



Rethinking housing: European approaches to delivering affordability and sustainability

The severity of the European housing challenge and the urgency of delivering affordable and sustainable housing requires a mindset change. To address this European crisis, we will need to see a pivot from short-term investment logic, fragmented value chains and limited alignment with social and environmental goals.

Progress is already underway. These three case studies from France, Denmark and Poland highlight how pioneering actors are developing new models that integrate circularity and long-term impact — offering practical pathways to alleviate Europe's crisis in a way that is both affordable and sustainable.



Partnerships power low-carbon social housing

Seqens, a French social housing provider, is actively shaping market and policy conditions for circular construction. Rather than waiting for the supply chain or regulation to evolve, Seqens is collaborating closely with industrial partners to overcome barriers such as insurance constraints, fragmented markets, and the lack of financial incentives.

“*Innovation isn’t only technical. It’s also considering the financial aspect **early in the process** and integrating it into the project design*”

Franz Namiach, Deputy Director General, Seqens

How is it *sustainable & affordable*?



Recygénie project, the world’s first building made with 100% recycled concrete



Recycling end-of-life windows and building glass: 250t of glass recycled => saved 300t of raw materials and 175t of CO² emissions



800 apartments connected to renewables-based micro-district heating networks



Demonstration of material banks concept — viewing buildings as reservoirs of future construction resources



Rent at €7/sqm, 2x to 3x lower than in the private rental market



Economies of scale from industrial partnerships are expected to make recycled materials cost-neutral or cheaper in future builds

How was it *made possible*?



Partnerships with leading industry actors to co-develop recycling technologies and validate performance through real projects



Shared cost models for innovative materials reduced the financial burden on the housing provider while enabling large-scale experimentation



Clean micro district heating networks enable energy savings to finance the deployment of micro district heating through an energy operator



Strong communication and dissemination strategy to share findings with developers, engineers, regulators and insurers to build trust and pave the way for market collaboration and future standards on recycled materials

Impact

- ▶ Advancing R&D on highly innovative concrete solutions: the Seqens project secured a trial approval that served as a guarantee to insurers
- ▶ Growth in demand for recycled materials, with the proportion of recycled content rising from 5% to 30% in France
- ▶ Enhanced collaboration culture between social housing actors and industrial partners to accelerate innovation
- ▶ More work is still needed to address lack of financial incentives for early-stage circular construction projects and higher risk for first movers



Innovative finance delivers *sustainable homes* for essential workers

Home.Earth is a private Danish real estate company that develops, owns and operates multi-family homes with a long-term horizon. It is redefining the private rental market by building affordable homes within planetary boundaries. Its integrated approach — spanning from land ownership to property operation — ensures accountability and enables innovation in construction, materials, and tenant engagement. By combining co-ownership, circular design, and community participation, Home.Earth demonstrates that sustainable housing can be achieved without higher costs, setting a new benchmark for inclusive and resilient housing markets.

“ Unlike most real estate structures, we are set up for the long-term: we own the land in perpetuity with **an investment structure centered on the company’s purpose**”

Anna Bech Nedergaard, Investor Relations & Business Development, Home.Earth

How is it *sustainable & affordable*?

-  Lowest carbon footprint for multi-residential apartment buildings in Denmark (LCA¹: 4.7 kg CO₂e/year/m²)
-  86% biogenic materials and a circularity rate of 80%, reducing waste and embodied carbon
-  Tenant alignment: A loyalty programme shares approx. 10% of total value creation with tenants through rent discounts and community investments
-  Predictable outcomes: Standardised design and up-front sustainability targets reduce variance; own on-site staff ensure quality and lower operating costs
-  Low and predictable move-out costs through material design choices that minimise maintenance needs

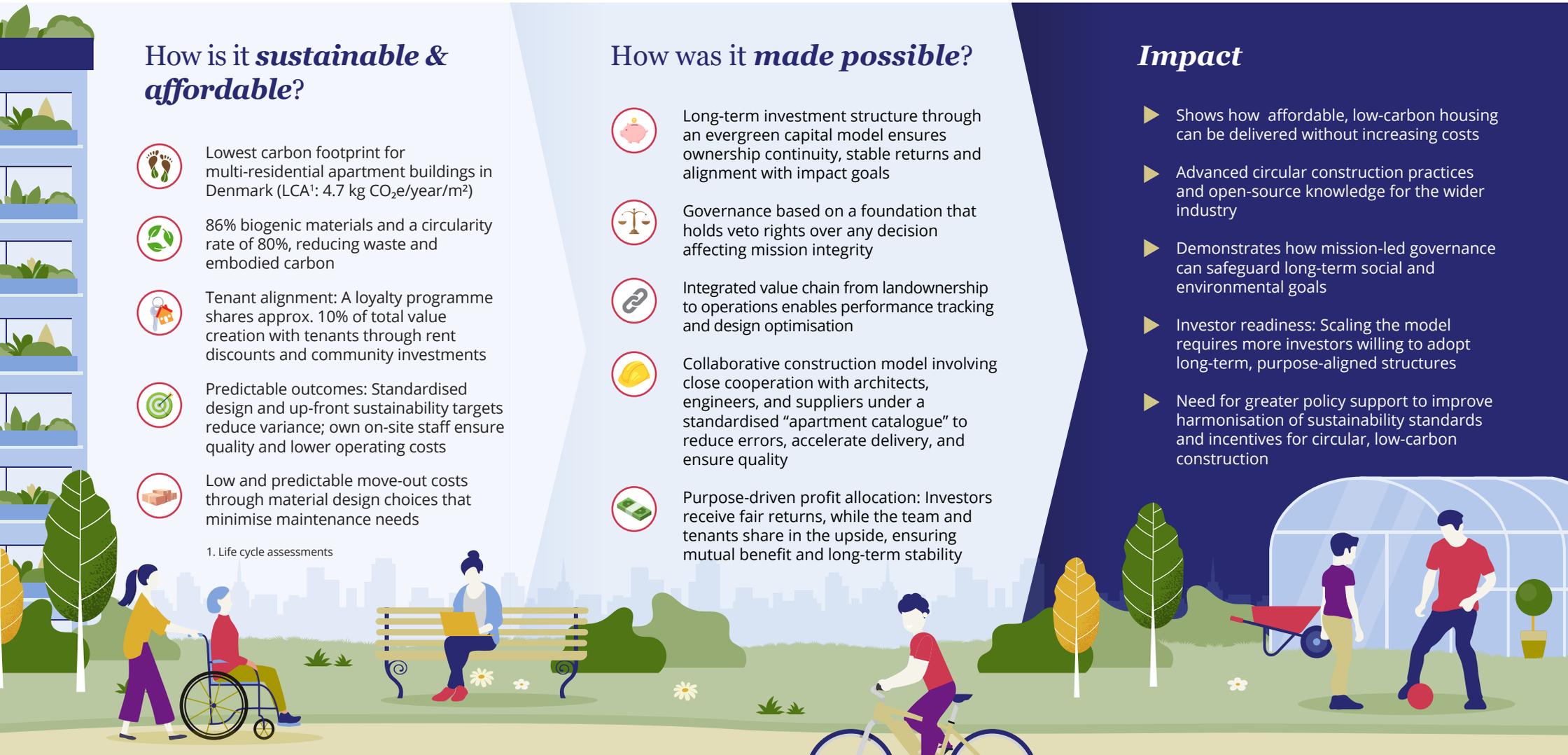
1. Life cycle assessments

How was it *made possible*?

-  Long-term investment structure through an evergreen capital model ensures ownership continuity, stable returns and alignment with impact goals
-  Governance based on a foundation that holds veto rights over any decision affecting mission integrity
-  Integrated value chain from landownership to operations enables performance tracking and design optimisation
-  Collaborative construction model involving close cooperation with architects, engineers, and suppliers under a standardised “apartment catalogue” to reduce errors, accelerate delivery, and ensure quality
-  Purpose-driven profit allocation: Investors receive fair returns, while the team and tenants share in the upside, ensuring mutual benefit and long-term stability

Impact

- ▶ Shows how affordable, low-carbon housing can be delivered without increasing costs
- ▶ Advanced circular construction practices and open-source knowledge for the wider industry
- ▶ Demonstrates how mission-led governance can safeguard long-term social and environmental goals
- ▶ Investor readiness: Scaling the model requires more investors willing to adopt long-term, purpose-aligned structures
- ▶ Need for greater policy support to improve harmonisation of sustainability standards and incentives for circular, low-carbon construction



Smart investments strengthen *energy-efficient* social housing

TBS Warsaw is a Polish municipal housing company that seeks to address the twin challenge of both a persistent housing gap and the need for energy-efficient building renovation. By combining city subsidies with soft loans from the state development bank, TBS Warsaw is demonstrating how public housing providers can invest in long-term sustainability while keeping rents accessible to those most in need.

“ We strive to achieve buildings that are **environmentally efficient and durable – and therefore economical to operate**”

Jan Kucza-Kuczyński, Chief Officer at TBS Warszawa Południe

How is it *sustainable & affordable*?

-  Energy performance of 9.26 kWh/m²/year, far below the national average
-  Renewable energy integration and storage systems supports building self-sufficiency
-  Sustainable design adds only 10% more cost than a conventional build, as technology becomes more scalable
-  Rents at 66% of market levels, set by law to ensure accessibility for households unable to secure private loans or social housing
-  Investments in energy saving solutions covered by TBS Warsaw, further reduce monthly expenses for tenants

How was it *made possible*?

-  Public-blended finance structure, subsidies from city of Warsaw, EU funds, and limited tenant contributions
-  Long-term return perspective, with energy savings expected to offset higher upfront costs over 20-25 years
-  Partnership model of TBS overseeing permits and tenders, and construction firms delivering turnkey projects, with specialized SMEs providing renewable and efficiency solutions
-  Integrated planning within the Warsaw Revitalisation Programme, combining new builds and renovation of municipal stock using BGK (Polish development bank) and EU funds

Impact

- ▶ Demonstrates that sustainable, energy-efficient housing is achievable within an affordable rented public housing model
- ▶ Shows how public housing providers can access and manage blended finance to improve cost efficiency and environmental performance
- ▶ Encourages replication and sets new benchmarks for energy efficiency in Poland's public rental sector
- ▶ Remaining need for more simplified access to EU and national funding to scale sustainable renovation across Poland's aging housing stock

