

THE STATE OF HOUSING IN EUROPE – 2025

TÜRKİYE

- ➡ Owner-occupiers
- ➡ Tenants
- ➡ Lodging
- ➡ Other (Rent-free occupants)

% OF TOTAL

56.1
28.0
0.9
15.0



SOURCE: TURKSTAT, 2024. Statistics on Family. <https://data.tuik.gov.tr/Bulten/Index?p=Istatistikler-Aile-2024-53898>.

NOTES: Other refers to those who did not pay rent despite not living in their own dwellings.

THE ROLE OF PUBLIC, COOPERATIVE, AND SOCIAL HOUSING PROVIDERS

In Türkiye, the actors involved in social housing provision and policy-making are limited and scarce. The main actor is TOKİ (Housing Development Administration of Türkiye), which operates as a subsidiary organization under the Ministry of Environment, Urbanism and Climate Change, and builds mass housing projects often through public-private partnerships.

In addition to TOKİ, some local municipalities—primarily in İstanbul—also take part in housing provision, although their role is relatively smaller compared to TOKİ.

Cooperatives played a major role in housing production during the 1980s, their share in housing production, which stood at around 36% in 1986, began to decline in the 2000s and fell to as low as 1% by 2020. The main reason behind the challenges faced by housing cooperatives is the existing legislation and administrative framework, which largely fails to provide adequate support for their operations.¹

DYNAMICS OF HOUSING SUPPLY

The majority of housing in Türkiye is produced by private developers and the construction sector. The housing market is strongly tied to urban land value, speculation, and profit-driven development. Large construction companies and contractors have high influence on urban transformation and new housing projects.

Social housing provision in the country is limited to homeownership. Individuals who meet certain eligibility criteria can apply to new projects, and if they are selected through a lottery system, they can obtain a unit by making an initial payment. The remaining cost is covered through low-interest loans.

A key driver of new housing supply in recent years is urban transformation/renewal projects which are focusing on replacing old, risky buildings with new ones. The urban renewal projects are often criticized for displacement, gentrification, and profit-oriented outcomes.

HOUSING NEEDS TODAY

It is estimated that Türkiye requires around 800,000 new housing units annually to meet the growing demand.² This need arises from factors such as population growth, urban migration, and the replacement of aging housing stock.

The February 2023 earthquake devastated several provinces in southeastern Türkiye, displacing hundreds of thousands of residents. Although the government initially pledged to build 650,000 homes, only about 300,000 units had been completed as of October 2025, with the total expected to reach 453,000 by the end of the year, revealing a significant shortfall in housing delivery.³

1 _ Koç, H. (2022). Kentsel Konut Sunumunda Giderek Unutulan Bir Organizasyon: Konut Yapı Kooperatifleri. İdealkent, 13(37), 2002-2026.

2 _ <https://www.hurriyetdailynews.com/house-construction-slows-failing-to-meet-needs-176295>

3 _ <https://ab.csb.gov.tr/en/strong-social-housing-message-from-turkiye-at-the-un-geneva-office-news-296219>

RECENT DEVELOPMENTS IN HOUSING

Housing costs in Türkiye have soared in recent years due to high inflation and ongoing economic challenges. In densely populated cities, rent prices have increased dramatically, forcing many people to relocate as they struggle to afford housing.

The government enacted a temporary regulation capping residential rent increases at 25% for renewed lease agreements in 2022. This measure aimed to provide relief to tenants amidst soaring rents and economic instability. The cap applied to residential leases and was not extended to commercial properties. The regulation was initially set to remain in effect until July 1, 2023, but was extended until July 1, 2024. While the rent increase cap provided short-term relief for tenants, it also led to several unintended consequences such as legal disputes, market distortions and tenant evictions.

The share of the private rental market has been increasing rapidly. In 2013, the homeownership rate was 60.7%, while by 2024 it had dropped to 55.8%. In October 2025, the Deputy Minister of Environment, Urbanization and Climate Change stated that Türkiye currently has 31 million housing units and aims to raise the homeownership rate to 66% by 2035.⁴

Year		Homeownership Rate (%)
2013	➡	60.7
2017	➡	59.1
2021	➡	57.5
2024	➡	55.8

SOURCE: EUROSTAT. <https://tradingeconomics.com/turkey/home-ownership-rate>

In addition to the recent interventions in the rental housing sector, the Ministry of Environment, Urbanization and Climate Change has announced a new social housing project, described as the largest initiative of its kind in Türkiye’s history. The campaign aims to construct 500,000 social housing units across all 81 provinces. For the first time, the program will also introduce rental social housing, with 15,000 units planned for İstanbul. The homes will be developed by TOKİ (the Housing Development Administration) in collaboration with the Ministry, with the first deliveries expected in March 2027.

Applications will be open for one month between November and December 2025, followed by a lottery system to determine the beneficiaries. Selected applicants will make a 10% down payment, with the remaining balance payable through 240-month instalment plans. Loan amounts and payment terms will vary based on the size of the unit, and different pricing structures will apply for İstanbul.⁵

4 . <https://ab.csb.gov.tr/en/strong-social-housing-message-from-turkiye-at-the-un-geneva-office-news-296219>

5 . <https://evsahibiturkiye.gov.tr>

POLICY GUIDELINES FOR PUBLIC, COOPERATIVE, AND SOCIAL HOUSING



- ➡ Social rental housing, housing cooperatives, and alternative tenure models should be encouraged and strengthened through public sector support.
- ➡ Active participation from non-governmental organizations, community groups, and civil society is crucial in the housing sector. At the same time, decision-making and control should not be overly centralized within the government, allowing for more flexibility, responsiveness, and collaboration at local levels.
- ➡ It is also important to establish clear roles for new actors at the local and regional levels to broaden housing delivery mechanisms and better address local housing needs.

