

**Mandates of the Working Group on the issue of human rights and transnational corporations and other business enterprises; and the Special Rapporteur on adequate housing as a component of the right to an adequate standard of living, and on the right to non-discrimination in this context**

REFERENCE:  
OL CZE 2/2019

22 March 2019

Excellency,

We have the honour to address you in our capacities as Working Group on the issue of human rights and transnational corporations and other business enterprises; and Special Rapporteur on adequate housing as a component of the right to an adequate standard of living, and on the right to non-discrimination in this context, pursuant to Human Rights Council resolutions 35/7 and 34/9.

We are writing to express our concern with respect to your Government's practice of adopting laws and policies which treat housing as a commodity and undermine the enjoyment of housing as a human right. We invite you to reflect on the following concerns with a view to developing a human rights based response.

Our chief concern lies with those laws and policies which have allowed unprecedented amounts of global capital to be invested in housing as security for financial instruments that are traded on global markets, and as a means of accumulating wealth. This expanding role and unprecedented dominance of unregulated financial markets and corporations in the housing sector is now generally referred to as the "financialization of housing" and it is having devastating consequences for tenants.

Contrary to international human rights obligations, investment in housing in the Czech Republic has disconnected housing from its core social purpose of providing people with a place to live in security and dignity.

We have been informed that the financialization of housing in Czech Republic has taken hold, affecting access to affordable housing.

An illustrative example is a building owned by a company called RESIDOMO, owned by Blackstone and Round Hill Capital, a large private housing provider in the City of Ostrava. This particular building, which houses many Roma families and people living in poverty, has been included in Ostrava city development plans and slated for re-development into a home for older persons, together with adjunct services including a gallery and shops.

Beginning in mid-2018, residents with fixed-term rental contracts began receiving new forms of rental contract extensions, indicating that their rental contracts will not be renewed when they next lapse on January or February 2019. In other words, they will be evicted. Some families reportedly already have lapsed contracts from 2018. RESIDOMO reportedly refuses to communicate with persons whose contracts have lapsed. These

families have been resident in these buildings for periods of one to ten years and at least 160 children will be affected.

At the same time, RESIDOMO began asserting that there were debts on utilities payments presumably as grounds to evict tenants. It also started treating 2-3-day delays in rent payments as rental default. Such recent developments are creating insecurity and threatening many residents with eviction.

An organization has assisted those who are threatened with eviction by taking injunctive action against municipal authorities, arguing that the municipality has legal obligations to prevent homelessness. As a result of such actions, the municipality has reportedly stopped communicating with this organization and with the families.

The financialization of residential real estate undermines the enjoyment of the right to non-discrimination and to housing. Because the business model associated with financialization demands short-term profits, there is heightened pressure placed on purchasing affordable housing - often where the most vulnerable communities are located - and then securing the highest possible return on investment through the persistent extraction of profits through monthly rents. The result of this is the constant escalation of housing costs for tenants. Turning housing into an investment leads to decision-making that is investor centric, rather than tenant centered. When the focus is on maximizing profits, housing becomes less affordable, less available, less secure, and less habitable.

We would like to remind your Excellency's Government of its obligations under various international human rights instruments, in particular the International Covenant on Economic, Social and Cultural Rights to which the Czech Republic has been a party since 22 February 1993, and more specifically article 11.1 which states that "[t]he States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions." In addition, we would like to bring to your Government attention the UN Guiding Principles on Business and Human Rights (UNGPS) which remind States that they must protect against human rights abuse by business enterprises within their territory and/or jurisdiction. As part of their duty to protect against business-related human rights abuse, States are required to take appropriate steps to "prevent, investigate, punish and redress such abuse through effective policies, legislation, regulations and adjudication" (Guiding Principle 1). In addition, States should "enforce laws that are aimed at, or have the effect of, requiring business enterprises to respect human rights..." (Guiding Principle 3). In addition, business entities also have an independent responsibility to respect human rights, including the right to adequate housing, according to the UNGPs.

As many of the affected families are Roma, they will have difficulty securing alternative accommodation if evicted. RESIDOMO has not explored all alternatives to eviction, nor have they made any effort to provide alternative accommodation for these households as required under international human rights law. We remind the Government that forced evictions and evictions into homelessness are violations of the right to housing.

As you may know, according to international human rights law, your Government is required to take progressive measures, to the maximum of available resources, to ensure access to adequate housing for all without discrimination. To address the issue of financialization and its impact on the enjoyment of the right to housing, your Government must develop policies and laws that include a full range of taxation, regulatory and planning measures in order to re-establish housing as a human right, promote an inclusive housing system, prevent speculation and limit the extraction of profits at the expense of tenants. This will require a transformation of the relationship between your Government and the financial sector, whereby human rights implementation becomes the overriding goal. In this regard, we would draw to your attention to the report of the Special Rapporteur on the financialization of housing (A/HRC/34/51).

Please note that a letter with a similar content has been sent to several countries concerned, and to the company Blackstone Group highlighting its human rights obligation as private actor to avoid any harm and to take positive steps to realize the right to housing.

We use this opportunity to encourage the Czech Republic to recognize the impact of the financialization of housing on the enjoyment of the right to adequate housing particularly for minority and vulnerable groups, and to take concerted steps towards returning housing to its core function as a social good. Failure to do so can only be regarded as a retrogressive step, and accordingly puts the State at odds with its obligations under international human rights law.

We intend to publicly express our concerns in the near future, as we believe that the wider public should be alerted to the potential implications of the above-mentioned policies. The press release will indicate that we have been in contact with your Excellency's Government's to clarify the issue/s in question.

This letter and any response received from your Excellency's Government will be made public via the communications reporting website within 48 hours. They will also subsequently be made available in the usual report to be presented to the Human Rights Council.

Please accept, Excellency, the assurances of our highest consideration.

Surya Deva

Chair-Rapporteur of the Working Group on the issue of human rights and transnational corporations and other business enterprises

Leilani Farha

Special Rapporteur on adequate housing as a component of the right to an adequate standard of living, and on the right to non-discrimination in this context



Note No. 1222-1/2019-ZENE

The Permanent Mission of the Czech Republic to the United Nations Office and other International Organisations at Geneva presents its compliments to the Office of the United Nations High Commissioner for Human Rights and is pleased to hereby submit the response of the Czech Republic to the joint letter of the Chair-Rapporteur of the Working Group on the issue of human rights and transnational corporations and other business enterprises and the Special Rapporteur on adequate housing as a component of the right to an adequate standard of living and on the right to non-discrimination in this context, dated 22 March 2019, ref.: OL CZE 2/2019.

The Permanent Mission of the Czech Republic would be grateful if this response could be transmitted to the above mentioned Special Procedures mandate holders.

The Permanent Mission of the Czech Republic to the United Nations Office and other International Organisations at Geneva avails itself of this opportunity to renew to the Office of the United Nations High Commissioner for Human Rights the assurances of its highest consideration.



Geneva, 17 May 2019

Office of the High Commissioner for Human Rights  
Special Procedures Branch  
G e n e v a

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## **Legal framework and policies of the Government of the Czech Republic in the field of housing**

The Czech Republic wishes to thank the UN Special Rapporteur on adequate housing as a component of the right to an adequate standard of living, and on the right to non-discrimination in this context, Ms Leilani Farha, and the Chair-Rapporteur of the Working Group on the issue of human rights and transnational corporations and other business enterprises, Mr Surya Deva, for their joint communication dated 22 March 2019. The communication has been transmitted to the Ministry of Regional Development of the Czech Republic as the body in charge of housing policies at the national level, including social housing. The Czech Republic's response to the issues raised in the joint communication prepared by the Ministry of Regional Development of the Czech Republic is provided below and in the annex. It contains information on housing policies in the Czech Republic aimed, inter alia, at the realization of the right to an adequate standard of living as set out in the International Covenant on Economic, Social and Cultural Rights.

### **Fulfilment of international obligations and commitments**

**The Czech Republic fulfils all obligations under the relevant international human rights instruments relating to housing.** Being a ratified international treaty, the **International Covenant on Economic, Social and Cultural Rights** is a part of the legal order and has precedence over the Czech national law. According to the Constitution of the Czech Republic, the Courts are bound in their decision-making by international treaties including the Covenant. In specific cases the Constitutional Court cited the right to an adequate standard of living or adequate housing (Art. 11 par. 1) when assessing the regulation of rents for flats or the character of dignified housing. The Supreme Administrative Court cited e.g. the right to an adequate standard of living or adequate housing (Art. 11 par. 1) when assessing the legality of tax concessions for some flat transfers or the general principles of solidarity and development and upholding of the ideal of free human beings enjoying freedom from fear and want pursuant to the Covenant's Preamble. The Supreme Court also focused on the right to an adequate standard of living or adequate housing (Art. 11 par. 1) when assessing the regulation of rents of flats and the right to education as well as the issue of discrimination in access to education. The decisions of lesser courts are also bound by the Covenant and other international treaties and must respect them in their decision-making. The Covenant is also often used for argumentation by parties in court proceedings.

International obligations of the Czech Republic do not mean that the Government has a specific duty to provide or secure apartments. The Czech Republic is committed to create housing conditions in order to ensure certain standard of living. Hence, the right to housing means the right to measures and conditions of the Government that would allow all citizens - based on their own personal activity or in conjunction with non-governmental organizations or other civic initiatives - to obtain decent housing. It is possible to deduce that the Government is committed to take real measures aimed at this goal, but concrete steps towards the fulfilment of these measures anticipate the activity of the individuals or families concerned. On the other side, the state should not be completely inactive and should not take any measures clearly inadequate in relation to the stated objective. The activity of the state itself can take various forms, like the financial support enabling to ensure housing, or supported development of new housing, etc. **The right to housing is a social right, so the level of its fulfilment depends on the state's capacities, and it is therefore the task of the Government to specify the extent to which this right will be exercised and progressively realized.**

In the Czech Republic, the core strategic document in this regards is "**Housing Policy in the Czech Republic until 2020 (revised)**", **approved by the Government in its Resolution No. 673 on 27 July 2016.** The main idea is that securing housing is individual's own personal responsibility, and the fundamental state's mission is to provide a stable environment to strengthen this individual responsibility and to motivate citizens to meet their housing needs on their own. However, in line with the principle of solidarity, the Government pays special attention to vulnerable people or to people who are unable to provide housing for themselves.

**Anti-discrimination Act**, approved in 2009, was designed to strengthen the protection against discrimination in all major areas of social life like employment, social protection, health care, housing and education. The Anti-discrimination Act defines the subject matter of the regulation, i.e. the right to equal treatment and non-discrimination in respect of, among others, access to goods and services, including housing, if they are offered to the public or in the delivery thereof. The Anti-discrimination Act deals with housing in general without distinction. **According to the principle of equality, all legal conditions**

**for housing ownership as well as for housing tenancy are applied for all persons - regardless the legal status of persons owning or renting dwellings and buildings. According to the Czech legislation, housing is constituted by the principle of people's equality, regardless the racial or ethnic origin.** Therefore, all people, including foreigners, have the same rights to rent a flat in the Czech Republic. Tenancy is established by a written agreement and is a result of negotiations of two free contractual parties acting in freedom and autonomy. Both parties can agree on termination of the concrete lease.

## **Housing policy in the Czech Republic until 2020**

Within the main vision of the approved Housing Policy "**Housing Affordability, Stability and Quality**", the Government has defined **three strategic objectives**:

- Ensuring adequate affordability of all forms of housing;
- Creation of a stable environment in the fields of finance, legislation and institutions for all players of the housing market;
- Reducing housing investment debt, including improving the quality of the outside environment of the residential areas.

These objectives should be achieved through the tasks set out in concrete areas formulated in **eight priorities**:

1. Increasing housing affordability;
2. Housing investment support with a focus on the social housing segment;
3. Financial stabilization of housing support;
4. Consistent definition of responsibilities and coordination of state activities in the area of housing policy;
5. Increasing protection of the associations of housing units' owners and of housing cooperatives;
6. Implementing the principles of "universal design";
7. Systemic revitalization of prefabricated housing estates;
8. Addressing the impacts of energy efficiency measures on housing expenditures of households.

## **Social housing subsidy programmes**

The Government implements - through the Ministry of Regional Development, which is responsible for housing policy, and through the State Housing Development Fund under this Ministry - several subsidy programmes designed for building and renewal of rental apartments aimed at social housing of people with difficult access to housing for various reasons, such as seniors, disabled persons, low-income families, socially excluded people or groups facing the social exclusion. **These subsidy programmes enhance the rental housing affordability through flats with rents at the cost level - i.e. lower than market rents. Between 2003 and 2018, more than 24,000 housing units have been subsidised from the state budget for the above socially defined target groups of people (since 2014, social rental housing construction has been also subsidised from the European Funds through the Integrated Operational Programme).**

The Government subsidises social housing from national and EU budgets; social housing is also supported from municipal budgets. The provision of social housing is carried out at the local level by municipalities, who - according to the Act on Municipalities - take care, inter alia, of the housing policy for their citizens. More than 6,000 Czech municipalities represent local self-government and, according to the principle of subsidiarity, are obliged to take care of the overall living conditions of their citizens. State subsidies are provided to municipalities, as well as non-governmental organizations and other entities, including private ones. The target group for social housing is defined in all measures by social criteria of a given household - i.e. age, low income, unfavourable social situation, etc.

In April, 2019, the Government approved a **new subsidy-loan programme named "Construction"**, prepared by the Ministry of Regional Development. The programme will contribute to increase housing affordability. In the following years, up to 2,000 social and affordable apartments could be built in municipalities each year. The State Housing Development Fund is now preparing a call for applications. This program is reaction to the critical situation in some regions and the need to come up with a fast, straightforward solution. The purpose of model of financing is the possibility of combining a subsidy and a favourable loan, which does not have to be a green-field construction, but it is also possible to purchase individual apartments as units that can be used for social housing after the reconstruction. Social apartments will be aimed at people in need, and the possibility of using affordable housing will depend on

a given municipality and the local situation. The new programme will be used by municipalities for investment projects in the area of construction of municipal rental apartments; both social apartments reserved for households, where there is a market failure in the area of housing; and affordable apartments intended for medium-income households and households with persons in publicly beneficial professions (doctors, teachers, police officers, etc.) according to the needs of a given municipality, so that the quality of public services is maintained, and social mix in a locality is guaranteed. For 2019, the State Housing Development Fund has one billion CZK (of which CZK 650 million for subsidised social housing and CZK 350 million for loans for affordable housing). In the case of social housing, the programme expects direct subsidies of up to 100% of eligible costs. In the case of available flats for medium-income and other persons, the program will allow a combination with a low-interest loan from the housing fund, a commercial loan or the municipality's own money. In the years to come, up to 2,000 social and affordable apartments could be built in municipalities every year.

## Housing benefits

In general, an important instrument securing the right to adequate housing is the system of housing benefits. In the Czech Republic, housing benefits belong to basic pillars of the State housing policy. They represent a functional support of citizens provided by the State in relation to affordable housing as well as the most common financial measure aimed at low-to-middle income groups that helps persons and families to get or keep housing. Social housing benefits are administered by the Ministry of Labour and Social Affairs.

State protection in housing and access to affordable housing are guaranteed by two different benefits from two benefit schemes:

- Housing Allowance from the State Social Support System,
- Supplement for Housing from the System of Assistance in Material Need.

**Housing Allowance** is a recurrent benefit provided monthly to families that spend for their appropriate housing in units having administrative approval of technical quality more than 30% (in the capital city of Prague 35%) of their incomes. Property owners or tenants registered as permanently resident in that property are entitled to Housing Allowance if 30% (in Prague 35 %) of family income is insufficient to cover housing costs and at the same time this 30% (in Prague 35 %) of family income is lower than the relevant prescriptive costs set by law. The prescriptive housing costs are set as average housing costs based on the size of the municipality and the number of members of the household. They include a rent and similar costs for residents of cooperative units and unit owners. They also include the cost of services and energy. Prescriptive housing costs are calculated based on reasonable sizes of units for the number of persons permanently residing in them. The level of Housing Allowance is set as the difference between prescriptive housing costs and the relevant family income multiplied by a coefficient of 0.30 (in Prague 0.35).

Housing Allowance is a relatively simple benefit that keeps large group of population in rental and privately owned units. In 2018, average number of recipients was 168,000 households per month. Within the total number, there were about 76,000 of households with one member, out of which 55,000 were lone seniors. Within the total number, there were about 79,000 households with dependent children, out of which 56,000 were single parent households.

**Supplement for Housing** is a recurrent benefit that helps persons in material need to cover housing costs. Supplement for Housing tackles cases where the income of the person or family, including the entitlement to Housing Allowance, is insufficient to cover justified housing costs (i.e. rent, services related to housing and energy costs). The benefit is very important namely if beneficiaries live in non-standard forms of housing, as it is provided not only to unit owners or tenants but in exceptional cases also to a person using a form of housing other than rental. About 20% of payments go to lodging houses, quarters, non-residential space, social care institutions, etc. The amount of Supplement for Housing is determined in such a manner that after the payment of justified housing costs the recipient is left with the amount of living as set by the Act on Assistance in Material Need.

Supplement for Housing is a more complex benefit as several conditions are assessed and re-assessed: income, social circumstances, property, assets, claims, real coexistence, other housing possibilities, housing costs justification, housing costs usual in the location. In 2018, average number of recipients was 37,000 households per month. Within the total number, there were almost 6,000 households of pensioners and 16,000 households with dependent children, out of which 9,000 were single parent households.

Parametric alterations of housing benefits are to be prepared according to the Governmental Legislative Plan. At present, the relevant institutions are working intensively on this task.



**The above-mentioned benefits effectively protect low-income households and people threatened by social exclusion against human right abuse and help them secure living in dignity. Housing benefits promote an inclusive housing system and ensure access to adequate housing for all minorities and vulnerable groups without discrimination, as all eligibility conditions stipulated by law are set as equal.**

## **Apartments rented by RESIDOMO Company**

According to the Czech legal framework, everyone has the right to own a property and the property rights of all owners have the same legal content and protection. On one hand, the owner may be subject to certain restrictions or obligations related to the ownership, but on the other hand, such restrictions cannot deprive or limit the owner from the benefits of the ownership.

**The relation between a landlord and a tenant is regulated by the Civil Code** (Act No. 89/2012 Coll.). The housing rent is conceived as a contractual relationship between the contractual partners, bearing in mind that a tenant enjoys a higher level of protection due to his or her weaker position. In particular, the lease termination is strictly regulated. The landlord may terminate the lease only on the basis strictly defined by and in accordance with the procedure specified in the Civil Code. The lease terminates (except for the agreement and expiry of the fixed-term contracts) **only on the basis of a notice that the landlord is entitled to give only for reasons stipulated by law. The tenant can be evicted only on the basis of a binding enforcement order decided only by court.**

In general, forced eviction is only possible in the Czech Republic, when a person is using a real property without any legal reason. This practice is in line with the **judgement of the European Court of Human Rights, Yordanova and Others v. Bulgaria, No 25446/06, of 24 April 2012.** This Court considered that it was legitimate to try to recover land from people who occupied it unlawfully. There was no doubt that the authorities were in principle entitled to remove the applicants who occupied municipal land unlawfully.

In the Czech Republic, for rented housing, legal grounds may be proprietary, right of easement or contractual relationship. **If a person resides in a real property or an apartment without legal grounds, the landlord has the right to bring a legal proceeding to court.** Depending on the court's decision, the person may be ordered to vacate a real property or an apartment within a reasonable time. If the person using the real property fails to comply with the judgment, the owner may apply for the legal enforcement. After the decision becomes final, the person who is using the property without any legal grounds can be evicted. Typically, the landlord is interested in evicting the tenant after the lease terminates. The obligation to provide housing compensation is no longer valid according to the Civil Code, as the conditions for terminating the lease beyond the strictly defined reasons would lead to inadequate protection of the tenant. Housing compensation was justified during the period of strict rent regulation; in 2003 the Czech **Constitutional Court** decided (IV. ÚS 524/03) that housing compensation for the apartment with regulated rent was not another rent-regulated apartment, but any other housing apartment with market rent; hence this institute has lost its justification. According to the Constitutional Court, the sense of the housing compensation was not to provide a lease with the same conditions but to enable a tenant to find a possibility of housing paid by the tenant; the existence of housing compensation did not bring any increased social protection. Court concluded that at the time when housing rental market worked and there was possible to find rented housing (in bigger municipalities), the housing compensation measure was completely unnecessary and disproportionate. **Czech citizens are provided with standard social support and social work, according to the respective individual measures of the state or municipalities.**

## **Opinion of the Union of Tenants of the Czech Republic**

The Union of Tenants of the Czech Republic (SON) is an important **non-governmental and not-for-profit membership organisation with the main aim to protect rights and interests of tenants** living in rental apartments in residential building, belonging either to municipalities, or to private natural and legal persons. The SON works on the principles of human solidarity and non-profit functioning. The SON is a member of the International Union of Tenants (IUT), a global tenants' organisation. The SON provides legal and other professional advice - free of charge - for both natural and legal persons. The purpose of the SON free consultations is to provide legal information on individual cases so that the client is aware of his / her rights, duties and options for further action. The provision of free counselling is organized by regional centres whose contact details can be found at [www.son.cz](http://www.son.cz).

**The SON has sent to the Ministry of Regional Development an opinion containing, inter alia, the following points on RESIDOMO:**

- We have been intensively following the issues of rental housing provided by RESIDOMO (formerly RPG Byty) since 2010, when we managed to negotiate a gradual rent deregulation spread over a number of years and many other important measures in rental contracts etc. The Joint Memorandum, which is still valid, confirmed these agreements and its performance is continuously monitored. Thanks to the Memorandum, RESIDOMO established the Housing Fund (helping seniors over 60 years of age), through which tenants received 51 million CZK. In addition, the so-called Rescue Fund was established to support tenants in a difficult life situation which has already helped hundreds of tenants by providing 2 million CZK in total.
- The SON continually monitors the activities of RESIDOMO; we are informed of all significant actions concerning tenants. We are regularly invited to participate in the events organized by RESIDOMO for non-profit organizations.
- The SON also continually addresses a number of operational issues directly related to tenants (e.g. agreements on the distribution of service costs, billing rules, changes resulting from the amendment of the Civil Code and rules relating the protection of personal data). Every year, we are informed about the repair plans and their implementation.
- The SON annually receives dozens of complaints and suggestions from RESIDOMO tenants. We discuss these issues with the company's representatives on a regular basis. We do not have any information about illegal terminations of tenancy agreements.
- RESIDOMO is the largest owner of rental apartments in the Czech Republic.

Annex: Housing in Figures (2018) – relevant statistical data on housing in the Czech Republic



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# HOUSING IN THE CZECH REPUBLIC IN FIGURES (August 2018)

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# **HOUSING IN THE CZECH REPUBLIC IN FIGURES (August 2018)**

**Ministry of Regional Development of the CR**  
Housing Policy Department

Prague, August 2018

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## Chapter I Housing

### 1 Population, houses, dwellings

Dwelling stock

According to the “final results” of the 2011 Population and Housing Census (2011 census) the dwelling stock of the CR totalled 4,756,572 dwellings, with 4,104,635 occupied dwellings, of which 43.7% were in family houses and 55% in multi-dwelling buildings. This amounted to 454 dwellings of all types (occupied and unoccupied) per 1,000 persons ordinarily resident in the CR (whether or not in dwellings), corresponding to 391 occupied dwellings per 1,000 persons ordinarily resident in the CR (whether or not in dwellings). For comparison – in selected European countries the given civic amenity indicators show the following values: Belgium 483, corresp. 415; Bulgaria 527, corresp. 361; Germany 496, corresp. 452; Spain 540, corresp. 387; Poland 341, corresp. 332; Austria 530, corresp. 435; Slovakia 360, corresp. 322.

Ground for use of the dwelling

55.9% of the occupied dwellings (2,294,250) were occupied by their owners or owners of the houses, while 22.4% (920,405) were occupied by tenants. Co-operative dwellings, whose characteristics are similar to owned dwellings, occupied by households of members of co-operatives comprised at the census date 9.4% of the total number of occupied dwellings in the Czech Republic. Another 3.4% of the occupied dwellings were occupied, for example, by persons close to the owners (i.e. other rent-free use of dwellings).

Unoccupied dwellings

As of the last census (March 2011), there were 651,937 unoccupied dwellings in total. From the number of unoccupied dwellings, the dwellings located in family houses (461,007) outnumber the dwellings located in multi-dwelling buildings (176,641). 384,911 unoccupied dwellings are located in unoccupied houses. One third of the unoccupied dwellings is located in small municipalities (with the population smaller than one thousand), whereas in the municipalities with the population smaller than two hundred one third of all the dwellings are unoccupied.



Age  
of dwellings

The average age of occupied multi-dwelling buildings in the CR was 52.4 years and of family houses 49.3 years. The average age of occupied dwellings at the census date was 46.5 years. In comparison with other EU countries, the CR has a somewhat older dwelling stock.

Size  
of dwellings

The average living area per inhabited dwelling in the Czech Republic was 65.3 m<sup>2</sup>, out of which it was 52.6 m<sup>2</sup> in multi-dwelling buildings and 80.9 m<sup>2</sup> in family houses. The average total area per inhabited dwelling in the year of census was 86.7 m<sup>2</sup>; in case of inhabited dwellings in multi-dwellings buildings it was 68.5m<sup>2</sup>, while in case of inhabited dwellings in family houses it was 109.1 m<sup>2</sup>. In a Europe-wide comparison, the CR belongs among countries with rather less extensive dwellings (see graph page 11).

Newly built  
dwellings

The number of dwellings completed in 2017 was 28,575 (to date 20. 6. 2018).

## Population by way of housing and private households by way of housing

final results according to the place of usual residence

	Total number of people	people living in			Homeless people	Private households in total	by way of housing		
		dwellings	institutions	elsewhere			in dwellings	not in dwellings	in institutions
<b>In the CR in total as of 26th March, 2011</b>	<b>10 425 064</b>	<b>10 144 961</b>	<b>194 456</b>	<b>85 647</b>	<b>11 496</b>	<b>4 375 122</b>	<b>4 320 691</b>	<b>51 394</b>	<b>3 037</b>

Source: Czech Statistical Office, final results of the 2011 census.

## Housing of private households

final results according to the place of usual residence

	Private households in total	of that						
		private households living in dwellings			private households not living in dwellings			private households living in institutions
		1 PH in a dwelling	2 PH in a dwelling	3 and more PH in a dwelling	mobile housing	makeshift shelter	weekend houses, recreational cottages	
<b>Private households in total</b>	<b>4 375 122</b>	<b>3 914 144</b>	<b>345 970</b>	<b>60 577</b>	<b>624</b>	<b>31 967</b>	<b>18 803</b>	<b>3 037</b>

Source: Czech Statistical Office, final results of the 2011 census.

## Houses by type of house and persons in houses and by occupancy and house owner

final results according to the place of usual residence

		Houses in total	out of which		Number of persons	
			family houses	multi-dwelling buildings	total	out of which in family houses
<b>Houses in total</b>		<b>2 158 119</b>	<b>1 901 126</b>	<b>214 760</b>	<b>10 304 041</b>	<b>5 043 384</b>
<b>occupied houses</b>		<b>1 800 075</b>	<b>1 554 794</b>	<b>211 252</b>	<b>10 304 041</b>	<b>5 043 384</b>
out of which by house owner:	natural person	1 499 512	1 455 367	36 763	5 224 455	4 729 644
	municipality, state	48 948	9 580	31 531	887 773	32 749
	housing cooperative	31 509	1 037	30 404	1 023 035	3 116
	co-ownership of owners of dwellings	137 687	60 651	76 522	2 048 197	196 380

Source: Czech Statistical Office, final results of the 2011 census.

## Residential houses by occupancy, the number of dwellings in them, by house type

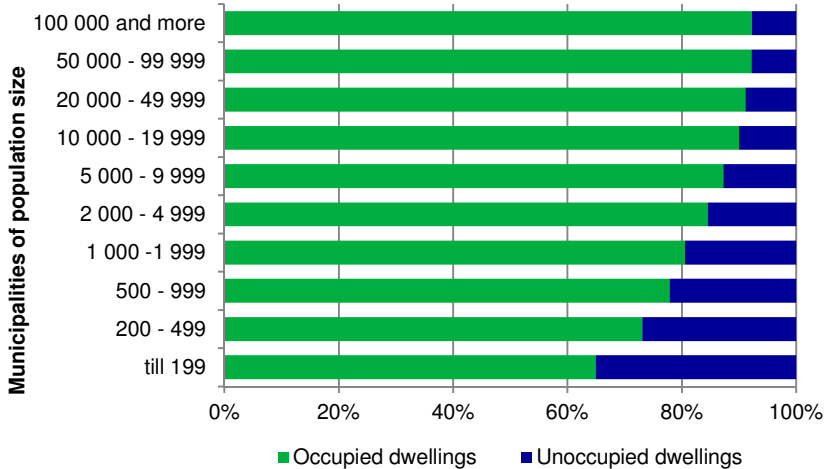
Residential houses by occupancy			Houses in total	out of which			
				family houses	multi-dwelling buildings	other buildings	
Houses with dwellings	Occupied houses with dwellings	number of houses	1 798 318	1 554 794	211 252	32 272	
		number of dwellings in houses	total	4 371 661	1 896 931	2 416 033	58 697
			occupied	4 104 635	1 795 065	2 257 978	51 592
			unoccupied	267 026	101 866	158 055	7 105
	Unoccupied houses with dwellings	number of houses	356 933	346 332	3 508	7 093	
		with following number of (unoccupied) dwellings	384 911	359 141	18 586	7 184	
	Houses with dwellings in total	number of houses	2 155 251	1 901 126	214 760	39 365	
		number of dwellings in houses	total	4 756 572	2 256 072	2 434 619	65 881
			occupied	4 104 635	1 795 065	2 257 978	51 592
			unoccupied	651 937	461 007	176 641	14 289
Houses without dwellings*	occupied	4 023	x	x	4 023		
	unoccupied	1 111	x	x	1 111		

Source: Czech Statistical Office, final results of the 2011 census.

\* Houses without dwellings = e.g. some hostels, student dormitories, boarding schools, homes for children, old people's homes, social welfare institutions, monasteries, asylum facilities, hospitals, prisons...; albeit such types of institution may contain some dwellings.

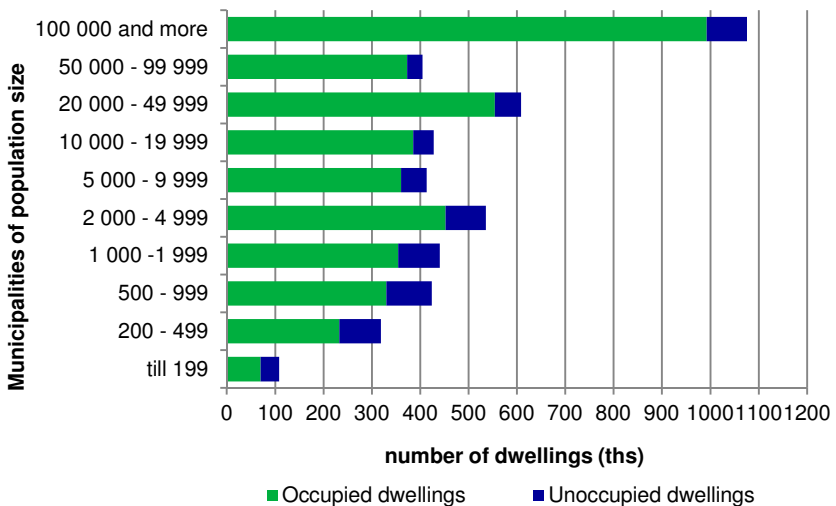


### Occupancy of the dwelling stock (proportions) by municipality size as of 26th March, 2011



Source: Czech Statistical Office, final results of the 2011 census.

### Occupancy of the dwelling stock by municipality size as of 26th March, 2011



Source: Czech Statistical Office, final results of the 2011 census.

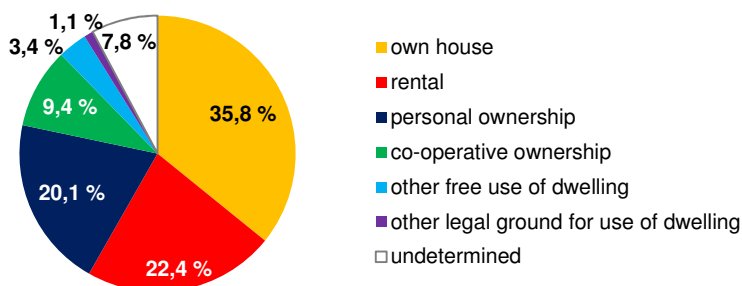
## Occupied dwellings by legal ground for use of dwelling and by type of owner of the house

final results according to the place of usual residence

Owner of the house		Occupied dwellings, total	out of which legal grounds for use of dwelling						
			own house	personal ownership	other free use of dwelling	rental	co-operative ownership	other	undetermined
Occupied dwellings, total		4 104 635	1 470 174	824 076	140 348	920 405	385 601	44 645	319 386
out of which type of the owner of houses is	natural person	1 894 868	1 407 789	-	140 348	183 856	-	24 485	138 390
	municipal, state	372 214	-	-	-	342 468	-	-	29 746
	housing cooperative	451 217	-	-	-	118 391	304 117	3 033	25 676
	other legal person	107 068	-	-	-	89 677	-	2 943	14 448
	co-ownership owners of dwelling	908 997	61 344	665 155	-	118 609	-	9 632	54 257
	combination of owners	259 746	950	124 555	-	33 397	81 483	2 798	16 563
	undetermined	110 525	91	34 366	-	34 007	1	1 754	40 306

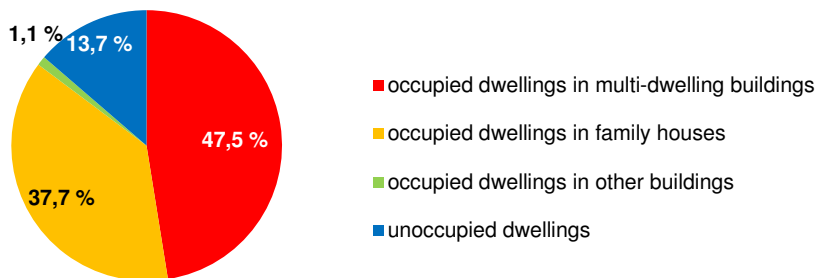
Source: Czech Statistical Office, final results of the 2011 census.

## Occupied dwellings by legal ground for use of dwelling in the CR in total



Source: Czech Statistical Office, calculations by the MRD.

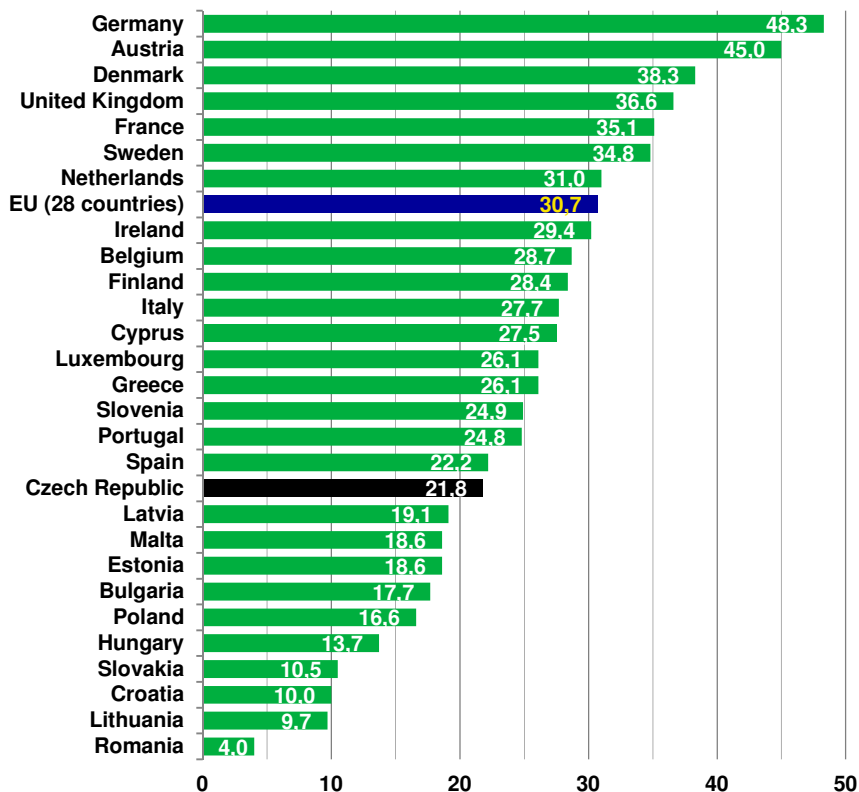
## Dwellings by occupancy, occupied dwellings by type of house in the CR in total



Source: Czech Statistical Office, calculations by the MRD.



### Distribution of population by tenure status – share of rental dwellings (%)



Source: Eurostat, Statistics on Income and Living Conditions (SILC) 2016.

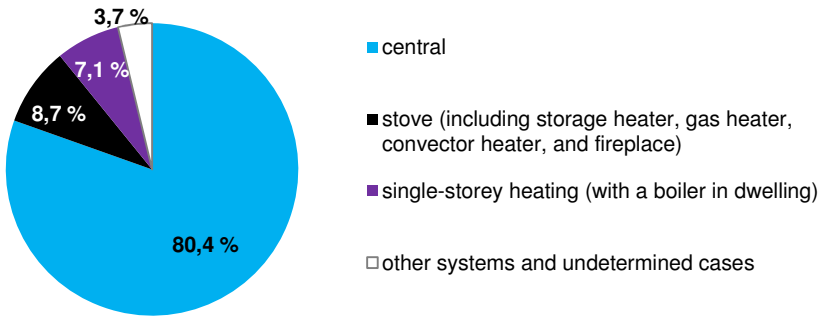
### Occupied dwellings by number of persons in the dwelling and number of habitable rooms

final results according to the place of usual residence

	Occupied dwellings											
	total	with following number of persons in dwelling						dwellings by number of habitable rooms (8m <sup>2</sup> and more)				
		1	2	3	4	5	6 and more	1	2	3	4	5 and more
In the CR in total as of 26th March, 2011	4 104 635	1 214 201	1 211 977	737 515	629 420	192 197	119 325	201 305	524 080	1 017 617	1 130 229	873 631

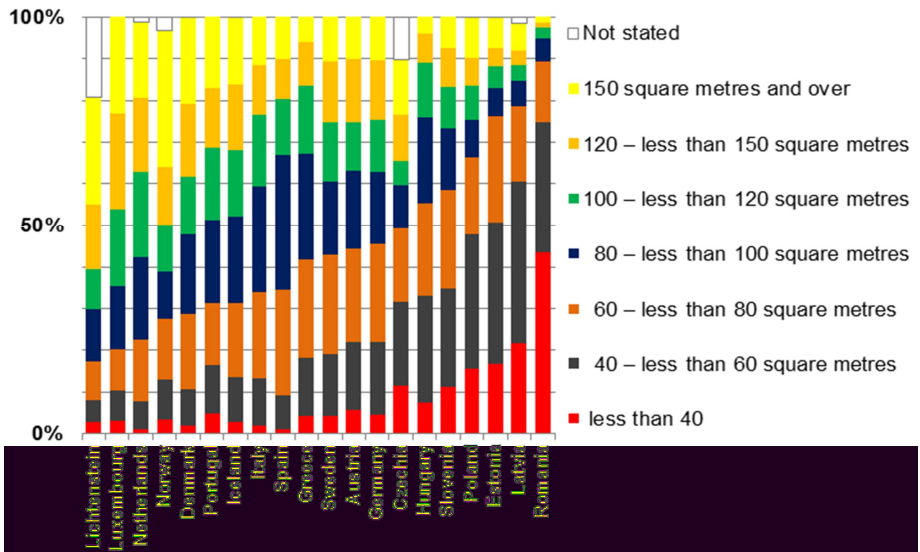
Source: Czech Statistical Office, final results of the 2011 census.

### Occupied dwellings by heating system



Source: Czech Statistical Office, calculations by the MRD.

### Comparison of the composition of dwellings (shares of dwelling numbers in %) of some European countries according to the size of the using area of dwellings (m<sup>2</sup>) in 2011



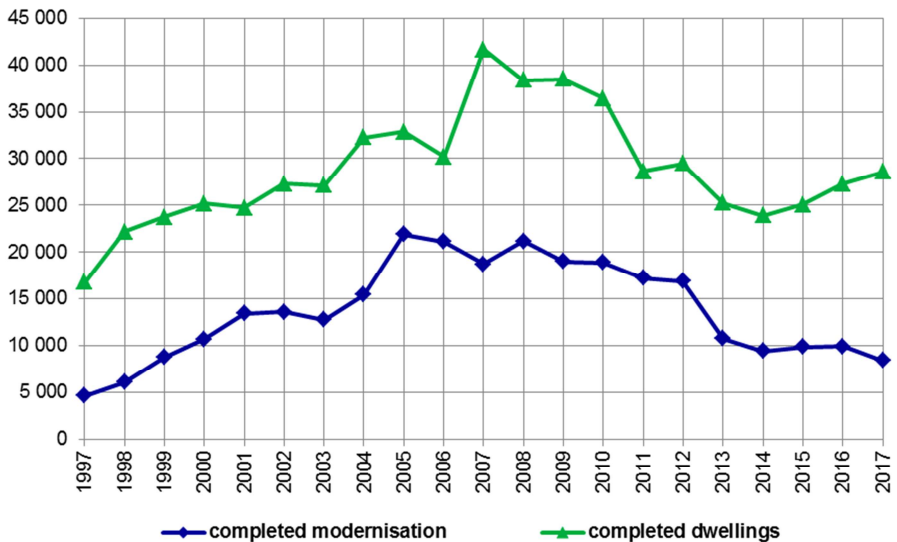
Source: Eurostat.

Country ascending sorted according to the proportion of flats up to 80 in square metres.



## 2 Housing construction

**Trends in housing completion and modernisation in the Czech Republic between 1997 – 2017 (number of dwellings)**



Source: Czech Statistical Office.



## Trends in housing construction in the Czech Republic: 1971–2017

	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986
dwelling started	76 926	89 557	89 099	96 162	86 248	83 027	77 932	84 690	83 613	69 459	53 765	48 489	54 459	60 929	47 337	51 973
dwelling completed	70 226	75 414	77 695	85 616	97 104	86 350	87 872	83 273	77 094	80 661	63 084	61 400	57 078	57 298	66 678	47 080
	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
dwelling started	57 309	61 120	55 965	61 004	10 899	8 429	7 454	10 964	16 548	22 680	33 152	35 027	32 900	32 377	28 983	33 606
dwelling completed	49 000	50 700	55 073	44 594	41 719	36 397	31 509	18 162	12 998	14 482	16 757	22 183	23 734	25 207	24 758	27 291
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
dwelling started	36 496	39 037	40 381	43 747	43 796	43 531	37 319	28 135	27 535	23 853	22 108	24 351	26 378	27 224	31 521	
dwelling completed	27 127	32 268	32 863	30 190	41 649	38 380	38 473	36 442	28 630	29 467	25 238	23 954	25 094	27 322	28 575	

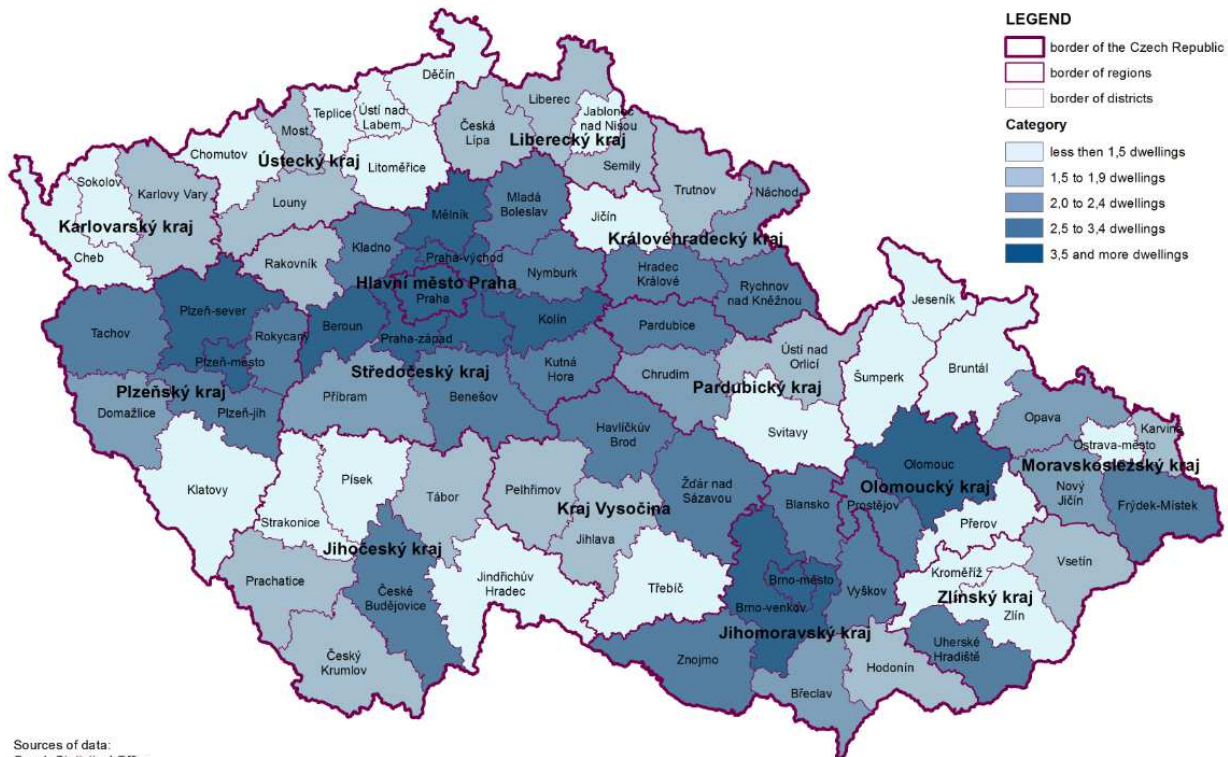
Source: Czech Statistical Office.

## Housing construction in the Czech Republic

Year	Dwellings completed										average living floor area per dwelling (m <sup>2</sup> )				
	total	out of which by form of construction				total per 1,000 inhab.	in %								
		cooperative	municipal	individual	other		cooperative	municipal	individual	other					
1996	14 482	.	.	.	.	1,40	.	.	.	.	.	.	.	.	60,6
1997	16 757	.	.	.	.	1,63	.	.	.	.	.	.	.	.	63,4
1998	22 183	.	.	.	.	2,15	.	.	.	.	.	.	.	.	66,6
1999	23 734	292	6 277	12 532	4 633	2,31	1,2	26,4	52,8	19,5	69,2				
2000	25 207	629	6 691	14 308	3 579	2,45	2,5	26,5	56,8	14,2	68,2				
2001	24 758	916	6 292	14 509	3 041	2,42	3,7	25,4	58,6	12,3	70,1				
2002	27 291	1 528	7 019	15 611	3 133	2,68	5,6	25,7	57,2	11,5	68,5				
2003	27 127	1 456	6 781	14 663	4 227	2,66	5,4	25,0	54,1	15,6	69,2				
2004	32 268	1 739	6 538	16 867	7 124	3,16	5,4	20,3	52,3	22,1	68,5				
2005	32 863	1 123	4 860	17 022	9 858	3,21	3,4	14,8	51,8	30,0	70,3				
2006	30 190	476	4 470	15 368	9 876	2,94	1,6	14,8	50,9	32,7	71,8				
2007	41 649	952	3 904	18 416	18 377	4,03	2,3	9,4	44,2	44,1	70,4				
2008	38 380	689	1 852	20 812	15 027	3,68	1,8	4,8	54,2	39,2	76,0				
2009	38 473	850	757	20 675	16 191	3,67	2,2	2,0	53,7	42,1	74,2				
2010	36 442	873	850	21 848	12 871	3,46	2,4	2,3	60,0	35,3	76,8				
2011	28 630	268	603	19 358	8 401	2,73	0,9	2,1	67,6	29,3	78,2				
2012	29 467	298	1 073	19 621	8 475	2,80	1,0	3,6	66,6	28,8	76,3				
2013	25 238	230	325	16 937	7 746	2,40	0,9	1,3	67,1	30,7	77,3				
2014	23 954	566	363	15 606	7 419	2,27	2,4	1,5	65,1	31,0	75,3				
2015	25 095	.	.	.	.	2,38	.	.	.	.	74,7				
2016	27 322	.	.	.	.	2,58	.	.	.	.	72,8				
2017	28 575	.	.	.	.	.	.	.	.	.	72,9				

Source: Czech Statistical Office.

## Number of completed dwellings in 2017 per 1000 inhabitants (by districts)



Sources of data:  
 Czech Statistical Office  
 Map reference – Arc CR 500 3.3,  
 files of administrative and cadaster borders 2016

Department of Housing Policy, Ministry of Regional Development of the Czech Republic  
 Prague, June 2018

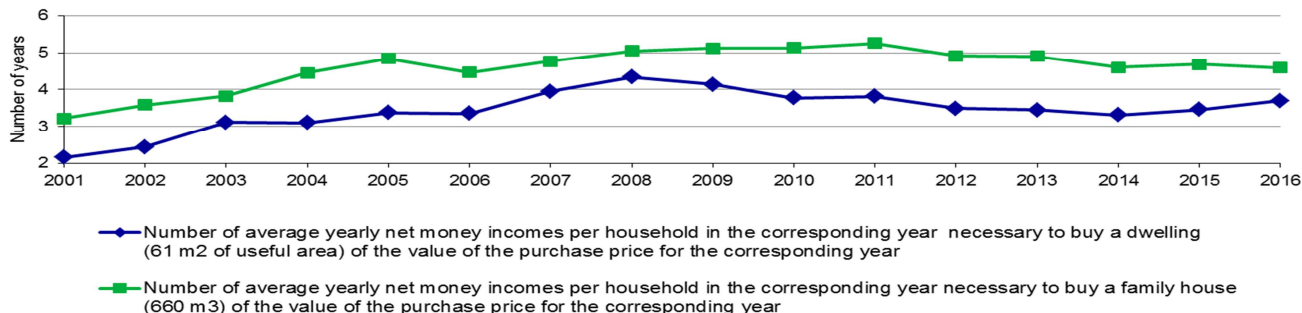
### 3 Expenditures, prices, affordability of housing

#### Consumer price index - housing, December 2017

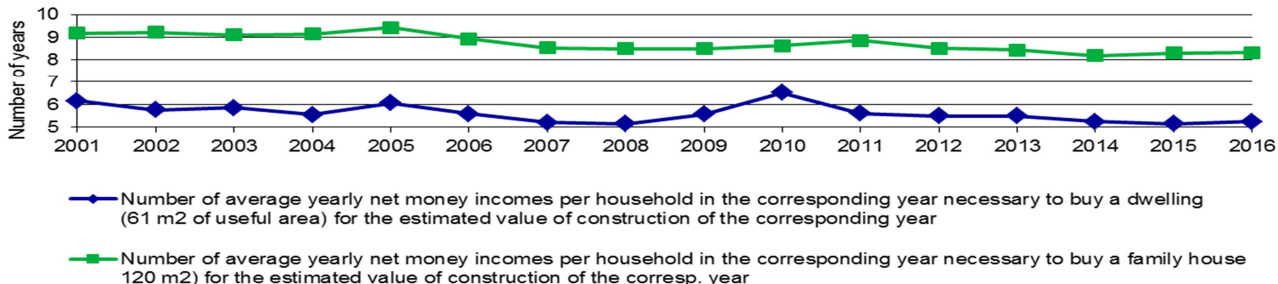
		In December 2017 to average of 2015
0	<b>TOTAL</b>	<b>103,9</b>
	of which:	
04	<b>HOUSING, WATER, ENERGY, FUEL</b>	<b>103,1</b>
	in which:	
04.1	<b>Actual rentals for housing</b>	104,4
04.111	NET RENT PAID BY TENANTS IN RENTAL HOUSING	105,5
04.112	SUM PAID IN CO-OPERATIVE DWELLINGS	100,5
04.2	<b>Imputed rentals for housing</b>	107,3
04.211	IMPUTED RENTALS OF OWNER-OCCUPIERS	107,3
04.3	<b>Maintenance and repair of the dwelling</b>	103,8
04.311	MATERIALS FOR MAINTENANCE AND REPAIR OF THE DWELLING	99,3
04.321	SERVICES FOR MAINTENANCE AND REPAIR OF THE DWELLING	108,4
04.4	<b>Water supply and miscellaneous services relating to the dwelling</b>	102,9
04.411	WATER SUPPLY	102,8
04.421	REFUSE COLLECTION	100,9
04.431	SEWERAGE COLLECTION	105,7
04.441	OTHER SERVICES RELATING TO THE DWELLING	101,0
04.5	<b>Electricity, gas and other fuels</b>	98,9
04.511	ELECTRICITY	101,5
04.521	GAS	92,4
04.522	CYLINDERS	98,2
04.531	LIQUID FUELS	97,0
04.541	SOLID FUELS	110,0
04.551	HEAT ENERGY	99,2

Source: Czech Statistical Office.

## Affordability of existing housing per average household



## Affordability of new housing per average household



Source: Czech Statistical Office, calculations by the MRD.

**Household final consumption expenditure on housing (domestic concept) to household final consumption in 2005 and 2017, current prices (CZK million)**

data for the Czech Republic

	2005	2017
<b>Housing, water, electricity, gas and other fuels</b>	<b>395 027</b>	<b>622 298</b>
<b>of which expenses on:</b>		
Actual rentals for housing	53 806	73 456
Imputed rentals for housing	187 492	324 271
Maintenance and repair of the dwelling	11 798	19 688
Water supply and miscellaneous services relating to the dwelling	25 578	37 268
Electricity, gas and other fuels	116 353	167 615
<b>TOTAL</b>	<b>1 613 929</b>	<b>2 449 164</b>
Share of housing expenses from total households expenses (%)	24,5	25,4
Actual individual consumption	1 895 612	2 918 862
<b>Share of housing expenses on actual individual consumption (%)</b>	<b>20,8</b>	<b>21,3</b>

Source: Czech Statistical Office, (last update 31. 8. 2018).

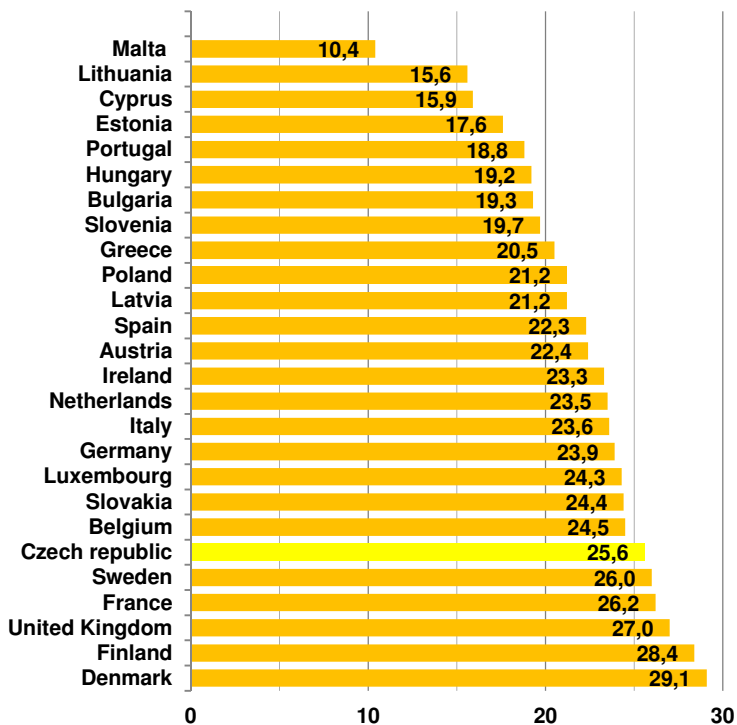
**Housing costs in 2017 – households (CZK)**

	Households total	One person households		2 adults, no dependent children		Other households without dep. children	Single parent household, one or more dep. children	2 adults			Other households with dep. children
		under 65 years	65 years and more	both under 65	at least one adult 65+			1 dependent child	2 dependent children	3 or more dep. children	
<b>Number of household absol.</b>	4 372 257	619 373	617 782	703 110	654 890	374 271	169 467	429 604	491 490	111 549	200 720
<b>Housing costs:</b>											
in CZK per household and month, total	5 626	5 143,4	4 300,6	6 082,0	5 141,5	6 139,9	6 815,6	6 266,6	5 978,8	6 621,6	6 431,3
as percentage of net financial household income	16,6	25,1	30,9	15,9	18,7	11,4	28,0	15,1	12,6	13,3	11,4

Source: Czech Statistical Office, Statistics on Income and Living Conditions (SILC) 2017.

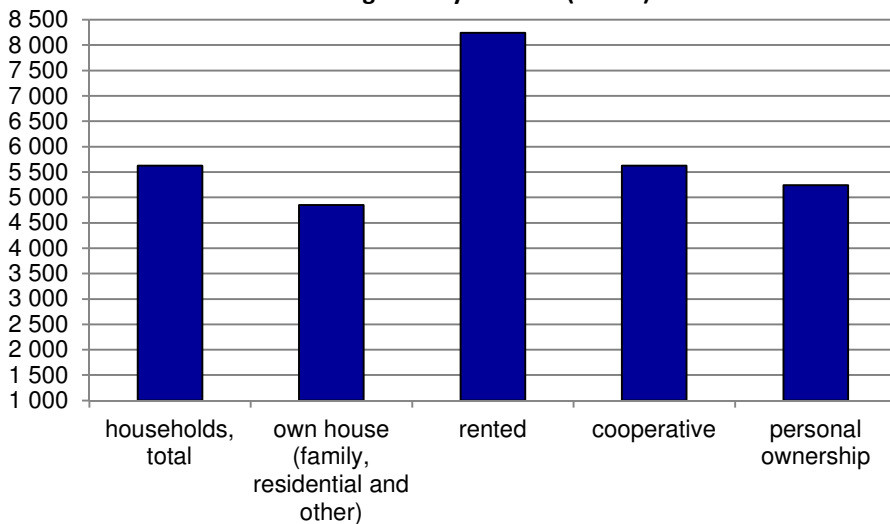


### Housing consumption as share of total household consumption in 2016 current prices (%)



Source: Eurostat.

**Household housing cost per month by legal ground for use of dwelling in the year 2017 (in CZK)**



Source: Czech Statistical Office, Household Budget Survey.



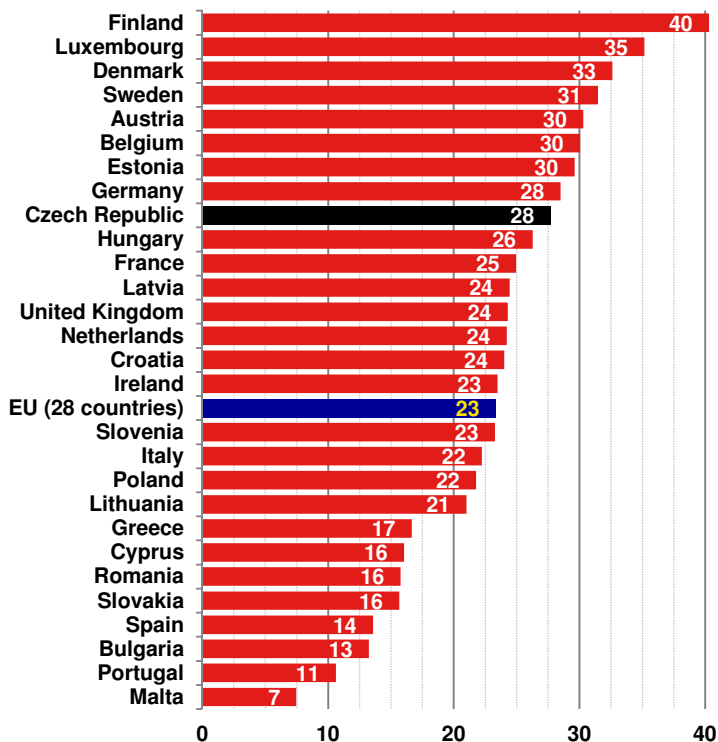
### Household costs of energy in the Czech Republic (%)

The proportion of household costs spent on electricity, gas, hot water, heat energy, solid and liquid fuels	Households, total		One person households		2 adults, no dependent children		Other households without dependent children	One person with dependent children	2 adults			Other households with dependent children
	in terms of total housing costs	in terms of net money income	less than 65 years	65 or more	both less than 65	at least one adult 65 or more	6 140	6 816	1 dependent child	2 dependent children	3 or more dependent children	6 431
	59,3	9,8	5 143	4 301	6 082	5 141	6 140	6 816	6 267	5 979	6 622	6 431
	54,1	13,5					7,7	13,7	8,3	7,7	8,0	7,7
	58,4	18,0						49,0	55,0	61,3	60,2	67,8
	56,8	9,0										
	64,0	12,0										
	68,0	7,7										

Source: Czech Statistical Office, Statistics on Income and Living Conditions (SILC) 2017 – calculations by the MRD.



**Final energy consumption by the households of the EU countries per inhabitant according to the Eurostat methodology in 2016 in gigajoules (GJ)**



Source: Eurostat, (last update 31. 5. 2018 – energy, 27. 2. 2018 – population), data processing by the MRD.

**Loans to households – inhabitants[1] for housing by the end of corresponding year – total (CZK mil.)**

	Households - inhabitants - loans for housing to inhabitants total	of which			Other households - SVJ[2] - loans
		mortgage loans	building society loans total	other loans on real estates	
2007	510 945	333 901	150 705	26 338	
2017	1 148 087	1 035 581	81 847	30 659	49 951

[1] without household of self-employed

[2] SVJ - associations of owners of individual dwellings

Source: Czech National Bank.



### Average annual percentage rates of CZK loans provided by banks to inhabitants for housing in CR (new business, % p.a.)

	Loans for housing (%)	out of which	
		mortgage loans (%)	building society loans (%)
2007	5,27	5,30	4,82
2017	2,38	2,22	3,44

Source: Czech National Bank.

### Non-performing ratio for loans provided to households – inhabitants[1] and other households - SVJ[2] for housing (%)

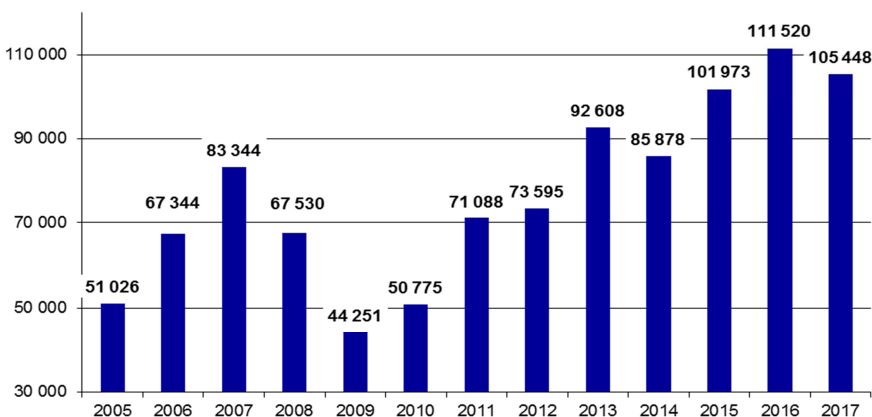
	Non-performing ratio for loans provided to inhabitants (%)				Non performing ratio for loans provided to other households – SVJ
	for housing	of which			
		mortgage loans	building savings	other loans	
2007	1,54	1,27	1,68	4,07	
2017	1,77	1,4	4,51	6,97	0,09

[1] without household of self-employed

[2] SVJ - associations of owners of individual dwellings

Source: Czech National Bank.

### Mortgage loans newly provided to citizens by nine banks, reporting their results to MRD, covering most of the market in individual years 2005-2017, number (pcs)



Source: Mortgage banks.

## Chapter II Housing support

### 1 Housing policy

Housing  
Policy  
Concept of  
the Czech  
Republic  
till 2020

On 27th July 2016 the Government approved the Concept of housing material of the Czech Republic until 2020 (Revised) - (hereinafter "revised living concept"). Revised living concept respects the basic assumptions of housing policy formulated in the Concept housing Czech Republic in 2020 and its main principles and strategic objectives, and completely replaces the design part.

Within individual visions in housing **availability, stability and quality** the state determines the following strategic objectives:

- ensuring of the adequate availability of all forms of housing,
- creating a stable environment in the areas of finance, legislation and institutions for all participants in the housing market,
- reduction of investment debt of housing, including improving the quality of environmental residential areas.

Social  
housing

A topical theme is how to tackle the issues of social housing.

This area has also been a focus of housing policy instruments in the past. From 1998 to 2017, with State investment support, some 22,507 housing units were earmarked for the target group of variously defined households with social handicaps or for seniors and persons with disabilities.

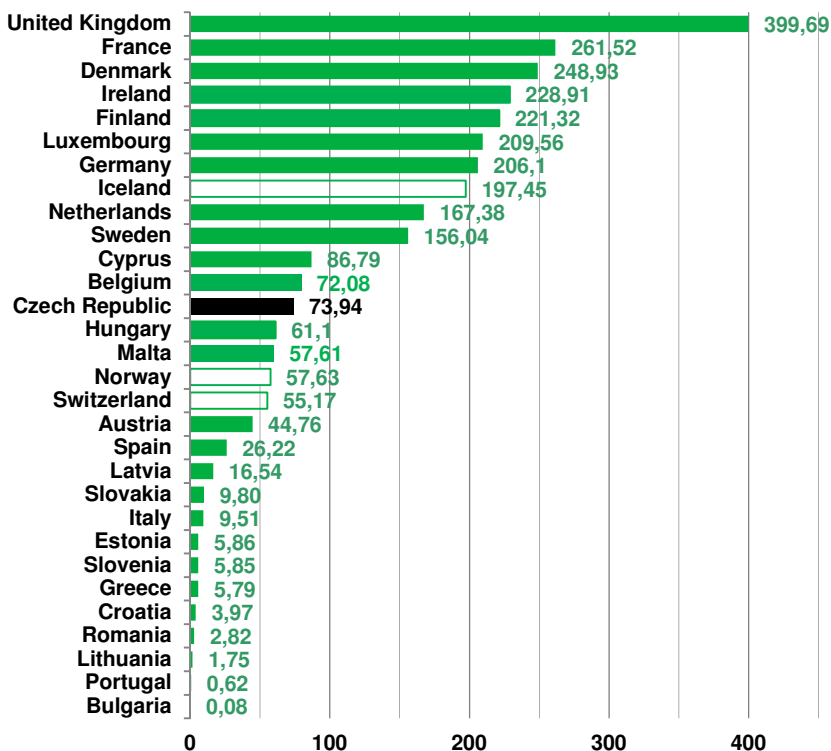


### State expenditure on housing (CZK mil.)

	2017	2018
	skutečnost	rozpočet
MRD - total (construction, regeneration, subsidies for mortgage loans)	336,50	300,50
SHDF - total (construction, modernization, repairing)	1082,40	1958,70
MF - total (building savings + material damage to banks)	4033,12	4230,50
MLSA - total (housing benefits)	10396,10	11899,75
MI - total (Ensuring integration asylum seekers)	3,52	11,50
ME - State Environmental Fund - total (increasing the energy efficiency of residential buildings)	1634,86	1857,00
<b>MRD + SHDF + MF + MLSA + MI + ME</b>	<b>17 486,50</b>	<b>20 257,95</b>
Expenditure share to GDP (%)	0,39	

Source: MRD, SHDF, MF, MLSA, MI, ME.

### Social benefits per head of population by housing (consist of transfers, in cash or in kind, by social protection schemes to households and individuals) in 2015 (in Purchasing Power Standards)



Source: Eurostat.

## 2 Support by the Ministry of Regional Development (realised in 2018)

Housing  
apartments  
without  
barriers  
(MRD)

The aim of the program is to improve the housing stock through barrier-free access, which are designed especially for the people with limited mobility or orientation, including persons with reduced autonomy, especially people with disabilities, the elderly, pregnant women, persons accompanying a child in a stroller, children under three years of age and persons temporarily restricted e.g. after an injury or illness. Eligible applicants of the improvement is an owner of the house with four or more floors, which is not equipped with an elevator, or that does not allow wheelchair access to the vertical communication (elevator), in which the removal of barriers in the form of construction work will allow wheelchair access to the building and a lift or for which we it can begin building the new elevator.

Support for  
the  
construction  
of supported  
housing  
(MRD)

The purpose of the support for the construction or acquisition of social housing is to help people with difficult access to housing due to special needs arising from their age, state of health or existential social circumstance, where such persons are not in a position to influence such circumstances.

The programme has three grant titles:

1. Carer-home for persons with low incomes who have special housing needs for reasons of health or due to advanced age or health condition. The aim is to extend the self-sufficiency and independence of persons from the target group and at the same to provide social care field services effectively.
2. Senior Community Home for persons with limited income aged over sixty. The aim is to provide rental housing for persons from the target group, in order to preserve and increase their self-sufficiency and independence, and at the same time to allow a community way of life, drawing on neighbourliness principles. The emphasis is on interpersonal relationships and maintaining each individual's own independence. A Senior Community Home is a multi-dwelling building of at least 10 and at most 25 dwellings, which also includes shared spaces to foster the community life of the elderly.



### 3 Support by the State Housing Development Fund (realised in 2018)

Panel 2013+  
Dwelling stock  
revitalization  
programme  
(SHDF)

PANEL 2013+ offers low-interest loans for repair and modernization of the residential buildings, emphasizes complex repairs, so the owners expend financial funds effectively. It is designed for all owners of apartment buildings, regardless of construction technology (panel, brick). It is governed by the Government Decree no. 468/2012 Coll. It does allow homeowners to do housing repairs and modernization, leading to extend the service life, to increase the quality and to reduce the energy intensity of residential houses. The program can be taken by the advantage of the cooperatives, owners, individuals and legal entities as well as cities and municipalities, having owned apartment building. On 24. 7. 2014 was published in the Official Gazette the new government decree no. 144/2014 Coll., which amends Government Regulation no. 468/2012 Coll., and on 8. 8. 2014 a new regulation came into force. Since then, they are also accepting applications according to the revised government regulation.

Programmes for  
municipalities  
Repair and  
modernisation  
(SHDF)

Loan program for covering the expenses associated with the repair and modernization of flats according to Government Decree no. 396/2001 Coll., in valid wording. The municipality has an obligation to provide at least 20% of the borrowed funds to other owners of housing in its territory, under the same conditions, i.e. at a rate of 3% p. a., with maturity of 10 years and the possibility of premature repayment of the loan or its part. The loan can be used for example for connecting to public networks of technical equipment (water supply, gas, sewer, electricity), windows replacement, roofing and roof replacement, repair of the outer shell (e.g. balcony), common areas (e.g. the elevator), etc.

Programme 600  
Loans for young  
people for  
housing  
purchase  
acquisition  
(SHDF)

This is about a loan program for the purchase of dwellings by persons younger than 36 years, caring for a child under 6 years of age, at the time of applying for the loan they are not owners or co-owners of dwellings or tenant of the flat. The program is governed by the Government Decree no. 100/2016 Coll. The loan can be used for acquisition of dwelling (family house or apartment, changing the building and part of the construction for housing, purchase, transfer of shares in a cooperative housing association). The loan amount ranges from 50 000 to 600 000 CZK. The program will expire on 15 August 2018 and will replace it with a new program for the acquisition or modernization of dwellings for young people.

Programme 150  
Loans for young  
people for  
housing quality  
improvement  
(SHDF)

Implementation is provided in the form of the loan on the basis of Government Regulation no. 28/2006 Coll., in the form of a loan, which is intended to modernize the existing property owned by the applicant, provided to the amount of 150 000 CZK with a maturity of 10 years and an interest rate of 2% p. a. For the support may apply married or single parents under 36 years of age, having ownership or co-ownership of real estate (house or flat). The financial funds from the loan can be used for example for connecting to public networks (water supply, gas, electricity, canalisation), to the building envelope (walls, roofs, balconies, windows, gutters, shutters), extending existing dwelling for another room (but not rise housing units), repairing or building a toilet or bathroom. The program expires on 15 August 2018 and is replaced by a new program for the acquisition or modernization of dwellings for young people.

Program for the  
purchase or  
modernization of  
dwellings for  
young people

Credit scheme under Government Decree No. 136/2018 Coll., is intended for persons under 36 who are living in a marriage or a registered partnership or for a person up to the age of 36, who permanently cares for a child who has not reached the date of application for the grant loan age 15 for modernization. The loan can be used to build or buy a house whose floor area does not exceed 140 m<sup>2</sup>; purchase of an apartment whose floor area does



not exceed 75 m<sup>2</sup> and also the modernization of the dwelling. At the time of applying for a loan for purchase, the applicant may not be the owner or co-owner of the dwelling or the tenant of the cooperative apartment, nor shall his or her spouse or registered partner be the owner or co-owner of the dwelling or tenant of the cooperative apartment. The loan for upgrading is at least CZK 30,000 and not more than CZK 300,000. A loan of up to CZK 2,000,000 may be obtained for the purchase or construction of a family house, for a purchase of up to CZK 1,200,000, up to 80% of the price negotiated or the price determined under the Property Valuation Act, if lower than the negotiated price. Interest is equal to the basic European Union reference rate for the Czech Republic (at least 1% p. A.), With fixation for a maximum of 5 years. The maturity of the loan for modernization is a maximum of 10 years. For construction and purchase, the maturity is up to 20 years. The Fund may, at the request of the beneficiary, interrupt the repayment of the principal for a period of up to two years on account of the birth, adoption, guardianship, custody of the child or foster of the child, further to the loss of employment or the death of a member of the household.

Element  
programme  
Reconstruction  
of dwellings  
after natural  
disasters  
(SHDF)

Element Program, provided in accordance with Government Order no. 319/2004 is designed to repair homes affected by the natural disaster, if it was in accordance with the emergency law declared a state of emergency or third degree of flood activity under the Water Act. It focuses support, streamlines legislation subsequent assistance into a single document. Updates the conditions for obtaining a loan for the repair and construction of housing, increasing existing levels of credit repair, construction and purchase of flats and motivating owners to insure housing by the form of aid loans for repairing of construction or acquisition of housing and credit enhancements in the implementation of flood control measures (i.e. building and technical repair of the home).

The loan may be granted to the person who owns or co-owns the dwelling, as well as to the unit owner. A construction or acquisition credit can only be granted



to a natural person. In the case of a repair loan, the person requesting it must have a residence in the damaged dwelling at the time of a natural disaster and the repair must be completed within three years of the conclusion of the credit agreement in the case of construction and acquisition credit, It must be realized outside the flooded area, at the time of a natural disaster, the owner, his spouse, a registered partner or a person related in direct line with the owner and the approval has to be domiciled in a defunct home within three years from the conclusion of the credit agreement. In the case of construction credit, the loan amount is a maximum of CZK 2,500,000 per dwelling, the amount of the loan for the purchase of dwellings is a maximum of CZK 1,500,000 per dwelling.

Development programme  
Rental housing (SHDF)

It is governed by the Government Decree no. 284/2011 Coll., by last revised government regulation no.78 / 2016 Coll. It aims to build or modify the building blocks of flats and apartments for defined population groups - seniors (65+), disabled or limited income citizens, people who lost their housing due to natural disaster or an adult younger than 30 years.

Applicants may be municipalities, legal and natural persons whose sole ownership of the land on which construction will be carried out, or in the exclusive ownership of the building or apartment where will be built, or construction work. The loan can be used for new buildings, extensions, additions and alterations, if any, rental apartments.

The loan may be granted up to 90% of the eligible costs, which may include part of the purchase price of the land, but may not exceed 10% of the expenditure relevant to the learning of the loan. The maturity of the loan (interest rate of at least 0.75%, subject to the de minimis limit) is 30 years from the date of completion



of the construction.

Program for the  
regeneration of  
public areas in  
the housing  
estates

Program according to Government Decree No. 390/2017 Coll. allows municipalities to finance the regeneration of public areas of housing estates through subsidies or subsidies and loans. The settlement on which the regeneration will take place must be built with apartment buildings built by non-penetration technologies between 1945 and 1990 or built by panel technology by the year 2000 and having at least 100 apartments. Subsidies are granted up to 50% of eligible costs, up to CZK 6 million per project. The amount of the loan may be up to 90% of the eligible costs. The interest rate is at the basic EU reference rate of + 0.30% pa and the maturity of the loan may be up to 15 years

## Support by purpose

list of investment aid			investment aid intended for:				
			construction of housing	purchase of dwelling	repairs and reconstruction	increasing the energy efficiency of apartment buildings	improving the environment of panel housing estates
MRD	Programme Housing support	Housing apartments without barriers			●		
		Support for the construction of supported housing	PCB Carer-home	●	●	●	
			KoDuS Senior Community Home	●	●	●	
SHDF	Panel 2013+ Dwelling stock revitalization programme				●	●	
	Programmes for municipalities repair and modernisation				●		
	Programs for young people	Programme 600 Loans for young people for housing purchase acquisition (till 15.8.18)	●	●			
		Programme 150 Loans for young people for housing quality improvement (till 15.8.18)	●	●			
	Program for the purchase or modernization of dwellings for young people (since 15.8.18)		●	●	●		
	Element programme Reconstruction of dwellings after natural disasters		●	●	●		
	Development programme Rental housing		●		●		
Program for the regeneration of public areas in the housing estates						●	

Source: MRD and SHDF.

## Support by recipient

list of investment aid			investment aid intended to:					
			person / household (acquiring own housing)	association of owners of individual dwellings / housing co-operative	entrepreneur renting dwellings	municipality	non-governmental organization	
MRD	Programme Housing support	Housing apartments without barriers		●				
		Support for the construction of supported housing	PfCB Carer-home			●	●	●
			KoDuS Senior Community Home			●	●	●
SHDF	Panel 2013+ Dwelling stock revitalization programme			●	●	●	●	
	Programmes for municipalities repair and modernisation					●		
	Programs for young people	Programme 600 Loans for young people for housing purchase acquisition (till 15.8.18)	●					
		Programme 150 Loans for young people for housing quality improvement (till 15.8.18)	●					
	Program for the purchase or modernization of dwellings for young people (since 15.8.18)		●					
	Element programme Reconstruction of dwellings after natural disasters		●	●	●	●	●	
	Development programme Rental housing				●	●	●	
Program for the regeneration of public areas in the housing estates				●	●			

Source: MRD and SHDF.

## Links

- [www.mmr.cz](http://www.mmr.cz)
- [www.sfrb.cz](http://www.sfrb.cz)
- Publication „Selected Data on Housing 2017 (June 2018)“, see [www.mmr.cz](http://www.mmr.cz)

## List of abbreviations

CR	Czech Republic
EU	European Union
IOP	Integrated Operational Programme
ME	Ministry of the Environment
MF	Ministry of Finance
MI	Ministry of the Interior
MLSA	Ministry of Labour and Social Affairs
MRD	Ministry of Regional Development
PH	private household
SHDF	State Housing Development Fund
SILC	Statistics on Income and Living Conditions
SVJ	association of owners of individual dwellings



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