

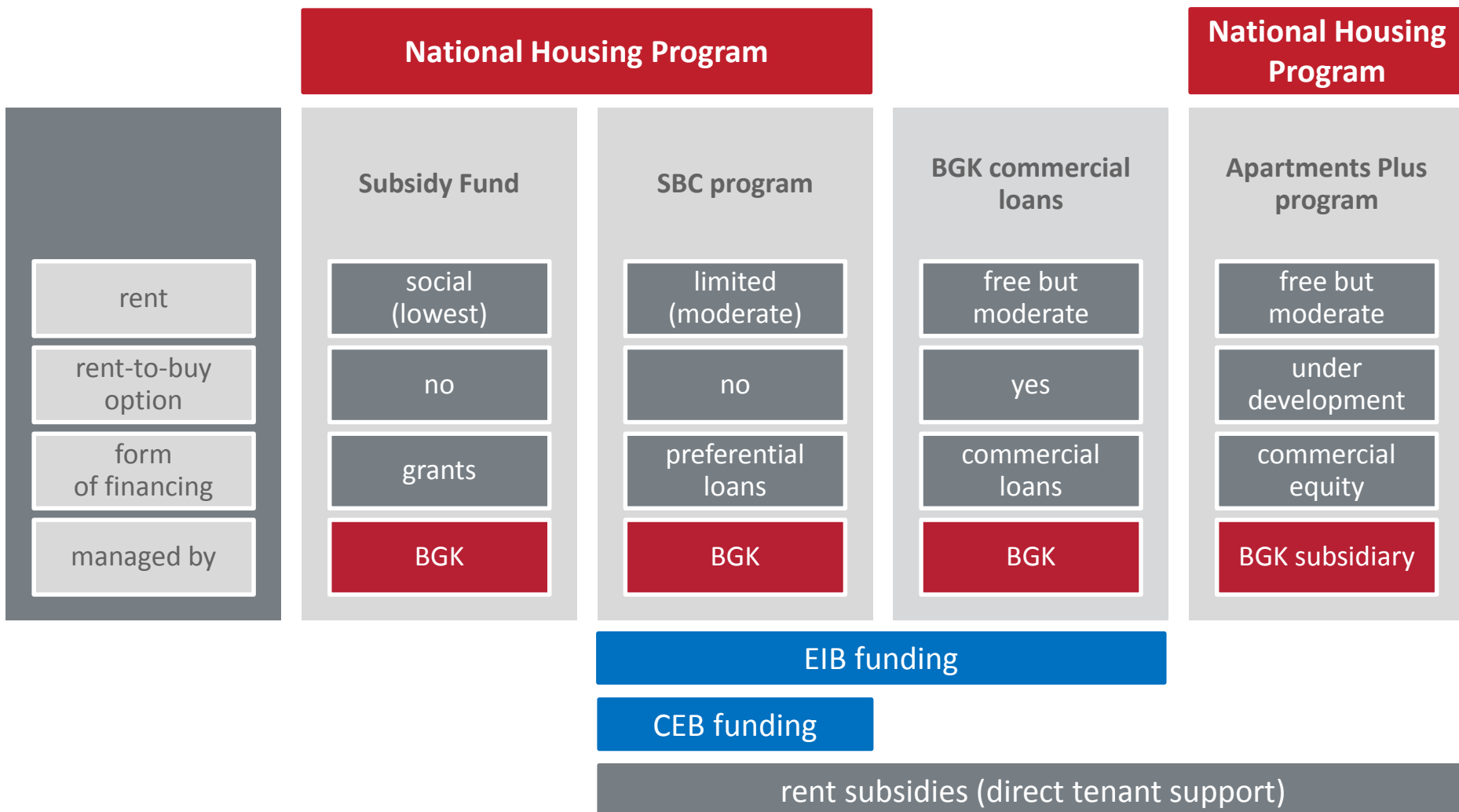
# Social and affordable housing – BGK-EIB/CEB cooperation



Brussels, 9-10 October 2018

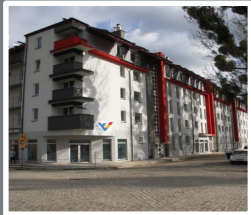


# Social/affordable housing support programs in Poland – overview



# BGK – EIB/CEB cooperation

## SBC government program



- expected maximum volume of preferential loans granted to investors cooperating with municipalities – PLN 4.5 bn in 10 years (launch: 2015)
- up to 30-35 thousand dwellings in small, medium and large cities – both greenfields and brownfields
- limited rent, significantly lower than market rates
- **EIB-BGK loan contract signed in December 2015 – PLN 800m**
- **CEB-BGK loan contract signed in September 2018 – PLN 800m**

## Commercial loans – complementary offer (BGK + EIB)



- no constraints regarding tenants' cost participation, more lenient limits in terms of rent levels, household income
- purely rental projects and rent-to-buy dwellings (share of RTB units limited)
- financing commercial spaces possible
- moderate rent, lower than market rates thanks to moderate construction cost and non-profit profile of investors

### intermediated model

(BGK loans based on EIB funding; for projects up to EUR 30m) → **EIB-BGK loan contract signed in August 2017 (PLN 400m)**

### direct co-financing model

(EIB + BGK loans; coordinated appraisal and mostly unified requirements of both banks; for projects above EUR 30m)

# Housing programs – going forward



## **EIB-BGK platform modification**

- market study on rent-to-buy schemes completed
- workshop planned to implement changes reflecting preferences of tenants and investors



## **SBC program modifications**

- combining loans with grants and investment fund equity
- facilitating program access (e.g. more lenient approach to household income – promoting social mix)



## **SBC program expansion**

- evaluating inclusion of rent-to-buy schemes (municipality's/investor's decision)
- financing municipal social and technical infrastructure

