

How Collaborative Housing can respond to the European housing challenge

Input from the European Alliance for Collaborative Housing to the public consultation for the European Affordable Housing Plan October 2025

The crisis of affordable housing needs solutions beyond the state and the market

Between 2010 and 2025 house prices in the EU have increased by 60.5% and rents by 28.8%, far outstripping income increases in most countries. In Europe, at least 100 million people spend more than 40 per cent of their disposable income on housing and homelessness is growing. The pressing question for many is not why or if, but *how* to deliver the housing we need.

The private housing market, dominated by profit-led housing developers and ever more shaped by the financialisation of land and housing, is excluding a growing number of people from home ownership and affordable rental options. At the same time, the social housing sector, part of a welfare model itself under stress, is lacking the capacity to supply sufficient affordable housing to fill the gap.

Overshadowed by the traditional dichotomy between state- or market-led solutions, Collaborative Housing encompasses not-for-profit community-led housing models that have proved most effective to deliver long-term affordable housing while creating environmentally sustainable and socially cohesive neighbourhoods. At a time when the housing crisis is affecting an ever broader socio-economic demographic failing to diversify the housing system and continuing business-as-usual risks leaving too many without housing options they can viably afford.

How does Collaborative Housing provide long-term affordable housing for all

Collaborative Housing refers to housing that is collectively initiated, developed, owned, managed, and ultimately controlled over the long-term by its residents, with the support of local and national governments, notably in terms of facilitating access to land or finance. Collaborative Housing schemes are need-driven and governed by a participatory and democratic members-based institution which leads the development and management of land and housing, and whose objective is to fulfil the housing needs and aspirations of its members, primarily its residents. Crucially, with residents being the developers of their own housing through collective governance, Collaborative Housing projects are not subject to market speculation and profit-generation for non-members, ensuring that housing finance is reinvested within the community and used to meet residents' own needs rather than being extracted as profits for landlords or other external stakeholders. The collective ownership and non-profit principles of these models ensure permanent affordability and community benefit for future generations.

Over the last decades two notable forms of Collaborative Housing have emerged in European cities: Community Land Trusts (CLTs) and right-to-use Housing Cooperatives, also known as non-profit rental Housing Cooperatives. A Community Land Trust (CLT) is a democratic, non-profit organisation that owns and stewards land, homes, and other assets for the benefit of the local community. CLTs offer a unique solution by tackling the problem at its root: land ownership. CLTs acquire land and

decouple it from the homes and buildings that sit on top of it, thereby removing land from the speculative market and ensuring homes remain truly affordable in perpetuity. There are over 600 CLTs across Europe stewarding thousands of affordable homes for low and middle income families. [CLT Brussels](#) and [CLT Leuven](#), in Belgium, [CLT H-Buurt](#) in Amsterdam, and [London CLT](#) and [Hastings Commons](#), in the UK, are some of the many successful applications of the model, which have been recognized nationally and internationally for their innovative approach to providing affordable housing.

Right-to-use Housing Cooperatives, is a form of housing in which residents collectively own and manage their living environment, typically with a focus on affordability and community. The cooperative either owns the land or leases it, usually from a local or regional authority. Prospective residents become members of the cooperative and are granted the right of use of a unit by contributing to the cooperative's capital, usually through a membership fee and the purchase of a number of shares. As long as they live in the cooperative, residents pay a monthly cost-based rent to the cooperative. The cooperative operates on a non-profit basis, meaning any surplus revenue is reinvested towards the cooperative's costs, maintenance and further improvements, providing long-term affordable housing, social value and environmental sustainability. Examples include [Mehr als Wohnen](#), in Zurich, [Habitat & Partage](#), in Lyon, [COBHA](#), in Brussels, [a pilot project in Križevci](#), Croatia, and [Sostre Civic](#), in Barcelona, as well as student housing cooperatives like [La Ciguë](#), in Geneva, [Mutualità Studentesca Società Cooperativa \(MuST\)](#), in Firenze, and [Studentendorf](#), in Berlin.

Besides CLTs and right-to-use housing cooperatives, other models that uphold the same values and principles — though organised under different legal forms — have demonstrated strong dynamism in providing affordable housing solutions, like [Mietshäuser Syndikat](#), in Germany, and [L'ACLEF](#), in France.

Existing housing policy frameworks, as historically shaped with market- or state-led actors in mind, do not facilitate collaborative housing to scale up. While there is a growing number of cities and regions receptive and supportive of the model, collaborative housing still lacks the policy tools and the institutional recognition that can enable more communities to lead their own housing.

Policy recommendations

To advance collaborative housing across Europe and in the light of the European Union's initiative for affordable housing we recommend policy makers take the following steps:

A. Recognise and Support Collaborative Housing (CH) in EU Policy Frameworks

1. Include CH in EU Housing and Social Policy Strategies – Ensure CH is explicitly acknowledged within EU initiatives such as the Renovation Wave, the European Pillar of Social Rights, and the Affordable Housing Plan.
2. Facilitate the Recognition of CH actors as social housing providers at member state level – Enable CH initiatives to access the same public funding and tax benefits as traditional social housing providers.

3. Remove obstacles for accessing funding - explicitly introduce collective ownership models in EU-level legislation so that financial institutions are not allowed to discriminate against it as it is now the case in many member states.
4. Introduce systemic VAT solution in EU regulations allowing tax breaks for rental-based not-for-profit housing models.
5. Establish legal and financial frameworks prioritising the acquisition and development of public land for CH by not-for-profit housing providers.

B. Establish Dedicated EU Funding Mechanisms

5. Create an EU Collaborative Housing Fund – A targeted fund to provide grants, guarantees, and low-interest loans to CH projects through instruments like InvestEU or the European Investment Bank.
6. Expand Access to the European Social Fund+, Climate Social Fund, and ERDF – Streamline the eligibility of CH projects to benefit from social and regional development funds.
7. Support partnerships between local authorities and civil society – Encourage municipalities to allocate land for CH initiatives through long-term leases or discounted sales, as seen in Vienna and Barcelona.

C. Facilitate Knowledge Exchange and Capacity Building

8. Establish a European Collaborative Housing Hub – A platform to support municipalities, housing groups, and policymakers in exchanging best practices, legal frameworks, and technical expertise.
9. Fund Research and Pilots – Invest in research on CH's socio-economic benefits and support experimental projects across different housing markets.

Collaborative Housing in European cities

Recent experiences in different cities, Barcelona shining bright amongst them, have not only demonstrated that it is possible to place community institutions and organisations at the heart of housing production, but equally that Collaborative Housing free from the burden of profit-generation can deliver far superior wellbeing and sustainability outcomes for residents, for our cities, and for our planet alike. They add to a long established [collaborative culture of cooperative housing](#) (notably in Switzerland, Germany and Austria) that has enabled people to access housing while guarding it from market speculation and commodification, in perpetuity. Across Europe, local governments in cities like Vienna, Barcelona, Brussels, and Lyon have successfully integrated CH into their affordable housing strategies by:

1. Providing favourable financial schemes, notably by recognising CLH actors as affordable housing providers:
 - Direct subsidies on the condition of reduced rents ([Vienna](#))
 - Operating and investment subsidies and VAT reduction for real estate transactions (Brussels)
 - Refundable grants to cover a part of the development costs (Barcelona)

2. Leasing of public land at a reduced or symbolic price:
 - Renewable long-term (75-99 years) land rights and public land leaseholds ([Barcelona](#))
 - Discounted sale of public land (Lyon, Vienna)
3. Constituting long-term agreements and collaborations: housing development programme on public land agreed between municipality and CLH actors ([Barcelona](#))
4. Facilitating partnerships between co-housing groups and affordable housing providers: projects co-developed by limited-profit and affordable-rent housing developers (Vienna, France)
5. Guaranteeing external financing by banks and investors: municipal financial guarantees for public bank loans (Barcelona).
6. Supporting technical assistance and knowledge-exchange schemes that enable a broader population to engage with collaborative housing ([Lyon](#)).

These cases highlight how Collaborative Housing can:

- Ensure long-term affordability: By removing housing from speculative markets and reinvesting revenues into community benefits.
- Foster social cohesion and inclusion: Encouraging mixed-income and intergenerational living, often prioritising vulnerable groups such as migrants, elderly residents, and low-income families.
- Promote environmental sustainability: Through high energy efficiency standards and shared resources that reduce consumption and waste.
- Strengthen local economies: By keeping ownership structures community-based, reducing financial leakage to speculative investors.

A historic opportunity to enable communities fulfil their housing needs and aspirations

At a time when housing is becoming unaffordable for many, Collaborative Housing, either in the form of CLTs or as Housing Cooperatives, led by people and driven by their needs, is effectively responding to the housing challenge in a number of cities across Europe. Local and regional governments are supporting community actors to develop their own housing, replacing profit-generation with social and environmental benefits. It is clear that strengthening not-for-profit community actors can secure long-term housing affordability.

The EU's Affordable Housing Plan presents a historic opportunity to diversify housing models beyond the strained market- and state-led solutions and strengthen the ability and resolve of communities to define and fulfil their housing needs and aspirations. Institutional recognition of community actors into an inclusive and participatory housing process means harnessing the power of communities to generate permanently affordable homes, sustainable cities, and cohesive neighbourhoods. Through rethinking rules and policies, and encouraging cities and member states to act, the EU's role can be pivotal in recognising not-for-profit community housing actors as legitimate to fairly participate in all stages of housing production or rehabilitation, and its long-term management, as peers to social housing providers and private market developers.

The European Alliance for Collaborative Housing

European Community Land Trust Network

The [European Community Land Trust Network](#) brings together over 300 Community Land Trusts across Europe, including established initiatives like CLT Brussels, CLT London, and CLT Leuven, as well as emerging groups in other countries. Its members collaborate to provide community-led, permanently affordable housing, sharing knowledge and advocating for CLTs as a sustainable, inclusive model for urban development.

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European Student Cooperative Housing Alliance

The [European Student Cooperative Housing Alliance \(ESCHA\)](#) is a network uniting student-led cooperative housing initiatives across Europe, including [L'ACLEF](#) in France, [Studentendorf Berlin](#) and [Collegium Academicum](#) in Germany, [Mutualità Studentesca](#) in Italy, Coöperatieve woonvereniging La 26 in the Netherlands, [La Ciguë](#) in Switzerland, and several UK and Irish members of [Student Co-op Homes](#). ESCHA promotes collaboration, knowledge exchange, and mutual support among its members, who share a commitment to democratic self-management, affordability, and community-driven living, offering a sustainable alternative to profit-oriented student accommodation.

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MOBA Housing Network

[MOBA](#) is a network of housing cooperatives from Belgrade ([Pametnija Zgrada](#) / [Ko Gradi Grad](#)), Budapest ([ACRED](#) / Zugló Collective House Association), Ljubljana ([Zadrugator](#)), Děčín ([Vzletný Racek](#)), Prague ([Sdílené domy](#) / [První Vláštovka](#)) and Zagreb ([Cooperative Open Architecture](#)) with long-term support from the [Cooperative for Ethical Financing \(ZEF\)](#), urbaMonde and World Habitat. MOBA responds to problems of housing access and affordability in our cities through the cooperative model and is developing innovative financial tools to enable more people to access housing cooperatives.

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Sostre Cívic

[Sostre Cívic](#) promotes the right to use housing cooperativism as an alternative to access housing, ensuring permanent affordability. Sostre Cívic was born as an association in a context where right to use housing cooperativism was unknown in Catalonia, aiming to disseminate and promote the model among the public administrations, civil society organisations and the citizens. Nowadays, Sostre Cívic counts more than 1000 members, with 17 projects.

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urbaMonde

[urbaMonde](#) is a Swiss-French NGO promoting community-led housing worldwide. Through the [CoHabitat Network](#), it connects groups of residents, their federations and networks, NGOs, and local authorities, supporting them in advancing inclusive, sustainable housing initiatives through technical guidance and advocacy for secure land, affordable finance, and participatory, community-driven approaches.

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World Habitat

[World Habitat](#) finds, supports and shares housing ideas, models, and solutions that can transform the lives of individuals, families and communities. For the past 40 years, in collaboration with UN Habitat, it has recognized and awarded 360 transformative housing solutions from around the world.

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