HOUSING AS INVESTMENT IN GREECE AND SOUTHERN EUROPE

PRIVATE PROFIT VS SOCIAL VALUE

Dimitra Siatitsa, Laura Colini, Simone Tulumello

FOUNDATION FOR EUROPEAN

ON INSOCIAL MEDITAL PROPERTY OF THE EXCHANGE HAVE PARTY OF THE PAR

Policy Study presented in November 2024 by



THE FOUNDATION FOR EUROPEAN PROGRESSIVE STUDIES (FEPS)

European Political Foundation - N° 4 BE 896.230.213 Avenue des Arts 46 1000 Brussels (Belgium) www.feps-europe.eu @FEPS_Europe

IN PARTNERSHIP WITH



ON ETERON



InSocial

Insocial - Institute for the Social Democracy Likavittou 11, 10672 Athens (Greece) https://in-social.gr @InSocialD

ETERON

Institute for the Social Democracy Leokoriou 38-40, 10553 Athens (Greece) www.in-social.gr @eteronorg

Friedrich Ebert Stiftung (FES)

FES Office Athens Neof. Vamva. Street 4 , 10674 Athens (Greece) www.athens.fes.de @fes_athen



This Policy Study was produced with the financial support of the European Parliament. It does not represent the view of the European Parliament.

Copyright © 2025 by the Foundation for European Progressive Studies, Eteron, Friedrich-Ebert-Stiftung and InSocial

Project Coordination: David Rinaldi, Vanessa Zwisele, Christos Papagiannis, Stefanos Spiliotopoulos, George Papoulias

Review: David Rinaldi, Christos Papagannis, Simone Tulumelo, Laura Colini

Cover photo: Simone Tulumelo

Copy editing: Zoi Artemis Athanasopoulou

Graphic Design: Chara Balaka, Eteron Institute

KBR deposit number: D/2024/15396./59

ISBN: 978-2-931233-44-3

TABLE OF CONTENTS

EXECUTIVE SUMMARY	5
LIST OF ACRONYMS	9
1. INTRODUCTION	12
2. FRAMING THE HOUSING ISSUE IN GREECE	.16
Housing unaffordability Post economic crisis transformations of the Greek housing system	20
3. LEGAL PROVISIONS AND MECHANISMS ENABLING SPECULATIVE INVESTMENT IN HOUSING	35
3.1 Attracting foreign investment in residential real-estate: the Residence-by-investment programmes	38
4. THE LIMITATIONS OF MARKET-LED FINANCIALISED SOLUTIONS TO THE HOUSING CRISIS	.47
4.1 Social and affordable housing in Southern Europe	49
5. FROM SPECULATION TO SOCIAL VALUE: ALTERNATIVE POLICY PATHS FOR HOUSING IN GREECE AND SOUTHERN EUROPE	.59
5.1 Towards housing as a social good in European countries and the Union	
non-profit and cooperative housing	
ENDNOTES	.81

EXECUTIVE SUMMARY

Housing policy across Europe stands at a critical juncture. Housing markets have deeply changed during the last few decades, being largely shaped by neoliberalisation and the intensifying role of housing as a financial asset, while, at the same time, states were retrenching from direct provision of social housing.

Public policies, at all government levels, are key in facilitating and instigating dynamics of housing assetisation and financialisation, and have contributed, inter alia, to the penetration of financial and market-led logics into the production and management of social and affordable housing.

After the global financial crisis, real-estate and construction sectors in Southern European countries became particularly dependent on foreign demand and tourism. In most, if not all, cases, this has happened with the support of states, which have allowed globalised, financialised, and unregulated capital to extract and accumulate unprecedented wealth through legal and illegal channels, while also reinforcing speculative and entrepreneurial logics and practices into the residential market.

These trends have been contributing to the actual and ongoing housing crisis rather than providing viable solutions.

This study argues that mainstream policy mechanisms and assumptions presented as solutions to the housing problem - such as reliance on free market supply-and-demand dynamics to self-regulate market prices, effectiveness of Public Private Partnerships (PPPs) on market terms for social and affordable housing production, or the attraction of strategic investment in housing without robust public

regulation- are inherently part of the problem. These beliefs must be critically challenged.

Challenges in the Greek housing system

Housing and rent prices in Greece have been increasing rapidly and constantly since 2017, so much so that the country ranks very high in all the indicators lists related to the population's difficulties in coping with housing costs (for example, housing cost overburden, share of housing cost on disposable household income, and arrears).

The Greek housing market appears rather inexpensive in absolute values, when compared to many EU countries – it is often portrayed as a "golden opportunity" for international investors – but at the same time, it has become unsustainable for a large share of the local population.

Access to housing in Greece depends solely on the market, with the share of homeownership being significantly higher than rental, as seen in other Southern European countries. Moreover, Greece currently lacks any form of public, social, or cooperative housing.

Access to homeownership has been declining (from 77.2% in 2010 to 69.6% in 2023, according to EUROSTAT data), especially amongst the youth, while the rental sector is expanding (from 18.2% in 2010 to 22.7% in 2023) and yet remains largely unregulated, similarly to other Southern European countries. Consequently, intergenerational and class wealth polarisation is growing.

The study highlights three primary mechanisms by which structural shifts in Greece's housing sector occur, contributing to the rapid increase in prices. It also examines changes in the institutional framework governing property ownership and

management, as well as the emergence of new institutional and business-oriented actors into the housing market, complemented with insights from other Southern European countries, with a focus on Portugal and Italy:

Attracting foreign investment and touristification of the residential stock. Programs such as the residence-by-investment, special tax regimes for affluent foreigners, and the expansion of Short-Term-Rentals (STRs) are the main channels that attract (foreign) investment in Greece and the primary drivers of housing prices and urban transformations during the past few years. Yet, they should not be examined on their own, but rather as part of a broader economic system that commodifies housing and employs financialised mechanisms in order to accelerate profit extraction, thus further disempowering and depriving local communities.

Private debt-management. Despite the low rates of mortgaged homeownership in Greece compared to the EU average (17.5% in 2010, 9.9% in 2023 according to EUROSTAT data), private debt has became one of the most critical social issues since the economic crisis. Currently, it is estimated that a large number of residential properties belong to banks and Real Estate Investment Trusts (REITs) or are managed by servicers, through ongoing debt-related dispossession processes.

Activation of entrepreneurial activity in the rental market. The expansion and growing dependence of larger parts of the population on the private rental market has paved the way for new profit opportunities. Entrepreneurial and corporate activity has been developing mainly in "alternative property sectors" or "niche market segments", such as student housing and corporate serviced apartments, as well as "not-for-housing" housing (mainly short-term touristic lettings). Although overall corporate involvement in the private rental sector remains relatively small in Greece, it is an emerging business sector that affects prices and directs investments in housing typologies that

do not serve the locals' needs or even meet the financial capabilities of the local population.

A new array of legal provisions and mechanisms have been introduced, especially since the financial crisis, that have enabled such trends, allowing also for the activation of new corporate entities and real-estate actors in the Greek residential market, and forming an important lobbying force that affects policy decisions.

Policy responses to the housing crisis

Recent policy reforms are reproducing a homeownership-oriented and market-led model, channelling the bulk of public funds to subsidised mortgaged homeownership and private property retrofitting, with limited support for the small-scale and fragmented social housing programmes implemented locally.

A housing policy that relies almost exclusively on supporting private solutions, through demand-side subsidies in particular, cannot yield sustainable outcomes in deregulated markets, thus resulting in socially unintended side-effects, such as escalating rent prices and property values, intensifying social polarisation and disparities.

Greece has the potential to learn from the policy practices and experience of other EU countries, especially those of Southern Europe. There is also a great opportunity to take advantage of EU funding initiatives for developing social and affordable housing, which is urgently needed but currently lacking.

Gaps and limits of the current debate on affordability

A socially just definition of affordability and guidance for its operationalisation within national and local policies are two elements that are still missing from the ongoing debates for a European Affordable Housing Plan.

The responses implemented remain heavily influenced by market and financial logics. In Southern Europe, solutions that are currently promoted as "affordable housing" are mostly based on PPPs and financialised policies involving market stakeholders, operating without any regulations to limit profit. Mechanisms such as Housing Sociale in Italy, Habitação com Apoio Público (housing with public support) in Portugal and Koinoniki Antiparohi (social land-for-flats exchange) in Greece fail to deliver viable and socially just solutions to the enduring housing crisis.

Market shifts and welfare retrenchment have led to increased housing and energy costs, a widespread affordability crisis, and the exclusion of more and more vulnerable groups from adequate housing options. The challenge for policymakers now is to pivot away from profit-centred housing models and towards frameworks that prioritise housing as a fundamental social right.

Towards the development of alternative institutions for the right to housing

Southern European governments have adopted - with greater intensity since the financial crisis - contradictory policies primarily facilitating the entry of international and financialised capital into local housing markets, while also attempting to address the increasing housing challenges related to rising costs and inadequate supply. Despite investments needed to address climate and social challenges in housing, unconditionally attracting capital to the housing sector risks amplifying the housing crisis if national action plans and local policies do not clearly prioritise housing as a right.

In order to do so, housing policy should be anchored in social rights, sustainability, and the public good rather than in market principles. To make this a reality, policies and public interventions are required to channel both private and public investment towards more equitable housing systems.

The primary objective of a comprehensive housing strategy is to ensure that housing, understood as a basic good, is progressively socialised in terms of ownership, for example by increasing the stock of public or other forms of decommodified housing and regulated in favour of accessibility and affordability, for example by controlling rents and banning speculative investments.

Following calls for a de-financialised housing, this study proposes three main policy pathways for reorienting housing towards social values, both in Greece and Southern Europe:

- Controlling market dynamics. Regulate rents, curb speculative investments, and develop alternative financing circuits to ensure accessibility.
- Socialising housing. Expand public and decommodified housing stocks while reducing dependence on private market solutions.
- Building democratic governance. Create multi-level governance structures to align national and local housing policies with the principles of equity and inclusion.

EU-level housing policy reforms are critical

The above will not be possible without a decisive shift in European Union housing policy and a common effort to empower national and local states to regain control over housing markets. Reforms of European economic policy are critical to regulate financial markets and the platform economy, to promote housing as a right, and to strictly align energy upgrades and green funds with affordable and social housing goals, towards a strong European Housing Welfare.

LIST OF ACRONYMS

LIST OF ACRONYMS

CLT Community Land Trust

SPV Special Purpose Vehicles

STR Short Term Rental

SSGI Social Service of General Interest

CEI Community Land Trust	italy				
ECB European Central Bank	ACRI Associazione delle Casse di Risparmio Italiane (Association of Italian Savings Banks)				
EIB European Investment Bank	realitie (Association of Italian Savings Banks)				
EPOCH European Platform on Combating Homelessness	ABI Associazione Bancaria Italiana (Italiar Banking Association)				
FDI Foreign Direct Investment	ANCE Associazione Nazionale Costruttori Edili (National Association of Building Contractors)				
GMI Guaranteed Minimum Income	GESCAL Gestione case per i lavoratori (Housing management for workers)				
IMF International Monetary Fund					
IUT International Union of Tenants	CDP Cassa Depositi e Prestiti (Deposits and Loans Fund)				
NEB New European Bauhaus	CONSOB Commissione Nazionale per le Società e la Borsa (National Commission for Companies and the Stock Exchange)				
NPL Non- Performing Loans					
PPP Public Private Partnership	ERP Edilizia Residenziale Publica (Public Housing Construction)				
REIC Real Estate Investment Company	ERS Edilizia Residenziale Sociale (Social Housin				
REIT Real Estate Investment Trust	Construction)				
RRF Recovery and Resilience Facility	PNEA Piano Nazionale di Edilizia Abitativa (National Housing Plan)				
SE Souther Europe(an)	FABI Federazione Autonoma Bancari Italiani (Italian Banking Federation)				
SGEI Service of General Economic Interest					

Italy

FIL Fondo Immobiliare di Lombardia (Lombardy Real Estate Fund)

FNAS Fondo Nazionale Abitare Sociale (National

FNA Fondo Nazionale Abitare (National Housing

Social Housing Fund)

Fund)

FIA Fondo Investimenti per l'Abitare (Investment Fund for Housing)

statistics Institute)

SIF Sistema Integrato di Fondi (Integrated Funds System)

NGPH Nova Geração de Políticas de Habitação (New Generation of Housing Policies)

INE Instituto Nacional de Estatistica (National

SGR Società di Gestione del Risparmio (Asset Management Companies)

FNRE National Fund for Building Rehabilitation (Fundo Nacional para a Reabilitação do Edificado)

Greece

NGPH Nova Geração de Políticas de Habitação (New Generation of Housing Policies)

REIC/ΑΕΕΑΠ Ανώνυμη Εταιρεία Επενδύσεων σε Ακίνητη Περιουσία, (Real Estate Investment Company)

PRR Plano de Recuperação e Resilência (Recovery and Resilience Plan)

BoG, Bank of Greece

<u>Spain</u>

DEPOS/ΔΕΠΟΣ Δημόσια Επιχείρηση Πολεοδομίας και Στέγασης (Public Planning and Housing Enterprise) SAREB Sociedad de Gestión de Activos procedentes de la Restructuración Bancaria (Asset Management Company for Assets Arising from Bank Restructuring)

DYPA/ΔΥΠΑ Δημόσια Υπηρεσία Απασχόλησης (Public Employment Company)

VPO Vivienda de Protection Official (Officially Protected Housing)

ELSTAT Ελληνική Στατιστική Αρχή (Greek Statistical Authority)

HPDF/ ΤΑΙΠΕΔ Ταμείο Αξιοποίησης Ιδιωτικής Περιουσίας του Δημοσίου (Hellenic Property Development Fund)

ΚΕΥD/ΚΕΥΔ Κέντρα Ενημέρωσης και Υποστήριξης Δανειοληπτών (Centers for Information and Support for Borrowers)

ΟΕΚ Οργανισμός Εργατικής Κατοικίας (Workers Housing Organisation)

Portugal

IHRU Instituto da Habitação e da Reabilitação Urbana (National Institute for Housing and Urban Rehabilitation)

1. INTRODUCTION

1. INTRODUCTION

This policy study focuses on the mechanisms that promote housing as an asset and a financialised investment in Greece and, more generally, in Southern Europe (SE), with deep and problematic impacts on the right to housing. Considering the impact of speculative residential real estate activity on increasing housing unaffordability, the study investigates the role of the state and public policies - including many included in the social housing agenda - as facilitators and catalysers of such dynamics. The ultimate goal is to provide policy recommendations towards more inclusive and equitable housing systems in and beyond Greece.

Attracting investment into real estate and tourism have been primary axes of public policies in crisis-ridden Southern European economies, both at a national and a local level, as they were considered to be exit strategies from economic recession, parallel to strict austerity rules. The post-pandemic effect of global capital accumulation and aggressive speculative investment has intensified commodification and financialisation trends of the residential stock and urban markets, with a direct negative impact on housing availability and accessibility for local inhabitants.

The construction and real estate sectors have historically been regarded as key in SE countries, and are often described as economic engines, with governmental policies facilitating these activities directly and indirectly, influenced by the neoliberal agenda since the 1990s. After the 2008-2010 financial crisis and the collapse of debt-backed housing production and consumption, these sectors became particularly dependent on foreign demand and tourism, while processes of housing commodification and financialisation reignited (despite the recent crisis experience). Housing assetisation is embedded within a circuit of value extraction that ignores local and basic human

needs and allows globalised financialised and unregulated capital to extract and accumulate unprecedented wealth through legal but also often illegal channels.

Southern European cities are caught in a touristification trap, with tourism bringing in an important share of gross income to several local economies, but simultaneously making housing unsustainable for local societies. After the financial crisis, there has been a revival in housing upgrading and urban renewal processes, due to capital investment in residential properties, often facilitated by legislative changes affecting the housing system, coupled with fiscal-led immigration programmes, such as golden visas, and special tax regimes to attract foreign urban consumption.1 However, with time, it has become evident that such processes contribute to economic recovery unevenly - only in a limited number of areas and only for certain social groups -, while increasing inequalities and marginalisation for the majority of the population.² Intense commodification and internationalisation of the housing market are rather recent phenomena in Greece. despite the century-long orientation of state intervention towards supporting homeownership through market mechanisms and in relation to the role of strong family welfare. Austerity politics placed particular emphasis on setting the ground and "maturing" the stagnating commercial potential of housing (as assets) to increase public revenue and enable the activity of institutional and financial actors in a rather protected local market (small scale, fragmented and remaining until recently in the hands of households, as there were no institutional landowners in the residential sector). This went along with the development of mechanisms for managing private debt that have opened the way for special-purpose REITs, often connected to banks, vulture funds and debt service companies to enter the Greek housing market. The increased tourist activity in big city centres and touristic areas, as well as new luxury housing constructions and developments have changed the target group of housing production, focusing on international tourism and high-end consumption.

Southern European destinations are often portrayed as "competitive markets" in the race for foreign investments, with governments being pushed to implement similar international policy recipes. The similarities in housing systems (based on familistic welfare capitalism, homeownership and residualisation) and the countries' common geographical and cultural backgrounds, generate processes of mutual influence between their urban markets. Overall, the touristic industry has been presented as a key motor of post-crisis recovery in all SE countries, therefore increasing their dependence on foreign capital. Actually, stimulating external investment has been a key focus of state policies, as a counterweight to the system of "permanent austerity" - despite large fiscal relaxation during the pandemic period.

On the other hand, these processes have also generated common concerns about the impacts of international investments in housing and urban space, as well as potential political and policy responses towards a more democratic and just housing system. Since the seminal work of Allen and colleagues in 20043, there has been an abundant production of academic comparative analysis about Southern European housing systems (on homeownership, family, residuality of social housing policies etc) and transformations triggered by the 2008 crisis.⁴ From certain viewpoints, one could argue that the dangers of financialisation might be lower in countries characterised by large swaths of privately owned (mostly free of mortgage debt) and largely fragmented housing stock. However, the rapid transformations of real estate markets have shown that international financial capital may find different ways to eventually enter the housing systems.⁵ Indeed, Tulumello and Dagkouli-Kyriakoglou have shown that SE states have long acted to enable and promote housing financialisation, even when these countries

were relatively marginal to international financial flows.⁶ By now extensive literature has shown how the latter have accelerated, especially after the last global financial crisis. One such transformation that is proving to have a deeper impact is the increasing importance of the rental sector, a field in which SE countries are experiencing fast processes of property concentration, professionalisation and financialisation. Difficulties in accessing homeownership and lack of adequate social and affordable housing alternatives have increased the dependence of larger parts of the population on the private rental market, especially the younger generations, low-income earners and newcomers.

Scope of this policy study

The scope of this policy study is to analyse policies and legal frameworks that introduce market and financial logics into the production and management of housing, including in the social and affordable sector. The current investment channels – dominated by market and financial actors – exacerbate housing unaffordability and accelerate the transformation of housing from a basic necessity into a commodity and, ultimately, an investment asset. This shift prioritises profit over accessibility and inclusivity, making it increasingly difficult for ordinary citizens to secure affordable housing.

The issue gained central attention at the European level, especially during the 2024 Electoral campaign, mostly thanks to progressive forces that have prioritised providing responses to the housing crisis, from social-democratic and left politicians that have pushed for more European action at the EU level, see for instance the "Lisbon Declaration on the European Platform on Combating Homelessness" launched during the Portuguese EU Presidency or the Portimão Declaration on "Housing for All" by the PES Group in the European Committee of the Regions. It has also particular significance, in view of the announced European Affordable Housing Plan constituting a key mandate of the new special EU commissioner on Energy and Housing and the recently created **EU Parliament Special Committee on the Housing** Crisis, as we shall comment in more detail in the last section of this study. 7This policy study aims to challenge mainstream arguments and policy mechanisms that are presented as solutions to the housing problem, such as the belief that free market supply-and-demand dynamics can self-regulate market prices, that PPPs on market terms can be an effective mechanism for social and affordable housing production, or that attracting strategic investment without a robust public regulatory system in the residential real-estate can provide long term affordable housing solutions. Our argument is that these beliefs are actually co-shaping and adding to the housing crisis, by contributing to the exacerbation of exclusionary housing dynamics. This work is not meant to comprehensively look at the housing issue in Europe or to advise how to deepen EU integration on the matter. Nonetheless, the research and policy inputs collected in this study will remain relevant to inform European and national policymaking on housing policy, if the policy objective of affordability persists as a guiding principle.

Section two provides an overview of how the housing issue is framed in Greece, outlining current housing market dynamics and processes that negatively affect housing access and inclusion. It also examines the public debates and policies being promoted in response to the ongoing housing crisis.

Section three examines more closely the legal provisions and mechanisms introduced by the state that seek to facilitate and encourage such business activities, often justified by the dominant narrative that increasing housing supply will drive prices down.

Section four focuses particularly on policy initiatives that are at the intersection of the debate on attracting investment in real-estate and housing for economic growth on the one hand, and on policy efforts to increase access to affordable and decent housing on the other, with the intention to question mainstream approaches that remain centred around market-led and financialised lo-

gics, often backed by weak and insufficient EU interventions and policies, despite the growing counter voices at local and EU level.

Finally, in **section five** we discuss alternative paths and proposals towards de-financialised, anti-speculative, pro public-interest and common good financing and housing policies.

2. FRAMING THE HOUSING ISSUE IN GREECE

2. FRAMING THE HOUSING ISSUE IN GREECE

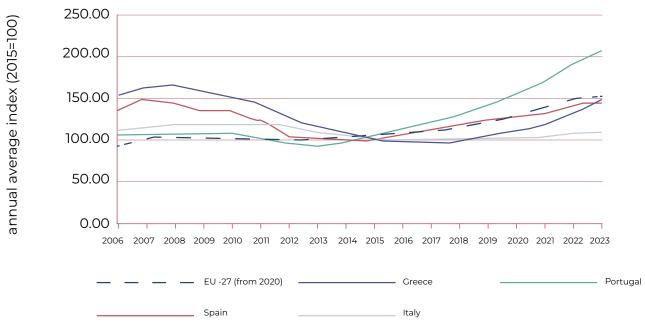
2.1 Housing unaffordability

Housing emerged more intensively in Greek public debates during the last few years, being framed mostly as an affordability problem in articulation to the broader cost of living crisis and high energy prices, and more recently as a supply problem. Since 2017, house prices have recorded an annual increase of above 10% and registered a cumulative rise of 66.4% from 2017 to 2024.8 According to indexes provided by online real-estate advertisement platforms, rent prices also increased by more than 75% between 2015 and 2024.9 Housing prices in Greece have reached the level of the previous historical peak of 2007 in 2023, when cheap mortgaged lending had contributed to their rapid escalation. 10 Yet, there are important geographical variations between - and within - large metropolitan centres and areas of high tourist attraction and the rest of the country.

Figure 1 : Housing price evolution in Southern European countries (2006-2024)

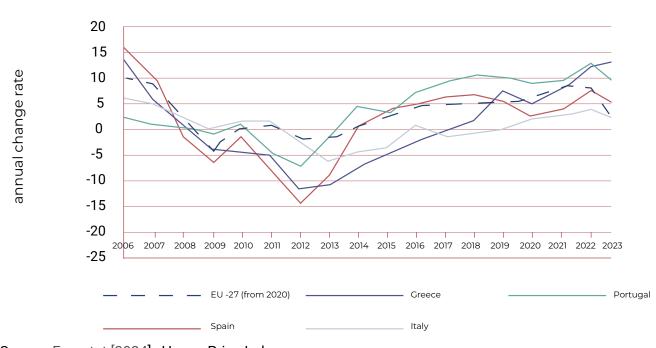
Housing Price Index (nominal)

EUROSTAT



Housing Price Index (nominal)

EUROSTAT



Source: Eurostat [2024], House Price Index

Although the Greek housing market appears to be relatively cheap in absolute values compared to many European countries, it has become one of the most expensive ones when the price-to-income ratio is calculated.11The fact is that today's local incomes cannot cover the increased housing and living costs. Access to housing, for rent or ownership, has become more and more exclusionary and out of reach for people working on minimum and medium wages in Greece, particularly for youth, migrants and other vulnerable groups. Greece records very high rates in all indicators related to difficulties of the population in coping with housing costs, such as housing cost overburden, share of housing cost on disposable household income and arrears. 12 In 2022, 28.5% of the total population and 84.5% of the poor population (with disposable income less than 60% of the median available income) had to pay over 40% of their disposable income, while the percentage for the poor population was 84.5%, the highest percentage of housing cost overburden in Europe. 13 Despite the increase in property transactions, the flow of mortgage financing is stagnating, as high prices, high interest rates, and economic uncertainty discourage domestic demand for lending. 14 At the same time, the percentage of homeownership has decreased significantly in the last ten years, from 73% in 2011 to 70% in 2022.15 Family background and overall wealth are becoming more important in securing access to housing, as housing depends exclusively on the private market, given the absence of any form of public, social or cooperative housing. Housing inequalities and concentration of wealth have increased since the crisis through a process of middle-class hollowing out. 16 Evidence shows, during the crisis period (2009 to 2017), an increase in wealth inequality that is closely related to the redistribution of housing asset holdings.¹⁷

Table 1. Tenure distribution in SE countries (2011-2021)

	owne	ership	re	nt	other forms of tenure		
	2011 2021		2011 2021		2011	2021	
GREECE	73.12%	70.26%	21.67%	24.57%	5.20%	5.17%	
PORTUGAL	72.46%	70.01%	19.91%	22.28%	6.85%	7.72%	
ITALY	72.10%	76.67%	17.97%	16.99%	9.93%	6.34%	
SPAIN	78.94%	75.45%	13.48%	16.90%	7.58%	8.44%	

Source: National Population and Dwelling censuses (2021)

In the mainstream narrative, house price increases are framed as an issue of supply and demand imbalance. However, given the inability of the average local household's capacities to cover the costs requested, it seems that the current price levels are shaped to a large extent by increased foreign, tourist, and high-end demand. Indeed, the available studies show that the market heating has been significantly fuelled by foreign residential real estate investment. The increase in interest rates did not affect market prices as demand for credit was already low.¹⁸ Residential investment still represents a low share (1.9%) of the GDP. 19 Yet, about a quarter of residential real estate transactions between 2018 and 2022 were funded by Foreign Direct Investment (FDI), and a large portion were linked to property purchases through the Golden Visa programme.²⁰ According to the Press, in 10 years, around 20,000 properties have been acquired by foreign investors from third countries through that programme, either to be left vacant or used for short-term leasing, and very few to be used as permanent residences.21

BOX 1. House prices and post pandemic interest rate

The same seems to be happening in other SE countries as well. For example **in Portugal** a recent Bank of Portugal study has shown that the credit crunch due to the post-pandemic increase of interest rates has not led to a reduction of housing prices. Indeed, less households have requested mortgages, but the prices were still pushed up due to external investments by actors with liquidity. A significant part of that external investment was channeled through golden visas (12,700 by 2023, of which 11,400 in real estate), more recently, direct investment (buy to rent) and some institutional investors.

Similarly in Italy, the post-pandemic increase of interest rates has not led to a reduction of housing prices. According to the Italian Banking Federation (FABI), from 2021 to 2023, interest rates tripled, rising from 1.45% to 4.5%, influenced by ECB changes to interest rate policy in the post-pandemic environment. This increase has led to a marked decrease in mortgage applications, with a reduced stock of €2.3bn just in 2023. At the same time, the Italian National Institute of Statistics shows that the prices of homes have been moderately increasing since 2015, with a minor inflection in the second half of 2020 during the pandemic. The growth is more evident for newly built homes at 5.4% annually, compared to the 0.8% of the existing housing stock over 10 years, with highest peaks due to the rising costs of construction following the war in Ukraine. All this has led to a general reduction of transactions on the residential real estate market until 2023. However, even if Italy is considered one of the countries with the lowest house price increase in Europe, the picture would be incomplete if we did not look into some city level statistics, where figures show skyrocketing prices for attractive urban centres such as Milan, Rome, Florence, etc., where nationals are competing with international corporations and investors that invest in the tourist and luxury-oriented segment of the residential real estate market, lured by generous tax incentives, such as a recently approved flat tax.

2.2 Post-economic crisis transformations of the Greek housing system

Price increases are mainly tied to transformations in the Greek housing regime that had started in the 1990s and accelerated after the financial crisis, facilitated by targeted state interventions and new institutional frameworks. Greek household wealth, largely held in real estate, was specifica-Ily targeted by debt-management policies aimed at commodifying and exploiting what was seen as stagnating property stock.²² Additionally, the management of private debt in favour of banks, which were bailed out with massive public funding under the austerity regime, on the one hand, and a decade-long housing market stagnation on the other, allowed for an intensified and aggressive reactivation of speculative investments in residential real-estate. This paved the way for the introduction of new entrepreneurial, corporate and institutional actors in processes of housing production, distribution and management. These trends have intensified in the post-pandemic period, driven by foreign demand and tourism, thus making the housing market unsustainable for local needs. We will be focusing on the three most significant pathways towards housing assetisation and financialisation that are active in the Greek housing market, namely:

- the private debt-management framework;
- the touristification of the residential stock;
- the activation of entrepreneurial activity in the rental market.

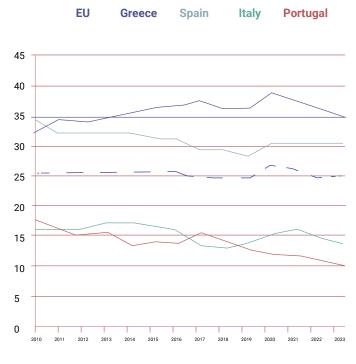
2.2.1 Financialisation through mortgaged debt and Non-Performing Loans (NPL) management

In Greece, housing production and consumption historically took place in a rather protected market, dominated by small-scale actors relying on traditional financing methods (in-kind exchanges, savings and remittances) and limited public credit for specific groups (namely public servants, military and judicial officials), supported by loose planning regulations and tolerance of informal practices. Homeownership within families functioned as social security and a means to meet family needs, such as providing housing to younger family members. Described as "quasi-commodified"23 housing primarily had use value, with its secondary roles being serving as additional income from rents or a store of value. Parallel - or due - to the state's early withdrawal from direct social housing provision, this led to fragmented and socially dispersed property ownership and limited mortgage lending.²⁴Credit expansion and lending through commercial banks was liberalised in the late '90s following Greece's integration to the Eurozone, increasing capital availability - a fact that led to a sharp price rise and increased housing inequalities.²⁵ This process was abruptly halted by the economic crisis of 2008. The intense expansion period lasted less than ten years, resulting in a relatively low rate of mortgage-backed homeownership, comparable to the mortgage rates of Italy, and in sharp contrast with Portugal and Spain, where mortgaged lending had been established much earlier and expanded much faster. In all SE countries the crisis led to the restriction and reduction of mortgaged homeownership, with the exception of Portugal where the sector continued to grow even after the crisis on a higher pace.

Table 2 and Figure 2. Evolution of the percentage of owners with a mortgage over all ownership across SE

TIME	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
EU27	-	-	25.3	25.2	25.4	25.9	25.6	25.5	25.3	24.8	24.9	25	26.5	26	24.7	24.9
Greece	12.9	15.4	17.5	15.7	15.2	15.6	13.3	14.1	13.9	15.7	14.2	12.7	11.9	11.8	11	9.9
Portugal	30.3	29.9	32.5	34	33.8	34.6	35.5	36.5	36.7	37.3	36.3	36.2	38.9	37.5	36.3	34.5
Italy	15	15.3	15.8	15.6	16.1	17.2	17.3	16.8	15.9	13.6	13	13.7	15.2	16	14.6	13.7
Spain	33	32.8	34.4	32	31.8	32	32.1	31.2	30.9	29.5	29.4	28.4	30.3	30.7	30.5	30.3

Source: Eurostat (2024), Distribution of population by tenure status



Despite low rates of mortgaged homeownership, private debt became one of the most critical social issues throughout the crisis, as arrears skyrocketed parallel to the increase of unemployment and collapse of incomes. The Non-Performing-Loan (NPL) ratio - as a percentage of the total mortgage loans - in Greece started increasing in 2009, reaching a peak of 49.1% in 2016, from 4.5% in 2008 (Bank of Greece data). Furthermore, Greece records one of the highest rates of household arrears in housing expenses, mortgage, rent or utility bills (see Chart 3).

Figure 3. Rate of Non-Performing Loans (NPLs) in national banking systems of the EU

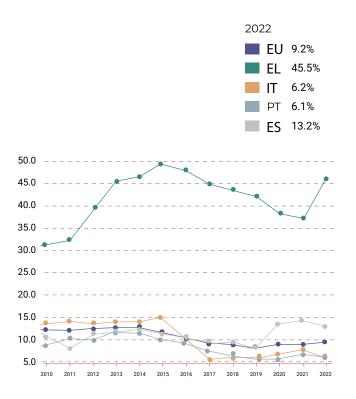
The percentages indicate the total number of non-performing loans in Greek banks and not their total value. The credited amounts can differ significantly.

Greece	Spain	Italy	Portugal	
50%				
40%				
30%				
20%				
10%		1		
2005 2007	2009	2011 20	13 2015 2017	2019 2021

Source: Reporters United, Sideris and Papageorgiou (2023) based on ECB and IMF data. The percentages indicate the total number of non-performing loans in Greek banks and not their total value. The credited amounts can differ significantly.

It should be noted that housing loans have not been the only drivers of household over indebtment during the period of the economic recession and austerity politics. Diverse credit products that were abundantly made available in the pre-crisis period, such as housing repairs, consumer and business loans, together with excessive taxation, including property taxation and the inability to cope with everyday or emergency expenses, increased the households' debts towards the public or third parties. This paved the way for an ongoing process of dispossession and property transfer towards wealthier segments of the population, banks and vulture funds.

Figure 4. Share of people in households with arrears on mortgage rent, or utility bills



Source: Eurostat (2023), data EU SILC

It is estimated that a large amount of vacant houses is concentrated today in the hands of banks and REITs or managed by servicers (see section 3.2), through these ongoing debt-related dispossession processes triggered and institutionalised during the crisis-management period. Twelve companies control real-estate assets worth over €90bn,26 which correspond to approximately 600,000-700,000 properties. Other data indicate that 2,271,548 debtors are under the management of servicers, with 700,000 properties being used as collateral. Among these, 350,000 are houses, most of them primary residences. However, only €7.2bn out of €90bn in total debt - or €25bn linked to residential properties - has been restructured through out-of-court debt settlement mechanisms.²⁷ The exact number or location of these properties is not known, as there is limited quantitative and qualitative data on the social and geographical distribution of debt, foreclosures, and auctions. However, the emergence of these new types of property owners in the residential sector constitutes a new factor in the housing market, one driven by profit motives that influence decisions on maintaining or reducing vacancies, forming also a powerful lobby that impacts policy decisions. Section 3.2. of this study will delve deeper into the implications of the private debt management framework and how it has facilitated further financialisation and assetisation of housing.

2.2.2 The nexus of touristification and gentrification in urban housing

The expansion of STRs enabled by the platform economy and tourist activity, as in many other tourist economies of the South, has provided a perfect mechanism to exploit the dispersed and fragmented housing stock of Greek cities in new ways. While it initially gave the chance to small property owners to gain an additional income by occasionally renting a room or apartment, it was very soon professionalised and dominated by entrepreneurial interests, both local and international.²⁸ The supply of short-term accommodation has been continuously increasing during the last years. In 2024 the highest supply available was recorded in August (232,841 units and 1,022,633 beds) and the lowest in January (189,546 and 845,488).²⁹ In Athens, according to Inside Airbnb, there were 13,274 listings as of October 2024, 92,5% of which concern entire apartments and 68% are multiple listings. STRs are currently one of the primary drivers of housing prices and urban transformations, not necessarily due to their absolute numbers over the existing housing stock, but rather due to the nurturing of higher rent expectations and by paving the way to commodification and financialisation processes in housing. As Pettas et al. argue,30 STRs have enabled the commodification of housing by dissociating it from the sphere of households' social reproduction and transforming it into a commodity through transnational gentrification processes. Thus a large part of the housing stock operates as a gateway for international and domestic investors and funds, enabling the "opening up" of Athens'

housing landscape to international flows of capital. In Athens, since 2013 STRs have been rapidly professionalised and are expanding beyond central and touristic destinations.³¹ Together with increased investments in tourist accommodation, hotels, boutique hotels and other products, STRs are also drivers of transformation of urban uses and commercial activities at a neighbourhood level, as they change the consumption patterns to cater to the needs (and budget) of tourists and high-end consumers, thus rendering life unaffordable for previous inhabitants.

Particularly in Athens, the phenomena of touristification of urban economies, gentrification and housing assetisation, are further accelerated by large-scale urban development projects, creating the conditions for the inflow of foreign and domestic capital and driving price inflation. The most prominent example is the privatisation and redevelopment of the former Ellinikon airport, a flagship austerity-era project that was promoted as "the largest urban development in Europe" - a project aimed at attracting international capital and tourists.32 Although initially planned as a major redevelopment project involving a large metropolitan green area, the project is instead being implemented through subdivision and subcontracting of plots to developers, targeting wealthy buyers for the luxury villas and apartments that will eventually be constructed. This has caused a surge in property values and housing prices in surrounding areas,33 fueling real estate speculation and making housing unaffordable even for upper-middle-class locals. Another example of state-led gentrification and touristification is the project to create a Ministry Park³⁴ on a former ammunition factory site. The plan is to relocate nine large ministries (directly or indirectly employing 15,000 public servants) from central Athens to a densely built residential neighbourhood in the eastern part of the city. In addition to driving up property values, fueling real estate speculation, and increasing traffic congestion in the area, this project will effectively strip the city centre of a vital administrative function. This metropolitan-level activity has long been crucial to the city's multifunctional character and a key contributor to the local economy, leaving tourism as the only remaining economic driver in central Athens.

2.2.3 Professionalisation of the rental market

Historically, access to private rented housing³⁵ in Greece was provided by small property owners that possessed one or more additional houses. Although Greece's property structure remains dispersed and fragmented, there are clear indications of transformation that are related to the increasing activity of new types of players, the proliferation of buy-to-let investment strategies, and residential property concentration.³⁶ A rise in small investments in rental housing targeting specific groups, such as students, remote/ digital workers, corporate executives and business employees, is also promoted as an attractive investment. Notably, private student residences, or "serviced apartments", as they are called in the real estate business lingo, have emerged, particularly in smaller urban centres and peripheral cities, but increasingly in Athens as well. Furthermore, the involvement of private development and construction companies in the production of new affordable housing stock for rent is often discussed in the media but has yet to materialise. The corporate actors seem reluctant to enter this field without the necessary government guarantees and de-risking measures.

Meanwhile, the construction of new apartment buildings has increased, particularly in densely built central and semi-peripheral neighbourhoods that were neglected during the pre-crisis construction boom (2000-2007) as, at the time, construction mostly focused on suburban expansion. However, these new houses are primarily intended for sale - at very high prices - as they are often developed through the traditional landfor-flats exchange mechanism and represent high-risk investments aiming for substantial returns.

2.3 Public debates and policy responses

2.3.1 The debate on the housing issue

Growing housing hardships and the increasing difficulty in accessing decent and affordable housing for broader segments of the population have brought the issue to the forefront, not just in Greece but all around Europe, sparking an increasingly active debate. There is now a broader awareness of the housing crisis and a wider recognition that concrete actions are needed to address it. However, there is no common agreement on how this can be done.

The residual nature of the Greek housing welfare, characterised by minimal direct public intervention in housing, reflects a strong path dependency that also influences how the housing issue is debated. In the absence of a robust public policy agenda, consolidated institutional mechanisms, and competent administrative bodies at both central and local levels, alongside a limited socio-political imaginary for alternative solutions, the housing problem is largely framed by mainstream economic assumptions of supply and demand. As a result, market-based solutions prevail, with little challenge to the commodification of housing.

In the mainstream narrative, the increase in housing prices and rents is the expected outcome of the upward trends of the Greek economy. In the words of the Prime Minister: "Because the economy is doing well, property prices are rising and the same goes for rents. Someone is winning, it's the landlords."37 For the Prime Minister, the only way to balance that is by increasing supply: "The market, especially the property market, is a supply and demand market. If there are more properties available, it stands to reason that rents will not rise at the same rate and may even decrease. Rents are rising simply because there is more demand than supply." 38 Consequently, there is a growing debate that places more emphasis on the shortage of housing in the respective market. A recent and often quoted study of the Bank of Piraeus estimated a supply deficit of 200,000

houses by taking into account the limited number of new houses constructed during the last decade,39 the increase in the number of households despite the decline in population, and the demand for short-term rentals. The above estimate takes for granted that 170,000 houses will be withdrawn from the rental market to be used as touristic and short or medium-term lettings. More recently, public attention was drawn towards the issue of vacant houses, making it a key argument and one of the policy focuses for the government. The mainstream opinion assumes the orthodox economic perspective on the free market, where supply and demand is a self-regulating process. So, providing incentives and subsidies to market stakeholders and landowners to make additional homes available would help tackle housing unaffordability and insufficiency issues. This, together with income support—in the form of benefits-would secure a sustained demand. Unfortunately, that view fails to factor in the role of financial and speculative logics in shaping demand, as a large part of the residential stock is assetised, thus becoming inaccessible to local inhabitants. Such debates are nurtured by a strong power coalition that is developing in the increasingly corporatised real-estate business. Brokers, real-estate agencies, property advisors, constructors, architecture firms, investment companies, banks, short-term rental managers, and property owners dominate the public debate and shape public opinion on the causes and potential solutions for the housing crisis, as they are the ones who provide the relevant numbers and data, which are processed through their own research units often in a rather opaque way. These are also portrayed and treated as the preferred and economically strong allies in the implementation of public policy. 40 Alternative voices counteracting these narratives are being raised in the public debate by experts, social movements and political organisations, however, with significantly less appeal. Economic and market logics dominate even within more progressive agendas, due to a widespread mistrust towards the prospect of public intervention for housing provision. At the same time, there is an enduring popular aspiration for homeownership, deeply rooted in inadequate and incomplete social-democratic welfare systems and labour precarity. Additionally, the widespread involvement of a significant share of the population in profit-making activities within the housing market and the multiple roles individuals often hold (as both owners and tenants) limit social demands for change. Meanwhile, the economy's reliance on tourism and real estate discourages political actors from challenging this unsustainable model.

Still, for the first time in many years, there seems to be a consensus that public intervention and housing policies are needed to address increasing housing hardships and exclusion. The inability of youths to access homeownership, the high rents that students and their families have to pay when they get accepted in faculties located in cities other than their hometown, as well as the difficulties faced by public functionaries and seasonal workers in touristic areas (such as the Greek islands) are the issues that are most commonly acknowledged. Less attention is given to the increasing polarisation of the Greek housing market and property structure, the high burden of housing costs on low and middle-income households, or the difficulties faced by precarious workers, low pensioners, migrants, refugees and other vulnerable groups.

Interestingly, the term "social housing", which for years held the stigmatising meaning of "housing for the very poor and the vulnerable", has now re-emerged as an acceptable and relevant concept in public debate.41 The same goes for a more clearly defined attention to the rental sector and the need for tenant protections, rent regulations and control, which remains, however, a nogo area for conservative audiences and property owners. A lot of debates have focused on the impact of SRTs and intermediate platform proposals (such as Airbnb), including proposals for stronger regulations of the sector in line with policy advancements in other European cities and countries, such as limiting the number of days, income, or number of properties per owner/manager, imposing stricter security rules, or even forbidding touristic lettings in the regular residential stock.⁴² On the political scene, different housing proposals have appeared in the pre-electoral programmes of almost all parties during the last elections. Proposals of progressive parties from the Left and Centre-Left most commonly include: an increase in rent subsidies (for youth and students), STR and Golden Visa regulation or banning, protection of primary residence, mobilisation of vacant stock with incentives for private landlords, creation of a new housing organisation at central level, production of social rented housing -on public property - using EU funds and other sources -,43 while Greens give more emphasis on tackling energy poverty through large scale renovation investments.44 Although housing movements remain rather marginal in the Greek context, there have been efforts to mobilise more people and articulate concrete demands. The movement against auctions, composed of various groups and networks,45 has been active since 2013 fighting against housing dispossessions and has remained a stable force mobilising to block auction and eviction procedures at various stages (notaries' offices, first-grade courts, and more recently servicers offices). More recent efforts have emerged in central urban areas, for example in Athens and Thessaloniki, where people are feeling the pressure from housing and rental cost increases.⁴⁶ Overall, there have been significant advancements in the debate, but proposals still lack the specificity on how (and if) they will contribute towards a new housing paradigm that will prioritise the right to housing over profit, public value over private interests, and empower municipal and non-profit actors to take on competences and active engagement. The biggest challenge today lies in gaining wider acceptance and hegemony over market and financial logics, building strong political and social alliances and consolidating long-term political commitment towards that goal.

It should be mentioned that, in terms of public and political debate, the Greek case is not fundamentally different from the respective conversation in other SE countries.

BOX 2. Public debates and policy responses in Portugal and Italy.

In Portugal, the severity of the housing crisis (whose most evident dimension is the impressive price increases during the last decade) has brought housing to the centre of the public debate at least since 2017 (when the government created a new Secretary of State for Housing), and even more so after the pandemic. Governments have launched an impressive number of policy packages. The common element between the plans launched by the Centre-Left (up to 2023) and those implemented by the Centre-Right (since 2023), is the predominant focus on the supply side, that is, on relaunching the production of social, affordable and market housing, and the use of subsidies (to rent and mortgage instalments) for struggling households. During the years of the Centre-Left government, there have been very limited attempts to regulate the market - and even those have been met by strong opposition by the media and are currently in the process of being reversed by the Centre-Right government. As a result, Portugal still has an extremely deregulated market, both in the rental sector (where 1-year contracts are still the most common practice, despite being borderline legal) and in regard to external investments.

The discourse on housing affordability in Italy has resurfaced, after a prolonged period of dormancy, especially in the aftermath of the pandemic, which has resulted in job losses and soaring eviction rates. At the same time, there has been a persistent escalation in the inaccessibility of both rental and homeownership markets for a substantial portion of the population, notably the lower and middle classes, referred to in Italy as the "fascia grigia", indicating those ensnared in a grey area between ineligibility for welfare assistance and the free market. Although these aspects may resemble those in other EU countries, three factors are particularly salient in the housing debates in Italy: the demographic shifts asso-

ciated with an ageing population (Italy has one of the lowest birth rates globally), which exacerbate the inadequacy of housing solutions for the elderly and isolated individuals; the lack of access to suitable housing for the student population, particularly in major cities (40% of students study and reside away from their home-towns); and the touristification of historical cities. In 2022 a broad initiative of 18 NGOs, tenant unions and research institutions proposed a white paper for the (promised creation of a) "National Observatory on Housing and Urban Regeneration Policies" (2022) which advocates for a national public housing policy capable of addressing a dramatic situation. The political transition of the national government to the Right at the end of 2022 did not result in the establishment of the promised national observatory, and the housing policy remains stagnant. At the same time, a social movement at national level (SFA Social Forum de-Il'Abitare) has united over hundreds organisations from the third sector, unions, citizens-led organisations, universities from all over the country aiming to integrate local struggles and proposals concerning the repurposing of vacant housing, student accommodations, and improved regulation of short-term rentals, with the objective of advocating for reform in public social housing.

2.3.2 Recent housing programmes

In response to growing housing hardships and public discontent, the Greek government introduced a new policy package in 2022⁴⁷ and then again, in autumn 2024, it announced additional housing programmes in the same line.⁴⁸ The first round included a state-subsidised loan programme for acquisitions of primary residence, renovation grants for owners of properties that have been vacant in the last two years, under the condition that they would remain available in the regular rental market for a minimum of three years, and energy upgrading grants for homeowners. That first round of costs corresponds to 95% of the spending. Apart from the above programmes, the package included, a three-year rent

subsidy for beneficiaries of the Guaranteed Minimum Income (GMI) and the introduction of a new mechanism called Koinoniki Antiparohi (Social Land-For-Flats), which is a PPP for new housing production on public land by private constructors with a quota of affordable housing units – a quota that is not yet fully specified (the mechanisms are examined in more detail in Section 5.1).

Table 3. Housing programmes of Law 5006/2022 "My Home - Housing policy for young people, utilisation of public property for social housing..." and relevant initiatives*

Title	Short description	Outcome/ Target		
My Home I (2022)	Low interest subsidised loan (25-75) for purchase of first residence	9,400 young aged 25-39		
My Home II (2024)	Low interest subsidised loan (50-50) for purchase of first residence	~ 20,000 aged 25-50		
Energy Save & Renovate for youth	Grants for energy upgrades or private houses	~ 20,000 aged 25-50		
Renovate to Rent	Grants to private owners of empty houses to renovate and rent for three years	1,000 landowners (approx.)		
Coverage	3-year full rent subsidy in the private rental market	250 beneficiaries of GMI aged 25-39 (approx.)		
Land-For-Flats (Social Antiparohi)	PPP in public property for new housing production	To be specified		
Social Housing for vulnerable groups (RRF) Pilot programme for the renovation of empty houses (private in Athens, public in Thessaloniki) to be used in social housing programmes		100 houses		

Source: Siatitsa (2024)

^{*}Besides the above, Greece's social housing policy mix includes two nationwide ongoing policies: the "Rent subsidy" granted to approximately 275,000 beneficiaries per year, and the "Housing and Jobs Programme" benefiting approximately 600 households annually.

Two years later, without conducting any relevant evaluation of the previous policy package, despite it being widely criticised for its inefficiency,49 2 more billion (funded 50% by the Recovery and Resilience Facility (RRF) and 50% by private commercial bank contributions) will fund a new subsidised loans programme (with 50-50 subsidised and commercial interest rates)50. Additionally, the government announced an increase in the grants provided for the renovation of vacant houses, and new grants for house upgrading works on primary and secondary residences. While the first package was exclusively aimed at young households aged 25 to 39, the second package will expand that age range. Four critical remarks can be made on this policy package:

- It boosts mortgaged homeownership. A significant amount of public resources (€1,75bn from the Greek Public Employment Service (DYPA) and the RRF) are directed in order to support the stagnating mortgage market. The programmes start a new cycle of housing lending within a context of high economic uncertainty, with fluctuating interest rates and increasing housing costs. Furthermore, mortgages are managed by commercial banks on their terms and have the discretion to allocate the loans according to solvency criteria. Having a large amount of own capital to complement the loan, higher rank incomes or steady jobs have been determining factors for accessing the loans.
- It is based on market subsidies. The overall logic of the package is to subsidise the market, be that the rental market, upgrading works or mortgage lending, and also to collaborate with private actors (banks, constructors, landowners) in order to deliver social outcomes.
- Public resources for upgrading are granted without concern about their economic and social impact and without conditionalities for the limitation of price increases. Grants for renovating the inactive housing stock have been promoted as a measure that will balance supply and demand in the housing market, estimating that 12,000 properties will be made available through the pac-

kage. However, less than 1,000 owners actually responded to the initial call⁵¹ and the government is now trying to make it more attractive by increasing the grant and providing additional tax exemptions. Besides, it has been highlighted that due to the complex and geographically diverse reasons behind vacancies, a more nuanced and spatially targeted policy will be required, including the creation of operational mechanisms with the involvement of local actors and municipalities. **The social part of the programme is marginal.** Most importantly, there is no strategic goal/plan to enhance public, municipal and social actors and to invest in the production of public or socialised housing.

BOX 3. Initiatives for new housing policies in the other Southern European countries

- As previously anticipated, a variety of programmes has been launched in the last few years in Portugal the New Generation of Housing Policies (Nova Geração de Políticas de Habitação, NGPH) in 2018, a significant component of the Recovery and Resilience Plan (Plano de Recuperação e Resilência, PRR) in 2021, the More Housing package (Mais Habitação) in 2023 and the Build up Portugal (Construir Portugal) in 2024, plus other programmes launched at a municipal level in Lisbon. All in all, housing scholars have shown that policymaking in this field has been largely reactive: on the one hand, because the emergence of housing as a policy priority has been largely driven by social mobilisation and public discourses about the housing "crisis"; and, on the other, because the multiplicity of measures approved have mostly aimed at addressing specific issues rather than restructuring the overall approach to housing and addressing the roots of the problems. Except for one programme that promotes public housing (1° Direito, within the NGPH, funded by PRR), the various measures have mostly focused on the supply side (see above), with limited or delayed regulatory interventions (see below) and an increasing use of subsidies (both to the real estate industry and to individual households). Additionally, in terms of novelty and problematicity, the increasing reliance on hybrid, public-private mechanisms stands out (see section 5).

In Italy, most recent investments in housing come from the post-pandemic una-tantum EU Resilience and Recovery Facility (RRF). As never before, the programme gave a new impetus to the housing sector and to national urban regeneration schemes such as the PIN-QUA (Programma Innovativo Nazionale per la Qualità dell'Abitare), PUI (Piani Urbani Integrati). Because of the nature of the RRF National Investment Plan (or PNRR in Italian), the large investments benefitted several scattered urban and housing regeneration projects, in the lack of long-term planning and vision. In 2023, the Meloni government announced the establishment of a consultation round table for the development of the Piano Casa, a residential and social housing initiative assigned to Salvini and the Ministry of Infrastructure. The investment of circa €100m is quantitatively risible, considering that the city of Bologna alone has invested double this amount for its 10-year housing plan. Moreover, the national level consultation sessions are not open, nor transparent and the majority of stakeholders are private investors, with few exceptions made for the national cooperative league Legacoop. The first round of consultation demonstrated a tendency to reinvest in housing as a commodity by relying on real-estate funding mechanisms. More specifically, the national CDP Real Asset, the asset management company of the Italian Development Bank (Cassa Depositi e Prestiti, CDP), reinstated the validity of the experience of real estate funds for housing; the potential enhancement of possible forms of blending financial sources; the creation of replicable design standards throughout the national territory (which have been studied as cases of financialised housing mechanism by Belotti and Arbaci) advocating for provision of structural financing with the support of the banking

system and private financing mechanisms; the development of a regulatory text to regulate and reorganise the entire matter of social housing interventions; bank financing to public administrations for the construction of ERP (Edilizia Residenziale Pubblica - public housing) buildings through medium and long-term credit operations on land made available by local administrations as well as bank financing of companies and cooperatives for the construction of conventional residential buildings. As of 2024, no definitive decisions have been announced, but there is no progressive approach ahead.

2.3.3 Investments in housing towards just transition and climate adaptation: The use of the Recovery and Resilience Fund for housing

In addition to the above measures, a number of programmes are implemented, following EU relevant directives and funding channels for energy upgrading of the building stock. In Greece, more than half of the existing dwellings had been constructed before the implementation of the thermal insulation code (introduced in 1985) and, therefore, have very low energy performance. At the same time, they're in need of significant repairs and upgrading. Given the very old age of the building stock and the slow pace of new building constructions, there is a significant need for energy upgrading and deepretrofitting investments.⁵² It is estimated that €45bn in additional residential investment will be needed until 2030, in order to meet the target of upgrading the energy efficiency of 10% of the existing residential building stock.53 From a social perspective, the low energy performance of buildings, combined with the collapse of central heating systems in condominiums, the inability of households to adequately heat their homes since the crisis⁵⁴ and the sharp increase in energy prices contribute to high energy poverty⁵⁵ rates in Greece. The main instrument for energy upgrading has been the "Energy Saving at Home" (Exiconomo) programme, which has been implemented since 2011 with EU Structural Funds, and gives upgrading grants for individual residences. It has been considered a successful programme, although the implications of said upgrading on housing prices and, therefore, accessibility have not been examined. 56 Along the same line, the current programme "Exiconomo 2023" is implemented in the framework of the National Recovery and Resilience Plan (NRRP) Greece 2.0 with Next Generation EU funding. Until 2025, the Green Transition pillar of the RRF is to provide investments of up to €3.1bn for the energy upscaling of residential buildings in Greece, with €1.6bn being provided through subsidies, aiming at the energy upscaling of 105,000 households.⁵⁷ On the contrary, very few funds were allocated for social housing policies, under the social and

territorial cohesion pillar. While the primary goal of the RRF is broader economic recovery and resilience, member states were able to incorporate housing-related measures into their national RRF plans. Social protection investments focus mostly on upgrading, expanding, or improving social services and facilities provided by public and private institutions. However, several member states have also allocated significant investments, primarily through loans, in order to increase the supply of social housing and social infrastructure for disadvantaged groups.58 Greece did not seize the opportunity to invest in social housing supply and infrastructure through the RRF. Only €1.6m was allocated to a smallscale pilot project aimed at providing social and affordable housing for the most vulnerable groups, benefiting 250 persons in total. In contrast to the percentage share of social housing investment (soft and hard) in other countries, the share of the Greek plan before the mobilisation of the new tranche of funds through loans was at 0.003% of the RRF. This project involved renovating 100 previously vacant apartments (70 privately owned properties in Athens and 30 public properties in Thessaloniki) to be rented at affordable rates for a limited period. As mentioned earlier, in September 2024, the government announced a separate allocation of €1bn for subsidised loans.

BOX 4. The RFF and housing investments in Southern Europe

Just like the rest of the SE countries, Portugal is high on the list of EU countries with more households suffering from energy poverty, with one in five households claiming they're not able to keep their houses adequately warm. The national programme of the RRF has, in fact, allocated €610m to energy efficiency in buildings (€300m for residential buildings). However, the absence of any conditionality regarding housing affordability, incurs a very specific risk, namely that energy renovation interventions will result in further increases in housing prices and displacement. Additionally, 17% of the total amount or €2.7bn was allocated for

social and affordable housing through six different programmes: Housing Access Support (€1.2bn targeting 26,000 households), the National grant for Urgent and Temporary Housing (€176m for the creation of 2,000 emergency units and 473 dwellings, 3 housing blocks and 5 temporary installations for the security forces), Expanding the Affordable Public Housing Stock (€775m was allocated for the construction and rehabilitation of affordable rental housing), Reinforcement of the supply of Supported Housing in Madeira (€136m aiming at rehousing 1,422 families in new social housing and renovated housing units), Improving Conditions in the Housing Stock of Azores (€60m for the construction of 91 buildings and 4 housing units) and Affordable Student Accommodation (€375m loan to provide 15,000 beds in student accommodations). Italy's NRRP (National Resilience and Recovery Plan or PNRR) included more than €13,81bn for energy efficiency renovation programmes, €2.2bn was allocated for the promotion of RECs (Renewable Energy Communities) in municipalities with fewer than 5,000 inhabitants, and a total of €2,8bn was spent on new public accommodation, and re-qualifying degraded areas. The series of investments planned, selected, and financed by the NRRP, addresses issues like access to housing, quality of living, and the regeneration of neighbourhoods across multiple intervention Missions, such as Missions 2, 4, and 5 that focus on the environmental and energy re-qualification of buildings (M2), student housing (M4), and the more substantial housing policies known by the acronyms PINQuA and PUI. (M 5). This fragmentation of policy into Missions represents the most salient feature of the NRRP, along with a division according to specific target groups (elderly citizens, students, the homeless, etc.) and a vague wording that has opened up ample space for discretionary interpretation in the projects. For example, a precise distinction is not made between Public Residential Construction and Housing Sociale that is Social Residential Construction (SRC) generally described in Measure M5. Major investments will be dedicated to the energy efficiency (e.g. through the REPowerEU) since Italy along with Greece, Cyprus, Malta and Spain are placed in the worst position amongst European countries: only 6.9% of the most vulnerable Italian households have renovated their property from an energy point of view in the last five years. A recent revision of the plan allocated €8.94bn to public residential construction, considered insufficient to meet regional demand for social and affordable housing, while a much larger sum (€14bn) has been allocated for renovations of private houses through the Superbonus for energy efficiency. Spain allocated €1bn for the construction of social housing in energy efficient buildings with a target of 20,000 new dwellings (although not all of them might be directed to social housing). The Spanish plan also includes measures for supporting the deployment of the new Housing

3. LEGAL PROVISIONS AND MECHANISMS ENABLING SPECULATIVE INVESTMENT IN HOUSING

3. LEGAL PROVISIONS AND MECHANISMS SPECULATIVE INVESTMENT IN HOUSING

This section focuses on specific state policies introduced in Greece during the last decades -with an emphasis on the legal reforms introduced since the crisis- that have enabled or instigated speculative entrepreneurial and corporate practices in the housing market, thus paving the way for the commodification, assetisation and financialisation of housing. Insights on how similar legal frameworks and policies have been implemented in other SE countries will also provide a broader scope regarding potential variations in the transfer and implementation of neoliberal global policy trends, and their variegated outcomes, in similar and yet distinct contexts.

More specifically, we shall take a closer look at policies that seek to attract foreign investment in residential real-estate, such as the Golden Visa schemes, the private debt-management mechanisms and the function of the secondary mortgage market, and policies that support entrepreneurial and corporate investment in the rental market.

3.1 Attracting foreign investment in residential real-estate: the Residence-by-investment programmes

Residency-by-investment programmes for non-EU nationals give them the right to live, work and study in their respective country, as well as freedom of movement within the Schengen Area. After the global financial crisis, all SE countries have introduced such programmes, in one way or another, as incentives to attract investments and restart their economic growth. Concerns have been raised both internationally and at an EU level, mainly regarding security and potential money laundering opportunities, especially after the start of the war in Ukraine. This particular development recently led a number of countries to cancel their Golden Visa programmes, such as

the UK and the Netherlands. For the same line of reasons. Italy suspended in 2024 the programme for Russian and Belarusian citizens.60 The programmes' outcomes vary, depending on each country's local and national context. However, a large part of investment through Golden Visa was directed towards residential real estate, particularly in SE countries, thus contributing disproportionally to housing price increases. The debate in these countries does not focus on the complete cancellation of Residency-byinvestment programmes but rather the removal of real-estate as an investment option.61The Golden Visa in Greece was introduced in 2013 as a strategic investment, with a €250,000 threshold, providing a five-year residency permit for third-country citizens who became owners of real-estate property and their family members, with the possibility to renew that permit for five more years.62 Since 2014, it has contributed €5.5 to 7bn to the real-estate market, and a total of 22,298 permits were granted. An analysis of 300 contracts for the acquisition of property by Golden Visa applicants in central Athens between 2017 and 2019 showed that the vast majority was bought at twice or three times the "objective value".63 But of course, as Bersi and Pena stress,64 the mechanism by which such programmes raise prices is not merely a factor of supply and demand. The pandemic constrained the pace [-73.4% in 2020, compared to the 2019 peak in Golden Visa permits (3,535)], but then, after 2021, things picked up. The year 2023, was again a new record with 8,797 permits, mainly from China (86% new and 14% renewals). The threshold was increased in August 2023 to €500,000 in certain high-demand areas but with limited results in terms of housing affordability. On the contrary, it rather seems to have contributed to housing price inflation in other areas. More recent reforms increased the threshold to €800,000 in areas of high demand, as a tool to direct investment in less wanted areas or parts of the building stock. Despite many reports stressing the significant weight of Golden Visa housing purchases as well as the way that institutional thresholds shape housing prices in different areas, mainstream debates -including the official governments' position- tend to downplay its impact (for example it was recently stated that stated only 7% of transactions in the market are linked to the Golden Visa). Actually, up until now, attempts to curtail the adverse effects of the Golden Visa scheme and short-term rentals have had also mixed effects, since they actually bolstered purchase and licensing activities, pushing prices up at each round, between the timeframe of the announcement of new measures and their implementation, since there was no freeze or other relevant intermediary regulation. Cancelling the Golden Visa for housing investments is something that is still discussed in Greece. Removing real-estate investment as an option for acquiring a residence permit is now adopted as a proposal by the socialist and Left opposition parties (PASOK, SYRIZA, MeRA25, Nea Aristera). It is also a demand of the slowly emerging Greek housing movement. However, as the Portuguese experience has shown, cancelling the programme is not the solution on its own if all the other mechanisms for speculative investment in real estate remain untouched.

BOX 5. Foreign investment in residential real-estate in Portugal, Italy, and Spain

In October 2023, after a lengthy public debate, Portugal removed from its programme the investment category related to the purchase of residential real-estate. Until then, the threshold for getting the visa was investing €500,000 or more in residential assets (with reduced thresholds when investment was in rehabilitation). The programme has attracted since its introduction in 2012, €7.318m in investments, of which €6.451m (88%) concerned real estate, corresponding to 11,383 visas, and thus at least as many properties. The reform was indeed pushed by strong public and political pressures linked to the housing

crisis. Recently, right-wing politicians have criticised the cancellation of the real-estate line of the programme, arguing that Golden Visa accounted for only 3% of the total investment in real-estate and that the cancellation has had no impact on housing prices. While the latter is easily explained by the change in the structure of foreign investment, with the recent growth of institutional and larger investors, the absence of data on the distribution of property purchased through the programme makes it impossible to measure the exact impact, which has likely been significant in central areas of large cities where most investments have been centred.

Italy introduced its programme in 2017, which was later than the rest of the SE countries. The scheme never provided the option for real estate investment. However, investors can potentially apply for residency by investing indirectly in real estate through the Company Startup option. While the purchase of a property does not automatically grant a visa, it is still possible to obtain a kind of 'retirement visa' (residenza elettiva) by proving a "passive" income (i.e. pensions or savings, not a salary or compensation for work) of no less than €31,000/year. Consulates have full discretion to request a much higher income, and they usually do. Certainly, if the applicant has purchased a property of value, there is a higher chance of obtaining the visa. However, the deciding factor is the ability to prove a steady flow of wealth by providing the necessary documents, such as bank statements and tax returns.

In Spain, the programme was introduced in 2013. 15,000 visas have been issued since, while more than 94% of the investments made through the programme have been directed to real-estate properties. The government has announced its intention to cancel this option (or the scheme overall?) due to its negative impacts on the right to housing.

Other aspects to consider are the special tax regimes and residence visa programs that attract affluent foreign nationals with high purchasing power to live and work in the country should be also considered. These programs actively promote investments in housing -whether through platforms or more traditional means- aimed at much higher income brackets than the local population can afford. As a result, they drive up rents and contribute to overall price inflation. Often, these individuals also become landlords, purchasing multiple properties or renting out their homes when not in use.

In Greece, the relevant framework is still rather underdeveloped. Digital nomads are third-country citizens who are self-employed freelancers. or employees who work remotely for employers or clients outside Greece for up to twelve months, with a minimum monthly income requirement of €3,500 to get a visa (law 4825/2021). Another framework was introduced in 2020 (law 4758/2020) to attract foreign individuals willing to transfer their tax residence to Greece for at least two years. This law offers special tax incentives, including a 50% exemption from income tax and the special solidarity contribution, as well as an exemption from annual objective expenses and asset acquisition expenses. These privileges also apply to individuals coming from other EU or EEA member states or countries with which Greece has a bilateral tax agreement. Additionally, the so-called "family offices" or Special Purpose Family Property Management Companies (law 4778/2021)66 were introduced recently for wealthy Greek tax residents as a further motive to attract foreign capital from wealthy families. These entities, operating either directly or through local branches, are designed to manage assets, including real-estate properties. Their qualification requirements include a minimum annual operational expenditure of €1m and the employment of at least five staff members.

BOX 6. Other programs that attract foreign investment in Portugal and Italy

In Portugal a number of Visa schemes are currently in place, such as the Retirement or Passive Income Visa, the Digital nomad Visa or the Visa for teaching purposes and high qualified professionals. Initially targeting pensioners that bought properties with the intention of staying for longer periods of time, and then, later on digital nomads, start-uppers and other wealthy professionals have moved in, renting in mid-rental or even buying (often more than one property).

In Italy, the Passive Income Visa, the New Residents Visa, and the Flat tax, do not touch directly the residential real-estate sector but ease investments in the sector. The volume of corporate real estate investments in 2022 was €11.7bn (+20% compared to 2021), out of which 70% from foreign sources. Real estate accounts for 21% of the national GDP. Corporate Real Estate has grown constantly over the past ten years and foreign investments represent the largest portion thanks to attractive yields and the opportunity to adapt the existing stock to a new type of demand for spaces, and services in compliance with new ESG standards. While the lion's share of investments goes into commercial real-estate, a new field for (foreign and national) investment is student housing, tourism-related properties and luxury housing, especially in heritage sites. In Italy, the number of those purchasing penthouses and luxury apartments as their primary residence has increased, driven by tax incentives, primarily the 2017 law that offers €100,000 flat tax for new residents. In short, it provides exemption from paying foreign income tax for new residents. Only 98 individuals benefited from it in 2017, when the scheme was introduced, a number that increased to 549 in 2020, and 1.339 in 2021.

3.2 Household indebtment: an attractive investment opportunity

The issue of over-indebtment and personal insolvency emerged as a crucial social issue in all Southern European countries after the burst of the global financial crisis. The response and management of the issue of household debt was very different in each country, and were dictated by the historical evolution of mortgaged debt, the structure of the housing and construction sectors, the regulation of the mortgage market prior to the crisis, the variegated impact of the global financial crisis on the national economies, and of course the responses and measures adopted by the different governments in order to manage personal indebtment and insolvency.

One of the most extreme cases of Housing Indebtment amongst Southern European countries is that of Spain. Economic difficulties and the increase of instalment costs related to an extremely predatory mortgage market,67 in addition to the strict personal insolvency law, led to a massive dispossession of housing between 2008 and 2015, with more than 600,000 foreclosures that led to about 380,000 evictions.⁶⁸ The wave of foreclosures brought along a massive transfer of housing into the hands of global corporate financial actors, a process for which the role of the state has been crucial, especially through the bank bailout programme.⁶⁹ In Greece, the early moratorium of auctions (since 2009) and the legislation that guaranteed the protection of the primary residency (since 2012) made evictions a lot less common compared to Spain. Nevertheless, the management of NPLs became an attractive investment opportunity across Southern Europe, with Greece being the most characteristic case.⁷¹ Indeed, debt management was the perfect opportunity to introduce and consolidate institutional financial actors in the Greek economy in close collaboration with the banking system, which was rescued thanks to enormous bailout sums deriving straight from public funds. The securitisation of NPLs since 2020, either through the purchase of non-performing loan

portfolios from banks or through the purchase of distressed assets on e-auctions platform, has been the main pathway through which international **institutional investors have entered the Greek residential market**, also participating as shareholders in Greek banks. Furthermore, debt might not necessarily be related to mortgages per se, but also to broader debt obligations (like consumer or business loans, arrears in social security and utility bills) that were accumulated because of extreme austerity politics with homes and primary residences serving as underlying assets. As Holm et al. stress, 72 debt acquisition also paves the way for the entry of institutional investors into the rental system.

BOX 7. Non-Performing Loans (NPLs) in Portugal and Italy

In Portugal, NPL ratios remain rather low. In 2013, only 6.6% of those loans reported a credit default. This shows that the Portuguese banking system mainly contracted mortgage loans to middle-class families. As a result, mortgage default never was one of the big "issues" during the economic crisis.

In Italy, between 2009 and 2015, the total amount of gross NPLs on Italian banks' books grew substantially from €133bn to a peak of €341bn at the end of 2015. The IMF (International Monetary Fund) itself has indicated NPLs as one of the best strategies to mobilise loans: the Italian banking system, in particular, has three times more non-performing loans than the European average, which makes the Italian NPL market more palatable than that of Spain, after the financial crisis. The real-estate investment strategy focuses on the acquisition at a significant discount of mortgage loans that are already subject to ongoing foreclosure proceedings, through a vehicle company authorised by the Bank of Italy.

The Greek labyrinth of "red loans"

While the initial response to the economic collapse was to contain personal defaults and massive foreclosure processes (auctions moratorium, exemption of the primary residence from liquidation in the insolvency law), there has been a gradual strategic deployment of a completely novel debt-management mechanism, that involves banks, vulture funds, servicers, law firms, REITs, notaries, and auction agents, dictated by the consecutive memoranda and the interests of the national elite circles. The debt management became more aggressive once the mechanism fully matured, and it is only recently that the impacts and scale of transformation are being fully understood.

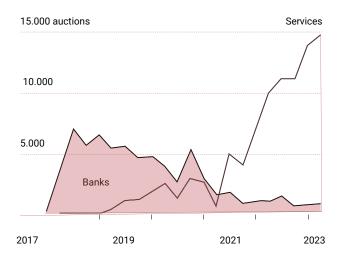
A number of legal frames, entities and instruments have been introduced to support the process of securitising, transferring, and "cleaning" NPLs, in parallel to the mechanisms put in place to manage foreclosures, auctions and real-estate. What is important to stress is,, on the one hand,, the introduction of new techniques of biopolitics and debt stigmatisation in the case-to-case management of indebted households and also the establishment of a powerful lobby or cluster of interests with significant influence on politics and the housing market.

The development of the secondary loan market has been a strategic choice for the gradual disengagement of banks from the issues that managing NPLs used to cause them (there's been a massive drop from €70bn in their balances in 2019, to less than €11bn today, BoG, 2023). Since 2019, the securitisation of NPLs has been done through the Hellenic Asset Protection Scheme (named "Hercules"), which provided state guarantees on profit gains up to €20bn. The nominal value of mortgage loans managed by the Loan and Credit Claims Management Companies (also known as "servicers") was €69.4bn (21,500 mortgages) in December 2023.As Alexandri notes, until 2017, home foreclosures were systematically avoided as auctions risked further depressing the already plummeted property

values, thus threatening the banks' balance sheets. In many cases, banks acted as bidders in their own auctions and began acquiring properties, which are now managed by their affiliated real-estate companies, called REOCo. Since the "restoration" of Greece's credibility and the portrayal of its real-estate market as an investment opportunity, banks have been able to profit again by reselling properties at significantly higher values. The increase in housing prices and rents since 2017 enabled banks and collaborating servicers to adopt a more aggressive approach towards auctions, repossessions, and real-estate development. Their strategies vary depending on the areas' dynamics: they acquire properties in expensive locations but also strategically advance auctions in areas with upward potential. Papageorgiou et al. demonstrated how banks have created a complex and opaque web of interlinked companies -banks, REOCo, SPVs and intermediaries, servicers etc.- to avoid risk and at the same time reap the profits. The abolition of primary residence protection in the personal insolvency law (4738/2020) has triggered harsh dispossessions and evictions, often for very small amounts of debt. It is estimated that 81.3% of completed auctions were initiated by banks or companies linked to bank portfolios. Of the auctions initiated by banks, 76.2% targeted individuals. In a sample of 139,963 auctions, 38% (or 53,212 cases) involved residential properties (iMEdD Lab).

Figure 5. Auctions published on the e-auctions platform from October 2017 to May 2023

The figures reflect the total number of auctions that banks and servicers have expedited, not their total value.



Source: Reporters United, Sideris and Papageorgiou (2023). The figures reflect the total number of auctions that banks and servicers have expedited, not their total value.

Banks and their interconnected real-estate management companies are also developing mid-term strategies, setting up subsidiaries, and taking the legal form of REITs, so that they can rent the properties they are managing in the private market. The Greek state is taking this further with the creation of a Real Estate Acquisition and Leaseback Agency that will buy primary residences off vulnerable debtors (at 30% of their commercial price) and re-rent them to them for 12 years in order to avoid evictions. The debtors will have the right to buy back their house at market price, at the end of that period. A number of state benefits have been made available to ensure the payment of the monthly rent to the company that will still be able to further speculate on future revenues. In addition to the above, other state-enabled financial instruments in the NPL management system

include the creation of a refinancing mechanism for mortgages, which enables specialised funds to offer loans to borrowers for loan redemption. All in all, the Greek state has been fully oriented in directly funding and backing, with huge amounts of public resources, the development of a complex corporate system to manage and extract value from non-performing loans and their collaterals. Other solutions, such as the creation of public-purpose special entities and funds with social priorities have been rejected.

3.3 Entrepreneurial and corporate investment in rental housing

The enhanced role of institutional and corporate landlords as managers of large housing portfolios, the new forms of landlordism that emerge in different contexts and the increase in rentierism and profit-making through rent have emerged as key transformations of the housing regimes in European cities.

The expansion and growing dependence of larger parts of the population on the private rental market in all the Southern European countries, which up until recently were considered to be home-owning societies, is paving the way for new profit opportunities. These also include what real-estate market actors are calling "alternative property sectors" or what Holm et al. (2023) characterise as "niche market segments", such as co-living, affordable housing, senior living and student accommodation, a reverse indicator of the insufficiency and retreat of public intervention in these socially sensitive sectors. More broadly, across SE countries, the states have long paved the way to corporate investment in the rental sector, first by progressively liberalising the sectors - with legal interventions since at least the 1980s - and then by creating a number of regulatory and fiscal frameworks that allowed and incentivised corporate investment in the rental sector. Investments in rented housing are also directed to what has been coined as "not-for-housing housing", to describe the transformation of the residential stock into other uses, the most impactful one being the expansion of short-term touristic lettings.

3.3.1 Short-Term-Rentals as a trojan horse: the institutionalisation of the touristic business sector in the residential stock

This issue has drawn the most attention in the Greek context, as, besides its negative impact on access to housing, it is also tied to concerns about "over-tourism", that is, the excessive influx of tourists in a certain area in a short period of time. In urban areas, such dynamics can eventually lead to touristification and the loss of their residential character.

The expansion of STRs is linked to the growth of the platform economy and the platformisation of housing, as the digital management of housing portfolios has enabled the internationalisation of local markets and the assetissation of the housing stock. These digital mechanisms and property management logics have also expanded to cover longer-term -but not permanent- and mobile residential needs (mid-term rentals). Despite vivid debates and consultations at EU level, and various efforts by local authorities all over Europe to limit or ban short-term lettings, public intervention remains weak. The fast-changing nature of short-term rentals in the Greek context is in sharp contrast to the initial legislative efforts to regulate it in the framework of the sharing economy (Law 4446/2016), mostly for taxation purposes. The first law included provisions to limit short-term rentals (up to two properties per person/entity and up to 90 days per year) if this activity created problems in the housing market. The most recent reform (Law 5073/2023) acknowledges the professionalisation of the sector and is institutionalising STRs in closer connection to the touristic business sector. First, it introduces a distinction between small STR owners or managers with up to two properties (taxed on a standard scale: 15% for rental income up to €12,000, increasing to 35% and 45% in case of higher profits) and those with three or more STR properties, which are treated as businesses and are taxed as such, on a progressive scale between 9% and 44%, after the deduction of business expenses, including maintenance and improvement costs. The latter are also subject to

a 13% VAT, similar to legal entities. Furthermore, it disconnects the definition of STRs from their connection to digital platforms, imposes a visitor's accommodation fee and requires a special certification for touristic accommodation if they are concentrated in one building. As STRs continue to expand rapidly despite the previously mentioned measures, the Greek government announced some additional ones in September 2024, aiming at promoting a more balanced and sustainable tourism growth. More specifically, from 1 January 2025 to 31 December 2025, the registration of properties in the Short-Term Rental Property Registry is prohibited for properties located in the 1st, 2nd, and 3rd Municipal Districts of the Municipality of Athens (ar. 29, law 5162/2024), and while the Ministry of Tourism introduced stricter operational and safety specifications. However, recent reforms have not altered the core premise of the law, which treats STRs as urban lettings and typical residential uses. This approach, together with the lack of control mechanisms, renders efforts and discussions about adopting a more nuanced and geographically and contextually sensitive strategy largely ineffective. The strongest opposition to STRs comes from representatives of the traditional tourism sector, who see them as a competing market operating under much less stringent regulations, stressing their negative socio-economic and environmental implications. On the other hand, the Association of Short-Term-Rental Companies (STAMA Greece), representing professional operators and management companies, welcomed the formal recognition of STRs as a business activity (despite some reactions against over-taxation). However, they oppose the proposed ban on new "permits" in central Athens, viewing it as a direct interference with free market principles. These new measures seem to push the framework for short-term rentals closer to more regulated housing markets. However, from a housing perspective, they are unlikely to have a significant impact, as they solidify the STR sector as a core component of tourism while driving it towards further professionalisation and consolidation in the hands of fewer, larger companies and contributing to increasing inequalities in housing. In fact, housing concerns appear to be entirely absent from the rationale behind these policy reforms.

BOX 8. The STR sector in Portugal and Italy

In Portugal, the boom of the short-term rental sector was one of the earliest and primary drivers of the growth of investments in real-estate and housing. While, during the early post-crisis years (circa 2013-2015), much rhetorical emphasis was put on the use, by the proprietary middle class, of short-term rentals and the "sharing economy" for bouncing from the economic crisis, recent investigations have described the progressive professionalisation and concentration of ownership in STRs, student housing and in the recently emerging mid-term rental sector, targeted at freelance professionals, "digital nomads" and other city users.

In Italy, short-term rentals is a wealthy market of circa €11bn in 2023 (Aigab-Italian Association of Short Term Rentals) with the country ranking third after the United States and France in terms of the number of real-estate units offered for short-term rental on Airbnb. The Centro Studi Aigab found that out of the 35 million residential flats in the country, there are 9.6 million unused second homes, accounting for 29% of the total. Of these, only 640,000 (or 1.8% of existing homes and 6.6% of unused second homes) are placed for short-term rental via online listings. This represents a potential of 2.5 million beds, about half of the national total. 96% of these STRs are in the hands of individual owners, while 25% are managed by professional operators. Historical cities such Venice, Florence, Rome, Naples and others have seen a surge of short-term holiday rentals (or STHRs) in recent years, due to the lack of national and local regulation, e.g. Florence is one of the most attractive destinations for Airbnb. 6.000 apartments were listed on Airbnb in 2016 and in 2023 that number had risen to 14,378. While the phenomena of STHR has already been widely studied and debated in Europe for over ten years, Italy seems to start addressing the consequences on Airbnb and other similar platforms only in the last few years. There is a lack of regulation at a national and local level. Alta Tensione Abitativa, a social movement in Venice that engaged in outreach effort with organisations, institutions and associations across Italy in order to include the broadest range of input possible in further shaping the proposed bill, has produced a draft bill for the national regulation of STRs presented to the Ministry of Tourism in early summer 2023. While the radical proposal was not further discussed within the pertaining institutions, the only regulation resulting from the debate is the obligation of implementing the National Identification Code for short-term rentals since autumn 2024, thus ensuring greater transparency and combating tax evasion. Additionally, the Tuscan Region approved (December 2024) a new regulation for Tourism (Testo Unico sul turismo) that allows local municipalities to introduce regulations also on STR in their territories. Local initiatives are mushrooming in cities such as Florence.

3.3.2 Real Estate Investment Trusts

In the growing relevant literature, REITs have been described as a socio-technical innovation that transforms property into a tradeable income-yielding asset by connecting hyper-mobile investment capital into immobile, local property markets As Waldron notes for the case of Ireland in the aftermath of the financial crisis period, RE-ITs have been mobilised to de-leverage the failed banking sectors and attract capital into moribund property markets. The role of the state has been pivotal for the resolution of such finance-real-estate crashes, both in the reactionary absorption of toxic debts from banks and developers but also in the active development and promotion of financial instruments, like REITs that play a crucial role in re-establishing the conditions for growth (idem). In Greece, a Real Estate Investment Company (REIC) is the local equivalent of a REIT, operating under Greek law (also as publicly listed real-estate companies) and regulated by the Hellenic

Capital Market Commission. These REICs are tax-advantaged vehicles, similar to REITs in other countries, but they are defined specifically under Greek legislation. The Greek legal framework for REICs was introduced as early as 1999 and was amended in 2013 (Law 4141/2013). It is worth noting that one of the driving forces for said amendments was the public asset privatisation programme through the Hellenic Property Development Fund (HPDF), which was imposed by the austerity regime and structural programmes, for the privatisation of state-owned real-estate, which mostly concerns land. However, they only started to develop recently. REITs in Greece are mainly active in non-residential real-estate assets (retail, offices, logistics, although the law allows for 25% of their investments to be placed in residential properties) and, more recently, in touristic developments (hotels and luxury condos). In the Greek context, the relation between REICs and increasing housing prices is not that obvious vet. However, their strong presence in other European markets can provide important insights about their potential role and the need to protect housing from further entering into this cycle of assetisation and profit extraction. Institutional investors are pushing for reforms in the law to allow, among others, REITs to expand their activity in residential property. They are advocating for faster real-estate transaction processes, lower -and stable- taxation and more options for investments (for example, renewable energy parks, access to the secondary NPL market, service provision, or housing). Such changes are deemed essential to further internationalise the market and attract global investors like Blackrock.

BOX 9. REITs in other SE countries

Spain has been the most emblematic case of how REITs can exacerbate housing hardships and precarity, due to their aggressive emergence after the Spanish construction bubble and the global financial crisis. The growth of REITs, in the case of **Spain**, is initially related to the management of NPLs through SAREB and the activation of international corporate investors (Blackstone etc.).

REITs, whose legislation has been introduced in 2019 benefit from a favourable tax regime, and are still a small market in **Portugal**, despite a recent take-off in the short-term rental sector.

As for the Italian REIT regime, Società di Investimento Immobiliare Quotate (SIIQ), was introduced, as in many European countries, with a view to encouraging potential shareholders to invest in real estate companies while benefiting from the resilience of the sector, as well as the liquidity of a stock market. One of the main advantages of REITs is that they offer a way to invest in real estate without the hassle of property management and are required to distribute a significant portion of their earnings to shareholders as dividends, making them attractive to income-focused investors. It was first introduced in 2007, but the market never took off. In 2014, this regime was reformed, and regulations eased, within the so-called Unjam Italy (Sblocca Italia Decree). The first Italian REIT was launched in 2016 (IPE Staff 2016). The investments cover mostly commercial properties [e.g. Eurocommercial Properties NV, Immobiliare Grande Distribuzione SIIQ (IGD), there is growing appetite for REITs in the tourism sector, which has a notoriously great impact on the cities' development.

3.3.3 Housing Rental companies

Although the rise of large corporate landlords across Europe has sparked debates amongst academics, political discussions, and social movement struggles, corporate involvement in the private rental sector remains underdeveloped in Greece. The renewed interest in the real-estate and development sectors since 2018 has allowed the entry or creation of different types of actors, such as real-estate and property development companies of local or international span managing residential investments for Golden Visa purchases, short-term-lettings of other niche residential markets, such as apartments for professionals, serviced apartments etc. These mediate between individual or corporate investors across the globe and real-estate opportunities in Athens and tend to focus on areas with higher socioeconomic profiles or those seen as "up-and-coming" such as central districts. To date, the building and property assets that are operated by real-estate and investment actors in the rental sector remain relatively small compared to other countries. Still, they are substantial compared to the average residential ownership in Greece which remains small in scale. International and domestic investment companies have entered the market, primarily targeting student housing, serviced apartments, and corporate accommodations. Their focus is largely on upgrading the existing building stock to enhance the value of their real-estate portfolios. This strategy typically targets the high-end housing market, or secure revenue streams, such as student housing. However, as evidenced by comparative research across numerous European cities, these investments contribute minimally, if at all, to addressing housing affordability challenges. For example, two of the largest REICs, Premia Properties and Prodea (both linked to systemic banks), have announced new acquisitions for the creation of student housing in Athens, Thessaloniki and Patras. According to information found in the media, other rental residential investments include fully equipped apartments for corporate employees, and mixed-use residential projects in entire buildings (including flexible apartments, single-room studios and units for short-term

stays). Such investments are partly filling the gap left by the limited public support for student housing and the lack of university accommodations. Although some PPP projects for student housing, supported by EU funds, have been initiated, they are facing delays due to rising construction, energy, and labour costs. Overall, it is still difficult to monitor the scale and impact of buy-to-rent or built-to-rent investment strategies in the regular rental market, as the real-estate market remains rather opaque. Yet, they constitute an important factor that is changing power dynamics in the real-estate and residential sectors, as implied by the intense networking between servicer managers and CEOs, local real-estate actors and high-level politicians.

Table 4. Three main paths of housing assetisation and financialisation in Greece (summary of 3.3)

Attracting foreign investment		
Golden Visa and special tax regimes for affluent foreigners, motivated by higher rent and speculative prospects	Foreign demand has been a key driver of skyrocketing housing and rent prices.	
Private debt-management		
Private debt became one of the most critical social issues since the economic crisis	A complex corporate system that manages and extracts value from non-performing loans and their collaterals backed with huge amounts of public resources	
International funds and investors implicated in this "investment opportunity", through debt acquisition and management (auctions, repossessions and real-estate development)	A large amount of residential property is now concentrated in the hands of banks, REOCo and servicers	
Activation of entrepreneurial activity in the rental market		
Growing demand for rented housing creates new profit opportunities for an emerging sector	Student's housing and corporate serviced apartments by companies, involving also REITs that hold the assets, while interest is being expressed for affordable housing, if profitability is guaranteed.	
Entrepreneurial and corporate activity mainly in "alternative property sectors" or niche market segments, as well as "not-for housing" housing (such as touristic lettings)	The non-residential use of housing through touristic short-term-rent is consolidated as an entrepreneurial activity to increase public revenues.	

4. THE LIMITATIONS OF MARKET-LED FINANCIALISED SOLUTIONS TO THE HOUSING CRISIS

4. THE LIMITATIONS OF MARKET-LED FINANCILISED SOLUTIONS TO THE HOUSING CRISIS

Decades of neoliberal dominance in housing policy -marked by the privatisation of public housing stock, the reduction of public intervention and funding, the promotion of private profit-driven actors in housing provision, and the financialisation and commercialisation of housing-have severely limited the ability of national and local governments to effectively address the housing crisis. While there is increasing acknowledgement of the need for stronger public intervention at a political level, these responses are still heavily influenced by the market and financialised frameworks. The aim of this section of our study is to shed light on the limitations and pitfalls of promoting social housing solutions through financialised processes and market actors.

4.1 Social and affordable housing in Southern Europe

Compared to Greece, which has limited experience in social and affordable housing production (primarily low-cost public promotion of housing for owner occupation), Portugal, Italy and Spain historically developed diverse mechanisms and frameworks for social housing production (at a central, regional and local level). Despite the trend towards privatising public or social housing homeownership-oriented and massive sell-outs of municipal housing in Spain before and particularly after the crash, they have developed more specific and robust institutional frameworks, financing structures and administrative mechanisms. Furthermore, there has been greater experimentation with various forms of social and affordable housing production, often through PPPs and financialised policies involving private market stakeholders (corporate private actors, institutional investors etc) and housing promoters. The above can provide a fertile ground for exchange and learning.

Social housing in the three countries

Among the four countries examined here, Italy is the one with the largest social housing stock (which accounts for less than 4% of the country's total number of residential dwellings¹¹⁵), and the one where, for a few decades, housing policy had come closer to having a universal reach, in particular during the "expansionary" decades of the 1960s and the 1970s, 116 which saw the centralisation of competences at a national level and the creation of a mutualist system (Workers' Housing Management; Gestione Casa Lavoratori, GesCaL) that funded housing through employers' contributions. In Portugal, the small social housing stock (around 2% of the total stock) is entirely public, with units being owned by municipalities and a few hundred units belonging to the National Institute for Housing and Urban Rehabilitation (IHRU). During the last decade, as the country was undergoing a deep housing crisis affecting the poorer to middle and even upper-middle classes, the Centre-Left national government implemented a number of policy packages, which included some programmes of direct state investment - the 1° Direito (1st Right), launched within the NGPH (see section 3 and below), which aimed to provide 26,000 units to households living in situations of extreme precarity (the new Centre-Right government has just announced it will expand the programme to 60,000 units).117 In Greece, public housing policies have always been marginal. Although various tools were created at different historical moments that could have laid the foundation for a social housing sector in **Greece**, the strategic focus has consistently been on supporting the housing production sector, self-promotion and homeownership as drivers of economic growth and political control. 118

	Housing stock (conventional dwellings	Vacant (including secondary)	Social Housing		Cooperative Housing (non-divided property)	
Italy	35,271,829	9,581,772 (27.17%)	3.5-3.8%	850,000	Undivided co-ownership cooperatives	~40,000
Spain	26,626,317	8,087,091 (30.37%)	2-3.3?%	270,000	New generation co-ops in BCN (finished or in process)	~1,000
Portugal	5,970,677	1,828,096 (30.62%)	2%	130,000	3% (Individual co-ownership)	200,000
Greece	6,596,761	2.277.615	No social	-	No cooperative	-

housing

Source: Data on housing stock: National Censuses 2021; Data on social and cooperative housing: Housing Europe, State of Housing in Europe 2023, (for Portugal State of Housing in Europe 2021) and Barcelona Co-Housing.

(34.53%)

The main public body responsible for housing in the post-dictatorship modern era, was the Workers' Housing Organisation (OEK in Greek), which was established in 1954 under the Ministry of Labour and funded through contributions from workers and employers. OEK primarily provided low-cost housing for homeownership to its beneficiaries (private sector workers), and, in its later years, offered a housing benefit to help the beneficiaries cover their rental costs, as well as subsidised loans, as the construction programme was significantly scaled down. It was abolished in 2012 under the 2nd austerity memorandum as a "non-priority" expenditure. Its reserves and property were transferred to the Labour Employment Agency (now Public Employment Service or DYPA), though contributions from workers kept being paid until 2020. These funds and public land are being used to fund much of the recent

government housing policy package (see section 3.3). During the same period, efforts were made for the creation of a public housing and urban development agency. DEPOS (Public Planning and Housing Enterprise) was created in 1976 but only managed to run a limited number of housing development programmes mainly in northern Greece, and was also abolished with the 2nd memorandum.

housing

As a highly centralised state, Greece does not encourage municipalities to develop housing competencies. Responsibilities for providing housing to vulnerable populations were formally transferred to local governments with the 2010 decentralisation reform. Taking place within a strict austerity regime that had already weakened and diminished local government, this shift clearly occurred without the necessary resources or the creation of a robust institutional framework. Additionally, cooperative and other non-profit socialised forms of housing never developed in the Greek context (see Adam et al., forthcoming).

Thus, Greece may currently be the only European country without any form of public, municipal, or non-profit housing sector. Nevertheless, while there is no concentrated public or social housing stock, the broader public sector -namely the ministries, municipalities, and other public or social-purpose entities- owns a substantial number of properties, buildings, and plots. Alongside the significant number of vacant and underutilised houses, these assets could potentially serve as the foundation for developing a public and socially controlled housing stock. 119 A significant amount of work is required to sort and accurately register the actual number, ownership status, and condition of these properties. The absence of a land registry, the fragmentation of state services that manage public land, the weaknesses or indifference of public officials, and a combination of political expediency and corruption are the primary reasons for the enduring weakness of the Greek state in monitoring its public real estate assets. 120 Although the public asset privatisation process, driven by structural programs, aimed to modernise the management of public asset infrastructures -including the establishment of a public property registry-, these efforts have not been comprehensive for second-tier, small-scale, and dispersed properties. This includes smaller plots of land in less commercially viable areas, scattered apartments, and small office or industrial buildings, which are generally less appealing to private investors. However, interest in such properties has grown in recent years, as outlined in previous sections, due to new real-estate management technologies and a shift in both local and international capital towards real-estate investments. This trend should raise alarms for those involved in developing public policies, as the ongoing commodification and financialisation of housing increases competition for these dormant potential resources and makes public intervention more challenging and costly.

4.2 Affordability and the EU

To set the context for the (late) emergence of financialised forms of social housing in Greece, it is necessary to briefly describe the discursive role of the shift towards "affordable housing" (translated in Greek as "οικονομικά προσιτή κατοικία") and the regulatory role played by the EU.

The concept of affordable housing marks a deep political shift in housing policies since the 1980s/90s. While, during the previous decades, many European states had been concerned with establishing universal access to public or social housing through mass housing programmes and robust public intervention, the idea of affordable housing emerges as a part of the shift away from direct provision and towards housing stock privatisation, subsidisation of private markets, hybrid forms of social housing (a broader term that encompasses several forms of public-private provision), urban regeneration and renewal, and market regulation (often in the sense of its liberalisation, i.e., the loosening or abolition of rent controls). 121 Affordability, in other words, exists in tight relation to the fading out of, if not in direct contrast to, universal social rights approaches to housing. 122 It is turning into a framework for managing housing markets in increasingly residualist welfare systems. The discourse around affordable housing reflects the growing difficulties for middle-income households to access housing that meets acceptable standards at a cost that is proportional to their disposable income, due to persistent housing price increases combined with stagnant wages. However, in recent years, "affordable housing" appears to have replaced the term "social housing." The concept now broadly includes all population groups unable to meet their housing needs adequately and securely (in terms of stability) through the market. Additionally, the term encompasses a wide variety of models and mechanisms (both market-based and non-market) for accessing affordable housing.

Scholarship has shown that affordability is an ambiguous concept without an agreed definition and measurement standards. 123 The most commonly used definition of housing affordability is the condition of not being in a situation of cost overburden. In practice, cost overburden is almost universally calculated as the percentage

of people's disposable income that is spent on housing costs - this is the case for Eurostat, for instance, which puts the threshold at 40%. The reasons for re-adjusting the overburden threshold are not clear - in Western countries, during the last three to four decades, it was increased from 25% to 40% for no apparent or evidence-based reason. But that percentage's calculation is problematic in every possible way:

"Some households can afford to pay less than the usual 25% of their income for housing. Indeed some cannot afford to pay anything at all, while others can afford more than 25% without struggling. The standard implies that larger lower-income households can afford less for housing than what is suggested by the conventional ratio standard, whilst smaller higher-income households are able to afford more". 124

In other words, it is in general "not an appropriate representation of household burden". 125 Although the cost overburden measurement has some utility - in terms of actually setting a reasonable limit for housing expenditure - for households around the median of the income distribution, it fundamentally signals the redirection of public investment towards the "middle classes" (or what is often called the "grey area" of those who are too poor to pay for housing in overheated markets but also too rich to access social housing). Obviously, affordability is a relative and context-dependent concept, shaped by local incomes, housing costs, overall living expenses, and the characteristics of each local housing system, including the availability of social housing and alternative tenure options. Qualitative, non-proportional approaches have been proposed, focusing on the residual income available for decent living, which require further adaptation to national and local contexts and integration into operational policy definitions for affordable housing provision. According to the European Committee of Social Rights, housing is affordable if the household can afford to pay initial costs, rent and other related costs, like utility bills and charges, on a long-term basis, while still being able to maintain a minimum

standard of living. 126 The Housing Partnership of the Urban Agenda has provided an opportunity to go deeper into the debate on housing affordability at an EU level, through better data collection, knowledge sharing, coordination with relevant organisations, addressing regulatory barriers (such as the narrow definition of housing as Services of General Economic Interest (SGEI) and State Aid rules), aligning EU and national housing policies, and enhancing the use and allocation of public and private funding. 127 However, despite the discursive importance of the EU UA when it came to bringing the topic of housing back to the European debate, its proposals did not have any institutional power to drive change, because of the consulting nature of these Urban Agenda partnerships. More indirect results can be traced in the initiatives that followed the EU UA, such as the MP resolutions on the right to housing in 2021, the EPOCH (European Platform on Combating Homelessness) platform, the Affordable Housing Initiative and others. Another initiative aimed at guiding the use of European funds for affordable housing is the recently published European Commission guide for selfassessment of projects under the framework of the New European Bauhaus (NEB), emphasising affordability as a critical determinant of inclusivity.

Despite these efforts, as we shall stress further, a socially just definition of affordability and guidelines for its operationalisation within national and local policies are still missing from the ongoing debates for a European Affordable Housing Plan. 128

The role of EU and EU policies on housing

In this long-term discursive/political context, the EU - which, as mentioned earlier, has never been formally endowed competence on housing by its member states - has still played a crucial role through its regulations on state aid and Services of General Economic Interest (SGEI). The regulations known as "Monti-Kroes package" have defined "the conditions under which the compensation granted by a public body to an

organisation providing a public service is possible without prior notification to the Commission. For those cases in which notification is required. the package sets out the circumstances under which compensation may be authorised" - that is, the conditions for providing state aid to organisations providing public goods, like financial or fiscal support to housing companies or co-ops. In the regulations, social housing is described as an SGEI - rather than a Social Service of General Interest (SSGI), which is exempt from competition rules - and defined quite restrictively as "providing housing for disadvantaged citizens or socially less advantaged groups, which due to solvability constraints are unable to obtain housing at market conditions" (Decision 2005/842/ EC, n. 16; see also the more recent Decision 2021/21/EU). In countries where the social housing sector is large, the effect has been that of pushing toward the residualisation of the sector. At the opposite side of the spectrum, in countries with small social housing sectors, where scarce public funding for social housing had traditiona-Ily supported disadvantaged citizens or groups, the result was paradoxically the opposite: there was an opening to financialised forms of social housing provision towards the so-called "affordable" housing sector. As we will see, especially in the case of Italy, the result was that part of the already meagre state investment was pushed to support housing developments that still required a return on investment and, therefore, concerned fewer beneficiaries belonging to the most disadvantaged groups. While this is often justified by the need to not segregate housing for the poor and in the context of the discursive shift towards affordable housing that we mentioned earlier -. this is happening in countries where there is a dramatic lack of solutions for the poorest households, thereby worsening the problem.

Still, the centrality of housing within the EU policy agenda could help improve housing conditions and boost social and affordable housing in SE. Beyond reforming state-aid rules to enable stronger public investment at national and local levels, social and affordable housing can also benefit from new funding channels, including

those linked to the Green and Energy Transition. The European Green Deal and related initiatives, such as the Renovation Wave and REPowerEU. funded by the RRF and cohesion funds, have allocated significant resources towards energy efficiency upgrades and the decarbonisation of buildings.¹³¹ These measures are critical, especially in SE, where much of the residential stock is ageing and poorly insulated, thus contributing to high levels of energy poverty. However, such investments have not been specifically directed towards increasing the social and affordable housing stock, while they often lack binding conditionalities that ensure that housing remains affordable after the renovation and energy upgrading works. The risk is that initiatives such as these open the door to "green gentrification" or "renovictions," where property improvements drive up costs, thus displacing vulnerable residents who can no longer afford to live in upgraded homes. 132 The absence of measures to sustain low prices post-renovation risks exacerbating housing exclusion and affordability issues as investments increasingly cater to middle and upper-middleincome brackets. In this regard, the work of IUT (International Union of Tenants) is relevant in campaigning and lobbying for better measures to achieve zero cost of energy efficiency for tenants.133While EU funds could technically support the expansion of social housing in SE, the involvement of primarily market-based and financial actors without adequate regulations on affordability and tenant protections poses significant challenges. Moreover, these large public investments are not directly linked public/social purpose housing goals, meaning that in contexts with underdeveloped housing policy agendas and implementation mechanisms, such as Greece, they risk remaining underutilised. Instead, they will continue to fund the improvement of the private building stock through individual processes, such as the Exikonomo programme mentioned earlier.

4.3 Marketised and financialised logics of policies and proposed solutions in SE

This section goes deeper into concrete examples of how such market-driven and financialised logics dominate the different solutions to the housing crisis that are promoted by governments in SE. This discussion is particularly relevant in Greece, as there is growing recognition of the need for direct public intervention and investment in housing. Proposals for public or social housing, whether through new construction or the reuse of existing residential or other properties, are now being put forward by various political parties and social movements. These proposals remain largely undeveloped, often limited to declarations or intentions without specific content or detailed plans, due to the absence of an institutional framework and memory, and also because of a lack of practical experience with non-profit public or social housing models. On the other hand, quickly-spreading neoliberal policy proposals and models based on PPPs, such as those promoted by the right-wing government, are presented as much more adequate and mature, despite the total lack of previous involvement in social/affordable housing by the private sector either.

So, in this section, we shall focus on key policy mechanisms for producing social and affordable housing in Italy, Portugal and Greece that are currently at different stages of development: Housing Sociale since 2009 mainly promoted in Northern Italy, Housing with Public Support, introduced in 2018 as a new generation of housing policies in Portugal and the Social Land-forapartments Exchange (Kinoniki Antiparohi) in Greece, introduced by law in 2022 but still under specification.

Although these

new financing mechanisms do not yet include the necessary core instruments for the production of social and affordable housing, as traditional policies of direct public housing provision still exist in Italy and Portugal, they rather represent an emerging field of financial instruments and products that seek to leverage profit-making private investments into housing, in a context of long-standing disinvestment in public and social housing. The question is whether such tools eventually serve the right to adequate housing and prevent processes of value extraction from housing in the direction of promoting de-financialisation and decommodification, or if they provide yet another channel to reinforce housing financialisation and assetisation.

4.3.1 Housing Sociale - Italy¹⁷¹

The term Housing Sociale (social housing) or ERS (Edilizia Residenziale Sociale) first appeared as an experiment in some northern Italian regions thanks to Banking Foundations (born from the Amato Law 218/30-7-1990), with the aim of covering the housing needs of a growing middle-income population that did not have access to the free market but also did not meet the criteria to apply for public housing. Practices that were, in a way, the predecessors of financialisation in the "affordable housing" sector were first observed in the region of Lombardy, where Cariplo Foundation (a shareholder and charitable arm of the biggest Italian bank, Intesa San Paolo) set up the Fondazione Housing Sociale in 2004. 136 In 2005. Fondazione Housing Sociale created the first real-estate fund for affordable housing, originally called Social Living Fund 1 (Fondo Abitare Sociale 1) and afterwards Lombardy Real Estate Fund (Fondo Immobiliare di Lombardia or FIL). 137The Lombardy experience was to be scaled up at a national level in the years that followed. 138 The first step was the re-definition of social housing according to EU regulations on SGEIs, made in 2007 and 2008 under the Berlusconi government. The traditional definition of public housing, ERP (Edilizia Residenziale Pubblica), was replaced by the concept of social housing, ERS (Edilizia Residenziale Sociale), which includes a large variety of solutions and tenures - not only those aimed at groups suffering exclusion and distress. At that time, on one hand, the government invested a modest sum of 200 million in public housing (ERP), and on the other hand, it opened the doors to housing as an investment asset in finance, thus favouring the presence of private investors

such as banks, foundations, and insurance companies. This approach forever has changed the Italian housing landscape since this model has no close comparisons with other enabling regimes in Europe and resulted in the creation of a unique form of Italian affordable housing, in Italian called "Housing Sociale".

Two regulations [DM April 22, 2008 and DL 112/2208 (art.11)] and the subsequent Housing Plan of 2009 (Piano Nazionale di Edilizia Abitativa, PNEA or Piano Casa) regulate the characteristics of Housing Sociale or private Social Residential Building (ERS). Housing Sociale is therefore legislatively imposed on local administrations, which must ensure its existence in their territories through the construction of public-private partnerships based on negotiated agreements, but without having set a minimum standards measure, effectively leaving the quantification of public-private negotiations to its various fields¹³⁹. In particular, the DL 2008 formalises some aspects opened by the ministerial decree, identifying the subjects to whom social housing is directed and the use of closed-end real-estate funds as an implementation tool of the Plan. With the new national laws, social housing is now "financially promoted even at the initiative of private individuals," whereas previously financial investments were limited to the public works sector (project financing). After the voting of the National Housing Plan of the DPCM (decree of the president of the council of ministers) on July 16, 2009, the financing for Social Housing relies on the establishment of an "integrated national and local system of real-estate funds" (SIF Sistema Integrato di Fondi) for the acquisition of properties for residential construction or the promotion of innovative real estate financial instruments, with the participation of public and/or private entities, for the enhancement and increase of the rental housing supply. (art. 1 DPCM 16 luglio 2009). These real-estate funds are a financial instrument with a minimum duration of 10 years up to a maximum of 30 years that allows the investor to transform real estate investments into shares of financial assets, generating liquidity without the investor having to acquire and dispose of a property. These funds are managed by Asset Management Companies (Società di Gestione del Risparmio or SGR), that is, companies listed on the stock market (subject to the supervision of the Bank of Italy and CONSOB- Commissione Nazionale per le Società e la Borsa as the public authority responsible for regulating the Italian financial markets). The SGRs raise capital through subscriptions, which allow Real Estate Funds to acquire a real estate portfolio. Since the SGRs are listed on the global market, real estate investments serve as a financial algorithm, as they are transformed into shares of financial assets that depend on the net asset value (the amount available that the fund can distribute to the members) and the fund's rating (an assessment of a company's ability to generate returns). In other words, the real estate assets are subject to valuation in the financial market, aimed at guaranteeing investors a certain return over a defined period allowing shareholders the right to reimbursement and the accrued proceeds from the initially invested shares. Therefore, with the aforementioned law, social private housing interventions can be implemented in the territory through the development of local funds that participate in the national fund or in a fund of funds, the SIF (Specialised Investment Fund), which is a Financial Investment System. This system has allowed the conversion of housing assets into financial investments. To sum it up, it's a 'soft' regulatory definition, wide and inclusive as far as the criteria and social services of the housing unit are concerned, including, for instance, an agreement for housing to be put for sale [unità in vendita convenzionata].140 During the economic crisis, bank foundations shifted their action in this field. Up to that point, they had mainly provided grants to social housing providers. After the recession, they started favouring 'mission-related investments', in search of new revenue opportunities. 141 This happened while the economic crisis further accentuated previous patterns of budgetary austerity for local authorities, which were forced to seek to leverage private investments for developing local services and housing. 142 At this point, the way was paved for placing financialised social rented housing at the centre of the national housing policy. "The SIF transformed [social rented housing] into a new liquid asset class",143 with the promise of target yields of about 3% plus inflation higher than the consumer price index. That system progressed further in 2014 when the so-called Lupi Housing Plan (or "Piano Casa Lupi" in Italian, after the then Minister of Infrastructure and Transport. Maurizio Lupi) designed an operational strategy for the SIF.In order to increase the availability of social housing across the entire national territory, the Lupi-Renzi Decree (art. 10 bis) institutionalised the possibility to transfer or bestow residential dwellings -be they completed or under construction- to real estate funds, by giving the SIF a central role in the funding and timely implementation of social housing programmes, sometimes even by bypassing the relevant funding norms. With this latter development, residential stock that has been subsidised by public funding should also be subject to temporal restrictions concerning the sale of units - something that can be alienated to third parties.¹⁴⁴ Altogether, these measures were able to attract private investment, reaching a total funding of €2.28bn;¹⁴⁵ while, in February 2017, CDP (Cassa Depositi e Prestiti)¹⁴⁶ allocated €100m and launched a national campaign with the objective of raising an additional €1bn. 147 In conclusion, there are some indications that the financialisation of social rented housing in Italy has been promoted as an instrument for stimulating economic growth (by relaunching the real-estate and construction industries) rather than as a way to improve the housing system. In fact, the financial instruments launched in 2007/2008 were partially considered unconstitutional for this very reason.¹⁴⁸ More recently, the National Association of Construction Companies (Associazione Nazionale Costruttori Edili, ANCE) has suggested converting housing 149 associated with non-performing loans into social housing. With the exhaustion of the FIA (Fondo Investimenti per l'Abitare)¹⁵⁰ funding, which has not been exclusively used by the SGR, but was unevenly invested in the territory and not evaluated in its effects, the CDP created a new investment tool called FNAS (Fondo Nazionale Abitare Sociale) and FNA (Fondo Nazionale Abitare, a closed-end real-estate mutual fund reserved for qualified investors) that was based on the example of FIA but had less funding. The FNAS is an investment tool, managed by CDP Real Asset SGR¹⁵¹ (the previous managers of the FIA), aimed at promoting real-estate interventions focused on what the CDP calls the "3 S" of sustainable living: Social, Student, and Senior housing. Together with CDP Real Asset, numerous institutional investors participate in the Fund, such as credit institutions, territorial foundations of banking origin, and national social security entities and funds. More specifically, amongst the investors of the Fund, one finds Intesa Sanpaolo which is actively committed to the ESG (Environment, Social, Governance) sector. The FNA fund, a fund of funds, is the only housing fund that has the Guarantee of 50% from Invest EU (Juncker Plan). These new financial packages are on the way and are based on the experience of FIA. Significant variations exist in the implementation of financialised social rental housing schemes and the use of funds from the SIF in the Italian territory: most of the investments through SGR cover the northern part of Italy with Milan often being cited as an exemplary case of affordable housing financialisation. 152 Given that rental costs for FIA-related apartments vary and are occasionally around the average market rental pricing, the projects realised by FIA also vary in terms of affordability. However, the FIA opened the door for housing experiments in Italy, bringing together public and private organisations to test collaborative housing models that, in some cases, involve cooperatives and the third sector in social service management. The financial mechanism has many blind spots, and the private-led affordable housing sector based on the model of "project financing" grew as a result of the disinvestment in the public rental housing system, which could secure common good housing for the lower-middle class and the most vulnerable. The latter has been purposefully isolated politically and economically during a crisis when there is an even bigger need for really affordable housing.

4.3.2 Housing with public support - Portugal

In 2018, the government launched the New Generation of Housing Policies (Nova Geração de Políticas de Habitação; NGPH), centred around the goal of "increasing the stock of housing with public support, from 2% to 5%" (Resolution of the Council of Ministries 50-A/2018): nota bene, not "social housing" (habitação social) but housing "with public support" (Habitação com Apoio Público). In other words, besides expanding the public housing stock (see the comments on 1° Direito above), the government opened the door to privatised and financialised forms of social/affordable housing with public support. Accordingly, the government adopted several instruments, some of which are characterised by either financialised logics, while others are more oriented towards market stimulus. An example of the former is the creation of a National Fund for the Rehabilitation of the Built Environment (Fundo Nacional para a Reabilitação do Edificado; FNRE), which the government hoped to use as an instrument for providing affordable housing¹⁵³ but which actually operates in the private market without any conditionality regarding the typologies of housing to be provided. 154 An example of market stimulation policies is the national affordable housing program, where the state pays the landlords the difference between market prices and "affordable prices". As housing policies are in large part under the jurisdiction of local authorities, there are more relevant examples to be found at a municipal level. The City of Lisbon has used a concession regime that was recently relaunched by the new Centre-Right government in the form of a public-private partnership, in order to offer a few thousand affordable housing units. 155 The units were attributed by lottery to eligible households. Additionally, during the pandemic, the municipality ran a programme that tried to attract shortterm rental units back to the rental market, by subletting them at affordable prices, while paying five years of rent in advance to the landlords. The programme, though it received high praise at the time from the international press, has ultimately failed, with only a few dozen units being flipped. Even during the pandemic, the expectations of future profits remained too high to lure landlords into an affordable rental market. 156 In the absence of any robust regulatory instrument of regulation, all the policies that have been launched have hardly impacted the extremely hot market, ultimately pushing the national government and the City of Lisbon to launch and expand a number of subsidies' instruments to both mortgage holders and tenants. The most intense of those was the Mais Habitação programme in 2022, which was the Centre-Left former government's last measures' package. The new Centre-Right government is aiming to increase supply by further liberalising construction and licensing. As the majority of the implemented or scheduled policies are oriented towards a further stimulation of the sector and the maintenance of high prices, this trajectory shows the fundamental failure of market-based and financialised solutions. 157

4.3.3 Social Land-For-Flats Exchange mechanism – Greece

While recent policies focus mainly on promoting homeownership through subsidised loans, rent subsidies and renovation or energy upgrade grants (see section 3.3), the government is also introducing a new PPP scheme for the production of new housing units on public land with the aim to increase the affordable housing stock. The scheme will be called Koinoniki Antiparoxi (law 5006/2022) which literally translates to Social Reciprocal Exchange, and is inspired by the postwar market mechanism Antiparohi (land-forflats) that fueled the rapid urban expansion and densification of Greek cities - particularly during the 60s and 80s.

In the Greek urban development system, antiparohi was a distinctive informal -in the sense that it did not derive from any official urban regeneration or state housing programme – a contractual mechanism where a landowner would transfer a percentage of the land ownership to a construction company (typically small scale) in exchange for a share of the newly developed apartments. The mechanism is based on the horizontal property law, and in the post-

war years, it was promoted and backed by high building coefficients, tax-incentives and relatively low construction costs. It played a pivotal role in providing affordable housing for large parts of the population and produced an important share of residential stock in Greek cities, especially Athens. 158 Through antiparohi, landowners accessed modern housing without direct financial investment, while construction companies secured initial investment capital by pre-selling apartments without the need to access bank loans. The model proved mutually beneficial, particularly for landowners, who often received about half of the newly constructed apartments. The model declined when the construction sector experienced a deep crisis in the 80s, and new housing constructions became increasingly reliant on mortgage loans after the sector's liberalisation in the mid-1990s, which led to an increase in housing prices. 159 During the financial crisis and the stagnation of the construction sector, such agreements became rare. 160 In recent years, antiparohi has seen renewed interest, particularly in high-demand urban areas, usually with less favourable exchange terms for the landowners, depending on the plot size and profit margin of the development. Evidently, the above mechanism contains a lot of risks for both parts and is fully dependent on land prices, construction and capital costs, taxation, demand and other market conditions. Claiming the historical "collective success" of the antiparohi model and its broad social acceptance, the government has strategically branded its new PPP model as "social antiparohi." However, the specific parameters of these agreements remain undefined. Moreover, there appears to be insufficient research regarding the feasibility and sustainability of this model in light of the current conditions in the real-estate and construction sectors. The new mechanism involves new housing construction on publicly owned land by private developers in exchange for a quota of affordable housing. Ownership is expected to return to the public sector after achieving a "reasonable profit", although the process through which that will happen has not been specified yet. Rent-to-buy contracts are explicitly mentioned as a method to allocate these houses to potential beneficiaries, thereby reducing the (future) publicly owned housing stock.

According to the law ar. 5.1: "A social land-for-flats exchange is a contract that forms a partnership between general government bodies, as defined by law, and private contractors, in which the contractor constructs, at his own expense, a building on undeveloped land of the entity in exchange for the exploitation of the property for a certain period of time, with the parallel obligation to lease part of it to beneficiaries for a predetermined rent. The contractor is selected following a public call for tenders issued by the body that owns the property. At the end of the operating period, the contractor is obliged to hand over the property to the owner operator". The basic terms of this contract remain very vague in the law (ar. 6): "The maximum time of exploitation of the property by the contractor shall be specified in the relevant call, after a study documenting the time required for the contractor to recover the construction costs and determining what constitutes a reasonable contractor's profit. The percentage of horizontal properties leased to beneficiaries shall be between thirty per cent (30%) and sixty per cent (60%) of the total co-ownership." The law provides only for partnerships between General Government bodies, owners of property, and private developers (to construct and manage houses for a given time frame), and excludes other entities from collaborating in similar operations, for example, foundations, social organisations or other public purpose bodies as owners and nonprofits, municipal companies or cooperatives as promoters/housing providers.

Interestingly, to support this mechanism, the term "Social Housing" was introduced for the first time in the Greek legal framework as a special land use defined (by law 5006/22, ar.10) as: "used for the housing of young people and persons belonging to vulnerable social groups, as identified in the framework of housing policy by the state and public bodies. Social housing is allowed in all general categories of uses, in which housing is

allowed, even if not specifically mentioned." The present analysis cannot go into further detail at this stage, as implementation has not yet begun. Recent government press releases anticipate an amendment to the relevant legislation and further specifics on its additional implementation to be announced soon. These are expected to coincide with the launch of the first tender for a mutual agreement leveraging fifteen selected plots from the former Workers Housing Organisation (OEK, now managed by DYPA). Media reports have also highlighted the possibility of funding this system through the European Investment Bank's (EIB) financing schemes for social

From the investors' perspective, as highlighted in various press reports, there is an apparent reluctance to fully commit to such schemes unless clear guarantees of commercial viability, profitability and risk mitigation are provided. As market actors specifically emphasise, attracting private investment requires clear guarantees of commercial viability, profitability, and risk mitigation. This includes establishing well-defined criteria to ensure the suitability of public properties and their potential to generate commercial returns.

and sustainable housing projects.

It is important to note that in the ongoing discussion about how to address the problem and what the most suitable solutions are, there is an underlying assumption that prioritising and supporting market actors and private interests is the best approach for implementing policies funded by public resources and facilitated by institutional reforms. The state's role here even extends to mitigating the risks of private business ventures by offering public guarantees and safety nets to ensure profitability. In contrast, there seems to be far less eagerness to provide similar support to public, social, and cooperative entities, which do not receive equivalent institutional infrastructures and guarantees in order to undertake similar roles. This is particularly concerning in Greece, where there is a lack of expertise and established mechanisms in both the private and public sectors, let alone in the social and cooperative ones. The choices made at this initial stage, which involve significant public resources, mechanisms, and administrative support, will significantly shape the future trajectory of housing policy.

5. FROM SPECULATION TO SOCIAL VALUE: ALTERNATIVE POLICY PATHS FOR HOUSING IN GREECE AND SOUTHERN EUROPE

5. FROM SPECULATION TO SOCIAL VALUE: ALTERNATIVE POLICY PATHS FOR HOUSING IN GREECE AND SOUTHERN EUROPE

5.1 Towards housing as a social good in European countries and the Union

Housing policy across Europe stands at a critical juncture. Housing markets have transformed in recent decades, largely shaped by neoliberal trends and the intensifying role of housing as a financial speculative asset, while states were retrenching from direct provision of social housing. Market shifts and welfare retrenchment have led to increased housing costs, widespread affordability crises and the exclusion of more and more vulnerable groups from adequate housing options. The challenge for policymakers now is to pivot away from profit-centred housing models towards frameworks that prioritise housing as a fundamental social right.

In market societies, housing inherently carries a contradiction, functioning both as a commodity and as a basic need and social right. On one hand, it is provided within market dynamics as a tradeable asset; on the other, it serves as a vital part of the welfare system, essential for social stability and individual well-being. As pushing housing towards the commodity side of the spectrum has proven detrimental to ensuring the right to housing, the challenge ahead is a renewed boost of housing decommodification, the progressing disentanglement of housing from the market's control, and a stronger role of the welfare state in guaranteeing housing as a social good. Ensuring universal housing access requires a robust role of the state that participates in housing production and distribution mechanisms, and actively shapes the market, countering the profit motives that otherwise lead to housing scarcity and inequity. This report has analysed the contradictory policies adopted by SE governments - particularly since the financial crisis - primarily facilitating (international and financialised) capital entry into local housing markets, while also attempting to

address increasing housing challenges related to rising costs and inadequate supply. Setting aside the investments needed to address climate and social challenges in housing, it should be stressed that unconditionally attracting capital to the housing sector risks amplifying the housing crisis if national action plans and local policies do not clearly prioritise housing as a right.

Recent EU initiatives, such as the European Pillar of Social Rights, the Urban Agenda on Affordable Housing, the 2020 EU Parliamentary Report on Access to Decent and Affordable Housing for All, the 2022 European Platform on Combating Homelessness, the Affordable Housing Initiative and more recently the New European Bauhaus, as well as numerous reports from the Socialists and Democrats Group (S&D)¹⁶² and other progressive political forces, are calling for strengthened social and affordable housing across member states. However, the effectiveness of these initiatives depends largely on the EU's ability and political will to push for cohesive frameworks that will support housing as a right across different national contexts. The mandate of the newly appointed designated commissioner for housing emphasises his role regarding energy policy: "Dan Jørgensen will be the Commissioner for Energy and Housing. His work will help to bring down energy prices, invest in clean energy and ensure that we cut our dependencies. He will be the first-ever Commissioner for Housing – looking at all aspects from energy efficiency to investment and construction."163 In his recent hearing,164 he reiterated his will to promote a European Affordable Housing Plan, and to ensure the provision of technical assistance to cities and member states, including a strategy for housing construction, the creation of a new platform together with the European Investment Bank to invest in the sector, more funding from the Cohesion Fund, and a reform of state aid rules. Housing Europe, 165 as

well as other EU-level stakeholders and political groups, are calling for an enhanced role for the new commissioner, but this commitment has yet to be confirmed in terms of genuine political authority and empowerment to deliver on the mandate. Although this is an important advancement and an opportunity to address the housing crisis in a coordinated way at an EU level, it is still at a very initial phase. 166 Concerns are being raised in relation to limited authority, low budget, and the specificities in relation to how this mandate will be operationalised and materialised towards the direction of de-commodified and socialised housing. 167 Crucially, while the channelling of public investment towards the provision of affordable and energy-efficient housing is laudable, this and previous reports clearly show that in order to address the housing crisis in the short term, priority should be given to regulating the markets, a field in which the EU has large responsibilities, in areas such as financial integration and competition policy. All in all, the emphasis should be put on changing the regulatory framework to reduce the participation of financial and speculative actors in the housing markets; and supporting public, social and non-profit actors in their efforts to lead a housing justice transition. For this, as we shall also advocate further below, a comprehensive assessment and revision of EU regulations and policies affecting housing is essential, as they have significantly contributed to shaping the neoliberalisation of national housing policies. 168 Housing is primarily regulated at national and local levels. However, the impact of national and local policies will remain uneven as long as EU plans do not strictly define certain crucial dimensions of housing policy outcomes, such as affordability and durability of social control over publicly funded and supported housing projects. This leaves an important challenge regarding how EU funds and instruments for affordable and sustainable housing will actually serve the needs of the many, providing environmentally sound and economically viable housing solutions. This report has shown that the participation of private and financial actors in affordable and social housing is not an adequate solution to the current crisis. The risk is particularly relevant for countries like Greece, with weak housing welfare tradition, and total dependence on the market for housing delivery.

As Norris and Lawson stress, 169 the enormous scale and cross-national nature of the primary drivers of financialisation mean that the most elective responses are outside the remit and capacity of local and even national government levels. Broad policy directions should be set at higher governance levels, such as the EU, to guide and empower national and local levels. However, their implementation needs to be adapted to specific national contexts, especially by examining the role of governments in shaping financialised housing markets.¹⁷⁰ The de-financialisation of housing requires multi-level efforts to promote financial market reforms aimed at a) dismantling finance-led housing accumulation, b) policies focused on strengthening the public and affordable housing sector, and c) changing modes of urban governance, led by community initiatives and social movements at different localities. In previous sections of the report, we demonstrated how housing policy in Greece has been shaped not so much by any social goals, but rather by economic ones, such as attracting foreign investment and supporting entrepreneurial activity in the residential sector through the touristification of the stock, all in all paving the way for institutional investors and vulture funds, which further commodify housing and drive prices up. On the contrary, alternative proposals for stronger public intervention and social housing [such as proposals for social housing construction on public land (PASOK), the establishment of a housing and land bank (SYRIZA and Nea Aristera), large-scale investment programmes to reduce energy poverty (KOSMOS and Green parties) or creating a public entity to manage non-performing loans and a Social Housing Organization to offer high-quality, humane, and eco-friendly social housing at symbolic rental rates (MeRA25)] have remained at a very early and generic level, without specific plans being drafted for their possible implementation. In this context, a key question is: How can public interventions steer both public and private investment towards a more equitable housing system? Alternative institutions, funding mechanisms and actors that can contribute towards the socialisation and decommodification of housing are crucial in this effort.

The way forward for Greece in its efforts to make changes in a sector that is by nature path-dependent is particularly challenging. 172 Greece has limited existing social housing infrastructure, so building effective frameworks, policy instruments, and competent administrative bodies from scratch will require substantial political commitment and resources. Transforming Greece's housing landscape involves mobilising broad coalitions and advocating for a shared vision for housing as a right, rather than a commodity. This chapter outlines a roadmap towards these goals, with recommendations structured around three key areas: 173 controlling speculative market pressures, socialising housing promoting multi-level governance and alliances with key roles for local actors, as well as an adequate framework for social and affordable housing at a national and EU level, towards more democratic and equitable housing models. The overall rationale is that every intervention - at all levels of government - should push towards the de-commodification of housing, both in terms of regulating markets and promoting forms of housing outside market and financial logics.

5.2 Control the market: towards housing accessibility and affordability

Controlling market dynamics, in terms of limiting speculative pressures and protecting tenant and homeowners' rights, is needed both as immediate measure to tackle unaffordability and precarity in the housing market, but also as opening a path toward the socialisation of the economy and correcting the competitive imbalance that is currently in favour of profit-driven actors.

Useful measures include: rent controls to make market housing viable for households living and working in Greece (and other SE countries); progressive steps to eliminate financial and speculative investment in housing (remove golden visas and other fiscal regimes that favour wealthy individuals); limit the purchase of housing for reasons other than primary residence (particularly for companies and investors with a buy-to-rent strategy); separate housing from touristic use (by abolishing STRs in the residential stock); and changing fiscal regimes in favour of the production of affordable housing and against its use as an investment.

5.2.1 Rent controls and tenant protections

Effective rent control frameworks (both setting price levels and restricting excessive increases) can provide urgently needed stability in Greece's rental market, especially in cities like Athens, where rental prices have surged. The debate on rent controls is indeed polemic in Greece, as previous experiences in the '80s and '90s have been framed, mostly by landlords, as destructive for the housing market. 174 Yet, more recently, rent reductions and caps have been successfully introduced during the pandemic (a 40% reduction of rental costs in residential leases and 3% cap on rent increases in commercial leases, with the latter still being valid) and could be further applied for a broader part of the housing stock and for longer periods of time, in order to mitigate the alarming discrepancy between rental prices and disposable incomes. Such an intervention is fully grounded in the constitution (art. 18) as higher public purpose matters, supporting the priority of the social purpose of property over private gains. Rent regulation, as proven historically in all robust housing welfare systems¹⁷⁵ and tested practically more recently, in Catalonia, for example, 176 can offer tools to limit increases upon contract renewal and keep prices at a certain affordable level with the potential to significantly reduce displacement risks. Greece could also establish a rent index, based on commercial rent prices (declared in the digital rental contract platform) and the objective property value system (factoring in qualitative dimensions such as the units' age, location, and condition) in order to set fair rent caps. Careful monitoring and flexible implementation are needed in order to mitigate potential unintended and adverse effects, particularly in the long

run, along with public investments and incentives for landowners, to avoid disinvestment and black markets.¹⁷⁷Furthermore, tenant-landlord relations have to be supported through localised mediation systems, such as municipal housing and social rental agencies, to provide further security and mediate to avoid evictions (see, for example, the instruments promoted by the municipality of Barcelona¹⁷⁸). In the Greek context, where a large part of the rented stock belongs to small landlords, particular attention should be paid to policy design in order not to promote measures that burden them (as direct housing providers), while allowing big companies and institutional investors to bypass them through corporate law or other channels. Nevertheless, the distribution of property and structure of housing ownership should be made transparent to be able to design fairer taxation and regulation systems. Currently, there is no clear distinction between the variety of multi-property individual owners who control the largest share of the rental market, particularly in terms of the number of properties they own, the total value of their portfolios, the income they derive from rentals or their overall income and wealth. Driven by increasingly investment-dominated housing markets, such individual owners often adopt more professionalised, profit-driven strategies making the rental market less accessible for less affluent tenants.

5.2.2 Regulate the short-term touristic lettings

The growing professionalisation of the short-term rental sector, driven by pressure from the tourism industry, has highlighted the necessity to clearly separate this sector from housing. However, no limits have been set in Greece to halt their expansion in the residential stock, as they are still considered by law as urban lettings, thus risking the possibility of them occupying even more housing units, therefore aggravating shortages at a time when rental demand is increasing. To mitigate these effects, restrictions targeting large-scale STR operators -such as banning owners and managers with more than two properties rather than merely applying differential taxes- could not only reduce the externalities on the access

to housing, but also help maintain the positive impacts of so-called "mom-and-pop" STRs, such as additional income for small property owners, dispersion of benefits for local economies, and affordable accommodation options for people in transition, such as those seeking medical treatment or visiting family.

Regulations should be space sensitive, and reach the total banning of the activity in areas with high housing pressures, such as areas with rapid price increases and lack of affordable housing options. The concept of "carrying capacity" was recently introduced into the legal framework for environmental protection and planning (Law 4964/2022, art. 64), with the aim of balancing human and economic activities with the environmental and social conditions that sustain a spatial system. This concept could also be applied to identify areas under housing pressure or stress (terms that have been applied in other contexts, such as Spain), thus enabling more geographically targeted interventions. However, its current implementation lacks sufficient clarity and is left to the discretion of each entity (or investor) to define. Municipalities could take the initiative to develop a more precise operational definition with regard to the socio-economic impact of the activity and particularly its impact on housing accessibility and affordability, which could then be incorporated into national legislation.

BOX 10. Short-term rental policy evidence from Portugal and Italy

In Portugal, national regulations in this field have been scarcely effective - to the point that the recently installed Centre-Right government has reverted them in just a few months. As a result, Lisbon is maybe the large European city with the highest density as well as the one receiving the most pressure from STRs. Social movements have decided to take the issue in their own hands, promoting a local referendum with the aim of banning STRs from residential dwellings - meaning that no new authorisation would be given and current STRs would have to gradually return to the regular housing mar-

ket. The movement, inspired by similar actions in cities like Berlin and Florence, has submitted the necessary signatures in November 2024. In fact, 11,000 signatures, almost double the minimum threshold, have been collected. After the approval by the municipal assembly, however, the referendum has been rejected by the Constitutional Court, and the movement is currently reformulating the proposal. Crucially, the movement has used the signature collecting process to raise awareness on the housing crisis across and beyond the city.

In Italy there is no specific national law (touristic regulation is a regional competence), despite the pressure exerted by STRs in large and smaller touristic cities. In the Budget Law (Law 2143/2023), only some constraints regarding the safety of properties intended for tourist rentals and the extension of the so-called Identification Code (CIN) to the entire national territory -already provided for by various regional regulations- have been included, showing that the Italian government had no real intention of allowing effective regulation and limitation of that practice. Cities such as Venice and Florence have been heavily impacted by the detrimental consequences of touristification and it's from these cities that the most interesting proposals for regulations at a national level have come. At the end of 2023, former Mayor Nardella of Florence proposed the first and only city-level ban in Italy on new tourist short-term rental operations at the UNESCO areas, by proposing a change to the Urban Planning Regulation that prohibited new openings by adding the use category "residential-accommodation" to the macro-category "residential". Interest groups made the usual appeals to the regional court (TAR), resulting in a halt to the measure, subsequently reintroduced by the new Central-Left government elected in mid 2024. In spring 2023, an initiative of 12 Italian municipalities led by the city of Bologna pressured the national government for better regulation of STRs. At the same time, the bill for national level regulation was presented to the ministry

of Tourism by Alta Tensione Abitativa, a social collective in **Venice**. None of these actions has led to change in regulations at a national level at the end of 2024. The new Text in Tuscany (December 2024) that outlines an organic system for the management of tourism is a significant development on the national stage. In order to promote the appropriate tourist use of the historical, artistic, and cultural heritage and the preservation of the social fabric, municipalities with a higher tourist density will be able to enact regulations that specify requirements and limitations for the operation of short-term rentals for tourism. The business must be subject to the issuing of a specific authorisation in municipalities that adopt such legislation in order to combat the shortage of affordable homes meant for long-term rentals.

5.2.3 Limit speculative investments and reshape financial markets

This policy study and similar recent works referenced throughout have demonstrated that attracting financial and for-profit investment in deregulated markets systematically results in worsening conditions for affordability and accessibility, as housing units are produced or sold at prices that are unaffordable for the residents. For this reason, state regulations and incentives should be designed with the double goal of, on the one hand, curbing speculative/financialised investment and, on the other, regulating financial markets in ways to allow for other forms of investment towards affordable forms of housing.

Prevent profit-seeking investments in the residential sector that are not directly linked to residential use. Access to residence visas through investment in residential real-estate should not be allowed, as is the case in Italy (with the same being implemented in Portugal and soon in Spain), and investment should be redirected to different sectors. Even within the current framework, stricter controls of use, resale, and pricing should be implemented, such as making

obligatory independent property valuations for Golden Visa properties in order to prevent distortions and corruption. Measures can go as far as to prohibit any purchase of residential property if not intended for residential use (e.g. by foreign investors), particularly in residential areas facing high pressure and touristification. Limits should be set to predatory, fast-return, extractivist investments that damage local housing conditions, such as imposing minimum durations of several years between successive transactions of the same unit and banning buy-to-sell actors from the market.

Regulate the financial markets in order to progressively separate financialised logics and speculative financial actors from the housing market towards housing de-financialisation. This means, inter alia, that real-estate credit should be provided by specialised agencies with no participation in financial markets (this was the case of Credito Fondiario in Italy until the 1980s). An important result of the latter would be achieving the separation of mortgage debt from debt securitisation, the single most important trigger of the great financial crisis of 2007/08, and which has been shown time and time again to constitute a risk with no benefits for the promotion of housing as a right. Special efforts in this field should be made to socialise the management of foreclosed homes and non-performing loans by introducing more socially sensitive and publicly controlled systems. As we shall argue in more detail below, in order to de-financialise housing, public policy should also promote alternative financing mechanisms that serve the right to adequate housing, such as not-forprofit finance circuits, affordable non-securitised mortgages and home renovation loans, as well as social housing supply outside the market. This includes public savings banks, co-operative banks, state investment banks, and specialised closed circuits of finance and revolving funds. Being protected from financial fluctuations, the latter can work as countercyclical measures in times of reduced spending by the state. Property taxation should be reformed, as it is a key domain that affects access to housing and increases wealth inequalities. This report did not delve deeper into the issue of taxation, however, it is strongly recommended that a thorough examination is needed to better understand the role of real-estate

and property taxation in increasing housing prices and wealth inequality. Greece's experience with austerity-era property tax reforms and recent debates on tax incentives for landlords -whether individual or corporate- highlight several significant issues. The austerity regime marked a deep change in the role of property in Greek society, from being a redistributive mechanism and household safety net to becoming a burden and rent extraction field. Understanding the current trends in property wealth distribution, concentration and profit-making processes is essential for designing socially just housing policies.

Finally, housing and real estate observatories should be established to improve market transparency and support the implementation of the above measures. Such oversight bodies can monitor market transactions, property ownership patterns, speculative trends, and price fluctuations, thus empowering local authorities and encouraging them to intervene proactively, are imperative for national and local housing policies. Such mechanisms can provide reliable and trustworthy data and conduct independent research on housing markets and housing conditions. Such knowledge is essential for policy-making decisions. For example, when local authorities are to decide on restrictions in the housing market, such as limiting or prohibiting STRs in high-pressure areas or implementing rent control systems. It is also essential for countering the dominant discourse on real-estate and markets currently dominated by real-estate and economic actors.

5.3 Socialise housing: permanent decommodification through public, non-profit and cooperative housing

Housing socialisation is the process of moving housing out of speculative and profit-oriented mechanisms, with the aim to increase public and non-profit ownership and provide housing beyond market fluctuations. This involves substantial public investments and alternative financing mechanisms, with a strong emphasis on retargeting European funds currently available for energy upgrading, in order to support the creation of a robust social (rental) housing sector in Greece. Moreover, substantial emphasis needs to be given to supporting alternative forms of

de-commodified housing and collective property. by empowering local and community actors such as municipal/community housing companies, housing associations, cooperatives and Community Land Trusts. 183 In other contexts, such efforts are also directed towards socialising large stocks currently controlled by large corporations, like, for instance, in Berlin and Barcelona.¹⁸⁴ Although this last point does not directly apply to Greece, there are analogies as a large part of the mortgage-backed private housing stock is currently controlled by banks, servicers and other financial institutions, directly affecting housing affordability and availability. As mentioned in the previous section, regulatory reforms would be needed to limit speculative practices by financial entities, while at the same time orienting this stock towards its social purpose.

5.3.1 Reconceptualising investment for social and affordable housing

There is no doubt that significant investment is needed to ensure affordable, decent, and sustainable housing across Europe. The ageing residential stock, alongside the energy transition and climate adaptation goals, requires substantial funding for retrofitting, adaptation and upgrading. Nevertheless, the current investment channels dominated by market and financial actors- are worsening housing unaffordability and accelerating the transformation of housing from a basic necessity into a commodity and, ultimately, an investment asset. This shift prioritises profit over accessibility and inclusivity, making it increasingly difficult for ordinary citizens to secure affordable housing.

A reconceptualisation of investment in housing is needed, seriously considering approaches such as purposeful investment,¹⁸⁵ public value-driven financing and taxation¹⁸⁶ or social housing as infrastructure and needs-based capital investment.¹⁸⁷ These funding and financing strategies prioritise long-term benefits to the public over short-term returns with financing models that focus on social, affordable, sustainable housing rather than speculative development and have proven to be more cost-effective in the long run.

5.3.1.1 Public funding for direct provision of permanently de-commodified housing

A large and stable public investment programme is needed in order to create and increase the public and/or socially controlled housing stock in Greece while ensuring that value produced through public investment remains permanently in social and collective use. Resources can be pooled from different streams, beyond EU-targeted funds: redirecting tax revenues for social, affordable and sustainable housing, for example from property taxation, Green Fund resources or revenues from STR taxation, have been discussed in the Greek context. Imagine if the €1.75bn public funding share from the recent government projects had been directed towards a permanently decommodified social housing stock. Public -or publicly supported- investments in housing projects, whether from national sources or EU-level support, should be linked to social value creation, by incorporating social considerations that guarantee long-term affordability and protection from speculative pressures. The use of social procurement¹⁸⁹ for social and affordable housing has to be expanded and include clauses that ensure affordability, accessibility, and environmental sustainability in public contracts for new housing projects. The right of pre-emption and other preferential rights in public and private property transactions should be applied to support social housing providers, cooperatives, and other non-profit entities that aim for long-term housing affordability and tenant stability, so they can have access to land and property. Such a measure has been introduced in Catalunya in areas of high housing pressure, currently for confiscated properties, but there is a claim to expand this provision for all property transactions.

5.3.1.2 Energy upgrade public investments for social and affordable housing

Numerous studies stress that when environmental policies are market-oriented, they can lead to increases in housing prices and gentrification, especially in cities facing affordable housing shortages. Local housing systems, policy capacity, and the socio-political orientation of governments are key factors in determining whether these policies have positive or negative effects on affordability. As demonstrated in section 3.3, Green transition funds in Greece have been only minimally used to address housing issues, while there is even doubt about the scale of their impact in addressing energy poverty, as it is more difficult for poorer households and tenants to benefit from the existing funding schemes. A thorough assessment is needed of the actual impact of energy upgrade funds through the current allocation system, both in terms of energy efficiency goals and in terms of social outcomes.

Energy upgrade programmes should always be framed within rental market regulations and linked with social and affordable housing programmes -such as those currently implemented but also much larger ones in the future- in order to be effectively used for reactivating public and private property towards social and affordable housing, and in order to avoid pricing-out and exclusion of lower incomes. Furthermore, grants for property improvements should be linked to binding use restrictions, socially oriented terms, and phased rent controls to support equitable access.

An interesting example is **Slovakia's State Housing Development Fund** providing favourable loans for investment in deep retrofitting for multifamily houses. The Fund was originally financed exclusively from the state budget since 1996, as an independent entity supervised by the Ministry of Transport and Construction of the Slovak Republic. It was envisaged to become self-sustaining over time. The fund still draws on small levels of government funding, together with some European structural funding, but is now primarily self-sustaining via the repayments

on the loans it has made.

5.3.1.3 Reshape the financing environment

Public and alternative financing mechanisms are needed to support the expansion of social and affordable housing, particularly in Greece, where public and ethical funding mechanisms, such as public or cooperative banks, antispeculative foundations cooperative/ or collective contributory funds, are scarce and not involved in housing initiatives. Such public, community or cooperative equity investments can create value over time that can be used and revolved to drive the achievement of policy goals, maximising locational advantages, setting decent building standards and driving innovation in (energy-efficient) design. As we saw in the case of Italy, such alternative forms of financing should be carefully designed to serve social needs and keep value under public and social control by de-commodifying housing. Otherwise, they risk becoming yet another mechanism of financialisation and profit extraction out of social and affordable housing.

BOX 11. Examples of financing mechanisms in support of social and affordable housing in the EU

The Workers Housing Organisation (OEK) in Greece operated as a contributory collective fund for private-sector workers, it was financed through employer and workers contributions, and was managed by the Ministry of Labour. When it was abolished in 2012 as a non-priority under austerity policies, its reserves were transferred to the Labour Employment Agency, OAED (now Public Employment Service or DYPA), which continued collecting workers contributions until 2020. Housing provided through this fund was primarily directed toward homeownership, with beneficiaries repaying favourable terms until full property acquisition, at which point the returns for OEK ceased.

In contrast, the **Danish national revolving fund for non-profit housing**, highlighted in the Housing 2030 repository, operates differently. It

is financed through tenant rents from social and affordable housing managed by non-profit organisations, with revenues reinvested in repairs, energy upgrades, and new constructions. This model ensures self-financing while keeping rents affordable. Similar revolving funds are used in housing rental cooperatives that emphasise in sustained affordability and reinvestment in the housing stock.

The value of this collective fund (former OEK reserve) was made evident in Greece as it provided the main resource for the government's recent housing policy, which however was directed towards subsidising commercial bank loans and private property upgrades, thus losing its revolving potential. The re-establishment of such a collective resource for broader housing purposes under collective social control would be crucial for the future development of a social rental housing sector in Greece.

5.3.2 Create and expand a social rental sector

Southern European countries have limited public housing stock, a result of decades of market-oriented policies that neglected social housing. The situation is even worse in Greece, which has zero public stock. As mentioned earlier, increased public investment is essential to reverse this trend, but any effort also needs to be supported by adequate policy instruments, financing mechanisms and technical assistance for municipalities, civil society organisations and public actors to acquire, develop and manage properties for social purposes.

Housing developed on public land should remain permanently under public and social control. Funds will be needed to support the creation of land and building stock reserves at a municipal level. Such an example is the approach implemented in Wien with the Wohnfonds case, exclusively for affordable housing and community-led initiatives that support local development. Repurposing vacant properties for social use is an option in order to develop a socialised housing pool through different

strategies. Grants, subsidies and other support mechanisms, as well as fines, penalties and other dissuasive measures can be applied for this purpose. The mainstream discussion so far in Greece has been largely centred around the challenges of mobilising private capital and the lack of tools and administrative mechanisms for the restoration of dilapidated, abandoned, or listed heritage buildings. National policies have committed minimal resources to targeted housing and urban renewal policies, while energy upgrades for residential properties are primarily handled through individual subsidies (such as the "Exoikonomo" program), targeting mainly private property owners. Given the extensive stock of vacant or underutilised housing and buildings, including those owned by private entities, public authorities, or public-purpose organisations, there is a pressing need to refocus funding and allocation mechanisms. The aim should be to empower municipal, non-profit, and community actors to initiate urban renewal programs that prioritise the revitalisation of vacant and derelict properties, incorporating their use for social and affordable housing. Such programmes could be adapted to address local characteristics and needs, which are different among large metropolitan centres, such as Athens and Thessaloniki, smaller cities or rural depopulated areas.

5.3.3 Create a non-profit Social Housing Providers ecosystem

Recognising social housing provision as a publicinterest or common-good activity could pave the way for **establishing Social Housing Providers**, non-profit entities and organisations, such as municipal or community housing agencies, housing associations and housing cooperatives, which would operate as the cornerstone of a robust social rental sector.

Research has shown that for-profit private actors are reluctant to participate in the social sector, particularly in periods when profitability is higher in other sectors. Actually, as reported by Czische and van Bortel,²⁰⁰ there is no evidence that for-

profit housing providers are willing to enter this market, especially outside high-demand market areas. They are also reluctant to participate when rent regulation, taxation and other control mechanisms exist. This is to be expected, as private investments are typically opportunistic and primarily driven by the prospect of "attractive opportunities". Social investment providers operating in a favourable institutional environment could cover this gap. Providers operating within a non-profit or limited-profit regime, as is the case in countries with a solid social regulated sector such as Vienna or the Netherlands, would be responsible for all necessary activities related to the production, repair and management of socially rented housing. They would act as primary partners for implementing housing policies through **Public-Public** or **Public-Social/Cooperative** Partnerships.

For example, within the proposed "Social Antiparohi" mechanism -currently envisioned as a PPP for housing development on public land- the social housing providers would replace private developers and investors. Housing produced with public support on public land or within public buildings would remain outside the market, priced at actual cost with no profit margin,²⁰¹ thus ensuring long-term affordability and accessibility for low-income and vulnerable groups.

5.3.3.1 Municipal Housing Agencies

Municipalities should establish **Dedicated Social Housing Agencies**, with the goal of gradually building a stock of socially rented housing, adjusted to the income levels and financial capacities of households. These agencies would manage housing units and allocate them based on social criteria through transparent processes that protect the rights and responsibilities of all stakeholders involved. A starting point for this effort is the utilisation of unused building stock owned by municipalities, public entities and non-profit organisations. By mobilising these assets, local governments can create affordable housing

options within existing communities, fostering social cohesion and economic accessibility.

As highlighted in EU-wide research, municipalities are often the primary providers of social rental housing and play a key role in supporting affordable housing initiatives. This is especially evident in countries with a strong tradition of homeownership and a limited social rental sector, such as Poland.²⁰² The National Housing Programme of Poland introduced in 2017 Social Rental Agencies as "institutions mediating between landlords and tenants that fulfil specific economic and social criteria" to be created by NGOs and local governments.²⁰³ A similar approach is implemented by the Municipality of Barcelona offering economic incentives and mediation services to owners that give their property in the social rental housing pool.²⁰⁴ Actually, the model of municipal Social Rental Agencies has been promoted in several countries as a mechanism to allow local authorities to use both public and private properties for social rental units, in addition to the promotion of construction and renovation activities. In Greece, municipalities have not yet developed such capabilities. However, since 2015, they have gained significant experience as implementing partners in large accommodation programs for the homeless and refugees. This involvement has revealed both challenges and opportunities, paving the way for their potential activation in the provision of social and affordable housing.

A good example in Greece is the effort by the Development Agency of Thessaloniki, which seeks to establish a Social Rental Agency leveraging available funding opportunities. Social Rental System to manage a stock of social and affordable housing across the metropolitan area. Utilising the "Social Housing for Vulnerable Groups", a program funded by the RRF, the interest the renovation and/or adaptation of vacant properties owned by municipalities and foundations through program agreements and partnerships. At the moment, agreements involve four municipalities, three public-benefit and municipal foundations, and one cultural foundation, and

enable the eight-year concession of 30 housing units. Rental prices are calculated based on imputed rent (linked to the objective property values taxation system) and other criteria, ensuring affordability for the program's target groups. Encouragingly, this model has gained trust, it has attracted additional partners, thus surpassing the initial program goal of 30 units. However, the initiative's consolidation and expansion face challenges, primarily the lack of funding for further renovation and energy upgrades, along with the absence of a regulatory framework to ensure the model's long-term sustainability.

5.3.3.2 Support for Non-profit providers, Housing Cooperatives and Community Land Trust

Encouraging alternative ownership models such as housing cooperatives and Community Land Trusts (CLTs) can provide long-term affordable housing outside the speculative market. This is a strategic priority because it opens new avenues for democratic, participatory, and inclusive housing solutions. Increasingly, municipalities across and beyond Europe recognise the value of these municipal-cooperative partnerships, and form networks to exchange expertise, advocate for institutional recognition, and secure resources and policy tools to support similar initiatives.

BOX 12. Alternative ownership models examples

Barcelona's successful partnership with the cooperative sector to develop a new co-housing sector based on the right-of-use (right of surface) is an illustrative example.²⁴⁶ Since its pilot phase in 2018, when the municipality supported two grassroots housing initiatives launched by citizen groups and local movements, over 1,000 cooperative housing units have either been completed or are under construction on municipal or acquired properties. For newer projects, the city has managed to secure financing for 50% of production costs from the Recovery Fund, significantly reducing the financial burden on cooperative members.

The Community Land Trust Brussels, a notfor-profit organisation based in Brussels, was able to build non-speculative community-based housing in the Brussels area by decoupling the value of land to the one of the building according to the CLT model. Today the CLTB has been granted the status of social housing producers and managers benefiting from a reduced VAT compared to market-oriented housing providers.

A number of European platforms have been formed to exchange knowledge and advocate for more substantial support towards alternative collective and community housing models as a common good: see for example, Co-Habitat network, European Community Land Trust Network, Commoning Spaces Network and MOBA.

The Network of Cities for Collaborative Housing (NETCO) developed specific policy recommendations for local and regional governments on how to support the development of collaborative and community housing models as part of their social and affordable housing strategies in collaboration with residents, community groups and cooperatives, such as long-term land renewable leases, technical assistance, stimulation loans or guarantees for a public or private bank loan, enabling collaborative relations and experimentation, also advocating for the creation of national and EU level supportive frameworks and funding facilities.

The debate on the potential for collaborative and cooperative housing models in Greece has been picking up in the last few years, with grassroots initiatives trying to develop know-how and advocating for institutional support. Such as the work of the action-research group CoHab.

5.4 Democratic and social-purpose-driven multi-level governance

5.4.1 Empower local actors

Greece's strong centralist tradition, its residual housing policy agenda and the weakening of local administrations by the austerity regime since the financial crisis did not allow for the development of housing competences at a local level.

A democratic, progressive and social governance model for delivering and managing social and affordable housing is needed and this can only be achieved at the local level. By empowering municipalities and community organisations, governments can decentralise housing policy implementation, thus enabling more targeted interventions and fostering local participation in housing solutions.

Municipalities and municipal bodies should undertake a key role in the design and delivery of social housing policies. Local governments, being the ones that are the closest to local challenges, needs and capabilities, should take an active role in developing and implementing housing policy. To do this effectively, they require adequate resources, legal recognition, and specific authority over housing matters. Most importantly, decentralisation should not mean localism. The national government would remain responsible for guaranteeing that all localities have access to the same resources and technical instruments. They should also be able to leverage EU funds to create non-profit housing projects and community-led initiatives that serve the public interest. Towards this direction the following issues and recommendations are critical:

- -Targeted funding and technical assistance for capacity building are needed to overcome the long-standing inaction and lack of competence of both the national and local state in this field. Local governments need resources and personnel to manage social housing effectively.
- Transparency and support for developing stable mechanisms are essential in building trust among potential stakeholders at a local level.
- Any policy decision should involve a broad deliberation process and citizen participation to include local population preferences and needs.
- Collaborative solutions at a local level should include coordinated action between the national and local authorities, as well as the involvement of small landlords who are the main rental housing providers in Greek cities.

5.4.2 Develop a national legal framework and multi-stakeholder alliances

"The acquisition of housing by those who lack it or who are inadequately housed is a matter of special concern for the State."

Article 21.4 of the Greek Constitution, which calls for the state to prioritise adequate housing access for those without it, has historically been interpreted primarily as support for home ownership rather than encouragement for developing an extensive framework for social or affordable rental housing. This constitutional mandate remains unfulfilled in terms of a structured approach that could address both the low and middle-income citizens' housing needs, particularly through affordable rental options. In Greece, however, there is no such specific legislation to operationalise Article 21's mandate beyond sporadic initiatives, nor is there an established social housing strategy backed by a comprehensive legal and funding framework.

BOX 13. Portugal's legal framework for housing

In 2019, the Portuguese Parliament approved its Framework Law for Housing (Law 83/2019), which sets the legal bases for the operationalisation of the constitutional right to housing (art. 65 of the Portuguese Constitution). While falling short of providing robust legal protections of the right and protections from evictions, the Law provides a robust framework with regards to the positive role of the state as the promoter of the right to housing through housing policy. Particularly relevant is the introduction of national and local housing programmes, which force the two governmental levels (the state and municipalities) to regularly update their strategies in this field.

After long debates the first state law on the Right to Housing in Spain was passed in May 2023 It provides a structural legal framework for the operationalisation of the constitutional imperative (ar. 47) for the protection of the right to housing by the Spanish state and the alignment of economic planning in housing matters. The law, amongst others, recognises housing as SGEI, it establishes several mechanisms to expand the supply of social housing and redefines the span of protected housing (vivienda de protección oficial, VPO); it defines citizens and property rights and duties in relation to housing based on the principle of the social function of housing; it introduces the concept of "tensed residential markets" and penalises speculative vacancy practices, also making a distinction between large (above 10 properties) and sma-Il owners; it defines central and regional state competences and cooperation allowing regional and local administrations to intervene in order to regulate tensed markets; it prevents the privatisation of public stock, including instruments for the control and transparency of the sector. Despite criticisms regarding its limited integration of a human rights-based approach, the insufficient regulation of touristic and midterm seasonal lettings, the discretionary nature

of its implementation by regional authorities, and its dependence on adequate budget allocation for full deployment, the 2023 Spanish Right to Housing Law establishes a significant framework for stronger state intervention to ensure access to decent and affordable housing.

Broad, nationwide multi-stakeholder alliances from the public, private and social sectors with a shared vision and defined targets are needed to advocate and mobilise towards an alternative policy path.

Box 14. Italy's legal framework for housing

Among the **fundamental principles of the Italian** Constitution is the recognition of all the citizens' equal social dignity before the law, "without distinction based on their sex, race, language, religion, political opinions, personal and social conditions". In this framework of personal rights, the good of housing is not included, but rather the "access of popular savings to home ownership" (art. 47). On various occasions, the Constitutional Court (also in reference to Article 3) has had the opportunity to emphasise that the right to housing is deemed a "fundamental social right" aimed "at being realised in proportion to the resources of the community," where the Ministry has the task of establishing a framework of interventions and regulating the minimum levels of housing service. Unfortunately, in the absence of housing policies and with the Regions being responsible for housing (Legislative Decree 112/1998), the state has delegated and decentralised the management of the right to housing. However, without sufficient and stable resources, local authorities have been unable to carry out the task assigned by decentralisation, even though a local approach to housing management could have met the diverse and contextual needs present in the Italian territory more specifically.

The debate on housing rights has been dormant in Italy for many years, even after the closure of

the GESCAL fund, a national fund based on tax payers injections, which secured the creation and maintenance of public housing. Only recently, third sector associations nationwide have started to create multi-scalar alliances to revamp the debate. The National Forum (Forum Nazionale dell'Abitare), comprising over 30 diverse entities nationwide, seeks to establish a new alliance with a wide range of stakeholders to promote a series of proposals encapsulated in 19 measures. The proposal emphasises the need to redesign investment strategies for state and regional funding, establish a National Plan for Public Residential Construction, regulate the rental market to ensure affordable rents while addressing vacancy and speculation, and prevent evictions by restoring and enhancing public funds such as the Fund for Supporting Involuntary Default and the Rent Fund, which have recently faced cuts by the national government, adversely impacting the most vulnerable populations. Additionally, it advocates for the reform of private-led social housing (ERS), stringent regulation of shortterm rentals, the guarantee of housing rights for students as a prerequisite for educational access, and the promotion of mutualism and non-profit housing initiatives.

5.4.3 Reform EU housing policy

All of the recommendations set above would find significant constraints due to the role that EU policies have had in the past and actually still have in this field. As discussed by several scholars, despite not having formal competence on housing, the EU has long played a significant role in the field, both indirectly and directly.

Overall, the EU has been shown to have a detrimental role: 208 monetarism has pushed national funds away from housing welfare; the deregulation of financial markets has enabled the financialisation of housing, and in countries that have undergone external adjustment like Greece, EU institutions have explicitly pushed reforms (like the liberalisation of rental markets or the abolition of housing

organisations) that were detrimental to housing rights. As such, EU-level reforms aimed at reversing the current commodification and financialisation trends in housing have been considered necessary in numerous reports.²⁰⁹ **EU intervention is needed to regulate the European housing market, by addressing market** failures and reducing the impact of private developers and investors over local housing systems, but also to boost public investment in green social housing, curb market prices and fight homelessness.²¹⁰

5.4.3.1 Regulate financial markets and the platform economy

Financial markets and their interpenetration in housing systems should be tightly regulated at a European level, with the double goal of creating barriers for speculation in real-estate markets and reducing the need for households to pursue homeownership via mortgage debt.

As previously explained, securitisation mechanisms should be separated from the housing realm: this includes the allegedly "simple, transparent and safe" STS framework promoted by some European institutions, which has proved to be everything but transparent and safe.²¹¹ Rather. the EU should promote a regulatory framework oriented toward non-financial financing instruments (see above) - this includes the de-financialisation of NPL management. Regulation of shortterm rentals and the platform economy in housing should be harmonised across the EU,²¹² by providing uniform definitions of STR platforms as providers of real-estate and touristic services,213 imposing data sharing and giving ample possibilities to national and local governments to regulate and limit STR activity when this is in conflict with the right to housing 214 The EU should intervene to expose and mitigate the real-estate taxation policies that allow the under-taxation or non-taxation of real estate conglomerates and institutional investors, with direct impacts on housing prices, as well as push for more transparency on institutional investors and corporate landlords' real-estate ownership. ²¹⁵

5.4.3.2 Promote housing as a right

Public spending on housing is essential to social welfare and economic stability, and not discretionary spending, which is vulnerable to cuts during fiscal tightening. EU fiscal stability goals should not overshadow or undermine the critical need for public and affordable housing provision. In practice, housing investment should be exempt from austerity measures or budget constraints, including EU-level funding guarantees to shield housing projects from national budget cuts.

The restrictive definition of social housing as a Service of General Economic Interest (SGEI), which limits access to housing to just disadvantaged groups, thus excluding low to middle-income populations who are increasingly affected by housing unaffordability, needs to be reformed (EPSR EC 2017, Housing Europe 2022). This could be done, for instance, by expanding the SGEI framework to encompass affordable housing as a universal right -rather than a selective service - thus allowing broader groups to access social and affordable housing. Or, even more adequately, reclassifying social housing as a Social Service of General Interest (SSGI), in other words defining it more clearly as an essential public service and basic infrastructure rather than an economic activity, would widen access and support affordability across income groups.

State aid and public procurement rules should be revised to enable municipalities and other social, cooperative and community-led housing providers to create social and affordable housing stocks for a wider demographic, further reinforcing housing as a fundamental social right rather than a selective welfare benefit. The EU must expand its use of social procurement in public contracts for social and affordable housing projects and include clauses that ensure affordability, accessibility and environmental sustainability.

5.4.3.3 Align energy upgrades with affordable & social housing goals.

The European Green Deal and the "Renovation Wave" initiative -aimed at the energy efficiency upgrades of ageing urban housing stock and tackling energy poverty- offer a significant opportunity for public investments in the unused housing stock to cover housing needs. Although there has been an EU-level concern for integrating social and environmental objectives in public funding for building upgrades (European Pillar of Social Rights, EU Urban Agenda, etc.), these goals haven't been strongly mandated, thus the social orientation of environmental policies is actually established at national or local levels.

Ensure a Just Transition by prioritising social equity alongside environmental and decarbonisation goals in order to address the disproportionate burden on low-income households, energy poverty and housing affordability for all.

Eco-social integration should be strengthened. Decarbonisation efforts, such as the European Energy Efficiency and Performance of Buildings Directive, should explicitly incorporate mechanisms to counteract housing affordability issues, ensuring that environmental gains do not deepen social inequalities.

Green public funding schemes should be conditional on social clauses to prevent rent increases or neighbourhood gentrification following retrofit and energy efficiency upgrades. The social value of these renovations -especially when partially or fully publicly funded - has to be acknowledged as a core return on investment.

5.4.3.4 In summary: towards a strong European housing welfare

The dominance of monetarism cross-cutting all activities of the European Union, with its deep impacts in terms of limiting the capacity of

member states to deliver robust welfare systems regarding (but not limited to) housing, should be challenged and reverted. The long-term austerity promoted by public finance regulations and the deep austerity promoted after the last great financial crisis have been shown to be both socially pernicious and economically damaging - have dealt a particularly strong blow to the housing sector. As the pandemic response has shown, the EU has the large economic capacity to deliver on health and social goals, at the same time as acting countercyclically to halt economic downturns. The recent return of tight fiscal limits will impose new rounds of austerity across the continent, further damaging housing welfare systems, in clear contradiction with the stated goals in this field - and this, in turn, will further push the perception of European citizens of a union limiting the capacity of member states to deliver on basic rights.

As heterodox economists and social scientists across the disciplines have shown, only by building strong European welfare can a monetary and political union work in the medium-to-longrun. Importantly, and against some superficial readings, monetarism can be overcome within the existing institutional framework; the same clause (number 3 of article 2) of the Treaty on European Union establishing the principle of 'price stability' also rules that the EU "shall promote economic, social and territorial cohesion, and solidarity among member states." If the previous principle has trumped the latter for the last few decades, there are no fundamental impediments for the reverse to be true: it is a matter of political priorities. In the field of housing, much like everywhere else, it is time for the EU to choose between building a strong European welfare or witnessing its increasing disgregation.

Table 6. Summary of policy goals and proposals

Policy Goal	Area of Intervention/ Key Issue	Current Challenges	Proposed Solutions
Control market dynamics	Rent controls and tenant protections	Rising rent prices, especially in cities like Athens, creating housing unaffordability. Deregulated market promotes	- Implement effective rent controls to stabilize prices and limit excessive rent increases Extend pandemic-era rent
		price increases. - Lack of stability in the rental market, leading to tenant precarity.	reductions and caps to a broader housing stock.
			- Create a rent index based on property characteristics to set fair rent caps.
			- Establish local tenant-landlord mediation systems to prevent evictions.
	Regulation of STRs	 STRs are consuming housing stock intended for residents, exacerbating housing shortages. Lack of regulation, allowing largescale operators to dominate. 	- Restrict large-scale STR operators, limiting property ownership for STR purposes (e.g., no more than two properties per owner, no corporate activity).
			- Ban STRs in high-pressure areas with rapid price increases and housing shortages.
		- Develop a clear operational definition for "housing pressure" and "carrying capacity" to regulate STRs and touristification based on local housing affordability and accessibility.	
Change the Financial Environment	ronment speculative investments disconnect housing from residents' ability to pay. and housing assetisation - Property markets dominated by	investments disconnect housing from residents' ability to pay. - Property markets dominated by fast-return speculative investments.	- Residency visas through property investments should not be allowed and investment should be redirected to other sectors, following examples like Italy, Portugal and Spain.
		strategies damage local housing	- Implement stricter controls on real estate use, resale, and pricing (e.g., independent property valuations).
			- Prohibit non-residential property purchases in areas with high demand.
			- Limit predatory investments by imposing minimum holding periods for properties before resale.

Housing de- financialisation	Investment in NPLs driven by profit motives on the detriment of social outcomes Domination of international financial markets in private debt management jeopardising access to secure and affordable housing and causing economic suffocation to indebted households.	- Separate financial logics and actors from housing markets, with regulated credit agencies and non-participation in financial markets. - Socialise the management of foreclosed homes and NPLs by introducing more socially sensitive and publicly controlled systems for managing NPL - Use specialised finance systems and revolving funds to support de-financialisation and counter economic fluctuations.
Property taxation and wealth inequality	Corporate and wealthy landowners privileged property taxation is leading to higher housing prices and increasing wealth inequality. Tax incentives for landlords are not effective if not linked to affordability and social use terms.	- Examine property tax systems to address its role in driving up housing prices, allowing residential property concentration and exacerbating wealth inequality. - Revise tax systems to be more redistributive and aligned with social housing goals.
Transparency and market oversight	Lack of transparency in housing ownership, making it difficult to monitor speculation and wealth inequalities. Limited oversight of market activities, allowing for speculative trends.	- Establish housing and real estate observatories to improve market transparency Empower local authorities to monitor market transactions, speculative activities, and property ownership patterns Use data to inform proactive interventions (e.g., in STR regulation and rent control implementation).

Axe 2 Socialising h	nousing		T.
Policy Goal	Area of Intervention/ Key Issue	Current Challenges	Proposed Solutions
Reconceptualising investment	Rubliv benefit over private profits	- Market-dominated investments drive up costs and commodify housing.	 Adopt purposeful investment focusing on public benefits over profits. Prioritise social housing as infrastructure and needs-based investment. Redirect revenues from property and STR taxes towards permanent, decommodified housing stock.
	Public funding for permanently decommodified housing	- Minimal public resources directed to housing, leading to short-term market-driven solutions.	 Establish stable public investment programs for housing. Incorporate social clauses in funding agreements to ensure affordability and prevent speculation. Apply the right of preemption in property transactions and public property concession for nonprofit housing entities.
	Energy efficiency & housing affordability	- Green funds often benefit wealthier households and contribute to house price inflation.	 Tie energy upgrades to affordable housing programs. Introduce binding use restrictions, phased rent controls, and social clauses in grant schemes. Assess the social impact of energy transition funds to prevent exclusion of lower-income groups.
	Innovative financing mechanisms	- Housing finance is dominated by speculative, profit-driven circuits Lack of countercyclical finance for affordable housing Absence of public or cooperative financial institutions to fund social and affordable housing.	 Promote not-for-profit financing circuits (public savings banks, co-operative banks, state investment banks) for affordable housing and renovation. Create public/cooperative banks or contributory funds to finance social housing. Learn from the Danish non-profit revolving fund model, reinvesting rents into housing repairs and upgrades to maintain affordability; create collective funds for broader housing purposes under collective social control.

Create a social rented sector	Public and nonprofit housing stock	- Greece has zero public housing stock, with decades of neglect for social housing policies.	 Invest in public housing to reverse historical neglect. Use public land exclusively for affordable housing Establish municipal land and vacant property reserves for affordable housing.
	Vacant property utilisation	- Limited resources and mechanisms to restore and repurpose vacant, derelict properties for social use.	 Develop programs for urban renewal of abandoned properties for affordable housing. Provide grants, subsidies, and other support mechanisms alongside penalties for non-utilisation. Empower municipal and nonprofit actors to lead revitalisation efforts, adapted to local needs
Reshape the housing production ecosystem	Non-profit housing providers ecosystem	- Private developers are reluctant to engage in affordable housing under rent regulation or low-profit regimes Greece lacks socially oriented promoters and housing providers as allies for the implementation of Social Housing Policies	 Replace private developers in public projects with public, municipal and non-profit entities to maintain long-term affordability. Price housing at actual costs without profit margins, ensuring accessibility for vulnerable groups.
	Municipal housing agencies	- Municipalities lack experience in developing and managing social housing.	 Establish dedicated municipal housing agencies to create and manage socially rented housing. Start by mobilising unused municipal and public assets. Build on initiatives like Thessaloniki's Development Agency, which has launched a municipal social rental mechanism for affordable housing.
	Housing non-profit associations, cooperatives & CLTs	- Civil-Society and Grassroots efforts are underdeveloped, with minimal institutional support.	 Support housing non-profit associations, cooperatives and CLTs to provide long-term affordable housing. Learn from models like Barcelona's cohousing sector and CLT Brussels, integrating cooperative efforts into municipal strategies.

Policy Goal	Area of Intervention/ Key Issue	Current Challenges	Proposed Solutions
Empower Local Actors	Decentralise and enhance local governance	- Centralised governance, weakened local administration due to austerity.	- Decentralise housing policy to empower municipalities and community organisations while ensuring equitable resource distribution across regions and ensuring national oversight.
			- Provide adequate resources, lega recognition, and specific authority over housing matters
	Targeted funding and technical assistance for local governments	- Lack of housing competences and resources at the municipal level.	- Provide targeted funding for capacity building, technical assistance and stable expert staff in municipalities.
			- Make available EU funds for municipal-led housing initiatives, including ESF, ERDF, energy efficiency funds, and other complementary sources.
			- Support access to public funding and lending through national and european development banks.
	Foster transparency and support mechanisms	- Lack of trust and transparency in local decision- making processes,	- Stable mechanisms, accountabil and open management systems are essential to foster trust for locactors.
		due to widespread clientelism and mismanagement in previous decades.	- Involve structured deliberation and citizen participation in housin policy design and decision-making should
	Collaborative local solutions involving public entities and small landlords	- Fragmented housing provision by small landlords without coordinated effort with local authorities.	- Create a legal framework, including adequate incentives and guarantees binded to social commitments, to support collaborations for social and affordable rental housing Encourage local partnerships
		- Underused property belonging to public and public-purpose bodies.	between municipalities and small landlords.

National Level	Nation-wide legal framework for the Right to Housing	- Absence of comprehensive social housing legislation operationalising constitutional rights to housing.	- Develop a structured legal framework with stable administrative and funding mechanisms for social and affordable housing, following examples like Portugal and Spain.
	Integrate housing into broader social and economic policy	- Housing policies are often disconnected from broader welfare and economic policies.	- Develop a national housing strategy that integrates housing policy with health, social inclusion, employment and local development policies, including climate mitigation and sustainability.
	Strengthen multi- stakeholder alliances at the national level	- Lack of multi- level coordinated efforts to promote public, social and collaborative housing models.	 Foster broad and inclusive multi- stakeholder alliances to advocate for housing reforms. Participate in European networks and initiatives for knowledge exchange knowledge and resources.
European Level	EU-level housing policy reform	- EU policies promoting financialisation, austerity measures, and weak regulation of speculative housing practices.	 Regulate financial markets and STR platforms at the EU level. Exempt housing investment from budget constraints. Redefine social housing as a universal right and promote it as a Social Service of General Interest (SSGI).
	Energy upgrades and affordability	- Green retrofitting policies risk increasing housing costs and gentrification, with insufficient integration of social goals.	 Tie public funding for energy retrofits to social clauses that ensure affordability and prevent displacement. Promote eco-social integration to align decarbonisation with equity goals.
	Building a European housing welfare	- Monetarism limits EU and member states' capacities to deliver strong housing welfare, exacerbating inequality and undermining public housing investment.	 Shift EU priorities to promote housing as a fundamental social right, emphasising economic and social cohesion. Expand funding and align public spending with housing welfare goals.

ENDNOTES

- ¹Aalbers,M.B.(2016).TheFinancializationofHousing:Apoliticaleconomyapproach(1sted.).Routledge.;Arbaci,S.(2019)Paradoxesof Segregation. Housing Systems, Welfare Regimes and Ethnic Residential Change in Southern European Cities (Hoboken, NJ:Wiley);Lima, R. (2023) "Subordinate housing 5inancialization: Tracing global institutional investment into Lisbon's urbandevelopment". Urban Geography, 6(45): 1072-1094.
- ²Maloutas,T.,D.SiatitsaandD.Balampanidis(2020)"Accesstohousingandsocialinclusioninapost-crisisera:Contextualizing recent trends in the city of Athens". *Social Inclusion*, 3(8): 5-15; Balampanidis, D., T. Maloutas, E. Papantzani et al.(2021)"Informalurbanregenerationasawayoutofthecrisis?AirbnbinAthensanditseffectsonspaceandsociety".UrbanResearch&Practice, 3(14): 223-242.
- ³ Allen, J., J. Barlow, J. Leal et al. (2004) *Housing and welfare in Southern Europe* (Oxford: Blackwell).
- ⁴Leontidou, L. (2014) "The crisis and its discourses: Quasi-Orientalist attacks on Mediterranean urban spontaneity,informality and joie de vivre". City, 18(4–5):551–562.;Annunziata,S. andL.Lees(2016)"Resisting'austerity gentri5ication'and-displacementinSouthernEurope".SociologicalResearchOnline,21:148-155;Knieling,J.andF.Othengrafen(eds)(2016)Cities in Crisis: Socio-spatial Impacts of the Economic Crisis in Southern European Cities (Abingdon: Routledge); Alexandri, G.and M. Janoschka (2018) "Who loses and who wins in a housing crisis? Lessons from Spain and Greece for a nuancedunderstanding of dispossession". Housing Policy Debate, 1(28): 117-134; Abraci 2019 (ibid).
- ⁵ Fernandez, R. and M. B. Aalbers (2017) "Capital market union and residential capitalism in Europe: Rescaling the housing-centred model of financialization". Finance and Society, 1(3): 32-50.
- ⁶ Tulumello, S. and M. Dagkouli-Kyriakoglou (2021) "Financialization of housing in Southern Europe: Policy analysis and recommendations". Final report. European Parliament, 28 January.
- ⁷For an overview of the challenges around housing that are common to all EU countries,readers can refer to Nasarre-Aznar, S., M. Ftáčnik, N. Lambea-Llop et al. (2021)"Concrete actions for social and affordable housing in the EU". Policystudy. FEPS, 26 January,whilstforamorespecificlookattheEUinitiativeonhousingaffordabilityrefertoBortolotti, A.and D. Rinaldi (forthcoming) "Towards a European housing guarantee". Policy brief. FEPS.
- 8 "Note on the Greek economy". Bank of Greece, 31 May 2024.
- ⁹ See, for example, SPI- Spitogatos Property Index. It should be noted that commercial price changes in the Greek housing market are not systematically monitored and that there is no official purchase or rent house price index.

- 10"House Price Index".Eurostat.
- ¹¹ Kouvavas, O. and D. Rusinova (2024) "How big is the household housing burden? Evidence from the ECB Consumer Expectations Survey". European Central Bank Economic Bulletin.
- 12"House Price Index".Eurostat.
- ¹³"Share of housing costs in disposable household income ,by type of house hold and income group".Eurostat.
- ¹⁴ "The rate of annual financing was at -2% at the end of July against -3% a year ago and -2% in the total of the last three years, despite the fact that average interest rates stand at 4%, following a downward trend compared to a year ago and are comparable to the average European level, but nevertheless." (based on the European Systemic Risk Board (ESRB) report). Tzortzi, E. (2024) "Local mortgage market grinding to a halt". ekathimerini.com, 5 October.
- 15 Hellenic Statistical Authority (ELSTAT) census data.
- ¹⁶ Dewilde, C., & Flynn, L. B. (2021). Post-crisis developments in young adults' housing wealth. Journal of European Social Policy, 31(5), 580-596.
- ¹⁷ Fasianos, A. and Tsoukalis, P. (2022) Decomposing wealth inequalities in the wake of the Greek debt crisis, The Journal of Economic Asymmetries, 28.
- ¹⁸ "Monetary policy: Interim report".Bank of Greece,December 2023.
- ¹⁹"Note on the Greek economy".Bank of Greece,31 May 2024.
- ²⁰ "Special Focus Report: Residential real estate market outlook". National Bank of Greece, September, 2023. Active permanent investor licenses as of February 2024 were 15,865 (of which 12,529 with 22,534 members were for initial issuance and 3,336 with 4,899 members for re-issuance). 60% have Chinese citizenship (Ministry of Migration and Asylum).
- 21 Short-term leasing accounts for 5%-10% of these properties' usage ("Three restrictions on the golden visa Only for properties over 120 sq.m.". Kathimerini, 21 March 2024). Only 6% are used as permanent residences ("Golden Visa: Investor profile only 6% use property". Money Review, 9 February 2024).
- ²²Siatitsa, D. (2016) "Changes in housing and property under the austerity regime in Greece: Challenges for the movementand the left", in B. Schonig and S. Schipper (eds) *Urban Austerity. Impacts of the Global Financial Crisis on Cities in Europe*(Hamburg: Theater der Zeit), pp. 145-160; Hadjimichalis, C. (2014) Debt Crisis and Land Grabbing (Thessaloniki: KΨMPublications) [in Greek].
- 23 Maloutas, T. (2008) "Housing provision models and family

strategies in Greece", in Carlos, M. R. P. d' Assunção (ed.) The challenge of social policy reform in the XXI century: Towards integrated systems of social protection, Athens: I. Sideris, 311-329

- ²⁴ Siatitsa, D. (2019) Anyone at Home? Housing in Greece: Austerity Effects and Prospects for the Future (Athens: Rosa Luxemburg Stiftung, Office in Greece).
- ²⁵ Emmanuel, D. (2004) "Socio-economic inequalities and housing in Athens: Impacts of the monetary revolution of the 1990s". The Greek Review of Social Research, 113A: 121-143; Emmanuel, D. (2014) "The Greek system of home ownership and the post-2008 crisis in Athens". Région et Développement, 39: 167-181.
- ²⁶ "Delphi Forum: How the management of non-performing loans benefits the Greek economy", Capital.gr, 11.04.2024
- ²⁷Tolia,M.(2024)"Hostagesofservicers:2,271,548debtors".Documento,22November.
- ²⁸ Balabanidis et al. 2021(ibid, endone 3).
- ²⁹"Statistical Bulletin, No. 99". INSETE, December 2024.
- ³⁰ Pettas, D., V. Avdikos, and A. Papageorgiou (2024) "Platform—driven housing commodification, financialisation and gentrification in Athens". *J Hous and the Built Environ* 39, 1541–1562 (2024).
- ³¹ Since 2013, the share of the market of actors with 5 or more listings went up from 15% in 2013 to 31% in 2020, mostly at the expense of small-scale owners, while professional actors have experienced a substantial increase in their average annual revenue and number of bookings (Pettas et al., 2024, ibid.).
- ³² From the developer's webpage: "The Ellinikon is set to reposition the country on the international investment map and lead to the upgrading of tourism development and the significant consolidation of the country's economic course." The project on the Hellenic Republic Asset Development Fund (HRADF) webpage.
- ³³ One direct consequence of rising property values is the sharp increase in the objective value system used to calculate property taxes. For middle- and even upper-middle-class homeowners in Ellinikon and nearby municipalities, this creates a heavy financial burden to maintain their primary residences. Additionally, the tradition of inheritance and in-place social mobility, according to Maloutas, means that descendants with lower incomes than their parents often struggle to retain their family homes.
- 34."The new Government Park via PPP in Athens has been given the go-ahead". Ypodomes.gr, 1 November 2022; "Ministry Park." Ministry of Economy and Finance, 24 November 2022. the go-ahead". Ypodomes.gr, 1 November 2022; "MinistryPark." Ministry of Economy and Finance, 24 November 2022.
- 35 Actually the only rental tenure available in Greece due to the absence of public, social or cooperative rented housing.
- ³⁶ Siatitsa, D., S. Gyftopoulou, D. Balabanidis et al. (2022) "Policy paper: For the right to affordable rental housing". Eteron Institute for Research and Social Change, September.

- 37 "Rents are rising because the economy is doing well". The Press Project, 2 May 2023.
- ³⁸Prime Minister Press Conference,International Fair of Thessaloniki."Mitsotakis: Salary increases and upgrading the National Health System are the two major goals by 2027". Protagon.gr, 8 September 2024.
- ³⁹The study estimated the new production to be approximately 155,000 new houses, while new demand was estimatedbased on the creation of 197,000 new households and 170,000 fewer houses used for short-term rentals. The gap of 212,000housesiscreating,accordingtothestudy,anincreaseinprices,whichotherwisecouldnotbeexplainedbythelevelofgrowthof incomes. "Greek Real Estate Market: Deep and structural imbalances between supply and demand". Piraeus Bank, 31 May2024.
- ⁴⁰The sector has increased its presence in international real estate forums, such as MIPIM in Cannes, with 20 companiesparticipating in the 2024 Greek delegation organized by the government agency "Enterprise Greece" (formerly Invest inGreece).
- ⁴¹Actually it is a term that did not exist until recently in the institutional realm. "Refugee housing" (for Greek populationgroups who came from Turkey due to the population exchange programme in the 1920s), "workers' housing" or "popularhousing" were more common referring to the respective social housing programmes of previous decades.
- ⁴²See, for example: Aguilera, T., F. Artioli and C. Colomb (2021) "Explaining the diversity of policy responses to platform-mediated short-term rentals in European cities: A comparison of Barcelona, Paris and Milan". Environment and Planning A:Economy and Space, 7(53): 1689-1712.
- ⁴³ See indicatively:"Housing:ThemostexpensiverightinGreece". PASOK;"Righttohousing".SYRIZA;"Th.Fotiou:Rejectionand roll-call vote on Article 32, which auctions off primary residences for debts to municipalities". Nea Aristera.
- 44See indicatively:Kosmos_and Greens.
- ⁴⁵The most consolidated and long-lasting initiative is the Unitary Initiative Against Auctions (Stop Auctions), with morerecent action-oriented networks formed by left-wing parties and political organizations.
- ⁴⁶The initiative "Neighbourhoods for the Right to Housing" in Athens which comprises various groups and neighbourhoods-semblies came together in early 2024 with the goal to actively intervene by organising mobilisations and claims againstrapidincreaseinrents and living costs," touristi5ication" and rising inequalities. Its demands include: imposition of rent caps, auction ban, abolition of Golden Visa, limits to airbnb, stop evictions and public affordable and decent housing.

- ⁴⁷Law 5006/2022 (A'239), passed in December 2022, entitled "My Home Housing Policy for Young People, Utilisation of Public Property for Social Housing [...] and Other Provisions".
- ⁴⁸"PM Mitsotakis chairs meeting on programmes and policies to tackle Greece's housing crisis". Athens-Macedonian News Agency, 17 September 2024; "Housing Crisis: Greece's 'renter generation' abandoned by government measures". The Press Project, 11 September 2024.
- ⁴⁹See Triantafyllidou, H. (2022) "The programme 'Social Housing' does not answer the housing crisis: A critique of themeasures announced by the government". ENA Institute, 22 September; Kourachanis, N. (2023) "Housing crisis and housingpolicy: Challenges and perspectives". IME GSEVEE studies; Siatitsa, D. (2024) "Revisiting my home: Housing policy one yearafter". Eteron Institute, 16 February.
- ⁵⁰Housing Programme "My Home Ii" Terms of Participation
- ⁵¹Since its launch (11 April 2024), the programme has received 1,372 applications, while more than one third have been rejected. Bourgana, M. (2024) "Renovate-Rent": A facelift with a larger subsidy is coming". Oikonomikos Taxidromos, 2 June.
- ⁵²The Strategy of the Ministry of Environment has a goal for upgrading theen tireold stock by 2050.
- 53 National BankofGreece,2023
- ⁵⁴Chatzikonstantinou,E.andF.Vatavali(2020)"HousingproductionandenergyuseinGreece:Insightsfromhistoryandnewsocial challenges". *Journal of Architectural and Urban Planning Theory*, 3-4: 6-17.
- ⁵⁵ Energy poverty can be understood as "a situation where a household cannot meet its domestic energy needs". According to the 2020 Commission recommendation on energy poverty, energy poverty is linked to a combination of three factors: low income, high expenditure on energy, and poor energy efficiency in buildings. "Energy poverty in the EU". Policy brief. European Parliament, 2022.
- ⁵⁶ Ozgunes, M. and N. Vrantsis (2022) Energy efficiency renovation impact and challenges in Greece. *FEANTSA Report*.
- 57 The programme provides a fluctuating subsidy level depending on the level of income ranging from 75% for low-income households to 40% for high-income households.
- 58"Recovery and Resilience Facility(RRF)". Housing Europe.
- ⁵⁹ The European Commission has issued several reports and recommendations on the issue: Report on Investor Citizenship and Residence Schemes in the European Union and follow-up; Investor Citizenship Schemes; Commission recommendation on immediate steps in the context of the Russian invasion of Ukraine in relation to investor citizenship schemes and investor

- residence schemes. See also: Bersi, E. and P. Pena (2023) "Golden visas: Europe for sale?" Investigate Europe, 6 February, and the work of Transparency International on ending corrupt abuse of European Union golden passports and visas.
- 60 "Investor Visa for Italy". Ministry of Enterprises and Made in Italy.
- ⁶¹Wright, R. (2024) "Spain moves closer to golden visa ban while one country is reintroducing its scheme." Euronews, 15 November.
- 62 Law 4146/2023, "Creating a Friendly Developmental Environment for Strategic and Private Investment and Other Provisions," Article 6.2, "Granting Residence Permits to Property Owners in Greece." The law also provided strategic investments with tax incentives (Article 11) such as "the consolidation of the tax regime for a certain period from the start of operation of the strategic investment, the establishment of tax-free reserves, the procedure and timing for the refund of the value-added tax credit balance, and the reduction or exemption from fees, special taxes, and royalties or third-party fees," in compliance with Commission Regulation (EC) No 800/2008 declaring certain categories of aid compatible with the common market.
- 63 Petridi, K. (2022) "X-raying the Greek Golden Visa program" [Ακτινογραφώντας το ελληνικό πρόγραμμα Golden Visa]. Eteron, 20 October.
- ⁶⁴ Bersi, E. and P. Pena (2023) "Golden visas: Europe for sale?" Investigate Europe, 6 February.
- 65 The framework on residence permits linked to investment in real estate falls under the Migration Code reform (Law 5038/2023).
- 66 Special Purpose Companies for Family Wealth Management (ΕΕΣΔΟΠ): Incentives and services they can provide". Tax Heaven, 6 April 2022.
- ⁶⁷Which prompted Colau and Alemany to coin the term of "Spanish-style subprime" mortgages. Colau, A. and A. Alemany (2012) Vidas Hipotecadas. De la Burbuja Inmobiliaria al Derecho a la Vivienda (Barcelona: Angle) [Mortgaged Lives. From the Housing Bubble to the Right to Housing, Publisher in English: JOAAP].
- ⁶⁸ Gutiérrez, A., and A. Domènech (2017) "Spanish mortgage crisis and accumulation of foreclosed housing by SAREB: *A geographical approach*". Journal of Maps, 1(13): 130-137.
- ⁶⁹Ibid; García-Lamarca, M. (2020) "Real estate crisis resolution regimes and residential REITs: Emerging socio-spatial impacts in Barcelona". *Housing Studies*, 9(36): 1407-1426.
- 70"Opportunity out of adversity: Investing in the Greek non-performing loan market (Country report)". Ernst & Young, 2018; "The Italian NPEs market: From darkness to daylight (Country report)". Ernst & Young, 2018; "Surfing the crisis: The Portuguese non-performing loan market (Country report)". Ernst & Young, 2019.-

- 71 Alexandri, G. (2022) "Housing financialisation a la Griega". Geoforum, 136: 68-79. DOI: 10.1016/j.geoforum.2022.07.014
- ⁷² Holm, A., G. Alexandri, M. Bernt et al. (2023) "Housing policy under the conditions of financialization: The impact of institutional investors on affordable Housing in European cities (HoPoFin)". Research report. Sciences Po Urban School, June, p. 163.
- 73 "Banks' asset quality". Hellenic Financial Stability Fund (HFSF).
- ⁷⁴ Loan and Credit Claims Management Companies S.A. commonly called servicers were introduced with Law 4354/2015 and are special and exclusive-purpose company types supervised by the Bank of Greece. They manage loans, conduct portfolio sales and auctions, and provide related services. As of 17 October 2024, 18 Credit Servicing Firms are registered in the special Bank of Greece (BoG) registry; however, the sector is highly concentrated, with the three largest companies doValue, Cepal, and Intrum accounting for more than 90% of the loans under management.
- 75 Alexandri (2022), ibid endnote 95-
- ⁷⁶At the time, most foreclosure auctions were fruitless due to low demand. According to the law, the property must be auctioned until a buyer is found. On the third auction for the same property, the starting price can be up to 65% lower than its initial value (Articles 927-2021 of the Penal Code). Alexandri, G. (2022) Housing financialization. What is it, and why does it concern us? Eteron.org, 27 May.
- Properties of the initial borrower. REOCo entities are allowed to choose "friendly tax residences," which in Europe is often Ireland. (Papageorgiou, D. and S. Sideris (2024) "Red loans: The thread of funds leads back to Eurobank". Reporters United, 27 April, explored this company linked to Eurobank, one of the four systemic banks in Greece.)
- ⁷⁸ "We traced the complex money trail between five groups of companies and 19 corporate entities tied to Pillar, spanning five countries, including tax havens. This revealed a shifting web of ownership, with constant trading of loans and bonds between them. Our investigation highlights key issues: the loss of transparency in ownership, shareholders, management, and risk, obscured by high-level creative accounting. This has led to tax evasion, exploiting the Hercules program at the expense of the Greek State, a lack of accountability, and the concealment of practices where auctioneers often end up owning auctioned properties." Papageorgiou, D., S. Sideris and D. Karabola (2024)

- "Auctions: Pillar serves, and Eurobank drinks". Reporters United, 2 July.
- 79 Alexandri (2022),ibid endnote 95
- ⁸⁰Introduced with Law 4738/2020, "Debt Settlement and Second Chance and Other Provisions. Part B: Arrangements for Vulnerable Debtors." More information is available on the General Secretariat for Financial Sector and Private DebtManagement-webpage.
- ⁸¹Such as, the housing benefit for vulnerable debtors provided by the ministry of Labour (ar. 3 law v. 4472/2017), or the Interim Program for State Support of First Homes for Vulnerable Households (law 4916/2022, KEYD) until the transfer of their residence to the institution.
- Academic work has demonstrated how future rental revenues are transformed into an asset class derived from securitizing the rental income of foreclosed homes turned rental properties (see Fields, D. (2017) "Constructing a new asset class: Property-led financial accumulation after the crisis". *Economic Geography*, 2(94): 118-140. DOI: 10.1080/00130095.2017.1397492 on the US market).
- 83 Of course, a public entity alone does not guarantee the protection of public interest and social benefit. State-backed Asset Management Companies were created after the financial crash in many countries to isolate problematic assets from the wider financial sector. Yet, they actually acted as market makers, selling off assets on advantageous terms to investors after cleaning the risk, with a high cost for the public (see Byrne, M. (2016) "Bad banks and the urban political economy of financialization: The resolution of financial-real estate crises and the co-constitution of urban space and finance". CITY, 5(20): 685-699. DOI: 10.1080/13604813.2016.1224480; Waldron, R. (2018) "Capitalizing on the state: The political economy of real estate investment trusts and the 'resolution' of the crisis". *Geoforum*, 90: 206-218).
- Homeownership rates have been declining over the last decade in all countries. Indicatively, according to population census data from 2011 to 2021, homeownership dropped from 73.12% to 70.26% in Greece and from 73% to 70% in Portugal, while rentals increased from 21.67% to 24.57% in Greece and from 20% to 22% in Portugal, reversing a decades-long trend. Sources: "Population census statistics". Hellenic Statistical Authority (ELSTAT), 2021; "Housing and population indicators". Instituto Nacional de Estatística (INE) Portugal, 2021.
- ⁸⁵"Residential properties have been part of the listed real estate industry in Europe for decades, although they became much more relevant after 2012 with the expansion of the German residential landlords and the emergence of several alternative subsectors like co-living, social housing, senior living, and purpose-built student accommodation in continental Europe. During the last decade, the number of alternative housing specialists in Europe multiplied by four and their total market cap changed from EUR

1,403 million in 2014 to EUR 7,252 million in 2024, representing a total growth of 416.7% (CAGR 17.8%). Regarding long-term potential growth, some demographic trends can be highlighted. First, the provision of care homes and senior living facilities has not evolved fast enough. Simultaneously, looking at senior housing, most of the European markets remain highly fragmented, mainly due to regulatory and idiosyncratic differences across several territories." Moreno, D. (2024) "The rise of the alternative property sector". European Real Estate Association, 28 June.

⁸⁶ Holm, A., G. Alexandri, M. Bernt et al. (2023) "Housing policy under the conditions of financialization: The impact of institutional investors on affordable Housing in European cities (HoPoFin)"..

⁸⁷See also Beswick, J., G. Alexandri, G., M. Byrne, et al. (2016) "Speculating on London's housing future: The rise of global corporate landlords in 'post-crisis' urban landscapes". City, 20(2), 321–341.; Vincze, E. and E. Betavatzi (2024) "From crisis to cataclysm: Housing financialisation and the EU". GUE/NGL, p. 19, on the financialisation of various rental market sectors.

⁸⁸ In Greece, rent controls in urban centres were reformed in favour of landlords in 1987 and abolished in 1994 (see Siatitsa, D., S. Gyftopoulou, D. Balabanidis et al. (2022) "Policy paper: For the right to affordable rental housing").

⁸⁹ Tulumello, S. and M. Dagkouli-Kyriakoglou (2021) "Financialization of housing in Southern Europe: Policy analysis and recommendations".

90 Doling, J. and R. Ronald (2019) "Not for housing' housing: Widening the scope of housing studies". *Critical Housing Analysis*, 1(6): 22-31.

91(Pettas et al.,2024, ibid.).

92 "New rules for a responsible and transparent short-term rental sector". European Parliament, 29 February 2024.

⁹³"By joint decision of the Ministers of Economy and Development, Finance and Tourism, for reasons related to theprotection of housing, geographical areas may be de5ined where restrictions on the availability of real estate for short-termrentals" (ar. 111.8, law 5073/2023).

94."Short-term rental is de5ined as the rental or subletting of a property, regardless of whether it is posted on a digitalplatform in the context of the sharing economy or not and regardless of whether the contract is concluded through the digitalplatform, for a speci5ic period of less than sixty (60) days and provided that no services other than accommodation andbedding are provided." (ar. 111.1.d, law 5073/2023)

 95 With ar. 111.5A, law 5073/2023 the fee is set at €1.5 for apart-

ments and small houses, and ≤ 10 for single-family homesover 80 square metres for the summer period, and ≤ 0.50 and ≤ 4 respectively for the winter period.

⁹⁶"If all the apartments of a block of flats or a residential complex are let on short-term leases, the block of flats or complex is considered as tourist accommodation and must have a Special Operating Sign (S.O.S.) or have submitted a noti5ication." (ar.111.3.a, law 5073/2023)

⁹⁷A recent study by Grant Thorton on behalf of the Hotel Chamber of Greece calculated a 28% annual increase in the sector since 2019, with 193,000 properties used for STRs in 2023. It also demonstrated the very rapid increase in prices charged, increasing much faster than prices in the regular rental market, as STRs can be up to 6 times more profitable than regular rental. "Sharing economy: Basic trends, socioeconomic implications & regulatory interventions". Grant Thornton, September 2024.

98 "STAMA: No to a general ban on issuing new short-term rental property registration numbers". Capital.gr, 14 October 2024.

⁹⁹ Waldron, R. (2018) "Capitalizing on the state: The political economy of real estate investment trusts and the 'resolution' of the crisis". *Geoforum*, 90: 206-218., p. 207

 100 The institutional investors became the country's largest private landlords, focusing mainly on Dublin and its surroundings (Lima V. (2020) "The financialization of rental housing: Evictions and rent regulation", Cities, 105.). The global financial crisis triggered this financialisation process through two main mechanisms. The first was NAMA, the National Asset Management Agency, created in 2009 to attract vulture funds, equity, and real estate funds in Ireland to purchase distressed assets and loans after the 2008 financial crisis. The second was the REITs and their tax mechanisms, implemented in 2013 (see section about the actors of financialisation). From 2013 to 2020, housing prices in Ireland grew by 50% and rents by 60%, significantly increasing homelessness (Reynolds, A. (2022) "Contesting the financialization of student accommodation: Campaigns for the right to housing in Dublin, Ireland". Housing Studies, 6(39): 1495-1515, mentioned in Vincze, E. and E. Betavatzi (2024) "From crisis to cataclysm: Housing financialisation and the EU". GUE/NGL, p. 18).

¹⁰¹ In Greek: Ανώνυμη Εταιρεία Επενδύσεων σε Ακίνητη Περιουσία, ΑΕΕΑΠ.

102 Exempt from all property taxes, they are taxed on their investment and holdings at fixed rate annually (10% of the ECB intervention rate, increased by 1%).

103 Law 2778/1999, "Real Estate Mutual Funds – Real Estate Investment Companies and Other Provisions.".

104 Markazos, K. (2013) "What changes for AEEAP?" Euro2Day,

2 October.

- 105 Today, there are nine large REICs that hold 15% of the assets managed by the institutional asset-management sector and have been growing rapidly in recent years. "ΑΕΕΑΠ: Πάνω από 15 δισ. ευρώ οι επενδύσεις μέχρι το 2030". OT, 24 April 2024.
- ¹⁰⁶ Bota, E. (2022) "Shift to residential projects by major developers". Capital.gr, 9 January.
- ¹⁰⁷"Big week for REICs". ERED.gr, 26 April 2024. A more relaxed investment framework is expected to be implemented, in terms of the quantitative restrictions that currently exist for investments in alternative forms such as housing, data centres, hotels (short-term leases in general).
- ¹⁰⁸ Papakonstantinou, G. (2024) "REICs: Why they are betting on institutional changes". Insider.gr, 25 September.
- 109 See, for example: Beswick et al., 2016 (ibid, endnote 114); Nethercote, M. (2019) "Build-to-rent and the financialization of rental housing: Future research directions". *Housing Studies*, 5(35): 839-874. DOI: 10.1080/02673037.2019.1636938
- These companies maintain strong ties to local entrepreneurial networks, whether individual or corporate, while increasingly attracting foreign individuals and companies as shareholders or direct participants in ventures, notably from Israel, Lebanon, China or Russia. They can take different legal forms such as Anonymous Companies, Private Capital Company, Limited Liability Company, personal entities etc.
- Holm, A., G. Alexandri, M. Bernt et al. (2023) "Housing policy under the conditions of financialization: The impact of institutional investors on affordable Housing in European cities (HoPoFin)", p. 24.
- ¹¹²See indicatively an effort to count residential properties held by institutional investors in Athens in Holm, A., G. Alexandri, M. Bernt et al. (2023) "Housing policy under the conditions of financialization: The impact of institutional investors on affordable Housing in European cities (HoPoFin)", p. 25.
- ¹¹³ Gounari, C. (2024) "Property: Private student residences 'all inclusive". OT.gr, 4 March.
- 114 Holm, A., G. Alexandri, M. Bernt et al. (2023) "Housing policy under the conditions of financialization: The impact of institutional investors on affordable Housing in European cities (HoPoFin)", p. 37.
- 115 Data are based on the last survey of Federcasa dating from 2017.
- 116 Belotti, E. and S. Arbaci (2021) "From right to good, and to asset: The state-led financialization of the social rented housing in Italy", p. 7.
- 117 Data from municipalities working on the local strategies to

- implement the programme showed that situations of extreme precarity, which may well end up touching 100,000 cases, largely exceed the original target. Allegra, M. and C. Di Giovanni (2024) "Habitação digna para todos? 50 anos de políticas de habitação em Portugal", in A. Delicado and J. Ferrão (eds) *Portugal Social em Mudança* 50 anos do 25 de Abril (Lisbon: ICS-ULisboa), pp. 61-71
- 118 See: Siatitsa, D. (2019) Anyone at Home? Housing in Greece: Austerity Effects and Prospects for the Future.
- 119 Hatziprokopiou, P., M. Karagianni, N. Vrantsis et al. (2024) "Field survey for the documentation of the existing situation in the field of affordable housing availability in the municipality of Thessaloniki: Building stock assessment". Project report.
- 120 Hadjimichalis, C. (2014) *Debt Crisis and Land Dispossession* (Athens: KΨM Publications) [in Greek]; Hadjimichalis, C. (2014) "Crisis and land dispossession in Greece as part of the global 'land fever". CITY, 4-5(18): 502-508.
- 121 See, for example: Lundqvist, L. J. (1992) Dislodging the Welfare State? Housing and Privatization in Four European Nations (Delft: Delft University Press); Priemus, H. (1993) "A comparative view on European housing policies in the nineties". *Scandinavian Housing and Planning Research*, 4(10): 235-243; Harloe, M. (1995) The People's Home? Social Rented Housing in Europe and America (Oxford: Blackwell).
- ¹²² For comparison, see: Whitehead, C. M. E. (1991) "From need to affordability: An analysis of UK housing objectives". *Urban Studies*, 6(28): 871-887; Haffner, M. E. and K. Hulse (2021) "A fresh look at contemporary perspectives on urban housing affordability". International Journal of Urban Sciences, sup1(25): 59-79.
- 123 Li, J. (2015) "Recent trends on housing affordability research: Where are we up to?" SSRN. DOI: 10.2139/ssrn.2555439; Ezennia, I. S. and S. O. Hoskara (2019) "Methodological weaknesses in the measurement approaches and concept of housing affordability used in housing research: A qualitative study". PLoS Onwe, 14: e0221246. DOI: 10.1371/journal.pone.0221246
- 124 -Stone, M. E. (2006) "A housing affordability standard for the UK". *Housing Studies*, 4(21): 473-474.
- $^{125}\mbox{-}{\rm Yip},$ N. M. (1996) "Housing affordability in England". PhD thesis. University of York, p. 68.
- ¹²⁶Mijatovic, D. (2020) "The right to affordable housing: Europe's neglected duty". Human rights comment. Commissioner for Human Rights, Council of Europe, 23 January.
- 127 The partnership proposed incorporating the notion of affordable housing within a continuum of housing provision types ranging from emergency housing for the homeless to market housing, incorporating in its span **social housing**, income-based or cost-based public housing, **affordable rental housing** in the private (or social) sector, usually provided by non-profit organisations, cooperatives, companies etc. including rent-controlled housing, subsidised housing, cooperative housing etc., and **affordable owner-occupied housing**, through direct subsidies such as low-interest loans or tax exemptions, or indirectly

through land-use and housing production regulations. Still, this approach does not provide guidance on the actual outcome of affordable housing policies in relation to incomes and local populations' purchasing power. Colini, L. (2016) "EU urban agenda: The challenge of 'affordable housing' in Europe". URBACT knowledge hub [edited 10 April 2024].

- ¹²⁸Van den Hove, A. (2024) "The EU's plan to make housing more affordable". Politico, 3 October.
- ¹²⁹ Braga, M. and P. Palvarini (2013) "Social housing in the EU". Institute for the Study of Labor, Document commissioned by Directorate General for Internal Policies, Policy Department A: Economic and Scientific Policy. IP/A/EMPL/NT/2012-07, p. 38.
- 130 Priemus, H. and V. Gruis (2011) "Social housing and illegal state aid: The agreement between European Commission and Dutch government". International Journal of Housing Policy, 1(11): 89-104.
- 131 To boost the energy performance of buildings, the EU has established a legislative framework that includes the revised Energy Performance of Buildings Directive (EU/2024/1275) and the revised Energy Efficiency Directive (EU/2023/1791).
- 132 Bouzarovski, S., J. Frankowski and S. Tirado Herrero (2018) "Low-carbon gentrification: When climate change encounters residential displacement". International Journal of Urban and Regional Research, 42: 845-863; Tirado-Herrero, S. (2023) "Energy justice and housing", in S. Bouzarovski, S. Fuller and T. G. Reames (eds) *Handbook on Energy Justice* (Cheltenham: Edward Elgar), pp. 112-130; Grossmann, K. and S. Huning (2016) "Displacement through energy-efficient retrofitting? Impacts, actors and policies". Working paper series: Contested Cities, article no. 3-024. Contested Cities International Congress Madrid.
- ¹³³The International Union of Tenants (IUT) calls for help for tenants to prevent a worsening of the European housing crisis". International Union of Tenants (IUT), June 2022.
- Norris, M. and J. Lawson (2022) "Tools to tame the financialization of housing". *New Political Economy*, 3(28): 363-379. DOI: 10.1080/13563467.2022.2126447; Wijburg, G. (2020) "The de-financialization of housing: towards a research agenda". *Housing Studies*, 8(36): 1276-1293. DOI: 10.1080/02673037.2020.1762847
- ¹³⁵This chapter is based on an unpublished report commissioned by ANCI regions veneto; Colini, L. (2023) "HousingSociale: Una ri5lessione sul caso Italiano". Regione Veneto.
- ¹³⁶Tulumello, S. and M. Dagkouli-Kyriakoglou (2021) "Financialization of housing in Southern Europe: Policy analysis andrecommendations".
- 137 Fontana, C. and J. L. Faccini (2017) "Il sistema integrato di fondi immobiliari e il processo di finanziarizzazione della casa sociale". *Archivio di studi urbani e regionali*, (2017/118 suppl.).
- 138 lbid; Belotti, E. and S. Arbaci (2021) "From right to good, and

- to asset: The state-led 5inancialization of the social rentedhousing in Italy".
- 139 Urbani, P. (2010) "L'edilizia residenziale pubblica tra Stato e autonomie locali". *Istituzioni del federalismo*, 3(4), 249-70.
- 140 Fontana and Faccini 2017 (ibid, endnote 174); Lungarella, R. (2010) "Social housing": una definizione inglese di edilizia residenziale pubblica"?. *Istituzioni del federalismo: rivista di studi giuridici e politici*, (3), 271-311.
- ¹⁴¹Caselli, D., and F. Rucco (2018) "La finanziarizzazione del welfare. Social impact investing, fondazioni filantropiche e nuove frontiere di accumulazione capitalistica". Quaderni di sociologia, (76), 57-80.
- ¹⁴² Borghetti, E. (2013) "I Fondi di investimento immobiliare nell'Housing Sociale: strumento poco efficace in un rapporto pubblico/privato ancora problematico". Tesi di dottorato Roma La Sapienza.
- 143 Belotti, E. and S. Arbaci (2021) "From right to good, and to asset: The state-led financialization of the social rented housing in Italy", p. 14.
- 144 Ibid, endnote 179, p. 25
- ¹⁴⁵ Ibid, endnote 179, p. 24
- 146 CDP is the Italian development bank, an institution for economic development through long-term investments at local, regional and national level and acts as the government's arm for executing public policy mandates
- ¹⁴⁷ Poggio, T., & Boreiko, D. (2017). Social housing in Italy: Old problems, older vices and some new virtues?. *Critical Housing Analysis*, 4(1), 112-123.
- 148 For comparison, see: Ibid, endnote 179, p. 48.
- 149 Borghetti 2015lbid, endnote 179, p. 25
- 150 Cassa Depositi e Prestiti has been supporting the development of private social housing, known as social housing, through a fund of funds, the Fondo Investimenti per l'Abitare (FIA), in which it is the reference investor (with €1bn capital, equal to about 50% of the total endowment) and manager through its subsidiary CDP Immobiliare SGR. The FIA operates through the integrated system of funds. Local real estate funds, managed by 9 SGRs, have the FIA as their reference investor, with shares ranging from 33% to 80% of the total capital. Co-investors include local stakeholders, primarily local banking foundations, as well as regions, provinces, municipalities, housing cooperatives, and private developers. The total resources mobilized by the SIF amount to approximately €3 billion (a 3X multiplier with respect to CDP's investment), making SIF one of the most important interventions in terms of size, active in the field of impact investing. https://urbanpromo.it/2023-en/progetti/fia-housing-investment-fund/
- ¹⁵¹CDP Real Asset SGR S.p.A. is an asset management company whose capital has been held 70% by CDP S.p.A. and 30% in equivalent shares by ACRI (Associazione delle Casse di Rispar-

mio Italiane)and ABI (Associazione Bancaria Italiana), respectively. The company manages the following closed-end alternative investment funds reserved for professional investors: FIA "Investment Fund for Housing," operating in the sector of private social housing; "FNAS - National Fund for Social Housing," dedicated to real estate investments nationwide to support social housing infrastructures; "Investment Fund for Valorization" active in the divestment of real estate assets by public entities and companies controlled by them; "National Tourism Fund", whose purpose is the implementation of projects that contribute to the enhancement and management of the Italian tourism and hospitality heritage; the "Development Fund," dedicated to urban transformation and redevelopment operations, and the "Infrastructure Fund of Funds" to support the development of sustainable infrastructures with a focus on greenfield and brownfield projects.

- 152 Belotti, E. and S. Arbaci (2021) "From right to good, and to asset: The state-led financialization of the social rented housing in Italy".
- ¹⁵³ "OE2019: Secretária de Estado diz que habitação tem verba 'suficiente'". Sapo 24. 2 December 2018.
- 154 Roseta, H. (2019) "Imobiliário público um alerta". Público,
 19 February.
- ¹⁵⁵ For example: Lusa (2024), "Rendas acessíveis: Lisboa flexibiliza parcerias com privados". Idealista News, 17 January 2024.
- ¹⁵⁶ Palmisano, L. (2020) "Minha casa é sua casa. Le nuove politiche abitative del Portogallo per frenare l'avanzata di Airbnb". Linkiesta, 5 December.
- ¹⁵⁷ For comparison, see: Tulumello, S. (2024) *Habitação para além da "crise". Políticas, conflito, direito,* chapter 1.
- Maloutas, T., D. Siatitsa and D. Balampanidis (2020) "Access to housing and social inclusion in a post-crisis era: Contextualizing recent trends in the city of Athens".
- 159 See: Emmanuel, D. (2014) "The Greek system of home ownership and the post-2008 crisis in Athens".
- 160 See Roussanolgou, N. (2016) "The rocky years of antiparohi and the losses of landowners". Kathimerini, 13 November.
- 161 "Wohnfonds Wien a land bank for the public good". Housing 2030; Mazzucato M. and L. Farha (2023) "Right to housing: A mission-oriented and human rights-based approach". Working Paper Series. Council on Urban Initiatives. UCL Institute for Innovation and Public Purpose, 30 May.
- ¹⁶² See S&D Group webpage: "Affordable and decent housing for all"; "S&Ds champion affordable housing plan to address housing crisis", 9 October 2024·
- 163 "Press statement by President von der Leyen on the next College of Commissioners". European Commission, 17 September 2024.
- 164 "Hearing of Commissioner-designate Dan Jørgensen". Eu-

- ropean Parliament, 5 November 2024.
- 165 "European Energy and Housing Commissioner must bring the social heart of housing to the surface". Housing Europe. 18 September 2024.
- 166 A special committee on the Housing Crisis in the EU was set up by the EP 18th December 2024 (2024/3000(RSO)). The aim of the committee is to propose solutions to the housing crisis within 12 months.
- 167 "What's the competence of a housing commissioner?" Politico, 2 September 2024.
- 168 Gabor D. and S. Kohl (2022) "My home is an asset class: Study about the financialization of housing in Europe". The Greens/EFA, 27 January; Tulumello, S. and M. Dagkouli-Kyriakoglou (2021) "Financialization of housing in Southern Europe: Policy analysis and recommendations"; Vincze, E. and E. Betavatzi (2024) "The impact of EU policies on housing and urban development" Rosa Luxemburg Stiftung, 17 April.
- 169 Norris, M. and J. Lawson (2022) "Tools to tame the financialization of housing" \cdot
- ¹⁷⁰ Tulumello, S. and M. Dagkouli-Kyriakoglou (2021) "Financialization of housing in Southern Europe: Policy analysis and recommendations"
- 171 Wijburg, G. (2020) "The de-financialization of housing: towards a research agenda".
- ¹⁷² Bengtsson, B. and H. Ruonavaara (2010) "Introduction to the special issue: Path dependence in housing". *Housing, Theory and Society*, 3(27): 193-203. DOI: 10.1080/14036090903326411
- 173 Insights and proposals from the roundtable discussion, titled "Housing as an Investment. Seeking policies to protect the right to housing in Greece", that was organised as part of this study in April 2024, with the participation of policy experts, researchers, journalists, activists and market actors, have been incorporated in the policy recommendations.
- 174 See: Siatitsa, D., S. Gyftopoulou, D. Balabanidis et al. (2022) "Policy paper: For the right to affordable rental housing".
- 175 See: "#Housing2030. Effective policies for affordable housing in the UNECE region". United Nations Economic Commission for Europe, 2021; Slater, T. (2021) Shaking Up the City: Ignorance, Inequality, and the Urban Question (Oakland: University of California Press).
- 176 See: "#Housing2030. Effective policies for affordable housing in the UNECE region". United Nations Economic Commission for Europe, 2021; Slater, T. (2021) Shaking Up the City: Ignorance, Inequality, and the Urban Question (Oakland: University of California Press).
- 177 Siatitsa, D., S. Gyftopoulou, D. Balabanidis et al. (2022) "Policy paper: For the right to affordable rental housing".
- 178 Holm, A., B. Sakizlioglu, J. Uitermark et al. (2022) Municipal-

 $ism\ in\ Practice:\ Progressive\ Housing\ Policies\ in\ Amsterdam,\ Barcelona,\ Berlin,\ and\ Vienna\ (Berlin:\ Rosa\ Luxemburg\ Foundation).$

¹⁷⁹ As argued by the POMIDA representative during the round-table in April 2024.

¹⁸⁰ See: Colomb, C. and T. Moreira de Souza (2021) "Regulating short-term rentals. Platform-based property rentals in European cities: The policy debates". Property Research Trust, May.

¹⁸¹ For example, MeRA 25 is proposing the immediate repeal of the "Hercules" scheme and the establishment of a public entity to manage non-performing loans. A similar, but less specific proposal has been made by PASOK claiming the non-negotiable role of the state - and not servicers - in private debt and housing policy.

¹⁸² See: "#Housing2030. Effective policies for affordable housing in the UNECE region", 88ff.

¹⁸³ Ferreri, M., and L. Vidal (2022) "Public-cooperative policy mechanisms for housing commons". *International Journal of Housing Policy*, 2(22): 149-173.

184 Holm et al. 2022 (ibid, endnote 215)

185 Norris and Lawson, 2023 (ibid, endnote 206)

¹⁸⁶ Mazzucato M. and L. Farha (2023) "Right to housing: A mission-oriented and human rights-based approach".

¹⁸⁷ Lawson, J., T. Denham, D. Dodson et al. (2019) "Social housing as infrastructure: Rationale, prioritization and investment pathway". Final Report No. 315, AHURI, Melbourne.

¹⁸⁸ Using public revenues from short-term-rental taxation (currently estimated at €700m in Greece) towards social housing, could provide critical funding for areas in need (Bakas, round-table). However this strategy introduces a contradiction: boosting the STR sector to maximise tax revenue may inadvertently fuel the very housing challenges it aims to address, such as increased commercialization and the conversion of residential stock into short-term rentals in high-tourism areas. This cycle risks further intensifying housing scarcity and affordability issues in these areas.

¹⁸⁹Social procurement or Socially Responsible Public Procurement is being supported by EU legislation and guidelines and has been incorporated into Greek law (Law 4412/2016). However its implementation remains limited and needs to be further integrated into the practices of public authorities in Greece.

¹⁹⁰ The right of pre-emption allows public authorities to intervene in private real-estate transactions to maintain control over housing stock, particularly during mass sales. In Spain, this right is exercised by regional and local authorities. For example, in Barcelona, the Urban Development Plan was modified in 2018 to designate the entire city as a pre-emption right area. Subsequent bylaws were introduced to facilitate joint acquisitions by non-profit organisations, social developers, local residents, and the City Council. This mechanism is also applied by the Regional Government of Catalunya, particularly in areas facing strained housing markets (Decreto Ley 6/2014).

191 Ozgunes and Vrantsis, 2023 (ibid, endote 67); Anguelovski, I. and J. J. T. Connolly (eds) (2021) *The Green City and Social Injustice*. 21 Tales from North America and Europe (London: Routledge); Taylor, J. C. and M. B. Aalbers (2022) "Climate gentrification: Risk, rent, and restructuring in Greater Miami". *Annals of the American Association of Geographers*, 6(112): 1685-1701.

¹⁹² Cavicchia, R., M. Friesenecker, L. Munson et al. (2023) "Greener housing, but affordable? A study of synergies and conflicts between environmental policy instruments and access to housing". Research report. Sciences Po Urban School, July.

193 "State Housing Development Fund (SHDF)". COMACT Project.

¹⁹⁴Lawson, J., T. Denham, D. Dodson et al. (2019) "Social housing as infrastructure: Rationale, prioritization and investment-pathway", p. 6.

 $^{195\mbox{\tiny{\it "}}}$ Wohnfonds Wien – a land bank for the public good". Housing 2030.

¹⁹⁶See, for example the measures proposed: "Tools to deal with vacant buildings". Housing Europe, 6 September 2023; also"Vacant Houses". Housing 360 for a depiction of the housing issue in Greece.

197 Arapoglou V., T. Maloutas and D. **Siatitsa** (2019) "Vacant Housing: a resource for social housing policy and local development in Athens", in Siatitsa D. (ed.) (2019) Collective housing and neighbourhood interventions, Special Issue, Geographies, n. 33 (in greek).

¹⁹⁸Hatziprokopiou, P., M. Karagianni, N. Vrantsis et al. (2024) "Field survey for the documentation of the existing situation inthe 5ield of affordable housing availability in the municipality of Thessaloniki: Building stock assessment".

¹⁹⁹Vrantsis, N. (2022) "The housing paradox in small Greek municipalities. The case of Naoussa City". Heinrich-Böll-Stiftung Thessaloniki.

²⁰⁰Czischke, D. and G. van Bortel (2023) "An exploration of concepts and policies on 'affordable housing' in England, Italy,Poland and The Netherlands". *Journal of Housing and the Built Environment*, 38: 297. DOI: 10.1007/s10901-018-9598-1

201 See, for example: "Cost-based social rental housing in Europe". Housing Europe, 13 December 2021, for a report on the model that enables social providers in Austria, Denmark and Finland to better ensure their long-term capacity to develop new affordable housing and meet unexpected investment needs. The model is also used by many housing cooperatives across Europe.

 202 Czischke, D. and G. van Bortel (2023) "An exploration of concepts and policies on 'affordable housing' in England, Italy,Poland and The Netherlands".

203 "Introducing social rental agencies in Poland". Habitat for Humanity.

204"Rent your flat with guarantees, facilities and responsibility". City of Barcelona.

²⁰⁵"Housing Thessaloniki".Housing Thessaloniki.

206This pilot program aims to renovate 100 housing units (70 in Athens and 30 in Thessaloniki) for future allocation associal rentals to vulnerable groups. It has been allocated with a very limited amount of €1.5m out of a total €36bn package −and this in a broader context where housing 5inance programs amount to nearly €3bn.

207"Cohab toolkit".Cohab Athens.

²⁰⁸Matznetter, W. and M. Stephens (2005 [1998]) "Introduction: From comparative housing research to European housing research", in M. Kleinman, W. Matznetter and M. Stephens (eds) European Integration and Housing Policy (London: Routledge), pp. 1-15; Doling, J. (2006) "A European housing policy?" European Journal of Housing Policy, 3(6): 335-349; Tulumello, S., G. Cotella, F. Othengrafen (2020) "Spatial planning in Southern Europe between economic crisis and austerity policies". International Planning Studies, 1(25): 72-87.

See, for example: Tosics, I. and S. Tulumello (2021) "Between markets and social rights: Confused EU housing policies", in D. Rauhut, F. Sielker and A. Humer (eds) EU Cohesion Policy and Spatial Governance (Cheltenham: Edward Elgar), pp. 244-259; Vincze and Betavazi, (2024), (ibid, endnote 205).

 210 See also the section on "Regulating the European Housing Market". S&D Group.

²¹¹ Fernandez, R. and M. B. Aalbers (2017) "Capital market union and residential capitalism in Europe: Rescaling the housing-centred model of financialization"; Engelen, E. and A. Glasmacher (2018) "The waiting game: How securitization became the solution for the growth problem of the Eurozone". *Competition and Change*, 2(22): 165-183.

212 See also: Murray, C. and K. Haar (2020) "Platform failures: How short-term rental platforms like Airbnb fail to cooperate with cities and the need for strong regulations to protect housing". The Left, 9 December.

²¹³ Thus preventing cases in which the interpretation of platforms as digital service providers has been used to halt regulations (for example, the EU Court of Justice Case C-390/18).

 214 As upheld in the past by the Court of Justice of the EU, for example in Joined Cases C-724/18 and C-727/18).

215 See on Investigate Europe's 2022 issue "Untaxed. How governments lure capital into real-estate and feed the housing crisis" for an analysis of the taxation and loopholes for real estate investments in several European countries. It is mentioned that real estate funds in the Eurozone reached €1tn last year, up from €350bn in 2010; the volume of housing purchases made by institutional investors topped €64bn in 2020; and capital gains exemptions, special free-tax guarantees, low rent income taxes and inheritance incentives are just some of the common privileges granted. Source: "Untaxed: How governments lure capital into real estate and feed the housing crisis. An analysis of the taxation and loopholes for real estate investments in several European countries". Investigate Europe, 2022.

ABOUT THE AUTHORS, FEPS & PARTNERS

ABOUT THE AUTHORS



DIMITRA SIATITSA

Dimitra Siatitsa is an independent researcher working on housing and urban studies. She is currently doing research at the National Technical University of Athens and the National Centre of Social Research. Her work focuses on socio-spatial inequalities, sustainable development, public policies, alternative initiatives and social movements, with a focus on Southern Europe. She collaborates with local, regional and national authorities on housing and social policies and is a founding member of CoHab, an action-research group on collaborative housing, she is also member of international networks such as INURA and ENHR.



LAURA COLINI

Laura Colini serves as researcher at the Housing in the City research cluster at the University Iuav of Venice IT. She teaches at Iuav, Venice; EUP Paris; and Unifi Florence. Since 2004 has worked as senior expert for EU URBACT, UIA-Urban Innovative Action, European Urban initiative, NEB, EU COM DG regio, EU JRC; referent for URBACT at European Urban Agenda on Urban Poverty, Affordable Housing, Inclusion of migrants and refugees, Culture and cultural heritage; and for organisations e.g. Housing Europe, AEIDL, IUT, ANCI et al. jury member of the European Responsible Housing Award and Co-founder of Tesserae Urban Social Research & Mimetis, INURA member.



SIMONE TULUMELLO

Simone Tulumello is assistant research professor of human geography at the Institute of Social Sciences of the University of Lisbon. He has experience of housing policy research and consultancy for, inter alia, the European Parliament, the New European Bauhaus and the Portuguese Social and Economic Council.

Twitter/X: https://twitter.com/SimTulum



The Foundation for European Progressive Studies (FEPS) is the think tank of the progressive political family at EU level. Its mission is to develop innovative research, policy advice, training and debates to inspire and inform progressive politics and policies across Europe. FEPS works in close partnership with its 77 members and other partners – including renowned universities, scholars, policymakers and activists – forging connections among stakeholders from the world of politics, academia and civil society at local, regional, national, European and global levels.

Foundation for European Progressive Studies (FEPS) European Political Foundation - No 4 BE 896.230.213 Avenue des Arts 46, 1000 Brussels (Belgium) www.feps-europe.eu @FEPS_Europe

ON ETERON

Eteron, the Institute for Research and Social Change, is a non-profit organisation that produces knowledge, contributes to the empowerment of citizens and promotes partnerships. The institute produces knowledge in the form of credible research, analysis, articles and public events, pushing for justice, inclusion and sustainability. Eteron has become a collaborations' hub among research institutions abroad, bringing the international discussion in Greece and promoting the discussion regarding Greece abroad.

ETERON – Institute for Research and Social Change Leokoriou 38-40, 10553 Athens (Greece) www.eteron.org @eteronOrg



The Friedrich-Ebert-Stiftung (FES) is a non-profit German foundation based in Bonn and Berlin. It focuses on the core ideas and values of social democracy - freedom, justice and solidarity - and organises its work autonomously and independently. The FES office in Athens was reopened in May 2012 with the goal to foster German-Greek collaboration addressing Europe's social, political, and economic challenges. In all organised events and commissioned studies and analyses, the office works closely with Greek partners from politics, civil society, trade unions, academia, and the media.

Friedrich Ebert Stiftung (FES)
FES Office Athens
Neof. Vamva. Street 4 , 10674 Athens (Greece)
www.athens.fes.de
@fes_athen



The Institute for the Social Democracy (InSocial) is a non-profit research centre dedicated to advancing progressive political thought. Grounded in the principles of modern social democracy and democratic socialism, it fosters public dialogue, harnesses scientific knowledge, and promotes policy proposals. Focusing on the challenges of the 21st century, the institute conducts research, builds networks among political and academic organisations, and engages in international collaborations.

InSocial – Institute for the Social Democracy Likavittou 11, 10672 Athens (Greece) https://in-social.gr @InSocialD The study contextualises the current debates and developments related to the housing crisis in Greece and other Southern European Countries with insights from Italy and Portugal. It examines the policies and legal frameworks that embed market and financial logics into the production and management of housing, including within the social and affordable sector. Current housing investment avenues in Greece are largely driven by touristification, debt-management and growing activity in market-led rental housing, increasingly dominated by foreign investors, and more broadly by market and financial entities. The study exposes the harmful mechanisms and logics undermining the right to housing, arguing that they exacerbate housing unaffordability, and accelerate the commodification and assetization of housing, particularly in the context of inadequate housing welfare systems across the region.

By prioritising social value over profit, the study critically challenges mainstream policy assumptions often framed as solutions to the housing crisis, such as the reliance on free-market supply-and-demand dynamics to regulate prices, the presumed effectiveness of public-private partnerships (PPPs) operating on market terms for delivering social and affordable housing, and the unregulated influx of profit-driven investment in housing. These approaches, it argues, are not solutions but intrinsic parts of the problem.

Recognising the urgent and challenging task of establishing a European Affordable Housing Plan, this study aims to provide policy recommendations that address the specific challenges facing Greece and other Southeast European countries. It envisions a housing policy grounded in social rights, sustainability, and the common good, rather than market principles. To achieve this, robust policies and public interventions at the EU, national, and local levels are essential in steering both private and public investments toward more just and equitable housing systems.

POLICY STUDY PUBLISHED IN APRIL 2025 BY:











Copyright © 2025 by FEPS, ETERON, FES & InSocial

ISBN: 978-2-931233-44-3