



Ministry of National Economy

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HOUSING POLICY ACTIONS

Second International Roundtable of RENOINVEST Project

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Ministry of National Economy

I. HOME RENOVATION PROGRAM & RURAL HOME RENOVATION PROGRAM



HOME RENOVATION PROGRAM

Problem:

- 70% of the 4.6 million households in Hungary require renovation

Goal:

- Improve the **energy efficiency** of **family houses built before 2007**, achieve **energy savings** and **reduce utility costs**.

Features of the program:

It focuses on the energy modernization of family houses.

- It prioritizes the use of **local construction materials**, supporting the **domestic industry**.
- The program offers a **combination of a 0% interest loan and non-refundable grants**, providing up to 3 million HUF in support, matched by an additional 3 million HUF loan.
- To **achieve energy savings, a reduction of at least 30% is required**, which can be reached through insulation, window replacement, or upgrading heating systems.

Results:

- Since July 1, 2024, **5,000+ applications** have been received, totaling 27.2 billion HUF. Additionally, **over 13,000 energy certificates** have been issued under the program.



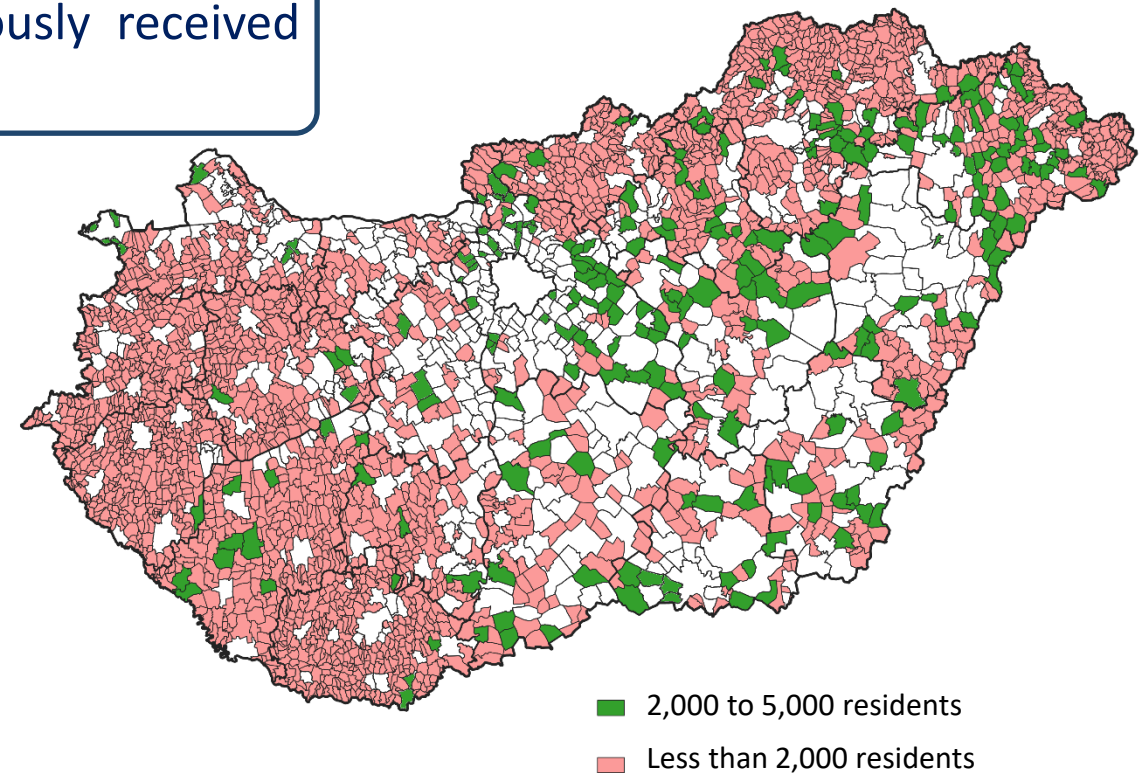
NEW RURAL HOME RENOVATION PROGRAM WITH SUPPORT OF UP TO 3 MILLION HUF

Following the successful home renovation **program of 2021–2022**, a similar initiative is now available for **families with children**. Starting from March 11, 2025, it will also be **accessible to retirees**. However, this program has a more limited geographical scope, targeting settlements with **fewer than 5,000 residents**. It will be available from January 2025 to June 2026.

Up to 50% of labor and material costs—up to a **maximum of 3 million HUF**—can be covered, reduced by any support previously received under the prior program.

90% of the settlements, as well as **1/3rd of families with children and retirees**, are eligible.

To support larger renovations, a **loan of up to 6 million HUF is available** with a **3 % interest** subsidy.





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II. NEW ECONOMIC ACTION PLAN



A NEW ECONOMIC ACTION PLAN HAS BEEN ADOPTED, WHICH INCLUDES VARIOUS HOUSING POLICY MEASURES TO COMPLEMENT THE EXISTING FAMILY SUPPORT FOCUS.



Tightening regulations **for private accommodation rentals** (e.g., Airbnb). ✓

Increasing the capacity of **affordable university dormitories**. ✓



Review and regulation of rental housing contract terms and conditions, and their legalization.



New rural home renovation program. ✓



Employer-Provided **Housing Benefit with Tax Discount** ✓

Worker's Loan ✓



Optional, Temporary Use of **Voluntary Pension Fund Savings** for Housing Purposes ✓

Use of **SZÉP Card** Amounts for Home Renovation ✓



Extension of the 5% VAT on newly built properties. ✓

Voluntary **5% mortgage interest rate cap** for young first-time homebuyers ✓



Housing capital program for the development of **affordable rental housing**. ✓



A NEW HOUSING DEVELOPMENT CAPITAL PROGRAM STARTED THIS MONTH, WHICH WILL RESULT IN 300 BILLION HUF FLOWING INTO THE REAL ESTATE MARKET



The goal of the Capital Program is to **promote affordable housing development through real estate funds property developments**. By encouraging the growth of these real estate funds, nearly 30,000 new apartments, rental homes and dormitories will be built. In addition to expanding the available housing supply, these projects will also contribute to the enhancement of Hungary's economic performance.



Through domestic real estate funds, market participants can access at least **5 billion HUF and up to 20 billion HUF per fund**.



The **state's share of the funding can be up to 70%**, and the state investment must be allocated entirely to real estate development projects in Hungary, equivalent to 100% of the state investment amount.



With 300 billion HUF in funding through the Capital Program—complemented by at least 30% equity and financial leverage—investment in new housing is **projected to reach 1,000–1,500 billion HUF** over two development cycles, **delivering around 30,000 new homes to the market**.



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Thank you for your attention.