



FACT SHEET

Catalonia's housing revolution:

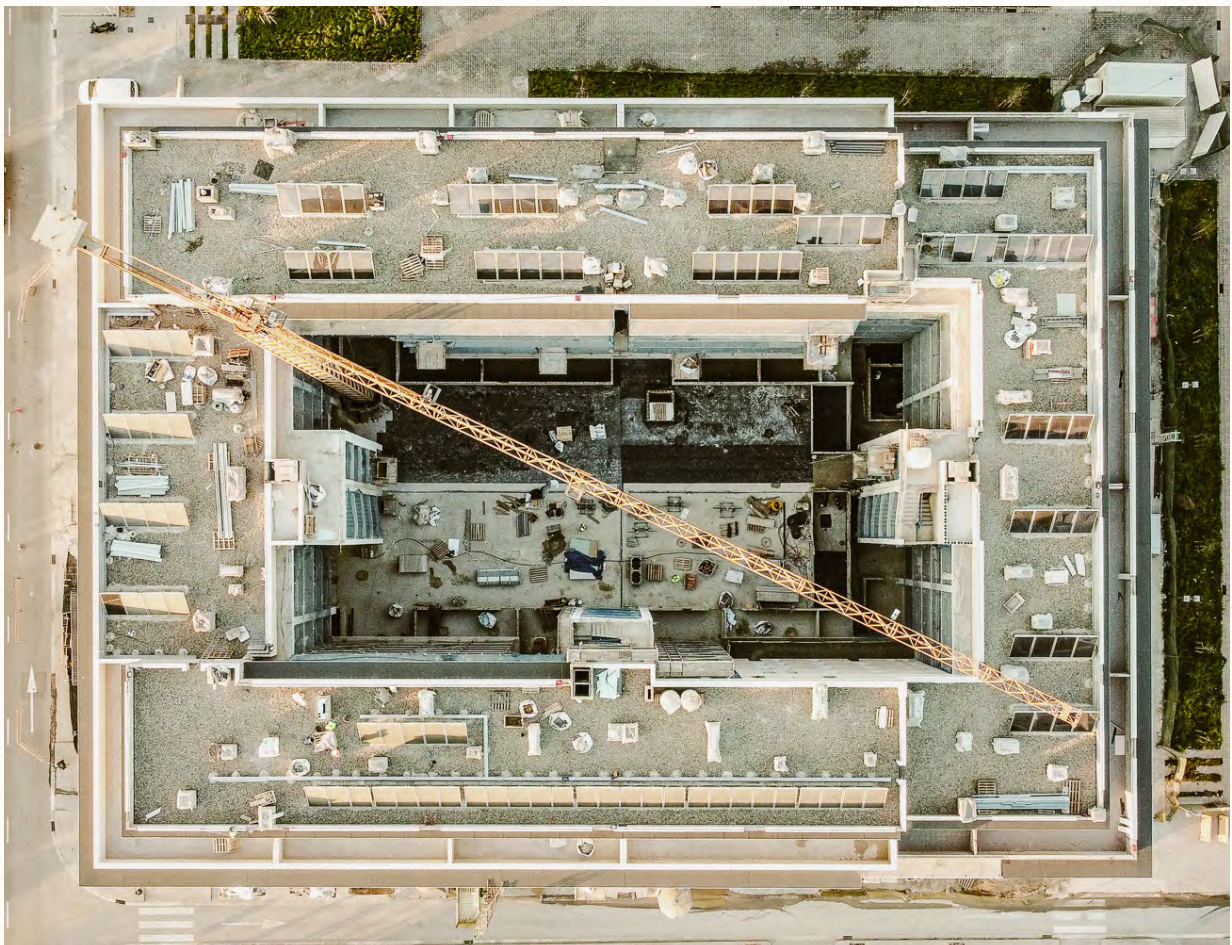
Where affordability meets sustainability

An alternative housing market is emerging across Catalonia in Spain, where homes are affordable and buildings are resilient to weather extremes. Although still in its nascency, its success could set an invaluable blueprint for achieving a just transition in the global housing sector.



Summary

- Barcelona's 2024-2025 anti-tourism protests have given the city's housing crisis global notoriety. Rents in Barcelona have risen 68% on average in 10 years, while the wages of the lower-income families have not kept pace.
- At the same time, 80% of Spanish homes are energy inefficient and poorly insulated - resulting in expensive utility bills at a time when Barcelona is increasingly characterised by 40-degree heat.
- The built environment is the source of 40% of the world's carbon dioxide (CO₂) emissions. Spain is retrofitting, refurbishing and renovating its housing stock to meet climate commitments, but the costly construction works required by new sustainability standards can risk raising housing prices.
- **Across Catalonia, a powerful regional response has been emerging. Not a single programme but an ecosystem: public authorities, private firms and social actors building a needs-based housing model designed to deliver affordable, low-carbon, high-efficiency homes at scale.**



*An affordable housing development with an AA-energy efficiency rating in Martorell, Catalonia.
(Credit: Oliver Gordon / IHRB)*

A blueprint for a new sustainable housing market

A NEED-BASED HOUSING SYSTEM

- Half a million Spanish families were made homeless in the 2008 financial crash. In the aftermath, an organic network of citizen-led cooperatives, foundations and mutual aid organisations emerged to drive a more sustainable model in Catalonia.
- A self-described ‘needs-based’ housing system formalised over the following years, built on three principles: affordability, inclusivity and climate adequacy.
- Collaboration is the hallmark of Catalonia’s approach to housing - with a comprehensive ecosystem emerging comprised of local and regional authorities, non-profit housing associations, tenant cooperatives, and private sector firms.

FINANCING

- As the partnerships have evolved, so have the financing methods. The cooperatives and housing associations utilise crowdlending, community bonds and hybrid capital stacks mixing private and public money alongside aligned banks and investors.
- Projects may layer funding - for example, one retrofit project in the municipality of Cornellà de Llobregat has received financing via a blend of NextGenerationEU funds, ELENA (European Local ENergy Assistance) technical assistance and European Investment Bank loans.
- Developers and investors are also realising that accepting slightly lower margins can deliver stronger long-term returns. Grupo Salas — one of the region’s largest developers — accepts a capped ROI of 4–6%, betting on the sector’s high growth, sustained demand for affordable rentals, and consistently full buildings, many of which have waiting lists.



Industrialised construction methods, such modular and precast housing, reduce the time and cost of construction projects. (Credit: Cohabitac)

PRIVATE SECTOR BENEFITS

- In the five years after the 2008 crash, Spain's construction industry lost 64% of its workforce and has never recovered. As well as adding projects to the industry's pipeline, Catalonia's alternative housing system is recruiting and skilling a new workforce.
- Construction methods are diversifying too – sustainable, affordable and environmentally friendly techniques such as modular housing, timber structures and passive design are common.
- For example, heating systems company Ariston partnered with Hàbitat3 to design a custom energy solution for the Casa Bloc retrofit. Solving a social challenge – heating a historic, uninsulated building without altering its façade – pushed the company to create a new hybrid water heater technology that is among the most efficient on the market while also energising its workforce around its social innovation.
- The project also gave Ariston a compelling purpose to share with its employees, investors, customers and partners - aligning its name as a trusted partner to the alternative housing system for the new business opportunities of the future.

Catalonia's alternative housing system in numbers:

60

cooperative housing projects comprising 1,000 flats or houses.

5,000

additional units managed by a coalition of housing associations - set to increase by 1,600 in the coming years.

20+

projects supported by Conveni ESAL*, creating over 1,000 additional homes in 10 years.

18,000

tonnes of CO₂ saved annually from retrofits completed between 2020 and 2024.

<10%

of household income spent on utilities in participating neighbourhoods (compared to 20% spent previously)

€2.30

saved in health costs and energy subsidies for every euro spent on retrofits

*Conveni ESAL is an agreement by Barcelona City Council to allow housing associations to build on public land

Timeline

2008: The global financial crash hits Spain severely. 3.5 million homes are left empty and half a million families are made homeless.

2009: Grassroots movement La Plataforma de Afectados por la Hipoteca (PAH) launches in Barcelona, blocking evictions and campaigning for housing to be treated as a human right. A network of citizen-led cooperatives, foundations and mutual aid organisations start to emerge.

2011: Cooperative Sostre Cívic launches its first grant-of-use co-housing project, where residents collectively hold rights and co-manage the building. In 2016 they establish La Constructiva, an in-house construction cooperative dedicated to sustainable building and fair labour practices.

2015: Housing association Hàbitat3 emerges, offering to rent vacant properties from landlords for social housing, guaranteeing rental income, covering renovations and managing the tenancy - with renovations carried out by enterprises training marginalised workers.

2018: The Catalan Housing Agency launches the Right of First Refusal framework, allowing municipalities to buy foreclosed homes before private buyers and assign them to non-profit housing associations.

2020: Barcelona City Council launches the ESAL Agreement, allowing housing associations to bypass competitive tendering and access 99-year surface rights to build affordable homes on public land. The European Council passes the COVID recovery stimulus package for NextGenerationEU - a key funding mechanism enabling the emergence of the model to date.

2022: The Catalan Parliament passes a resolution calling for a regulatory framework for cooperative housing.

2025: The Spanish Congress Housing Committee votes in favour of a national policy supporting the model, and the Catalan regional Government launches Plan 50,000 – a pledge to build 50,000 public housing units by 2030, many of which would be co-produced between social actors and private developers.

2026: The deadline for the closure of NextGenerationEU funding.

Proof points across Catalonia

CASA BLOC (17 FLATS)

- SANT ANDREU NEIGHBOURHOOD, BARCELONA

A 1930s modernist complex that lay derelict for years before being restored by the housing association Hàbitat3, Casa Bloc won the prestigious World Habitat Award in 2019. It houses 17 families who were at risk of homelessness and provides wraparound social support.

- **Sustainability:** The restoration of a once-dormant iconic building. Triple-glazed windows keep the heat and noise out. A communal heat pump system cuts bills and carbon.
- **Partners:** Hàbitat3 teamed up with social services. Telecoms firm Cellnex wired the building. The Naturgy Foundation helped tackle energy poverty. Ariston developed innovative new hybrid hot-water for the protected building.



Casa Bloc, Sant Andreu neighbourhood, Barcelona (Fundació Hàbitat3)

MARINADA (43 HOMES) AND TERRAL (63 HOMES)

- SITGES, 30 MINUTES SOUTH OF BARCELONA

In Sitges - one of the most expensive rental markets in Catalonia - housing association Fundació Grup Qualitat has built two affordable, climate-friendly housing developments.

- **Sustainability:** The buildings carry AA energy ratings and have communal heat pumps and solar energy systems. Careful orientation and planned shading and cross-ventilation provide respite in the summers.
- **Residents' cost:** €6 per square metre (compared to the €18 per square metre Sitges average).
- **Partners:** Fundació SALAS served as social developer. The municipality provided land and political support. Fundació Grup Qualitat, Nou Lloc and Família i Benestar Social (FIBS) manage the rentals.

ADELA BARQUÍN RESIDENCE (90 FLATS)

- SANT FELIU DE LLOBREGAT, WEST OF BARCELONA

Adela Barquín is a rental building for people over the age of 65, with a concierge on weekdays, shared spaces, and activities. The building embeds active-ageing principles: smaller, manageable flats; accessible circulation; programmes that create chance encounters for community; and a support team.

- **Sustainability:** A passive approach, an ultra-low-energy method aiming to create a comfortable indoor temperature using minimal conventional heating or cooling. Airzone technology, powered by rooftop solar panels, reuses air to heat and cool the building.
- **Residents' cost:** Approximately €500 per month (compared to Barcelona's average rental price of €1,193)



Adela Barquín residence, Sant Feliu de Llobregat, west of Barcelona (Lewis Davies)

EDIFICI CIRERERS (32 FLATS)

- ROQUETES NEIGHBOURHOOD, BARCELONA

Edifici Cirerers has become a flagship of the cooperative housing movement: a timber-framed building of 32 flats, developed by Sostre Cívic on land granted by Barcelona City Council. Storing 660 tonnes of carbon in its wood structure, Cirerers won the sustainability prize at the 2022 Advanced Architecture Awards.

- **Sustainability:** A central aerothermal system distributes heat and cold throughout the building. Each private space has a dual-flow ventilation system with a heat recovery unit, maintaining the interior temperature.
- **Partners:** Developed by Sostre Cívic on land granted by Barcelona City Council. Built by La Constructiva. Designed by Celobert. Building and works insurance by Arç. Cooperative planning by Matriu. Legal advice by Col·lectiu Ronda. Economic and fiscal support by Gestió Integral. Financed by Fiare Banca Ètica.

Voices of Catalonia

- policy and partners



“This kind of cross-sector cooperation is unprecedented in Spain,” says **Natalia Martínez, director of partnerships at Hàbitat3**, about the collaboration between public, private and social actors in Catalonia’s needs-based housing system.

“And it’s what makes the Catalan model work.”



“Housing is a human right,” says **Joan Ramon Riera, Housing Commissioner at the Barcelona City Council**.

“But it’s also a lever for climate action, for economic inclusion, for public health. The question is: who do we build for, and how?”



“Ultimately, we believe housing should be the fifth pillar of the welfare state alongside healthcare, education, pensions and social services,” says **Hàbitat3’s Carme Trilla, who is also president of Cohabitac**.

“But the cost of housing for the population ends up undermining the other pillars of the welfare state,” argues Trilla. *“Private companies have an important role to play in the housing system, but it should be as service providers rather than managers and owners, as they do in areas like healthcare.”*



“...it motivated people – the engineers, the installers and the executives,” says **Anna Sayeras, Ariston’s product manager**, reflecting that when a private company and a non-profit find a “shared purpose”, they can achieve a common goal that neither could alone.



“We offer 6% – but it’s a social impact project,” says **Manel Rodríguez, partner and CEO of the Salas Group**, contrasting his model with the 12% returns private funds seek in typical projects.

For Rodríguez, the success of social housing public-private partnerships demonstrates that businesses can prosper through “productive, rather than speculative, business models.”

Voices of Catalonia - workers and residents



“It’s a living nightmare I wouldn’t wish on my worst enemy,” says **Adama, a Barcelona resident**, about her experience of being evicted from her home when the rent quadrupled.

“Now, we have peace,” Adama says. *“It’s not just a flat. It’s our home.”*

“Climate change is here, temperatures are rising. Where I live now, I’m good. Because if the heat comes, I’m fine.”



“I got lost in my life for a while and found myself with nothing. Mansol was my salvation.”

Nacho is an employee at Projectes Mansol, an social enterprise that trains and employs people at risk of exclusion to provide energy efficient renovations in housing projects.

“We go in, we do an inspection of everything that needs to be done... so that another family without resources can move in there. In other words, to restore dignity.”



“Summers are much hotter than they used to be. That’s why I decided to come here... I pay much less and I’m very happy here.”

Llúcia lives in the Adela Barquín development in Sant Feliu de Llobregat.

“In summer, I’m very comfortable, and in winter I’m warm and comfortable.”



The Edifici Miranada development in Sitges, one of Spain's most expensive rental markets. Thanks to AA energy ratings, communal heat pumps, solar energy systems, and careful orientation, shading, and cross-ventilation, energy costs here are half of the area's average. (Credit: Cohabitac)

FURTHER READING:

- Cohabitac: <https://www.cohabitac.cat/en/>
- Fundació Hàbitat3: <https://www.habitat3.cat/>
- Fundació Salas: <https://fundaciosalas.org/es/inicio/>
- Sostre Cívic: <https://sostrecivic.coop/en/>
- Celobert: <https://celobert.coop/es/>
- Projectes Mansol: <https://mansol.cat/>

The story of Catalonia's housing revolution is being featured by **JUST Stories** – a project from the Institute for Human Rights and Business (IHRB) dedicated to finding and telling stories of people working together to advance just transitions. To read the full story and for more information please visit www.just-stories.org

