other regions the period of limited rent prices is between 50 and 99 years, and even afterwards dwellings cannot be sold on the market. In these cases providers are much more frequently public housing companies or to a lesser extent cooperatives, non-profit foundations and other not-for-profit organisations.¹⁵ As such, the availability of social rental housing is concentrated in regions with strong conditionality attached to public subsidies.

Last, but not least, it is worth mentioning the role played by the *Sociedad de Gestión de Activos Procedentes de la Reestructuración Bancaria* (Sareb). It is a public enterprise created in 2012 to absorb roughly €40 billion worth of distressed real estate assets on the books of Spain’s commercial banks. This included both cases of defaulted loans and unfinished construction projects left in the wake of the GFC.

In recent years, its role has evolved from merely buying distressed assets (which it still does) to also promoting affordable housing by selling homes to different municipalities and autonomous communities to increase their public housing stock. Its portfolio includes about 50,000 homes and plots of land, and it also manages nearly 2,000 rental homes through agreements with autonomous communities and city councils.

Integration with social policy

The current National Housing Plan includes rent allowance schemes. However, experts highlight that these are not designed to be permanent, they are targeted at specific groups and have limited funding. Only a small number of regions

¹³ For an overview of the different criteria applied across Spain’s regions, see: <https://www.mivau.gob.es/areas-de-actividad/arquitectura-vivienda-y-suelo/programas-de-ayudas-a-la-vivienda/guia-descalificacion-vpo>

¹⁴ drOp project (2023), Analysis of social housing contexts and replication potential

¹⁵ Information provided by Javier Buron Cuadrado, housing expert and director of NASUVINSA

have a permanent and well-funded rental allowance system, including the Basque Country and Navarra, and to a lesser extent Cataluña.¹⁶

Among the categories that can benefit from housing allowances it is worth mentioning young people, with a dedicated scheme called *Bono de Alquiler Joven* which can cover up to 50% of the rent (below given ceilings).¹⁷ This measure aims to tackle the particular difficulties faced by young people in securing adequate accommodation.

The average age of leaving the parental home in Spain is over 30,¹⁸ and a recent survey shows that 90% of young people consider that the high prices of rent is the main barrier to accessing housing.¹⁹ However, the scheme has been limited in terms of numbers of beneficiaries reached and has suffered from problems in implementation and distribution.²⁰

CASE STUDY / KEY POLICY FEATURE

The **'Safe Rent, Reasonable Price'** (*Alokairu Segurua, Arrazoizko Prezioa*, ASAP) scheme has been implemented in the Basque Country in recent years. It is designed to overcome one of the main obstacles that is often cited with regard to bringing vacant residential property back into use.

Namely, the fact that some owners of vacant homes note that they do not want to offer their property for rent, as they are worried about issues like the possibility of unpaid rent or damage to the property, as well as the potential cost and administrative effort involved. The Basque ASAP scheme sees the state offer various guarantees to owners in terms of covering unpaid rent, damages, or legal costs. In return, the Basque government has the right to set the rental price that can be charged for the property when it is brought back into use. In all cases, the rent will be below the market level.²¹ The home will be allocated to a household waiting to access social housing.

Therefore, the benefit to the Basque region is that it can effectively increase the stock of available social rental housing, while also tackling the issue of vacancy. For the owner, the region provides a guaranteed income, as well as covering the cost of maintenance.

The ASAP scheme has also been rolled out alongside the Basque Country's 'Vizigune' vacant housing programme.²² This sees owners of vacant property being offered the choice of fines, or entering into a temporary leasing arrangement (typically six years) with the local public housing company. The clear aim of the regional authority is to use the threat of punitive action to better 'nudge' the owners of vacant residential property towards engaging with them, and in doing so to help the authorities to increase the local stock of social housing.

¹⁶ *Ibid.*

¹⁷ Ministerio de Vivienda y Agenda Urbana, <https://www.mivau.gob.es/arquitectura-vivienda-y-suelo/programas-de-ayudas-a-la-vivienda/programa-de-ayudas-al-alquiler-de-vivienda>

¹⁸ Eurostat (2023), Estimated average age of young people leaving the parental household by sex [yth_demo_030]

¹⁹ Observatorio de Vivienda Asequible (2024), La casa a cuestas: la vivienda en datos en 2024.

²⁰ *Ibid.*

²¹ See: <https://www.etxebide.euskadi.eus/x39-asapnew/es/>

²² Basque Country Government (2023). Hutsik dagoen etxebizitza bat baduzu, Bizigune da zure programa [If you have an empty house, Vizigune is your programme]. Accessed at: <https://www.alokabide.euskadi.eus/bizigune/eu/>

Conclusions

Slovakia's public housing system reflects the broader challenges of post-socialist housing transformation in Central and Eastern Europe. Following extensive privatisation in the 1990s, which created a predominantly homeowner society, the country has maintained only a small public rental sector; around 2.5%.

While the state has developed various financial instruments to support social housing development, including subsidies through the Ministry of Transport and beneficial loans from the State Housing Development Fund, municipalities struggle to meet housing needs due to budget constraints and limited capacity. The case of Bratislava illustrates these challenges well—although the City has now outlined potentially innovative approaches to expanding its housing stock through partnerships and land betterment schemes, offering valuable lessons for other parts of Slovakia, and perhaps other countries with similar housing dynamics.