2026

HABITAT

European housing, from an individual refuge to a collective challenge

A European survey conducted in 8 countries



OBSERVATOIRE Cetelem

BNP PARIBAS PERSONAL FINANCE

EDITORIAL

"There is no place like home," as the saying goes. Yet a home must still live up to expectations. At a time of successive economic, energy and climate crises, housing remains a sanctuary for Europeans, a trusted asset to which they remain deeply attached.

Yet this sanctuary is becoming harder to secure, maintain and pay for: energy costs weigh heavily on budgets, rising interest rates have dampened property ambitions, and the summer of 2026—the hottest ever recorded on the continent—served as a reminder that a roof over one's head must now protect not only against intruders but also against a destabilised climate.

As it does every year, the Observatoire Cetelem de l'habitat examines Europeans' relationship with their homes. For this 2026 edition, the study focuses on an angle rarely explored, yet critical for the energy transition: communal living, or how collective decision-making within co-owned properties can reshape the housing market.

Living, deciding and renovating together: this is the common thread running through this study. It first explores Europeans' connection to their homes, a cherished refuge put to the test, before examining life in co-ownership and collective decision-making, and finally tackling the monumental challenge of energy retrofitting.

Renovating a predominantly ageing housing stock is no longer merely a matter of individual action, but of collective decision-making. What is lacking is neither conviction nor, in most cases, financial resources but rather proof that the effort will be shared and yield a return.

Faced with a housing stock that is cherished yet under strain, this 2026 edition delivers a clear diagnosis and opens up concrete avenues for tomorrow's world, a world in which economic, social and climate challenges compel everyone to safeguard their home's "liveability".

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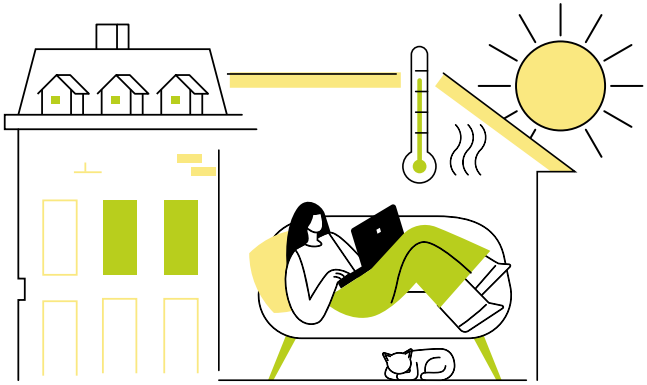
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1

Housing: a solid sanctuary put to the test by budgets and climate



This first section examines Europeans' relationship with their homes, a deeply personal connection to what they consider their ultimate sanctuary in an era of tension, crisis and uncertainty. Against this unstable economic and environmental backdrop, property remains an asset class to which Europeans are overwhelmingly attached.
Yet this status can no longer be taken for granted: living in, maintaining and paying for a home looks very different depending on whether you own or rent, are young or old, or live in a house or an apartment.

The storyline is simple: housing remains a safe haven, but keeping it comes at an ever-higher cost.

European economic recovery derailed by geopolitical shock

After demonstrating resilience in 2025, the euro area economy was expected to consolidate its recovery in 2026. Flare-ups in the Middle East dictated otherwise. In its June 2026 projections, the Eurosystem revised economic growth downwards to 0.8% for the year, down from the 0.9% anticipated in March, ahead of a gradual recovery to 1.2% in 2027 and 1.5% in 2028.

Behind this average lies a multi-speed Europe: Spain remains the continent's growth engine, with expected growth revised upwards by a full percentage point to 2.4%, while France (0.8%), Germany (0.6%) and Italy (0.5%) are struggling to break free from stagnation.(1) To cushion the recent surge in energy prices, European governments have deployed more than €11 billion in fiscal measures, support that will put further strain on already stretched public finances.(2)

Another warning sign is inflation, which had slowed markedly in 2025 but has turned upwards once more. In the euro area, inflation is expected to average 3% in 2026, peaking at 3.4% in the second half of the year, and is not projected to return to the 2% price stability target until 2028.(3) The primary catalyst is the rise in energy prices that began in March.
One key detail is worth noting: field research for this edition was conducted in April, capturing the early stages of this energy shock but not yet its full impact on household energy bills, which take several months to adjust. The financial pressures highlighted in the following pages may therefore intensify over the coming months.

Faced with renewed inflation and rising energy prices, the European Central Bank shifted course: on 11 June 2026, it raised its key policy rates by 25 basis points, its first rate hike since 2023 following more than two years of monetary easing.(4) This decision directly raises borrowing costs, curbing households' capacity to purchase or renovate homes.

For now, the labour market remains the principal anchor for European consumer confidence. The euro area unemployment rate remains near historical lows and is expected to continue declining towards 6.0% by 2028.(5) However, job creation is slowing markedly, a sign that employment resilience is not immune to a prolonged period of uncertainty.

In the housing sector, early signs of recovery observed across several countries in 2025 are struggling to take root: rising mortgage rates following June's monetary policy turn have once again weakened demand, while renewed geopolitical uncertainty has dampened investor confidence in markets that were only just beginning to heal. In France, a springtime surge (building permits rose 16% year-on-year and housing starts increased by 14%) was quickly overshadowed by a slump in the existing home market, leading real estate federation FNAIM to warn of an active "housing crisis".(6) Elsewhere, a sharp contrast persists between Southern Europe, buoyed by ongoing construction momentum, and continental and Northern markets (Germany, Belgium, Italy) that remain stalled. Across the continent, the home as a sanctuary finds itself squeezed between renewed macroeconomic uncertainty and increasingly constrained household budgets.

(1) Source: European Central Bank, "Eurosystem staff macroeconomic projections for the euro area," June 2026. (2) Source: European Central Bank, Economic Bulletin, Issue 4/2026, 2026. (3) Source: European Central Bank, June 2026 projections (headline Harmonised Index of Consumer Prices, HICP). (4) Source: European Central Bank, monetary policy decisions, 11 June 2026. (5) Source: European Central Bank, June 2026 projections (labour market). (6) Sources: FNAIM, press release on the housing market, 2026; BPCE Group, "2026 outlook for residential real estate and mortgage lending in France".

Attached and satisfied: Europeans cherish their homes

Before examining how space is shared, it is worth looking at how Europeans view their homes. The overall picture is one of strong emotional ties, positive perceptions and high, stable levels of satisfaction. Yet beneath this uniform surface lies a clear divide, one dictated less by nationality than by tenure, age and property type.

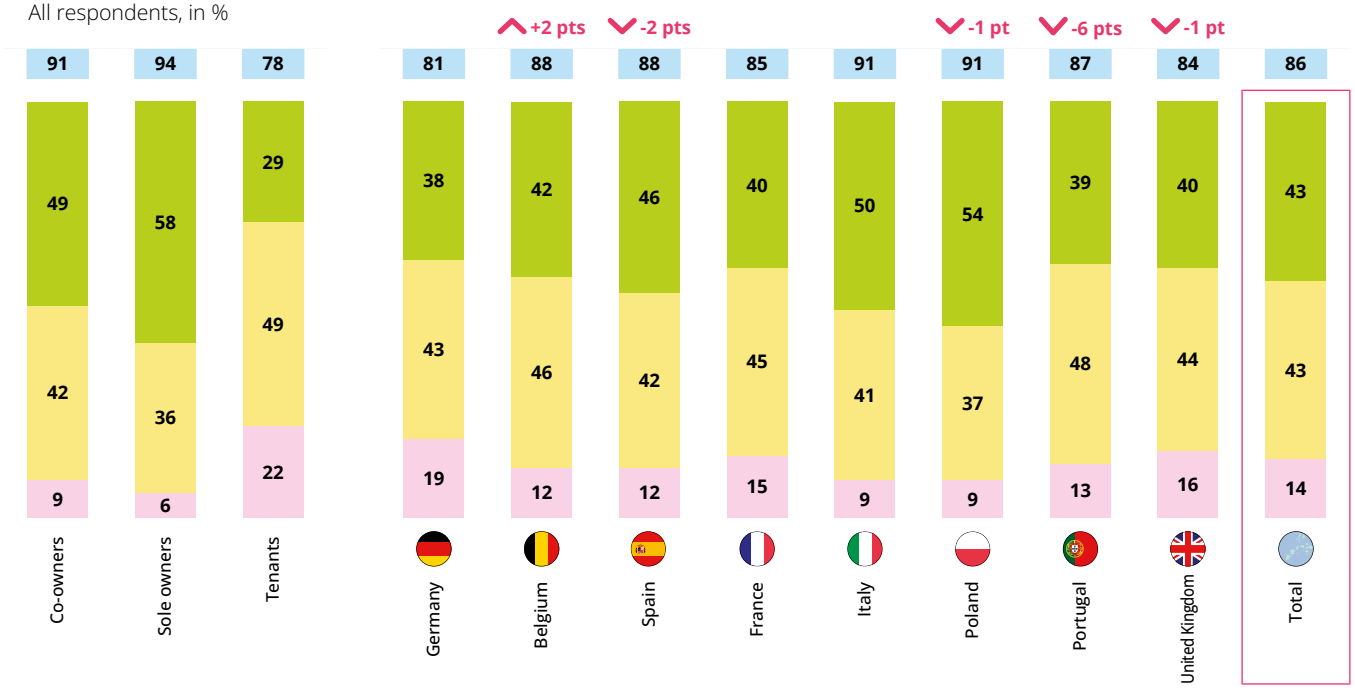
HOMEOWNERSHIP DRIVES EMOTIONAL CONNECTION

Europeans remain overwhelmingly attached to their homes: 86% say as much, with nearly half describing themselves as "very attached". This sense of connection varies by individual profile, strengthening significantly with ownership, rising from 78% among tenants to over 90% among homeowners. Country-level differences remain modest, though Germany, the UK and France sit at the bottom of the scale, reflecting their status as the three markets with the lowest homeownership rates in the survey sample.

Fig. 1

Personally, would you say that you are attached to your home?

All respondents, in %



Source: Observatoire Cetelem de l'habitat, 2026

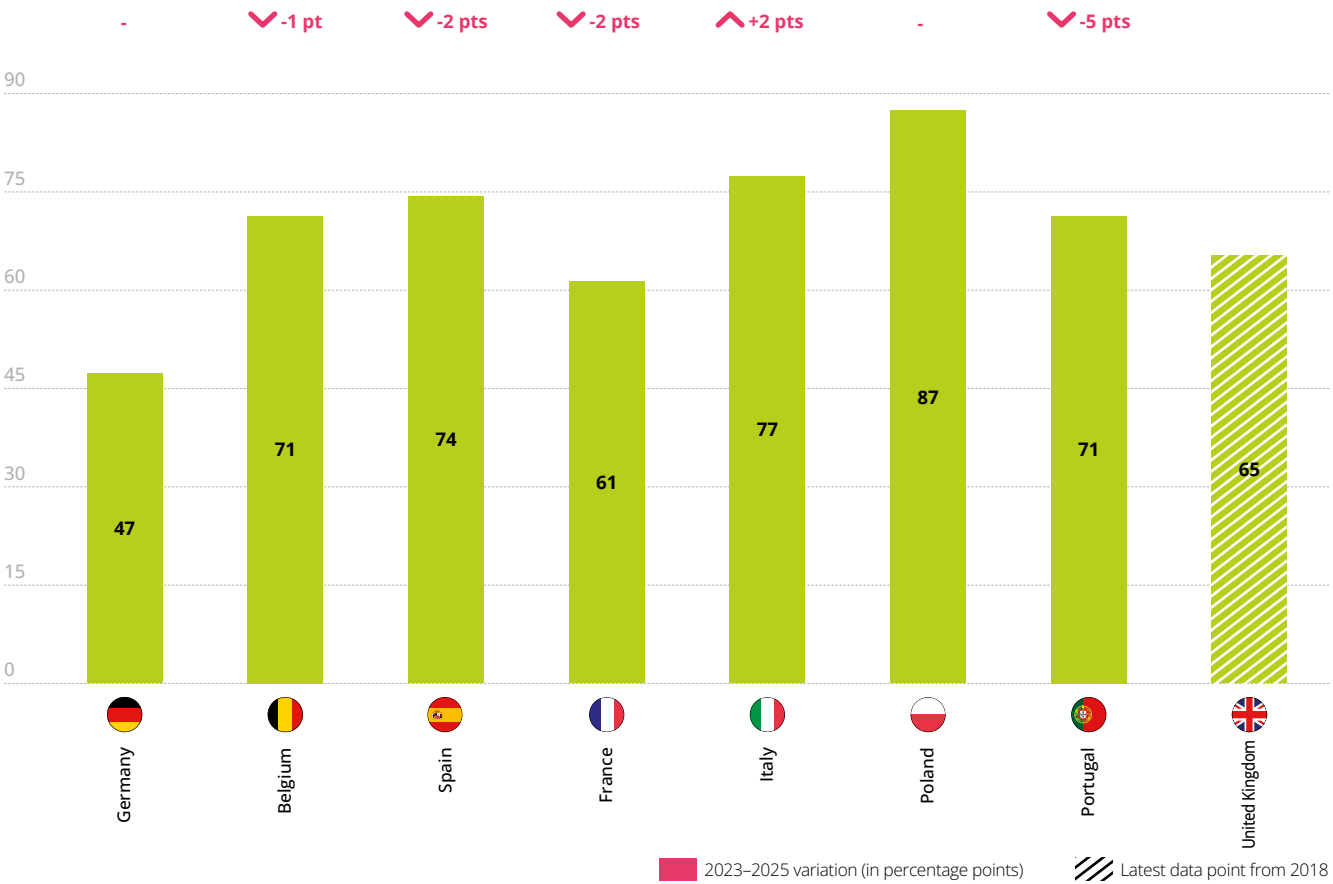
Over a two-year period, attachment to the home remains broadly stable, with one notable exception: Portugal has fallen by 6 percentage points (from 93% to 87%). This drop tracks a recent decline in the country's homeownership rate, driven by the end of a decade of ultra-cheap credit and home prices that have more than doubled since 2014 (the steepest increase in our sample) while incomes rose by just 33% over the same period, making homeownership increasingly elusive for younger generations.

This divide across housing tenures, alongside the trend in Portugal, points to the same underlying reality: it is not national culture that shapes emotional attachment, but ownership status. Above all, we cherish what we own.

Fig. 2

Homeownership rate in 2025

In % of population



Source: Eurostat

POSITIVE PERCEPTION OF HOUSING ENDURES, BUT PERCEIVED VALUE FOR MONEY DETERIORATES

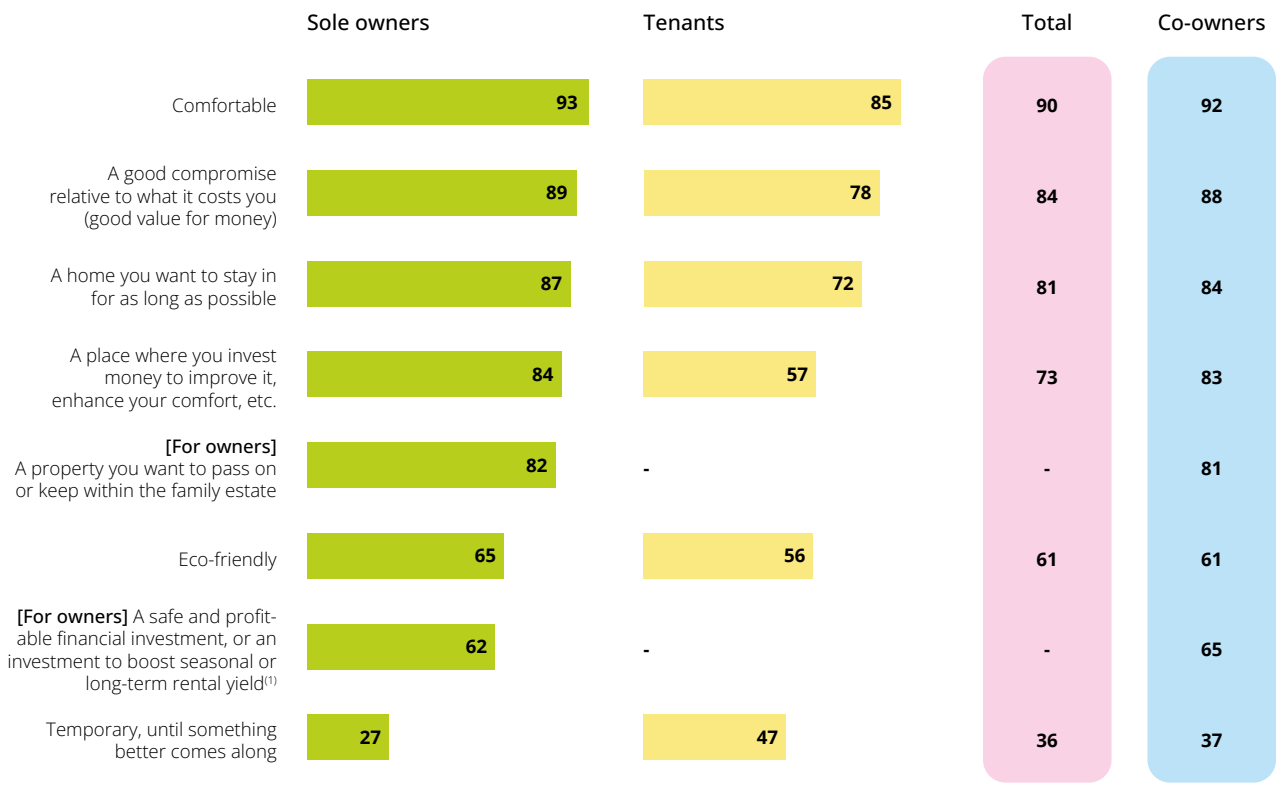
Europeans describe their homes primarily through a practical, sensory lens. Comfort leads by a wide margin: 9 in 10 consider their home comfortable, ahead of value for money (84%) and the desire to stay long term (81%). This ranking holds true across all demographics, though it is slightly more pronounced among homeowners.

The true divide lies elsewhere: in the perceived temporary nature of the property. Nearly half of all tenants view their home as merely a stepping stone, compared to a third of co-owners and a quarter of house owners. For tenants, housing is not a lifelong project but a transition point, leading to a more limited emotional and financial investment.

Fig. 3

And would you say that your home is...?

All respondents, in % answering **"Yes",** by housing tenure



(1) In the 2024 survey, the wording for this item was "A safe and profitable investment."
Source: Observatoire Cetelem de l'habitat, 2026

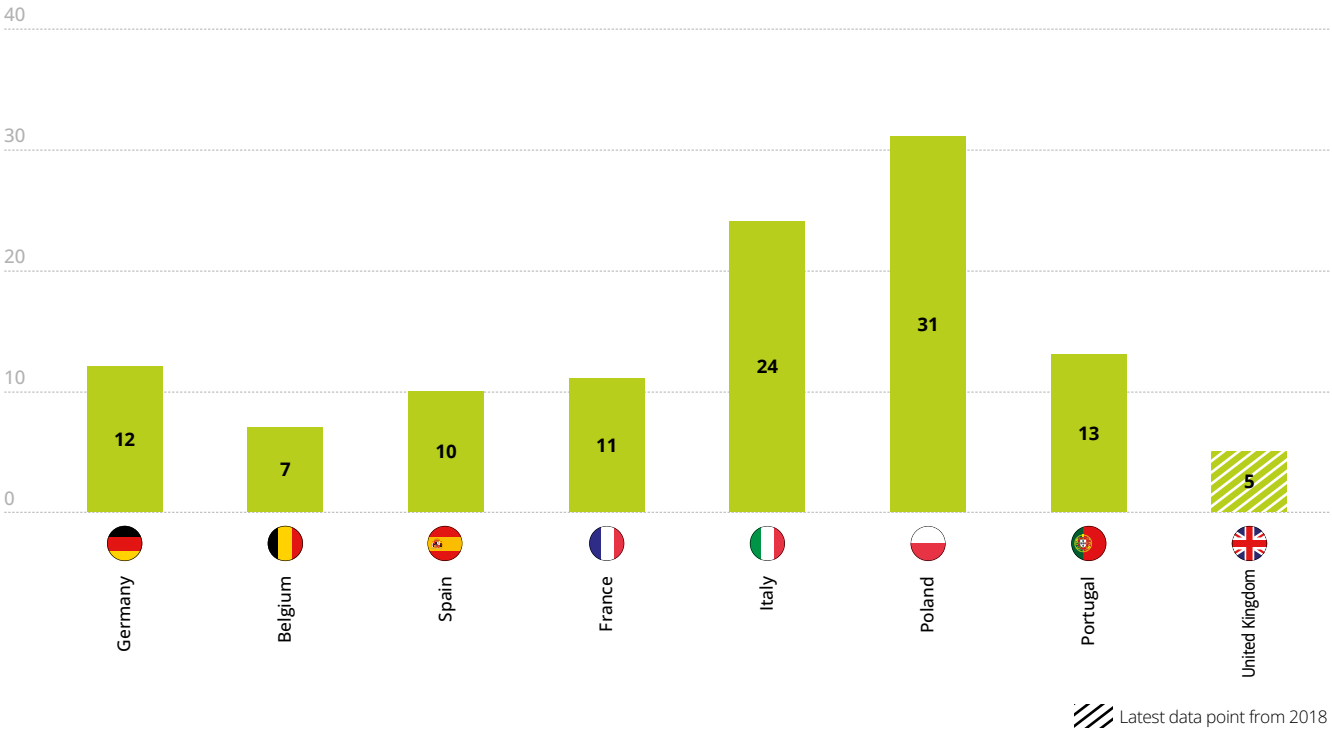
Over a two-year period, perceptions of housing remain positive, though two opposing economic trends have emerged: the feeling of getting good value for money has fallen by 4 percentage points (from 88% to 84%), while the proportion of homes viewed as temporary has risen by the same margin (from 32% to 36%). This shift is driven by the growing burden of fixed expenses: as rent, energy bills and insurance absorb an ever-larger share of household budgets, housing is increasingly seen as a forced expenditure and a transitional arrangement, rather than a worthwhile, long-term investment.

A breakdown by country adds nuance to this picture. Perceived comfort has fallen most noticeably in Poland, the only country significantly below the sample average. This reflects the nature of its housing stock, dominated by large housing estates inherited from the socialist era, and an exceptionally high overcrowding rate: nearly a third of Polish homes are considered too small for the number of occupants, compared to roughly 1 in 10 across other surveyed countries (3 times lower).

Fig. 4

Overcrowding rate in 2025

In % of population



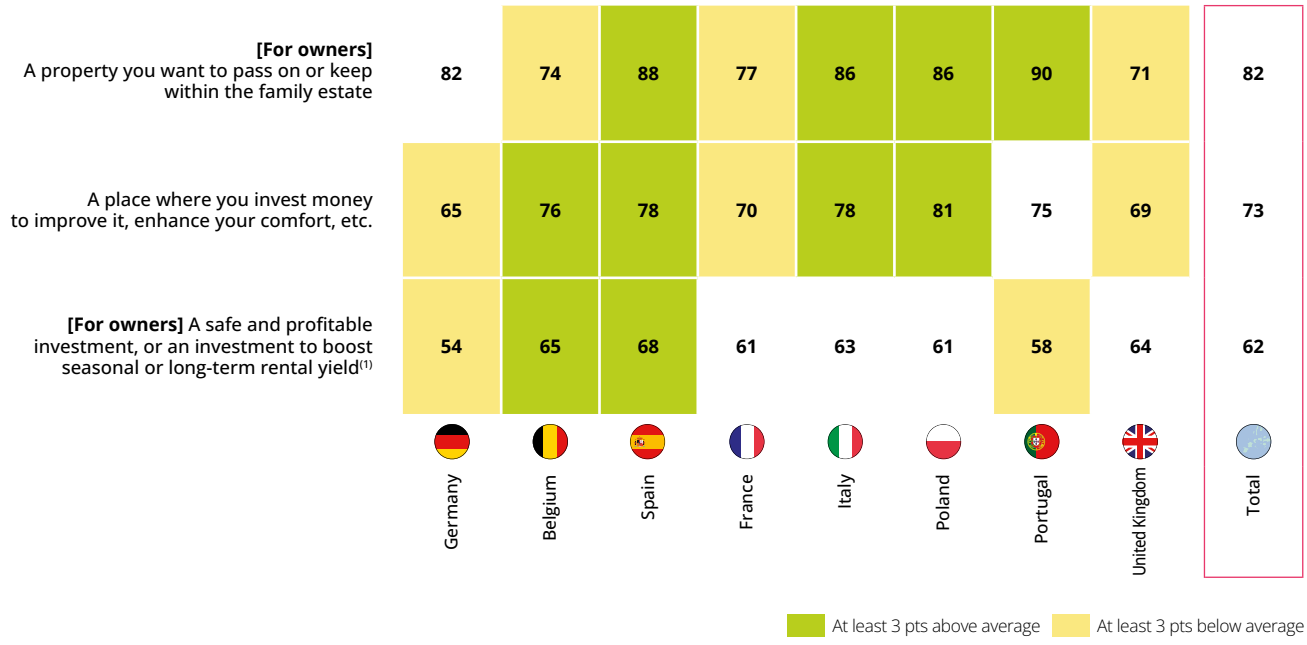
Source: Eurostat

This contrast is no coincidence: across Southern Europe, property frequently remains within the family, serving as both a store of savings and a safety net. In North-Western Europe, where the rental market is more developed (as reflected in relatively low homeownership rates) and household wealth is more often held in financial assets, housing is viewed primarily as a functional commodity rather than an estate to be passed down.

Fig. 5

And would you say that your home is...?

All respondents, % who answered **"Yes".**



Home thus remains a place of comfort and stability, but its economic balance is coming under strain, with a small yet growing share of households viewing it as a stepping stone rather than a destination.

(1) In the 2024 survey, the wording for this item was "A safe and profitable investment."
Source: Observatoire Cetelem de l'habitat, 2026

EXTREME SEASONS EXPOSE DISPARITIES IN HOUSING COMFORT

Perceived housing comfort fluctuates with the seasons: naturally, summer discomfort dominates in Southern Europe, while winter discomfort prevails in the North. Yet beyond these predictable patterns, it is the stark divergence in experiences across sociodemographic profiles that proves most telling.

In spring and autumn, virtually all Europeans consider their home pleasant, with half finding it very pleasant. During extreme seasons, however, satisfaction drops sharply: winter marks the lowest point, closely followed by summer.

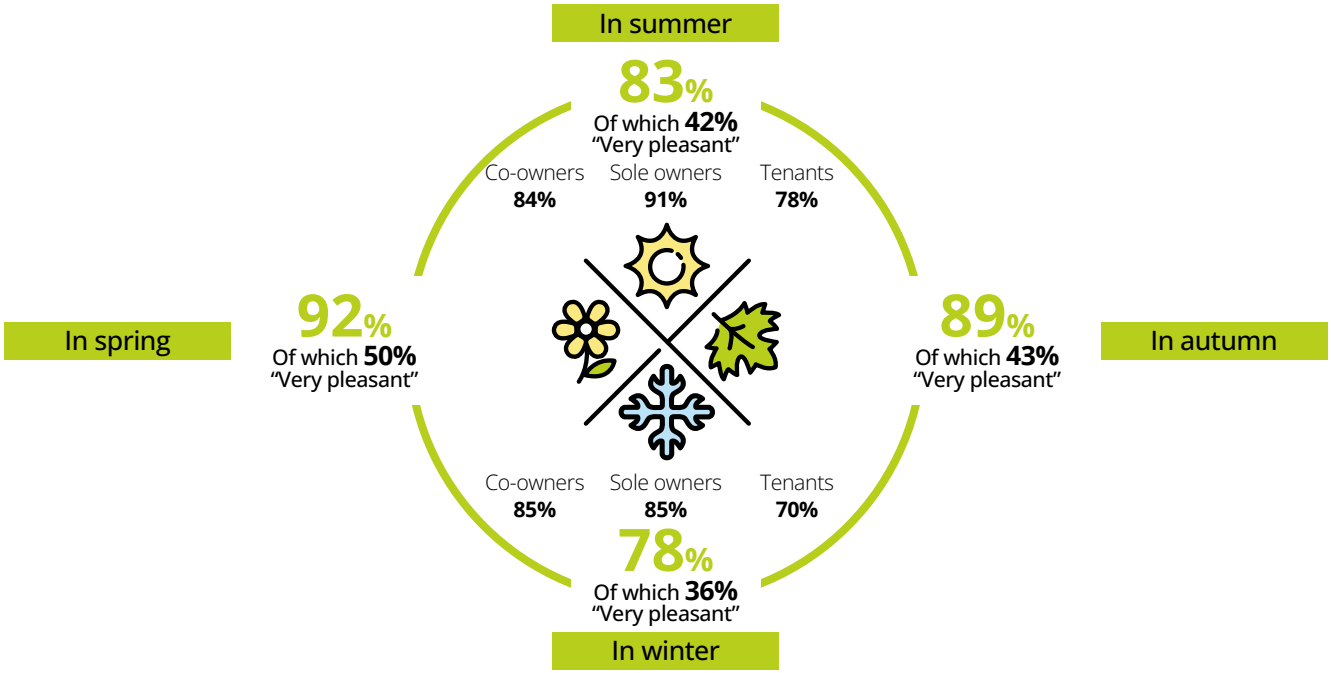
These seasonal variations converge on a single striking figure: 34% of Europeans describe their home as unpleasant during at least one season, meaning one in three suffers from poor living conditions for part of the year, and 9% even rate at least one season as very unpleasant.

Housing discomfort across Europe has edged up by 1 percentage point year-on-year, with spikes of up to 4 points depending on the season and country. Spain records the steepest increases, particularly during spring and autumn.

Fig. 6

Do you find your home pleasant to live in...?

All respondents, % answering **"Pleasant" + "Very pleasant"** (subtotal), by season



Source: Observatoire Cetelem de l'habitat, 2026

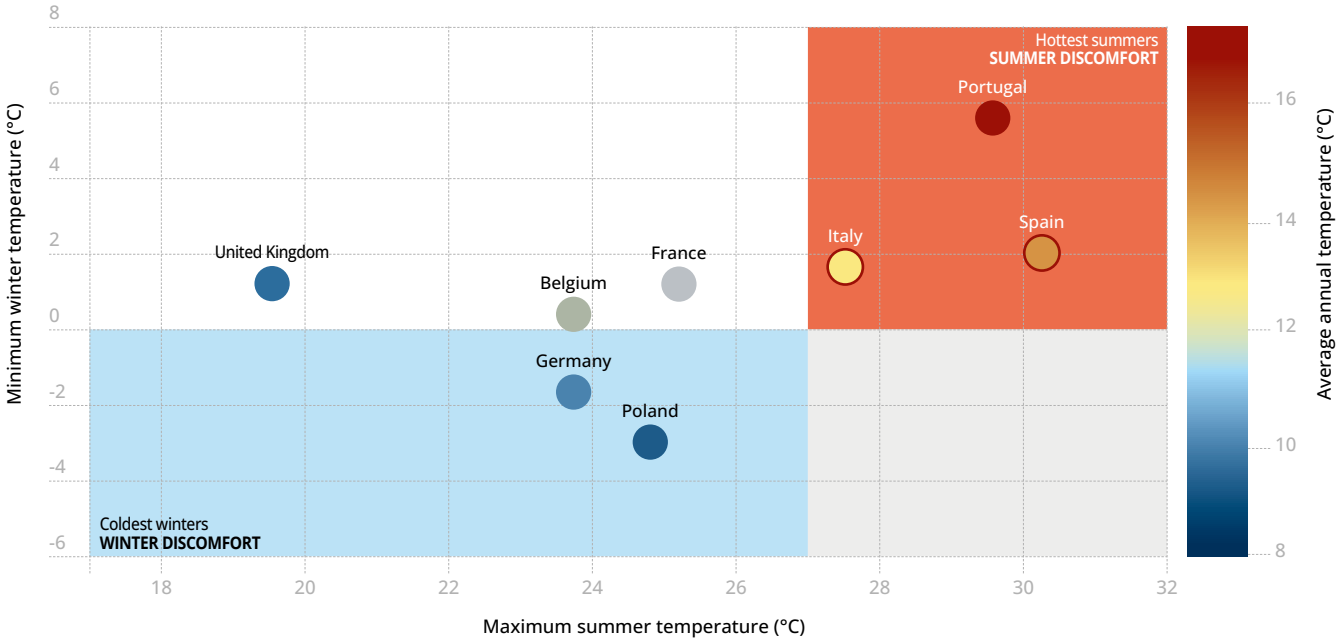
These averages mask sharp inequalities. Tenants are the most exposed to seasonal discomfort in both summer and winter, lagging roughly 10 percentage points behind homeowners. Among homeowners, and specifically during the summer months, apartment owners suffer more (84% consider their home pleasant) than individual homeowners (91%) and house owners (92%), a clear sign that multi-family housing is less resilient to heat. Geographically, summer discomfort hits Spain, Italy and Portugal hardest, given their hotter summers, whereas winter cold takes a heavy toll on Poland and Germany.

These disparities are equally apparent in the cumulative findings for the question featured above: "Do you find your home pleasant to live in?" Across all four seasons, discomfort peaks at 38% in Poland and Portugal, compounded by exposure to both seasonal extremes, while remaining lowest in Belgium and Spain (31%). France and Germany (34% each) mirror the European average precisely, a ranking that does not simply mirror regional temperatures, demonstrating that building quality matters at least as much as climate.

Fig. 7

European thermal (dis)comfort map: 30-year average monthly temperature, 1990–2020

In °C



Source: World Bank CCKP, C-Ways calculations

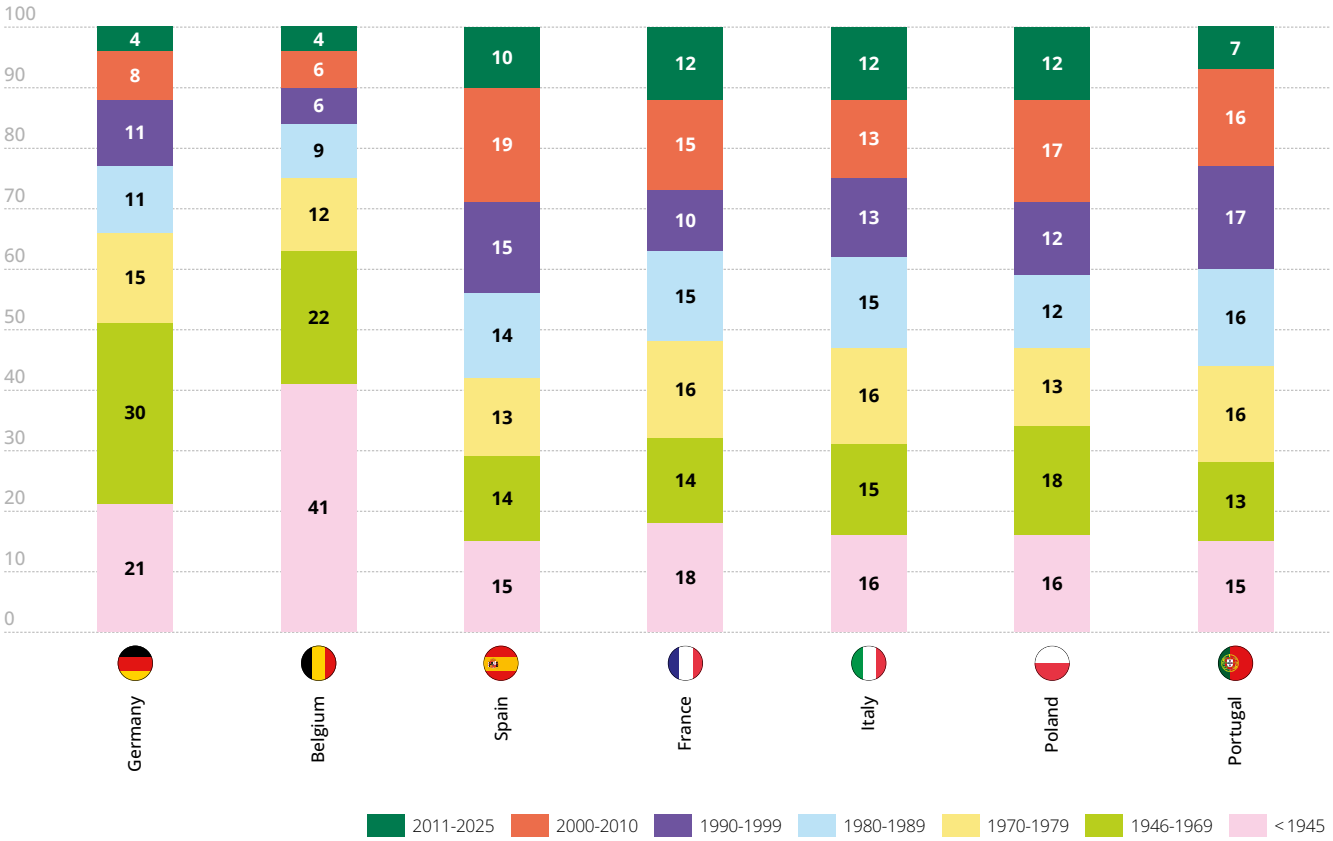
Beyond indoor temperatures and property size (as measured by overcrowding rates), building age provides further confirmation of this comfort gap. A vast portion of the European housing stock predates the earliest thermal regulations, creating a double penalty for countries combining extreme seasonal temperature swings with ageing, poorly insulated homes.

Germany and Belgium exemplify this issue, with some of the oldest residential stock in the study, as over two-thirds of properties were built before 1980. It is precisely within this ageing building stock that both seasonal discomfort and the urgent challenge of energy renovation converge (detailed in the final section of this study).

Fig. 8

Breakdown of residential housing by construction period

In %



Source: EU Building Stock Observatory / Eurostat Census

Residential comfort thus hinges primarily on three factors: an adequate dwelling size relative to occupancy, local climate and building age, with seasonal extremes exposing the structural vulnerabilities of both the housing stock and tenant status.

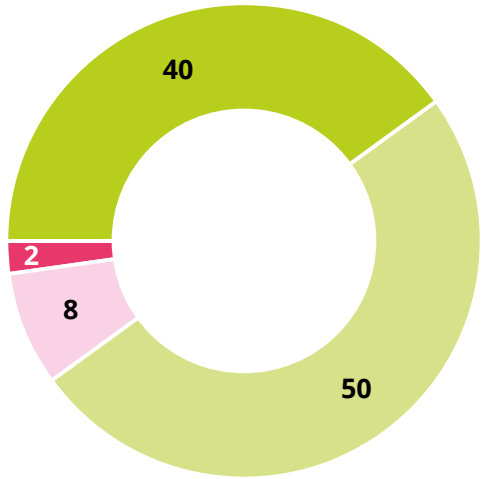
SINGLE-FAMILY HOMES AND SUBURBAN LOCATION DRIVE HIGHER SATISFACTION

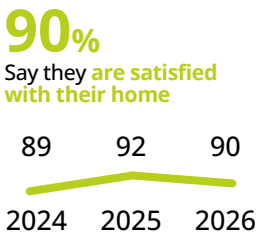
In 2026, 9 in 10 Europeans say they are satisfied with their home, including 40% who are "completely satisfied", a level that has remained stable since 2024.

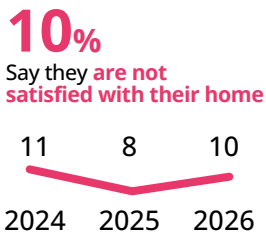
Fig. 9

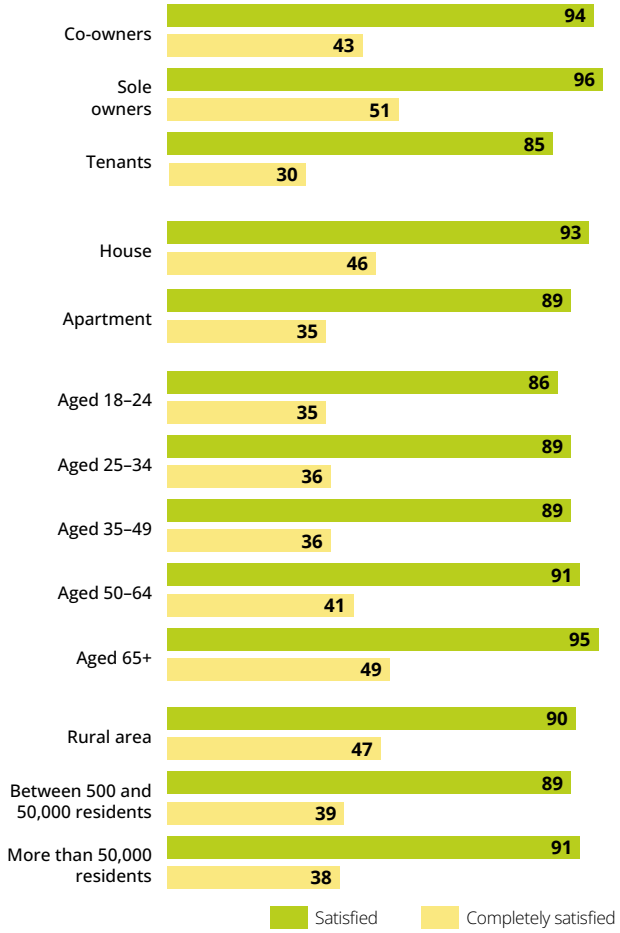
Generally speaking, how satisfied are you with the home you live in?

All respondents, in %









Source: Observatoire Cetelem de l'habitat, 2026

Satisfaction and comfort are intimately linked, with the same socio-economic profiles responding consistently across both dimensions. The owner–tenant gap re-emerges almost identically here. Single-family houses outpace apartments, while satisfaction climbs steadily with age, rising from 86% among 18–24-year-olds to 95% among those over 65, as housing situations stabilise over time. The only surprise lies in the intensity of satisfaction: rural areas boast the highest satisfaction levels, with 47% reporting they are "completely satisfied", roughly 10 percentage points higher than in major cities, as rural residents face far fewer pressures from density, land scarcity and high property prices.

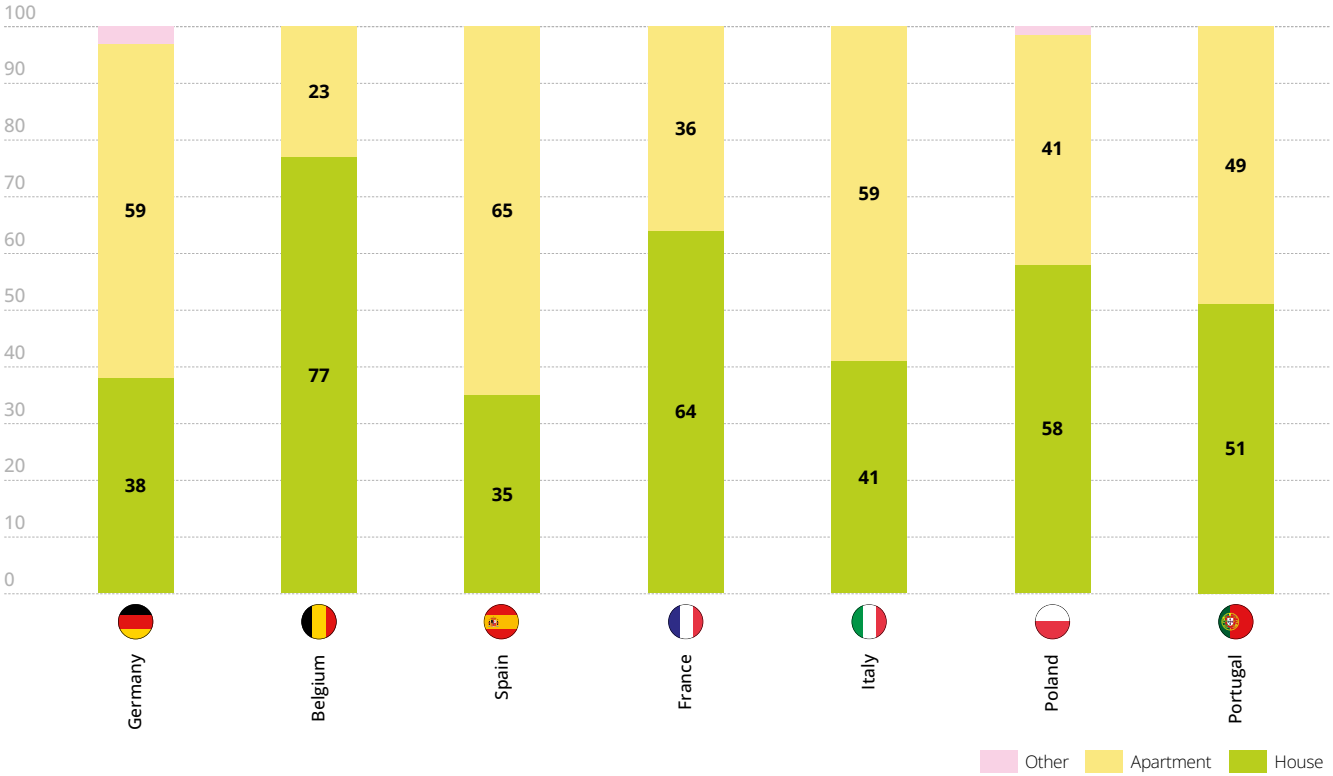
Across countries, satisfaction levels are remarkably homogeneous, spanning just 6 percentage points, from 88% in the United Kingdom to 94% in Portugal. Crucially, satisfaction does not track the physical composition of the housing stock.

France, where single-family homes dominate (64% of properties), ranks among the lowest for overall satisfaction (89%). Conversely, Portugal, where apartments account for half the housing stock, leads the ranking (94%). Meanwhile, Spain and Germany, which have the highest shares of multi-family housing, both stand at 91%. At the national level, housing type is therefore not the driving factor behind satisfaction: disparities are shaped far more by household profiles than by geography.

Fig. 10

Breakdown of households by housing type, 2024

In %



Source: Eurostat

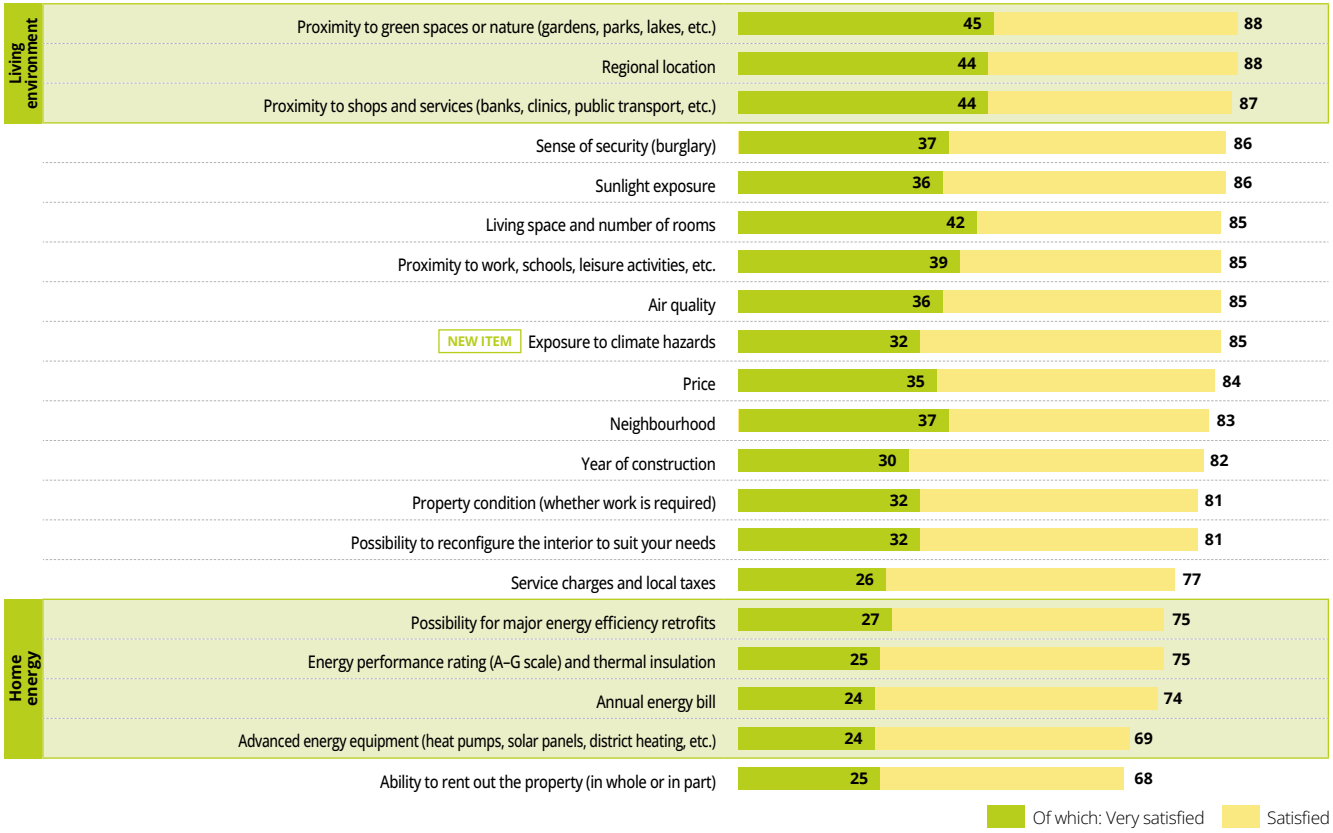
EUROPEANS MORE SATISFIED WITH THEIR LIVING ENVIRONMENT THAN THEIR DWELLING, WHERE ENERGY PERFORMANCE IS A FREQUENT POINT OF FRICTION

Satisfaction varies depending on the aspect assessed, and grouping these into thematic clusters reveals a clear pattern. The living environment—surroundings, location and proximity to shops—ranks highest, with nearly 1 in 2 respondents reporting they are fully satisfied. The physical attributes of the property come next, led by living space. At the bottom of the spectrum lie technical and energy-related aspects: energy efficiency, utility bills and energy equipment. Overall satisfaction is thus high when it comes to living environment, but drops sharply when addressing the building and energy costs.

Fig. 11

More specifically, how satisfied are you with each of the following aspects?

All respondents, in % **("satisfied" and "very satisfied")**



Housing is thus a solid anchor, but its experience varies markedly depending on tenure, age and property type.

What remains is to measure what it truly costs those who live in it.

Source: Observatoire Cetelem de l'habitat, 2026

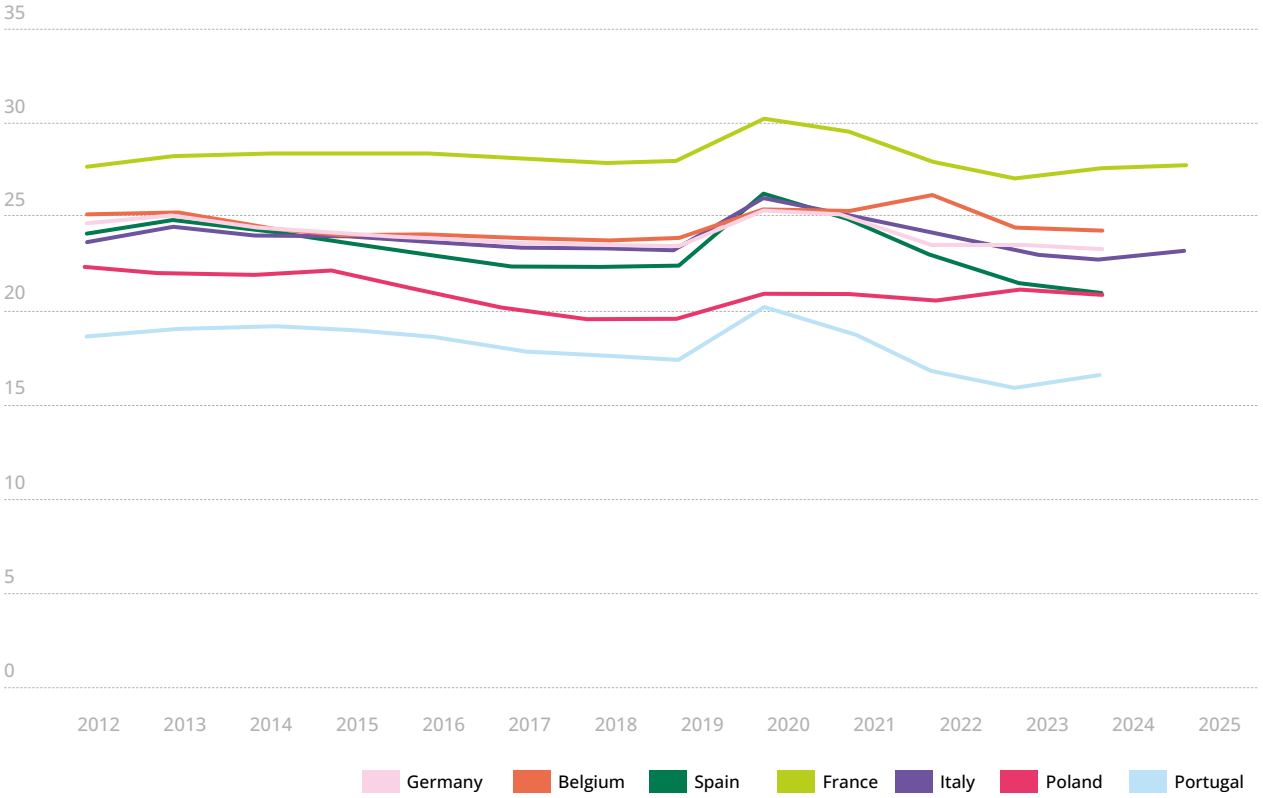
Housing budgets under strain, with energy on the front line

It is on household budgets that this economic equation takes its heaviest toll. Housing remains the largest expenditure item for European households, and the one where financial pressure is felt most acutely. We now turn to how Europeans are experiencing this strain and where its burden falls heaviest.

Fig. 12.1

Household final consumption expenditure – Total housing costs

As % of total consumption



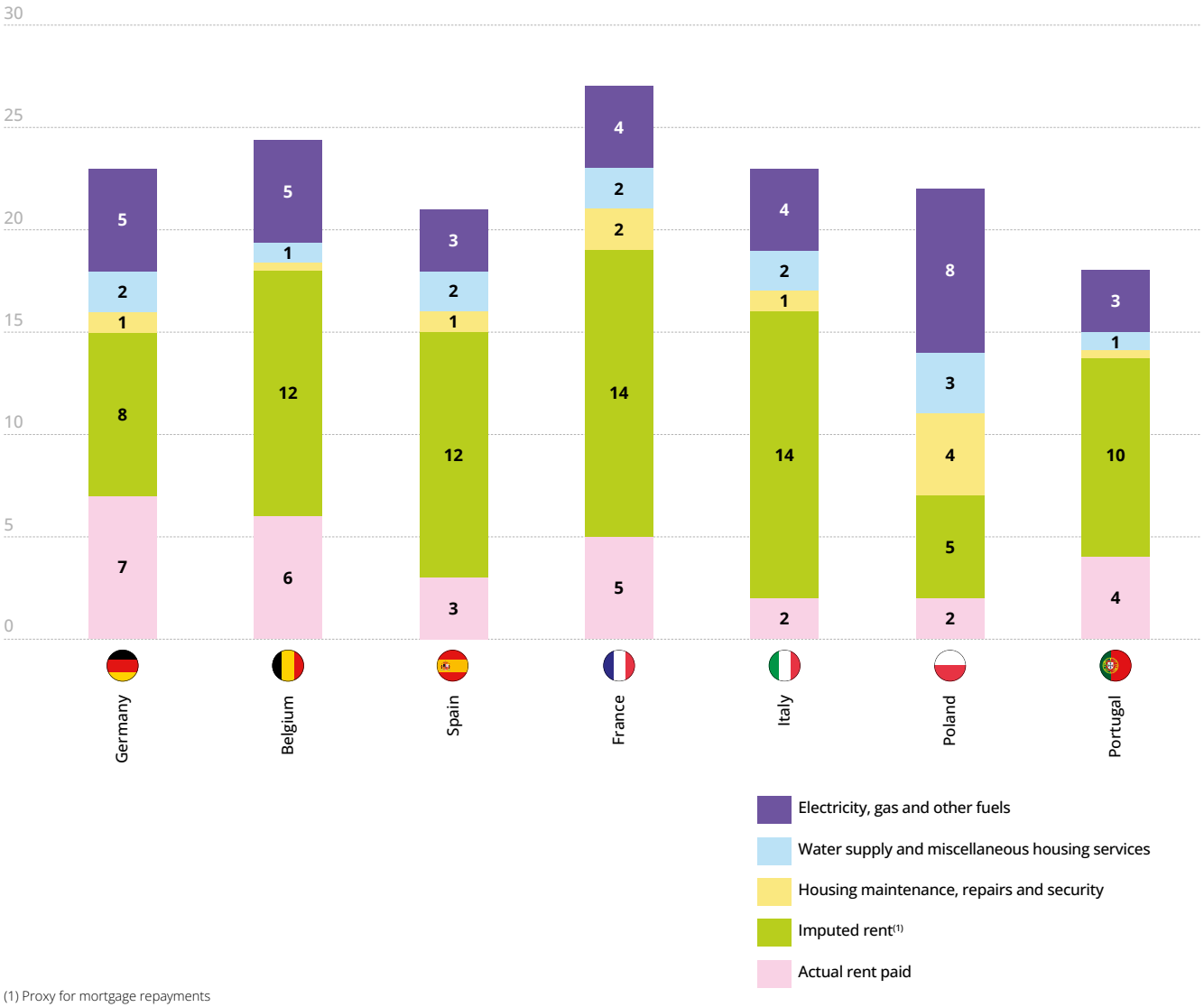
Source: Eurostat

Fig. 12.2

Household final consumption expenditure – Detailed breakdown of housing costs (2024)

As % of total consumption

2024 BREAKDOWN



(1) Proxy for mortgage repayments
Source: Eurostat

RISING ENERGY PRICES ARE SLOWING, BUT REMAIN THE PRIMARY BUDGETARY PRESSURE ON HOUSING

More than 8 in 10 Europeans report an increase in their electricity, gas and heating oil bills over the past 12 months, with nearly a third describing the rise as substantial. This surge is cited far more frequently than increases in service charges, home insurance or maintenance expenses.

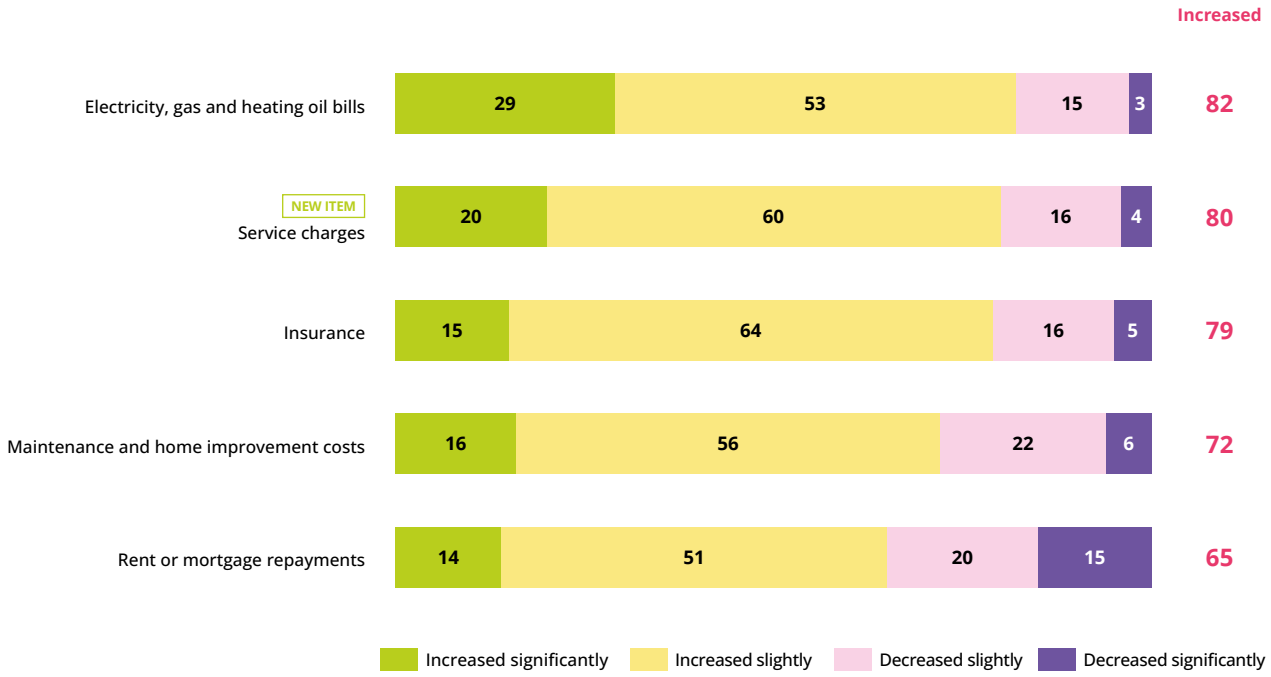
By contrast, rent and monthly mortgage payments emerge as the most stable expenditure items.

These perceptions reflect the ongoing aftershocks of the 2022–2023 crisis, when housing and energy inflation jumped by more than 30 percentage points in France relative to 2015 and nearly doubled in Poland in the absence of a tariff shield. However, the perceived rise in energy prices remains less acute than it was two years ago.

Fig. 13

In the past 12 months, has the share of your budget spent on housing increased or decreased across the following categories?

All respondents, in %

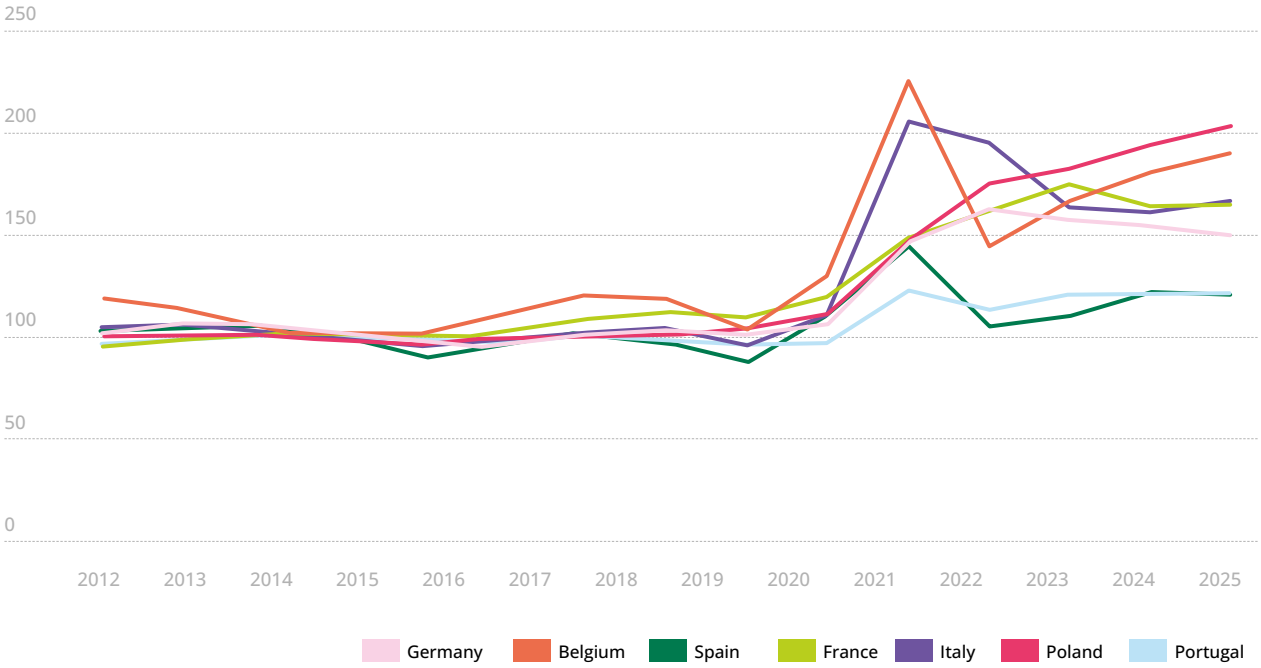


Source: Observatoire Cetelem de l'habitat, 2026

Fig. 14

Consumer price index – housing energy

Indexed to 2015 = 100



2024–2025 VARIATION (%)			
Germany -2%	Belgium +8%	France -6%	Poland +6%
	Spain +11%	Italy -1%	Portugal 0%

Source: Eurostat

Compounding the pressure on running costs is the challenge of gaining access to housing. Long-term interest rates have reached highs not seen since 2023, and their surge has fed directly into mortgage rates: 3–4% in the euro area, 5% in the UK and as high as 7% in Poland. In practical terms, an extra percentage point on a long-term mortgage adds tens of thousands of euros to the total cost of buying a home, or reduces borrowing capacity by an equivalent amount.

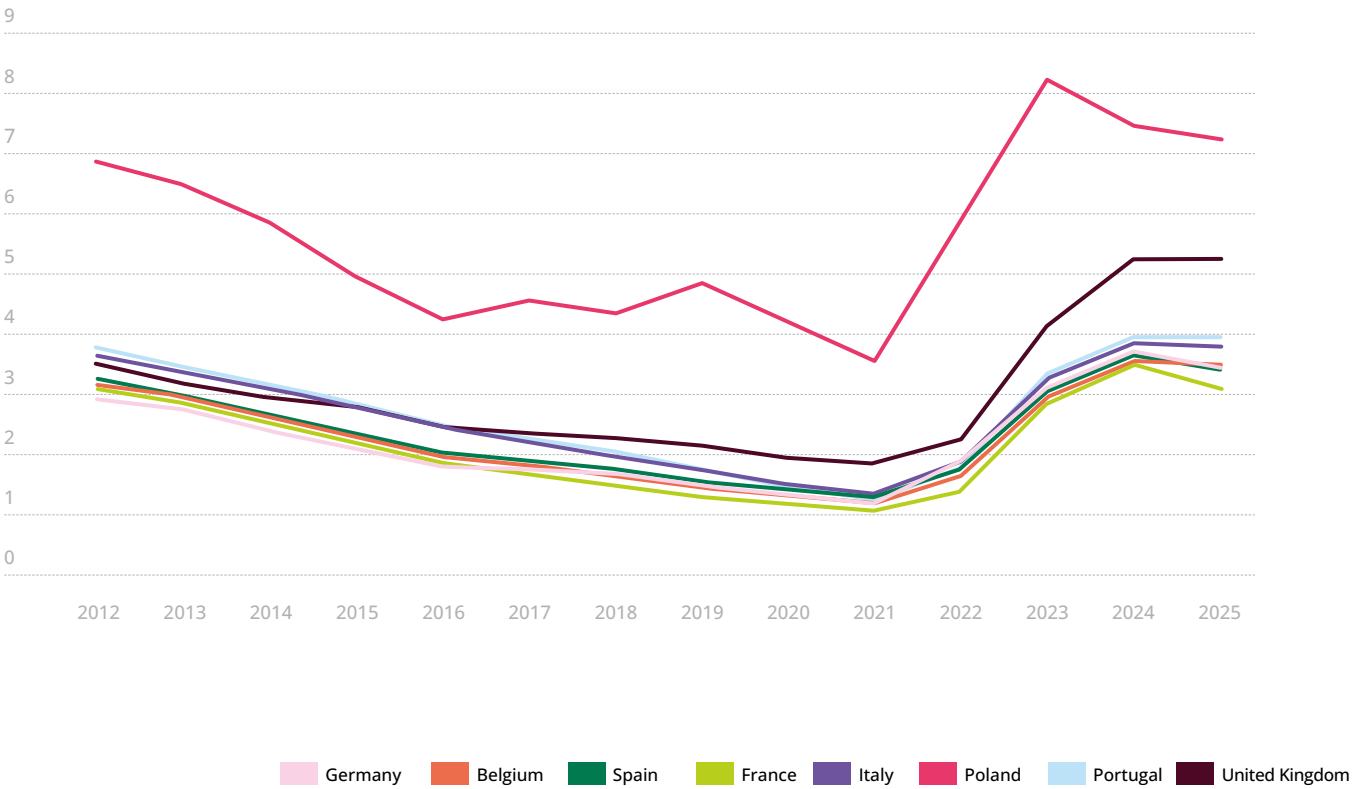
These shifts risk pricing out some first-time buyers and stalling home-purchase plans.

Financial pressure is thus shifting from the initial purchase to the ongoing cost of occupancy, particularly in the panel's most developed economies. Their housing stock, both larger and older due to earlier economic development, now appears to have reached a degree of saturation compared to other countries. It is in the Iberian Peninsula that this catch-up is currently progressing fastest.

Fig. 15

Residential mortgage interest rates

In %



Source: ECB (European Central Bank) / ECB MFI Interest Rate Statistics

Yet European perceptions do not neatly align with the reality of energy prices today. Two distinct patterns emerge across the panel:

- The lingering memory of the crisis: in Italy and Portugal, perceived price increases remain the highest in the survey, even though energy prices there have been flat over the past year. Consumer sentiment remains anchored to the cumulative shock felt since 2022, unmoored from recent trends.
- Psychological acclimation: Spain presents the opposite dynamic, with perceived increases easing despite energy expenditure rising faster there than anywhere else between 2024 and 2025. After years of elevated prices, households have become accustomed to the strain, even as their bills continue to climb. France fits neither pattern, with prices and perceptions falling in tandem and no disconnect to explain.

What differentiates these cases is less the current level of prices than each economy's capacity to absorb the past shock. In Italy, where purchasing power growth remains sluggish, households struggle to absorb even stabilised prices; every bill remains a stretch, keeping sentiment on edge. Portugal, meanwhile, experienced the panel's sharpest surge in overall housing costs in recent years (+49% between 2021 and 2025); the recent levelling-off in energy costs has not yet been enough to erase the trauma of that initial spike. By contrast, Spain combines robust GDP growth with strong gains in real income. This financial cushion allows households to absorb ongoing energy price increases without a further deterioration in sentiment.

Attributing overall housing pressure solely to energy, however, oversimplifies the picture: costs are rising across all expenditure items, albeit to varying degrees. Four in five Europeans report increases in service charges, hardly surprising given that communal building maintenance incorporates shared energy bills.

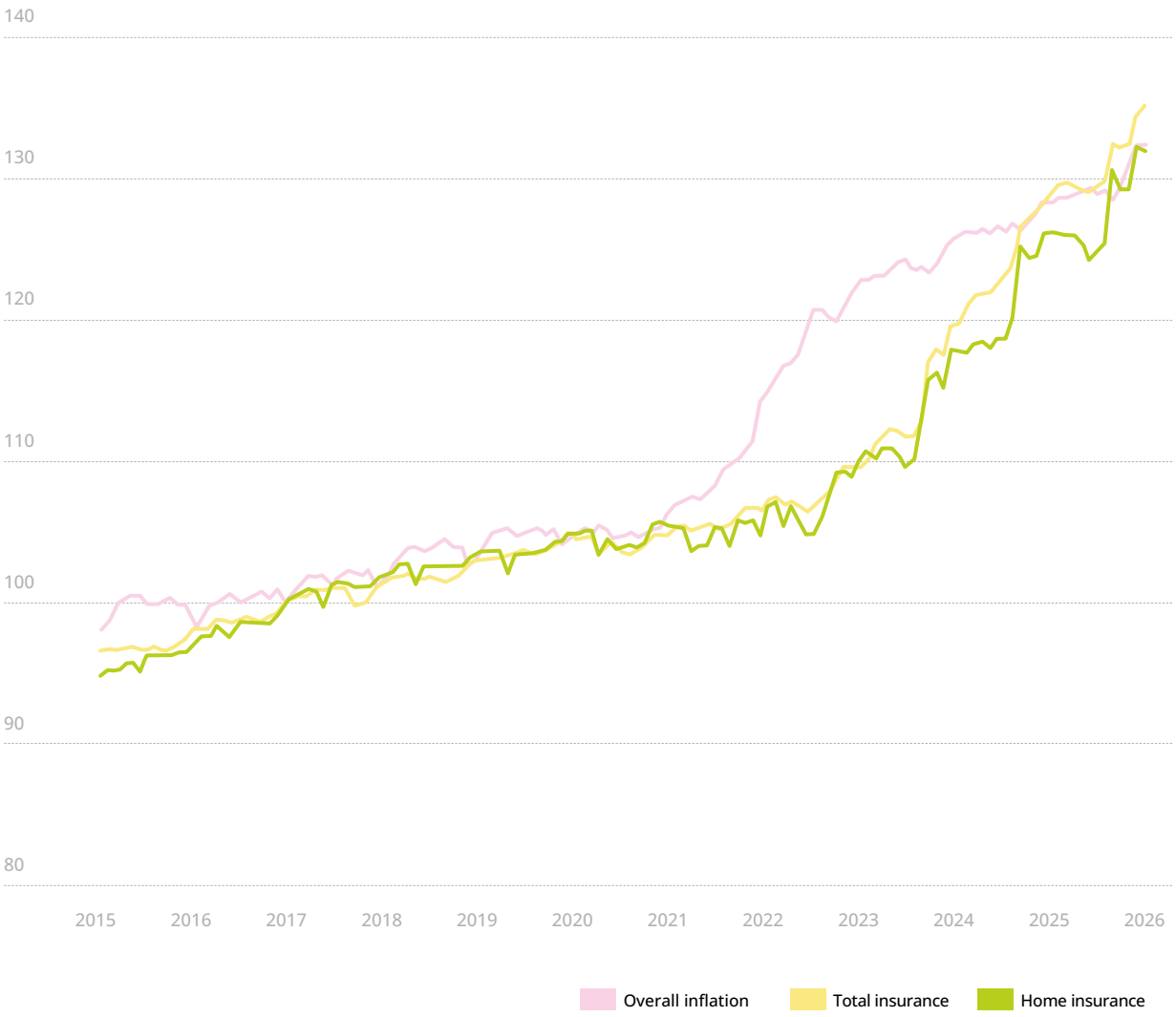
Home insurance premiums are also rising and now outpace headline inflation. Having lagged during the 2021–2023 inflationary surge, they caught up and overtook broader price growth from 2024 onwards. The driver is spiralling industry costs: soaring rebuild expenses (materials and labour) alongside a surge in extreme weather events. Rather than a steady drift, these increases take effect in steps: premiums are typically adjusted once a year, usually in January, with each step-up growing steeper as underlying liabilities accumulate. Belgium offers the clearest example, with property cover indexed to the ABEX construction cost index, which is updated every six months.[1]

This trend varies widely across borders. It is particularly pronounced in countries hit by climate-related claims where policy mechanisms pass on costs quickly: Belgium was hit by the Wallonia floods in 2021; France saw its "natural disaster" surcharge[2] jump from 12% to 20% on 1 January 2025; and Spain was struck by the Valencia DANA floods in 2024. In Poland, high headline inflation is driving up property insurance costs. Germany stands out as the main exception, with index figures dropping below 2017 levels. Germany has the lowest homeownership rate in the panel, with the owner-occupier share falling by roughly 4 percentage points between 2017 and 2025. However, the "home insurance" line item in German data primarily measures contents insurance taken out by tenants, a competitive market with flat pricing. Building insurance, which has indeed surged, is borne by landlords and passed on to tenants through service charges, where it is accounted for separately. Consequently, German home insurance figures remain structurally lower than elsewhere in Europe.

(1) The ABEX index (Association belge des experts) measures construction cost trends in Belgium. Published biannually, it serves as the benchmark for indexing fire and home insurance premiums.
(2) "Natural disaster" surcharge (Cat Nat): a mandatory state levy built directly into home insurance premiums.

Fig. 16.1

Insurance prices: growth compared with euro area inflation
Indexed to 2017 = 100

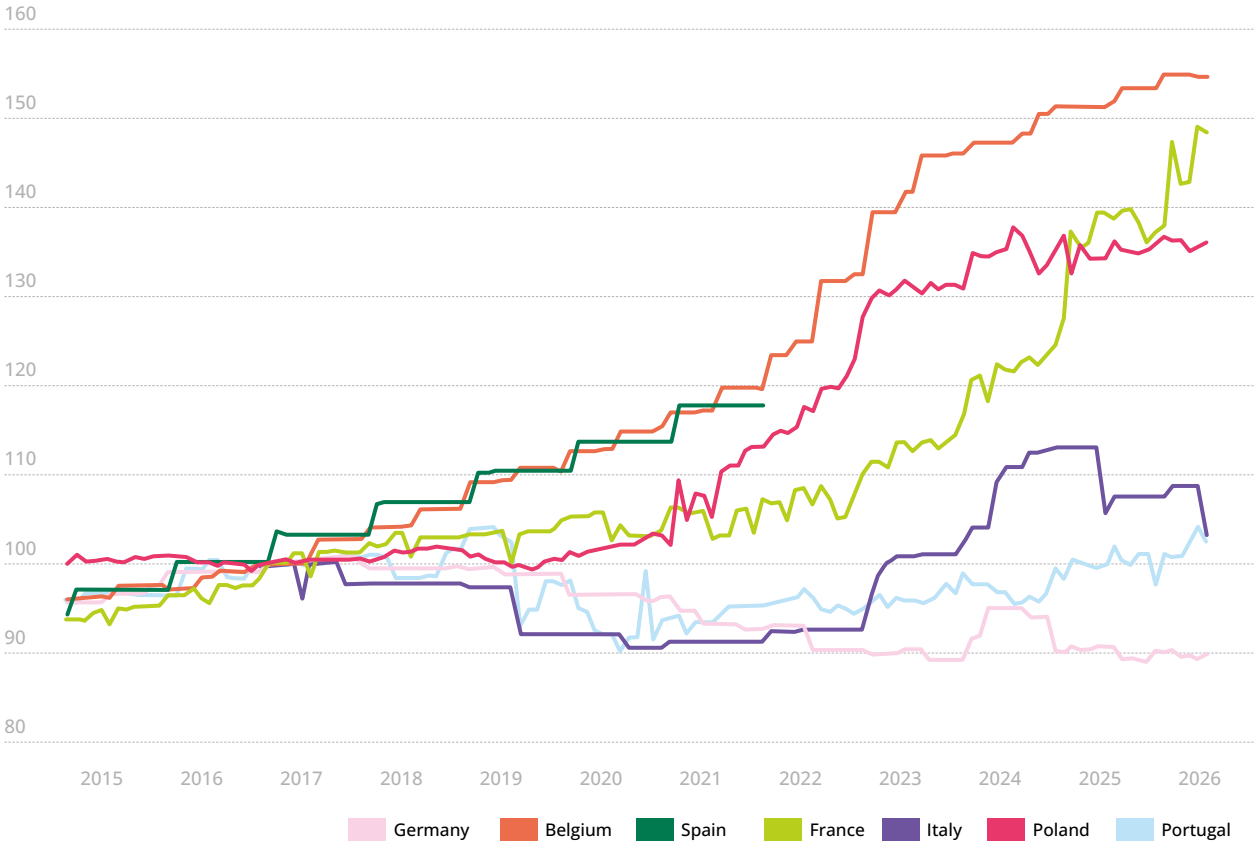


Source: Eurostat

Fig. 16.2

Insurance prices: home insurance breakdown by country

Indexed to 2017 = 100



Source: Eurostat

Rent and mortgage repayments are the sole exception: this is the most stable line item, and the only one where over a third of respondents report a drop, anchored by fixed rates far below today's market levels. Herein lies the core paradox: baseline property costs, shielded by older rates and rent controls, remain frozen, while everyday occupancy costs drift steadily higher without comparable safeguards.

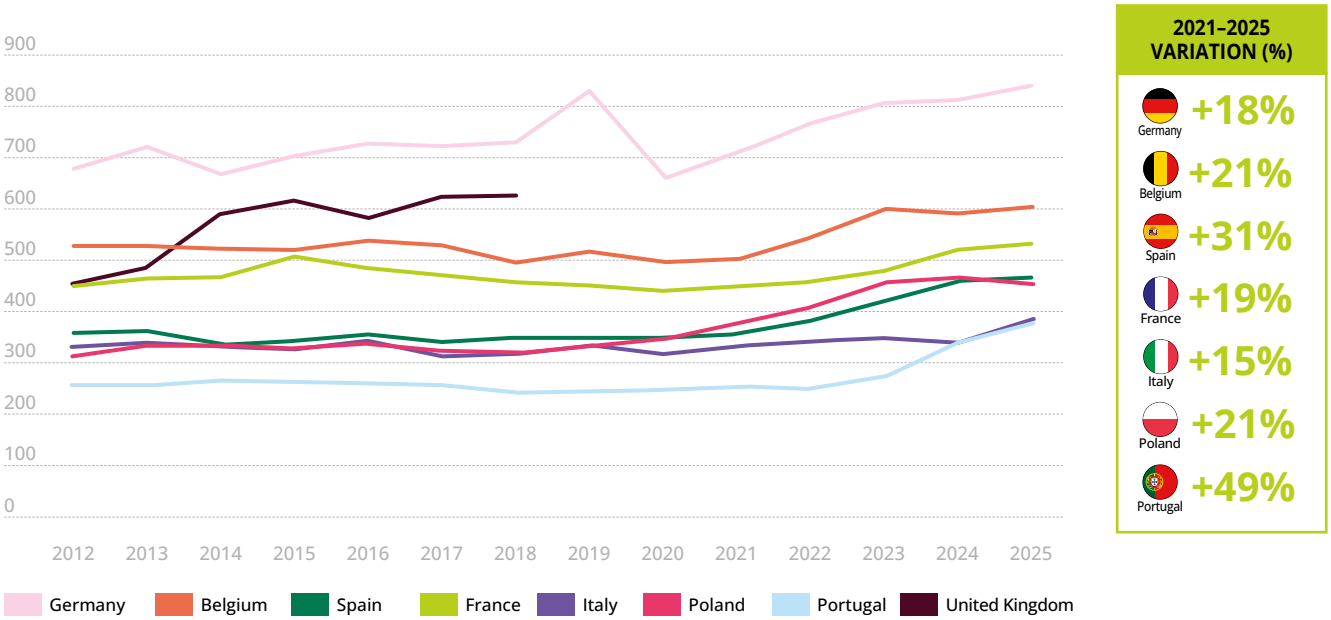
Taken together, these components drive up total housing costs right across Europe. This holds true even when measured in purchasing power standards (PPS), a unit that neutralises national price disparities to allow like-for-like comparison. Between 2021 and 2025, overall housing expenditure rose everywhere, albeit at starkly different speeds: kept relatively in check in Italy (+15%), Germany (+18%) and France (+19%), it gathered pace in Spain (+31%) and surged in Portugal, jumping by nearly half (+49%). Because Portugal started from one of the panel's lowest baselines, this rapid convergence feels like a sudden shock to household budgets unequipped for the strain. Pressure is therefore no longer confined to energy: it weighs on the total housing budget, hitting Southern Europe the hardest.

Fig. 17

Total housing costs in Purchasing Power Standards (PPS)

Actual household housing expenditure, converted into PPS (a common purchasing power metric across countries)

Note: Housing costs are expressed here in PPS, an artificial common currency that neutralises national price-level disparities. A higher figure therefore indicates that households are allocating a genuinely larger share of real resources to housing, rather than simply paying higher nominal prices.



Source: Eurostat

This strain on household budgets also explains why energy remains the primary source of frustration dragging down housing satisfaction. As shown by the survey question "How satisfied are you with each of the following aspects?", energy-related dimensions—energy efficiency, billing and heating equipment—rank at the very bottom, with satisfaction rates between 70% and 75%, compared with nearly 90% for living environment.

The gap is especially stark in countries where energy efficiency carries significant weight in housing decisions, such as Portugal and Italy. On an encouraging note, this is also where satisfaction is improving most rapidly: satisfaction with energy bills has gained 5 percentage points in two years as prices have receded.

TENANTS AND RURAL HOUSEHOLDS MOST EXPOSED TO BUDGETARY STRAIN

Energy costs therefore continue to exert pressure on monthly housing budgets. A third of Europeans report facing financial difficulties regarding their housing, with 6% describing their situation as very difficult.
This distribution has remained static since 2024, suggesting that the recent deceleration in price growth has yet to ease the perceived burden.

Two groups are especially vulnerable:
- Tenants, nearly half of whom struggle to settle their bills;
- Rural households, who face lower incomes, higher reliance on cars and often energy-inefficient housing.

Crucially, a fault line is opening across Europe. Beneath the overall divergence, two opposing trajectories are emerging, tightly tied to reliance on natural gas: Portugal, whose energy mix has largely moved away from gas, is holding firm; the United Kingdom, which remains heavily reliant on it, has fallen back by 11 percentage points in a single year. This decisive role played by national energy mixes will result in contrasting dynamics when it comes to energy efficiency retrofits (Part 3).

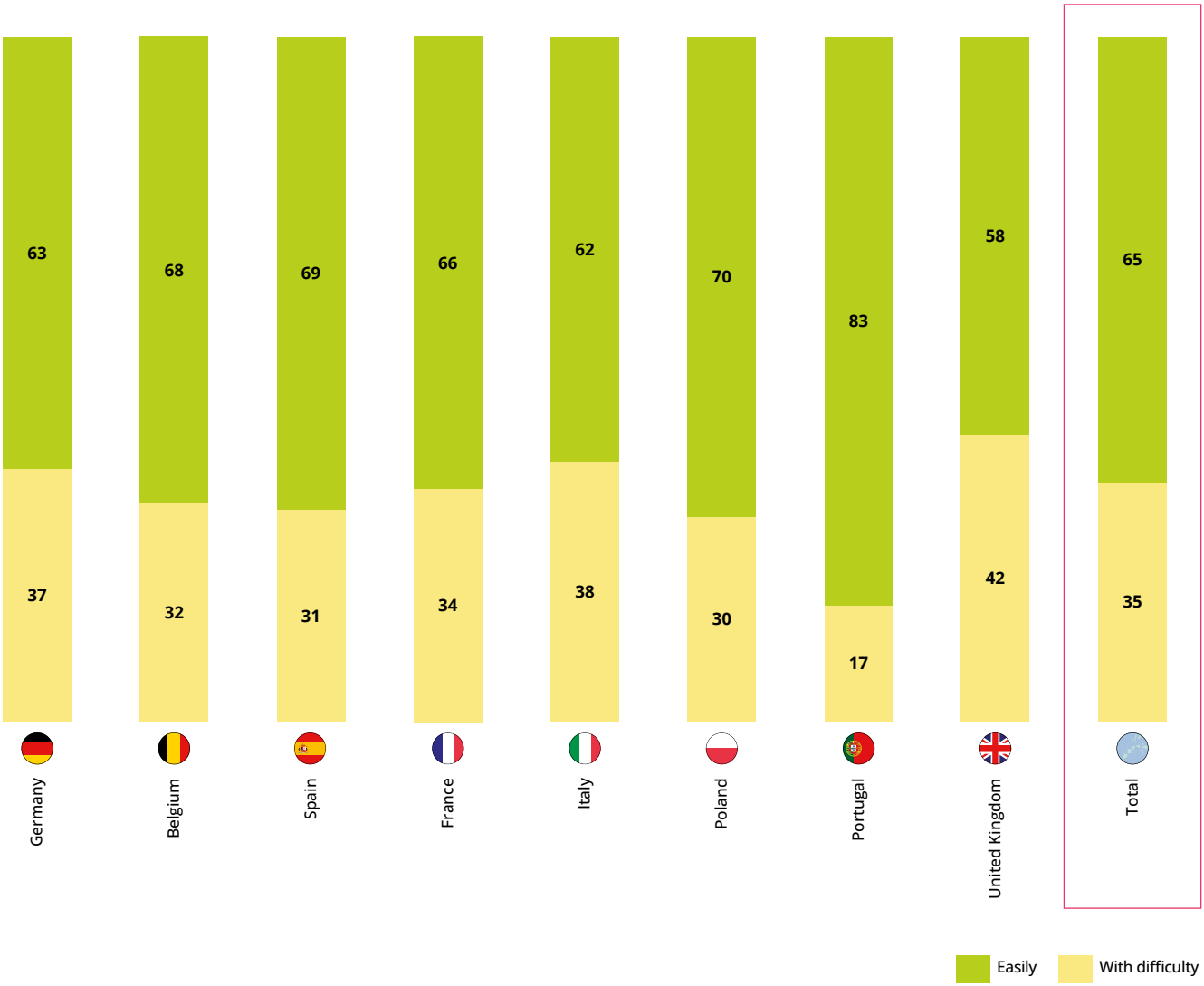
The key shifts are taking place in the middle of the ranking: in Spain and Poland, around 7 in 10 people now say they manage comfortably within their monthly budget. This progress is driven by robust economic growth, which has delivered a marked gain in purchasing power, whereas more stagnant economies have seen theirs plateau or even shrink. It is this uneven economic dynamism, rather than inflation alone, that is widening the gap between nations: where disposable income outpaces non-discretionary spending, households recover vital financial breathing room.

It is this very buffer that will later enable them to turn their plans into reality.

Fig. 18

Taking a typical month, would you say you find it easy or difficult to cover your housing expenses (rent, mortgage payments, heating and electricity bills)?

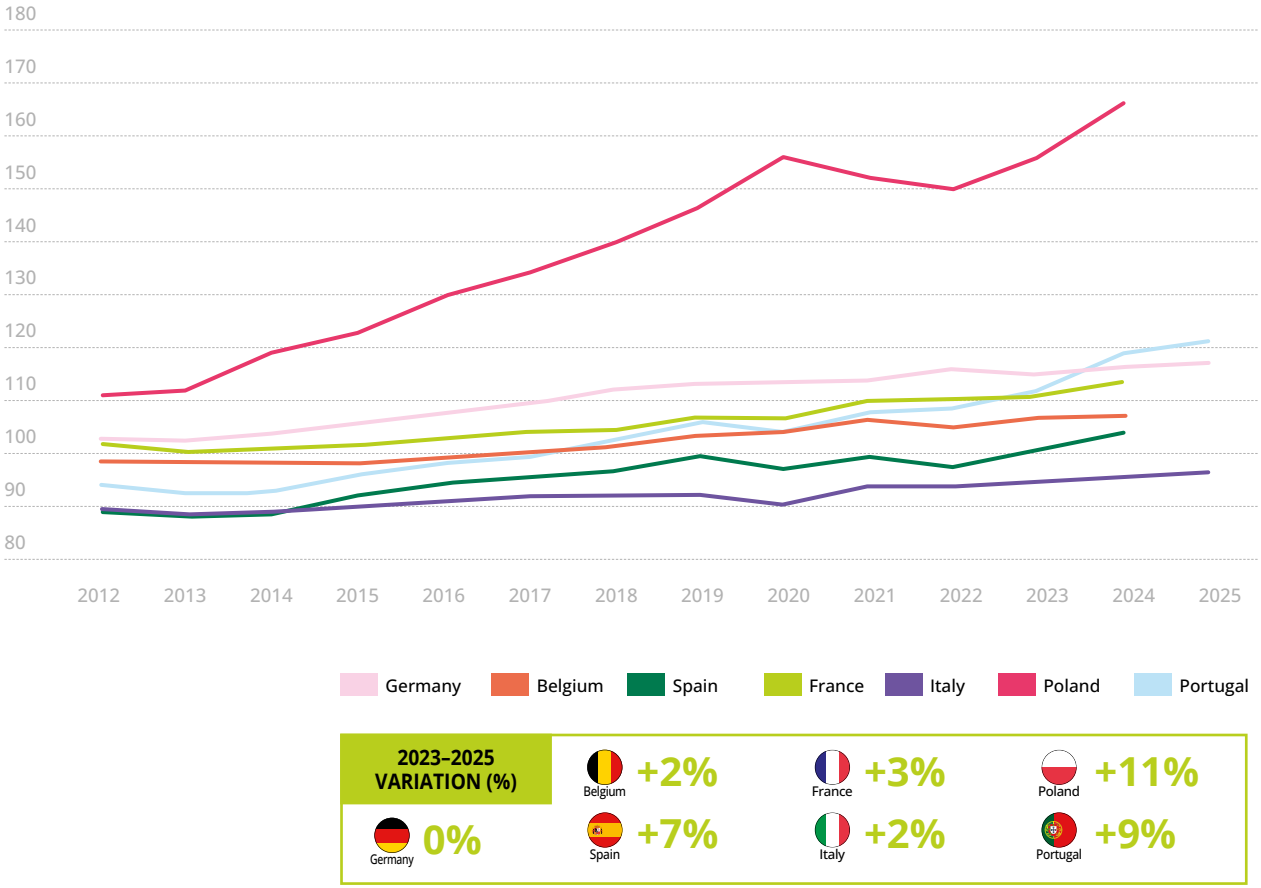
All respondents, in %



Source: Observatoire Cetelem de l'habitat, 2026

Fig. 19

Household purchasing power
Real gross disposable household income per capita (Current prices, millions of national currency)
Indexed to 2008 = 100



Financial strain may be the primary pressure point surrounding housing, but it is not the only one: a home must also fulfil its primary role as a safe haven.

Source: Eurostat

At home, a strong sense of security

On this front, the contrast with household budgets is sharp: while energy bills provoke anxiety, security provides reassurance. As the ultimate private refuge, the home is where Europeans feel safest, making security one of their paramount priorities.

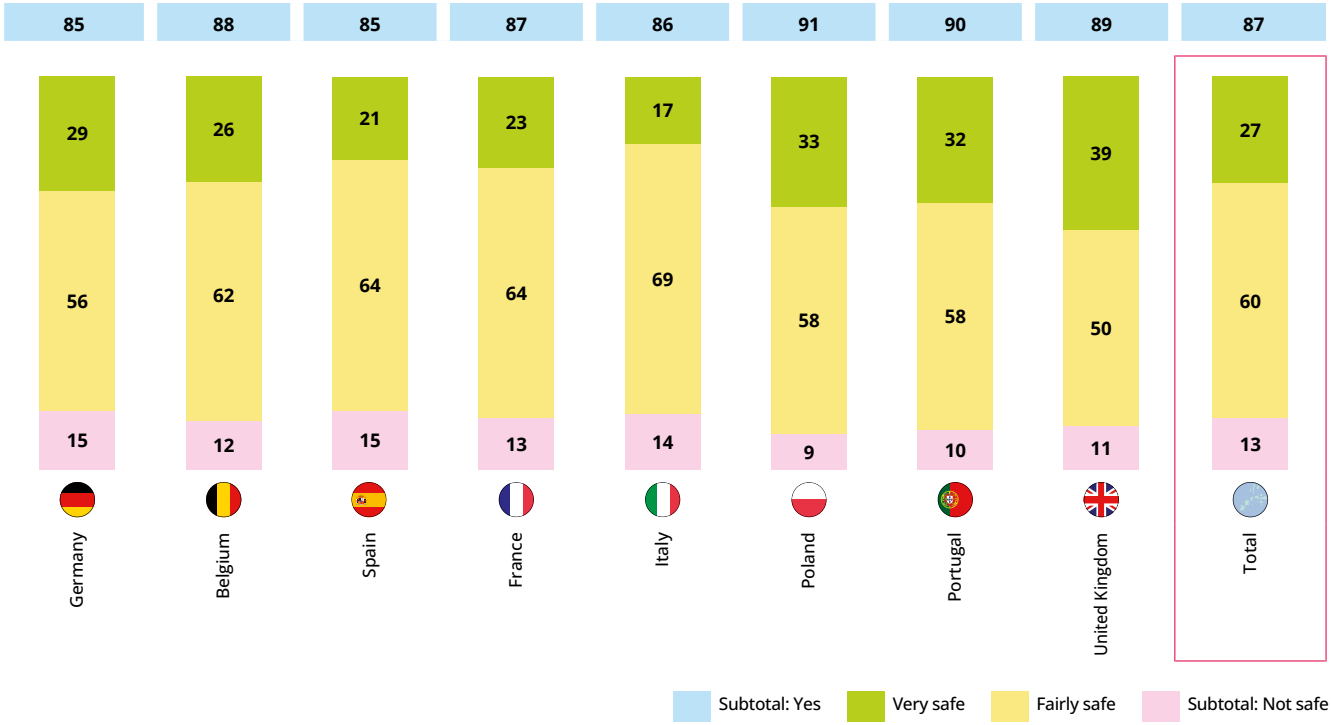
HIGH EXPECTATIONS OF SECURITY, BROADLY FULFILLED

Far from a luxury, security ranks as the second most important criterion when choosing a home, trailing only price, and is cited by 9 in 10 Europeans. In this respect, satisfaction levels are reassuringly high: a comparable proportion of respondents feel safe from break-ins or burglaries and express satisfaction with their home's overall security. This sentiment reflects a genuinely positive reality rather than denial. Residential burglaries have been falling since 2015, and local neighbourhood crime is likewise on a downward trend.

Fig. 20

How safe do you feel in your home regarding the risk of intrusion or burglary?

All respondents, in %



Source: Observatoire Cetelem de l'habitat, 2026

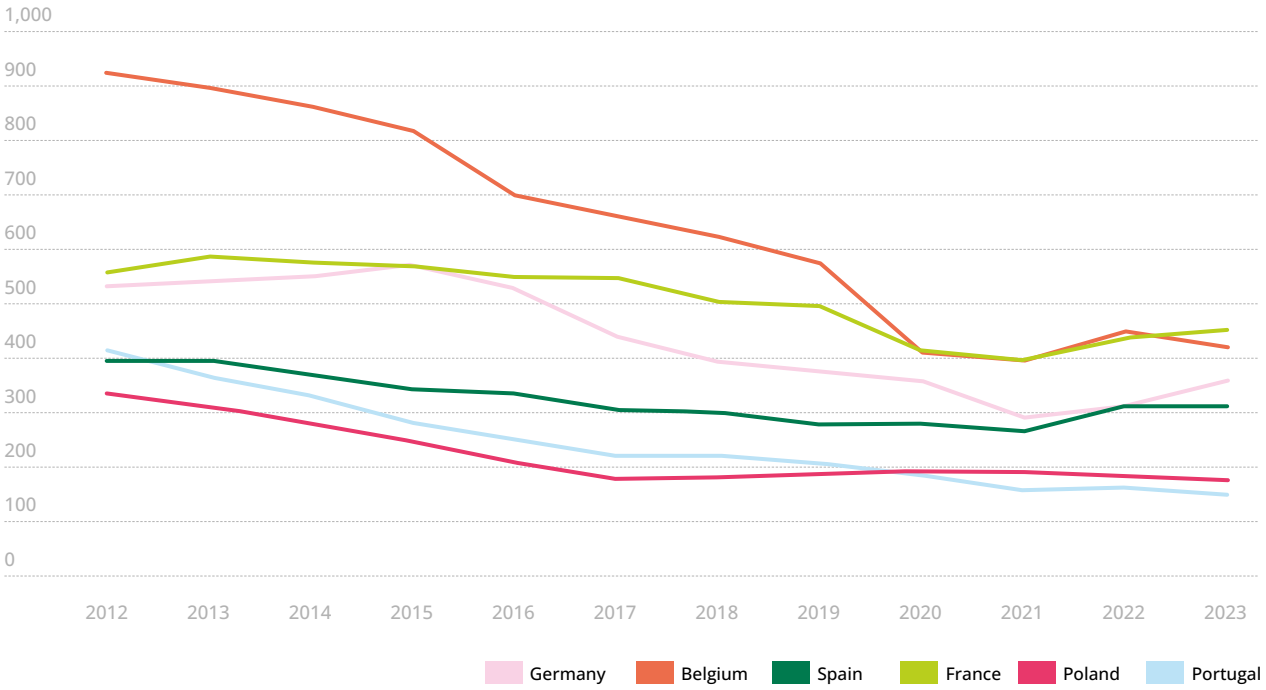
National contrasts reveal far more than the European average. Poland and Portugal, with some of the lowest burglary and vandalism rates, report the greatest peace of mind.

Mediterranean countries—Italy, France and Spain—are more cautious: while residents feel safe, they stop short of feeling entirely secure, reflecting a higher level of perceived crime.

Fig. 21

Number of residential burglaries

Per 100,000 inhabitants

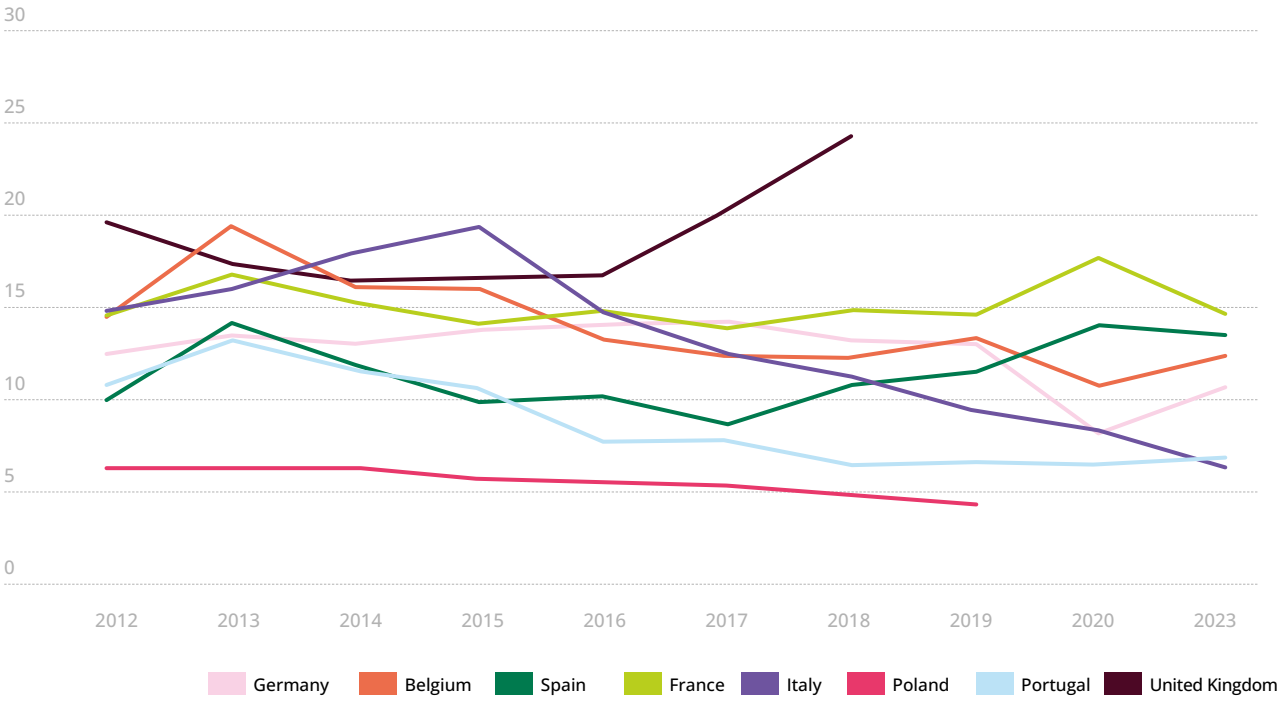


Source: Eurostat

Fig. 22

Share of households affected by local crime or vandalism

In %



Source: Eurostat

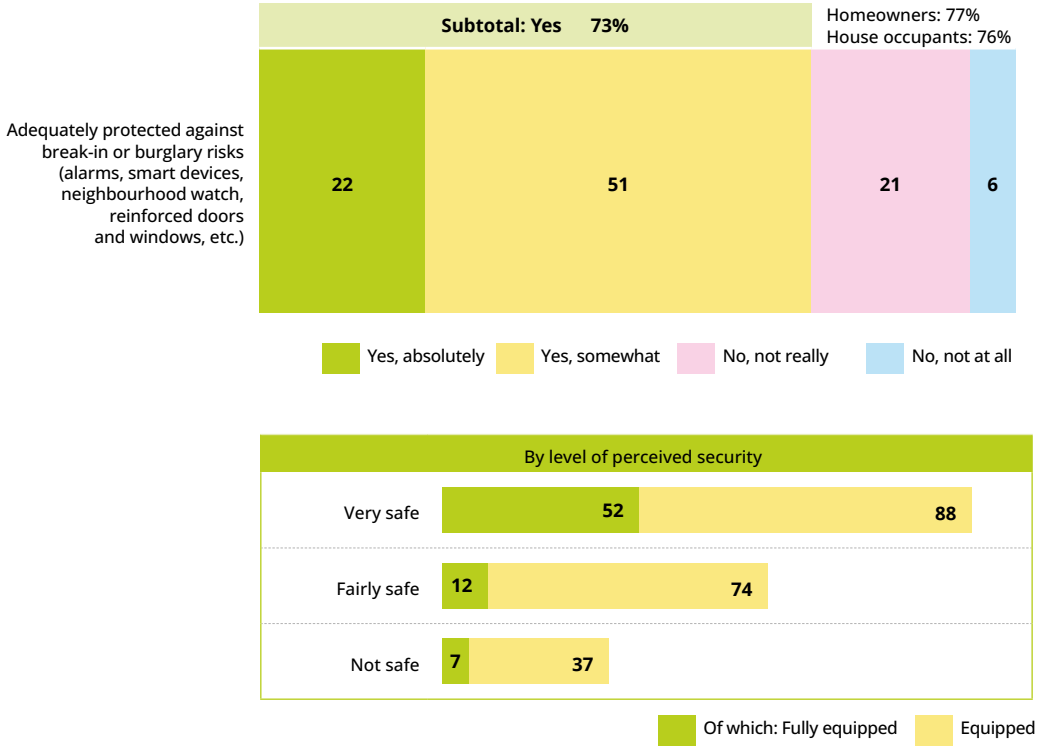
HOME SECURITY EQUIPMENT: DRIVING PEACE OF MIND

This peace of mind is by no means irrational. It is underpinned by security measures that nearly three quarters of Europeans consider adequate, and the link between the two is clear. Among those who feel very safe, nearly 9 in 10 believe they are well protected, compared with barely a third of the most concerned: effective security equipment and peace of mind reinforce one another. Yet such protection tracks household wealth, being more prevalent among homeowners, occupants of single-family houses, and older demographics. Perceived security thus implicitly mirrors the social fault lines seen in overall housing satisfaction.

Fig. 23

Today, would you say your home is adequately equipped against the risk of break-ins or burglaries (alarms, smart devices, neighbourhood watch, reinforced doors and windows, etc.)?

All respondents, in %, cross-referenced by sense of security



The home remains, above all, a safe haven. But security is no longer merely a matter of preventing break-ins; a quieter, far harder-to-manage danger is setting in for the long haul: climate change.

Source: Observatoire Cetelem de l'habitat, 2026

A refuge increasingly tested by climate change

SOARING TEMPERATURES

Climate change is no longer a distant threat to European housing; it is a measurable reality.
Since 2012, average annual temperatures have risen in all eight countries studied, climbing by between 0.8°C and 1.4°C depending on the country. **(Fig. 24)**

In practical terms, this warming has triggered a surge in high-heat days. France now registers 68 days a year above 25°C (2019–2024 average), a 25% increase compared with 2012–2017. Belgium records 45 days, nearly double its previous figure. Further South, the number of high-heat days rises even further: 119 days per year in Spain, and 129 in Portugal.(1)

The summer of 2026 served as a brutal reminder that climate change has become a daily reality for European households. The first warning sign came in late May, with an unprecedented early-season heatwave across Western Europe: France recorded its hottest May day on record and issued its first-ever amber heatwave alert in the month of May.

Neighbouring countries were not spared: Portugal (40.3°C) and the UK both broke national temperature records for May, while Spain suffered 101 heat-related deaths in May alone, a record since tracking began.
It was in late June, however, that the heat reached unprecedented intensity. A heat dome triggered one of the most severe heatwaves ever recorded in Europe, surpassing the intensity of August 2003.(2)

Numerous countries shattered their all-time high temperature records, and France experienced its hottest day ever recorded on 24 June, with a national daily average close to 30°C.
Across the continent, more than 1,300 excess deaths were attributed to this single heatwave event.(3)
Designed for a milder climate, Europe's housing stock is now being put to the test for a significant portion of the year. Faced with these hazards, Europeans harbour varying concerns regarding their homes.

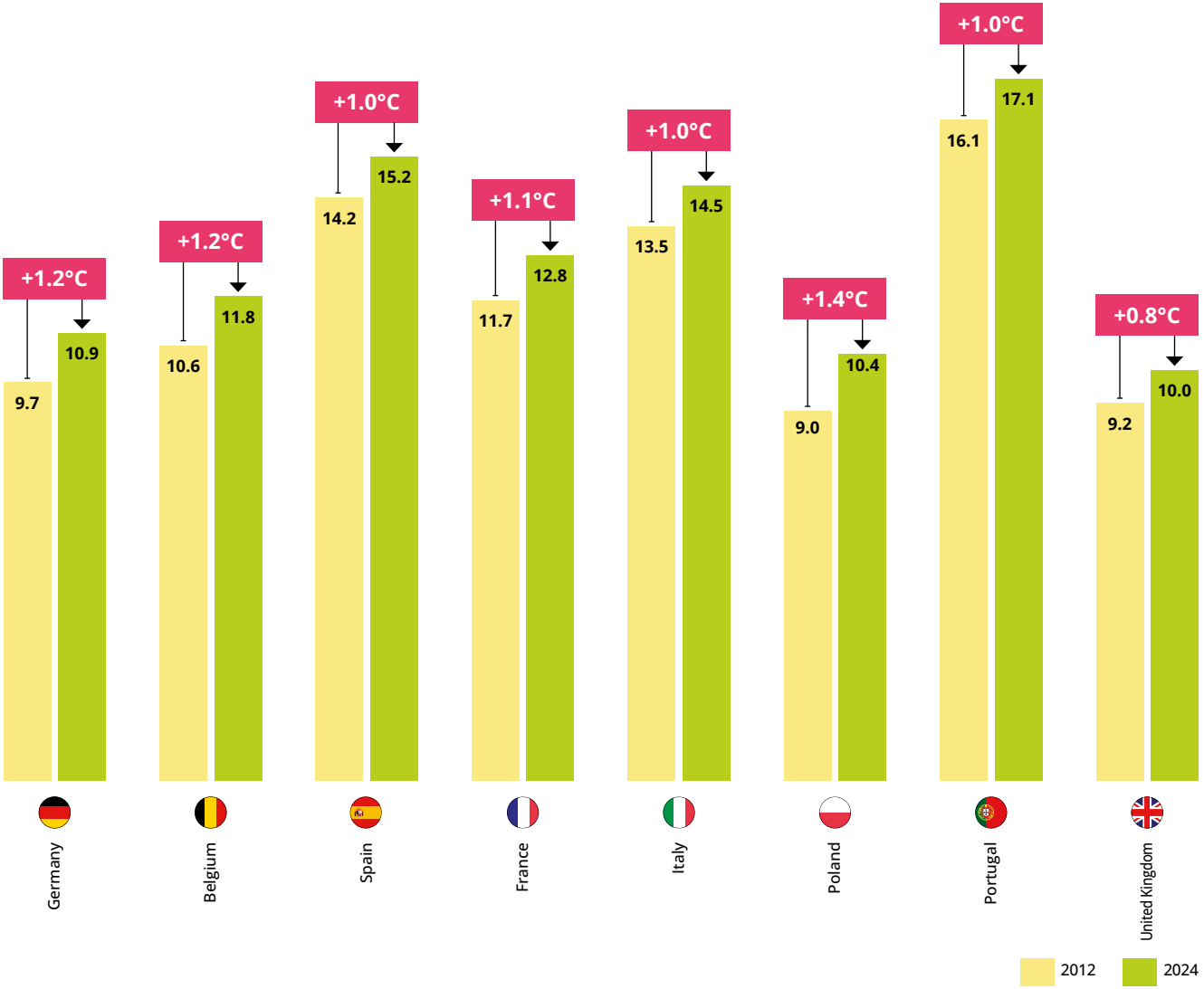


(1) Source: ETCCDI (Expert Team on Climate Change Detection and Indices). (2) Source: Météo-France. (3) Source: World Health Organization.

Fig. 24

Average annual surface temperature

In °C, 5-year centred moving average



Source: World Bank Climate Change Knowledge Portal (CCKP), C-Ways calculations

CLIMATE FEARS ALIGN WITH REAL-WORLD RISKS

Asked for the first time this year which climate hazards they consider their home most exposed to, half of Europeans believe they face at least two climate risks.

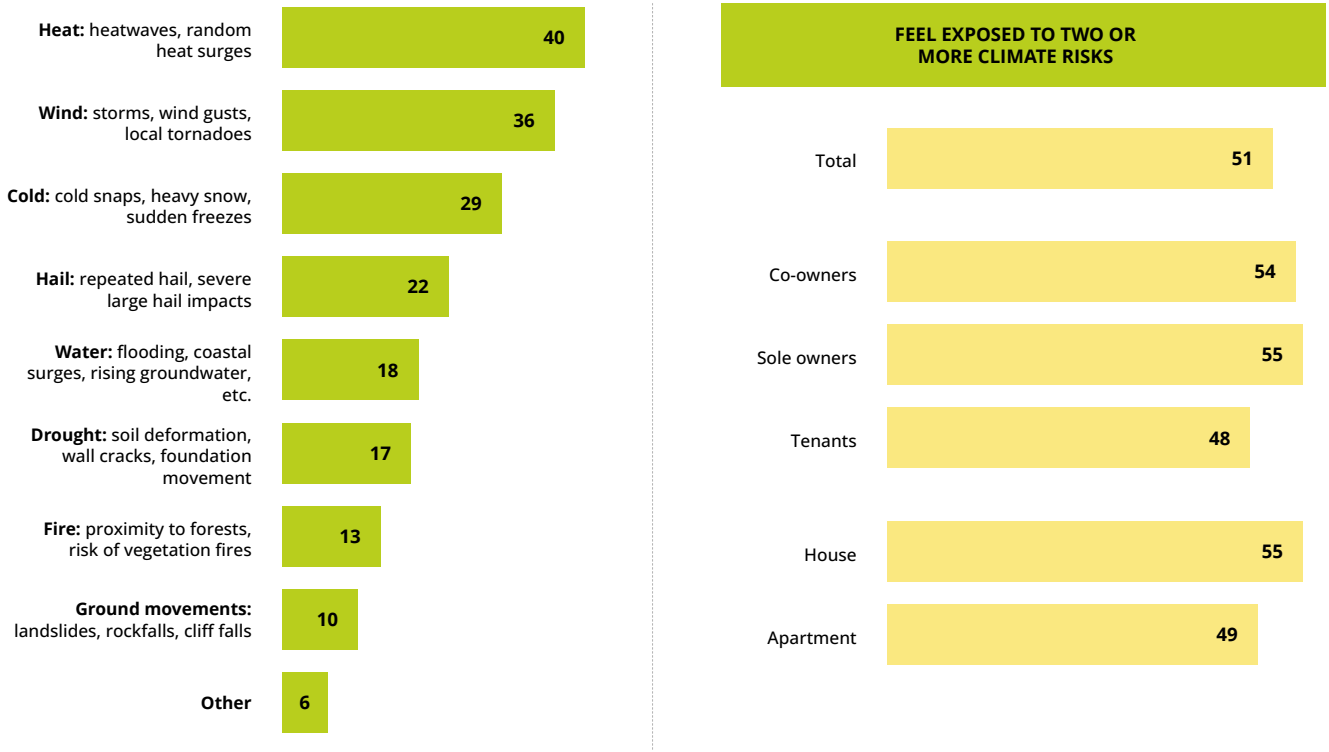
This sense of vulnerability is particularly acute among those who bear direct financial responsibility for the building: homeowners (around 55%) feel more exposed than tenants (48%), as do house occupants (55%) compared with apartment residents (49%).

Breaking down the specific hazards, 4 in 10 cite extreme heat, which ranks top ahead of wind and storms (36%), extreme cold (29%) and hail (22%); flooding, drought, wildfires and ground movement follow further behind. Here again, concerns mirror the reality of each housing type. Heat is a greater worry for apartment dwellers (44%) than for those in houses (35%), extending the lower summer comfort levels already observed in multi-family buildings. Conversely, wind and storms weigh heaviest on houses (40%, compared with 32% for apartments), given their greater roof exposure. Drought, which causes foundation cracking, is likewise more feared among house residents (21%).

Fig. 25

Which climate risks do you consider your home most exposed to?

All respondents, in %, multiple answers allowed



Source: Observatoire Cetelem de l'habitat, 2026

Behind this overall average lie starkly different national anxieties, a faithful reflection of geography and recent weather extremes. Heatwaves dominate almost everywhere, troubling half of all French and Spanish respondents. The UK is the notable outlier: only half as concerned about heat, it is the sole country where extreme cold heads the list of fears.

Further south, concerns diverge: the Portuguese fear storms above all and are most attuned to wildfire risk, whereas hail, a sharp echo of recent severe storms across the peninsula, preoccupies over 1 in 3 Italians.

Fig. 26

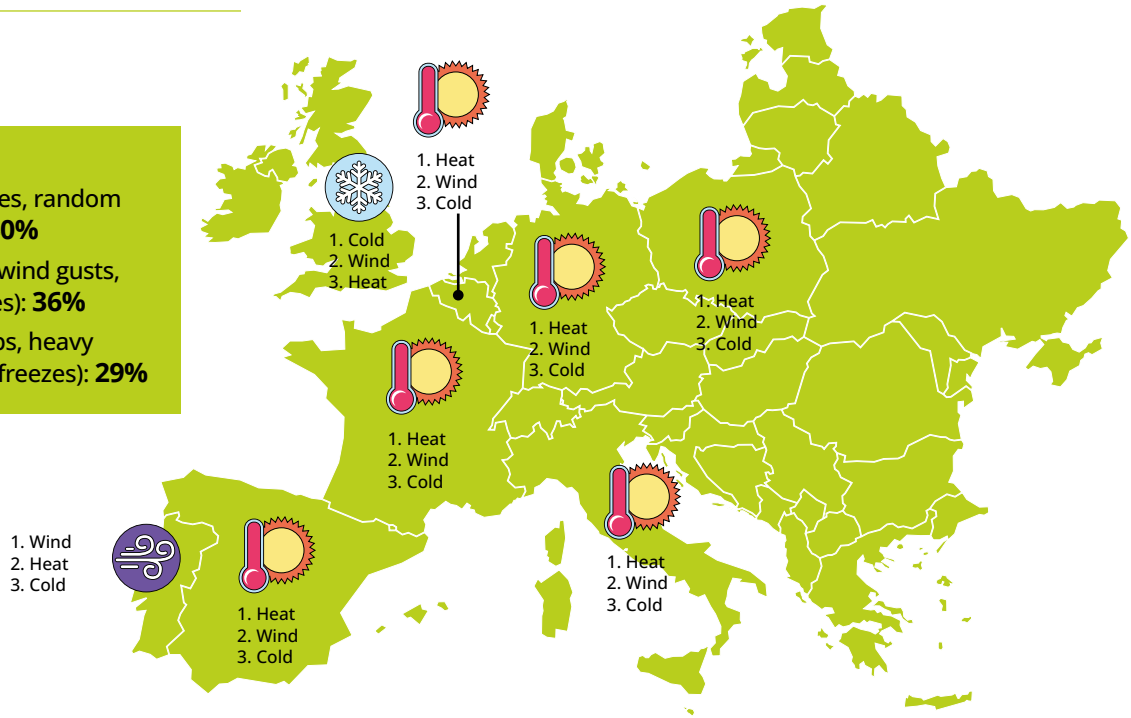
Which climate risks do you consider your home most exposed to?

All respondents, in %, top 3 responses

Top 3 climate risks reported by residents, by country

OVERALL

- Heat (heatwaves, random heat surges): **40%**
- Wind (storms, wind gusts, local tornadoes): **36%**
- Cold (cold snaps, heavy snow, sudden freezes): **29%**



Source: Observatoire Cetelem de l'habitat, 2026

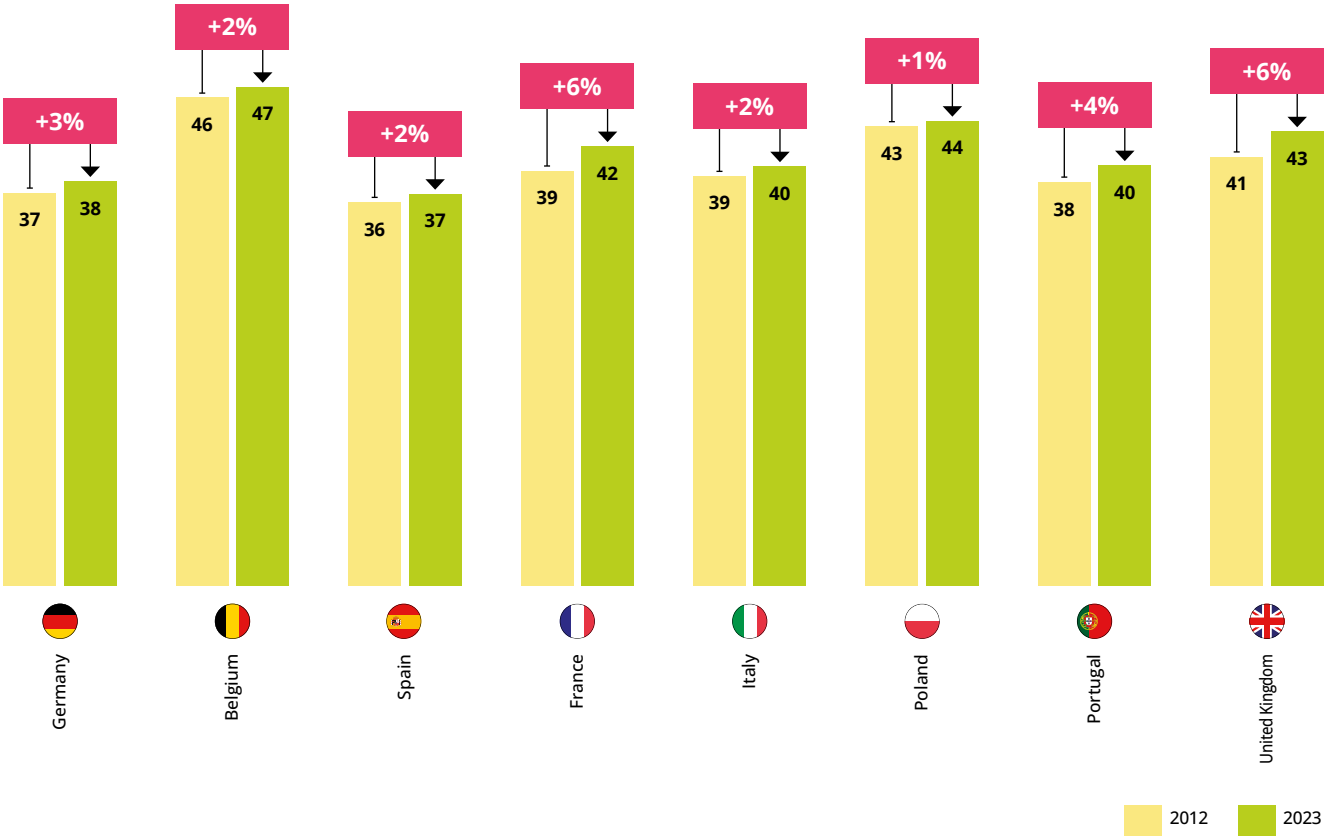
Far from being mere perceptions, these fears are borne out by the data. The ND-GAIN index, which gauges housing-sector climate vulnerability (combining climate sensitivity, physical hazard exposure and building-stock adaptive capacity) is rising across all countries.

Belgium records the highest housing vulnerability score (47.1/100 in 2023), reflecting its ageing housing stock. Spain (37/100) remains the least vulnerable. France (41.5/100), alongside the UK, is seeing the sample's fastest rate of deterioration (+2.3 and +2.4 points, respectively, since 2012).

Fig. 27

ND-GAIN housing sector climate vulnerability index

Vulnerability score (0–100)



Source: University of Notre Dame: Notre Dame Global Adaptation Initiative (ND-GAIN) Country Index

HOUSING ILL-PREPARED FOR CLIMATE RISKS

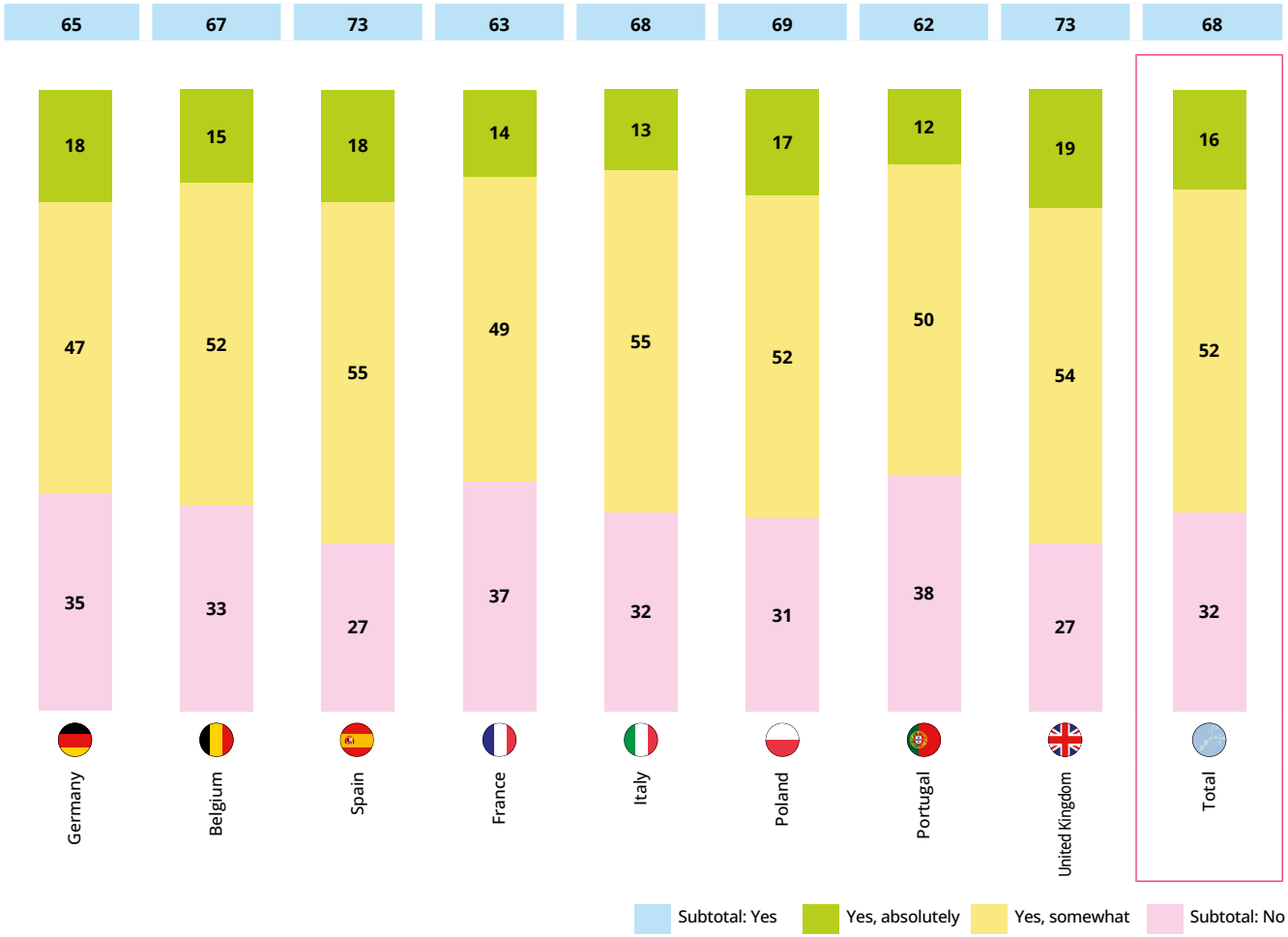
Faced with this growing exposure, just over 2 in 3 Europeans consider their home sufficiently equipped to withstand climate hazards. Yet barely 16% feel "completely" satisfied, a sign of fragile confidence.

Country-by-country comparisons reveal stark contrasts: Spain and the UK report the highest readiness levels (73%), whereas France (63%) and Portugal (62%) trail behind.

Fig. 28

Do you consider your home sufficiently equipped to withstand climate risks today?

All respondents, in %



Source: Observatoire Cetelem de l'habitat, 2026

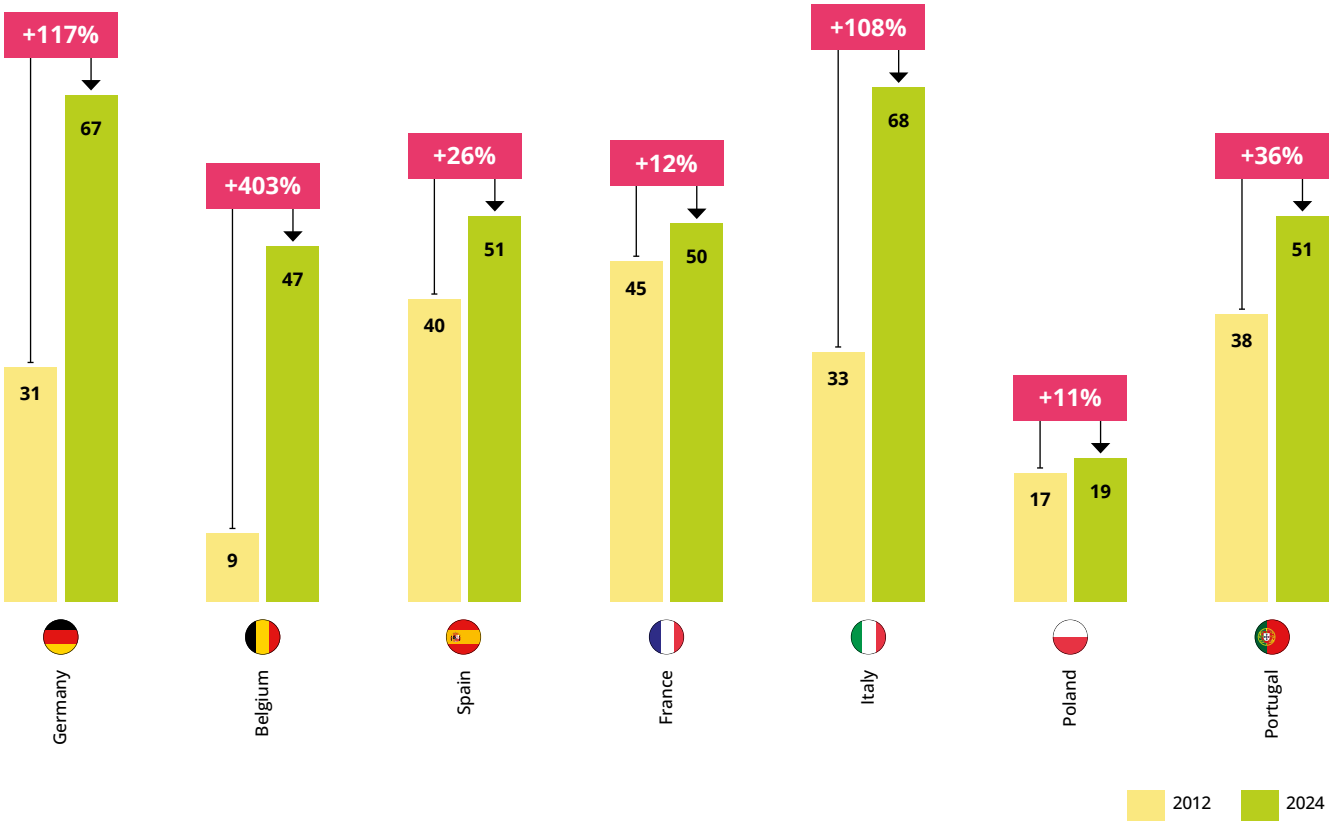
Herein lies the paradox: the French, who report the highest combined perceived exposure to heat and drought, are also among the least convinced of their home's resilience.
Spain presents the exact opposite: equally worried about heatwaves, it nevertheless considers itself among the best prepared. There, anxiety reflects not a lack of readiness, but a sharp awareness of risk forged by decades of adapting Mediterranean buildings to the heat (air conditioning, shutters, summer insulation).

Nor is this merely a matter of perception. Smoothed over 30 years to filter out anomaly years, climate-related economic losses now exceed €50 per capita annually in almost every Western European country studied. This mismatch between risk, preparedness and tangible cost underscores the sheer scale of the challenge facing Europe's housing stock.
Annual losses can nevertheless spike dramatically: reaching €1,006 per capita in Belgium in 2021 (flooding) and €373 per capita in Spain in 2024 (the Valencia DANA floods).

Fig. 29

Annual normalised economic losses from climate events

€/resident, 30-year moving average



Source: Eurostat

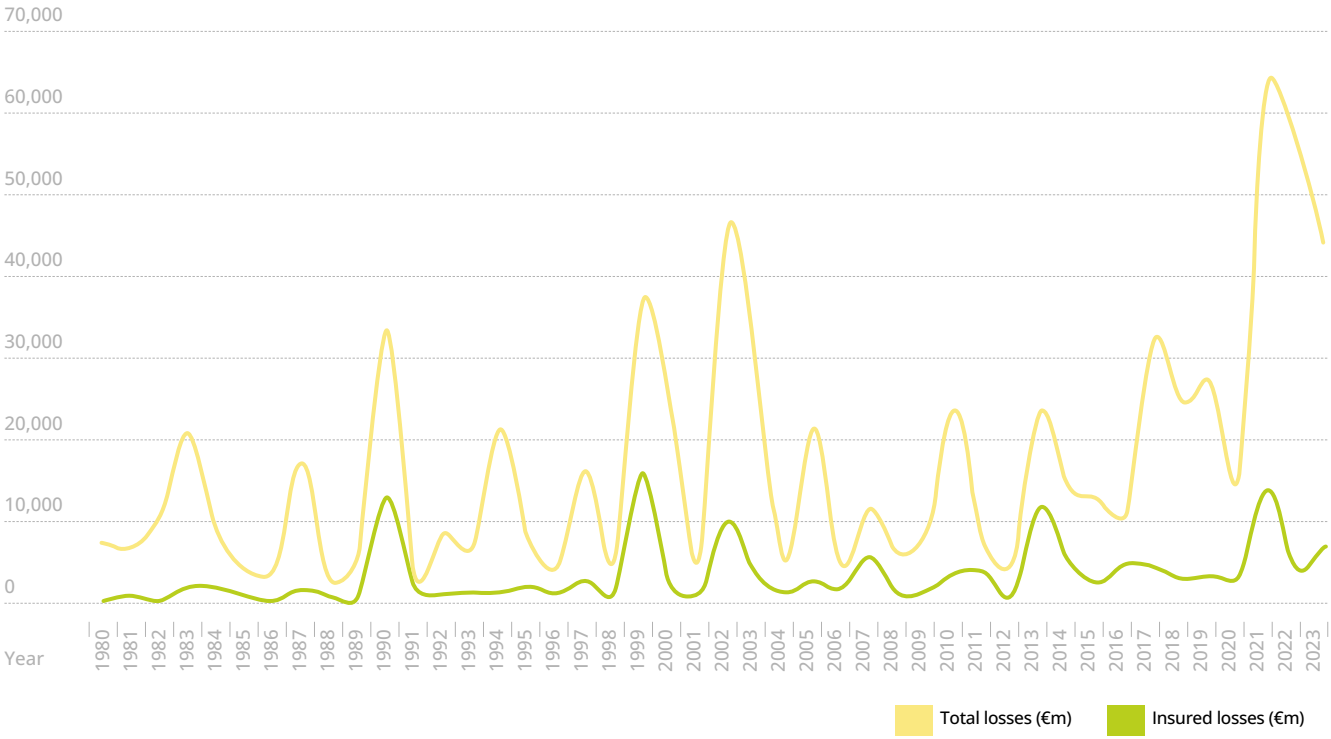
Crucially, only a small fraction of these losses is covered by insurance. Across the European Union, a mere minority of climate damage is insured, leaving the remainder to be borne by households and public finances.

In 2023, for instance, barely 15% of European climate losses were covered by insurers. This protection gap extends the disconnect already seen between exposure and preparedness directly into the wallet, underscoring the true magnitude of the adaptation challenge facing Europe's housing stock.

Fig. 30

EU-27 climate losses: total vs insured

€m, constant prices



Source: EEA

Stalled markets, price-driven housing choices

Caught between tight budgets and homes that, while secure, are increasingly exposed to climate risks, how are Europeans planning for the future?

On the supply side, the housing market has ground to a halt. Rising interest rates have dragged down new construction, particularly in France, Germany, Belgium and Italy. Only Spain, Poland and especially Portugal, where output nearly tripled between 2012 and 2025, have sustained growth in housebuilding.

Even so, this growth starts from depressed baselines inherited from the post-2012 slump. On the demand side, Eurostat data shows that intentions to make major purchases remain negative almost everywhere. This indicator hits its lowest point in Germany, whereas Poland stands alone as clearly positive.(1)

These trade-offs play out against a backdrop of widespread caution. Intersecting housing output with price movements reveals the underlying nature of demand. Where construction is slowing (France, Germany, Belgium, Italy), flat or rising prices simply signal supply constraints: fewer properties, higher tension.

However, Spain, Poland and Portugal remove any ambiguity. In all three, new supply is accelerating, yet prices continue to climb at the same pace as elsewhere. Even as homebuilding picks up, prices keep rising.

The explanation is straightforward: demand is growing even faster, absorbing and outstripping the new supply.
Because similar price inflation occurs both in core markets and in peripheral markets, where it is expanding, this cannot be a supply-driven phenomenon. The common denominator across both groups is demand.

Depressed buying intentions do not contradict this diagnosis; they refine it. It is not the desire for housing that is weakening, but the ability to act, squeezed by the cost of borrowing.

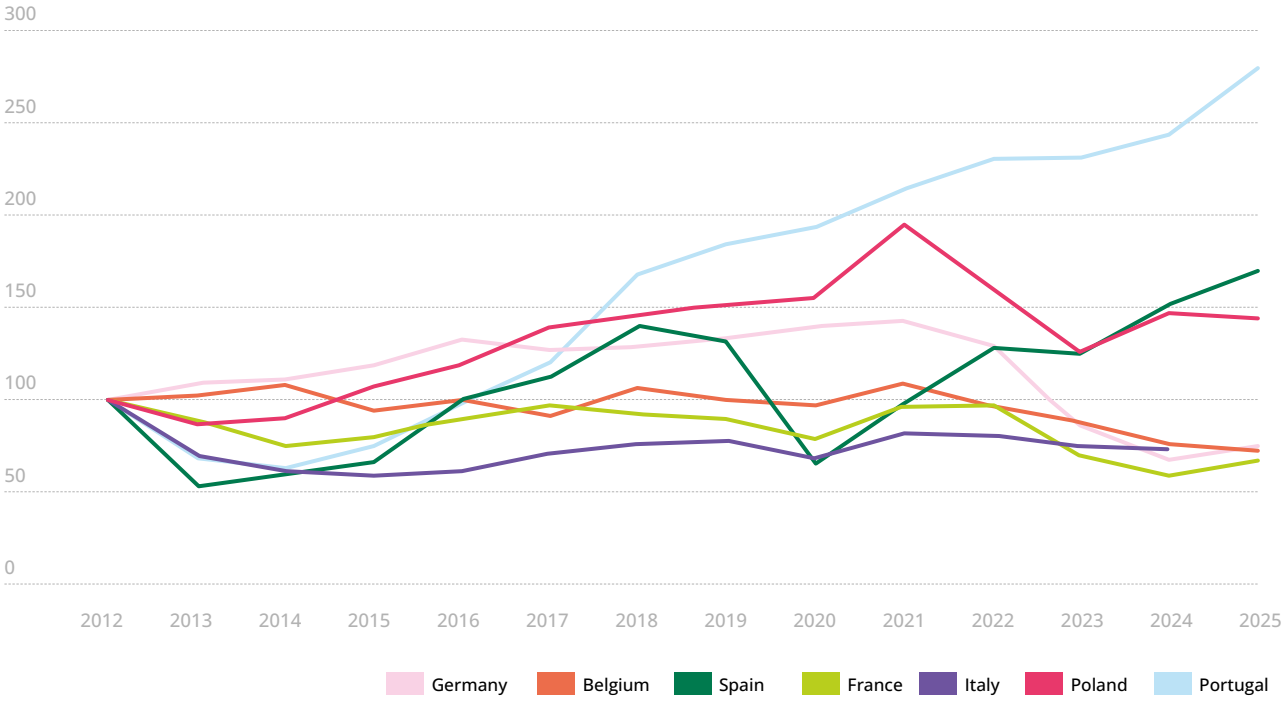
Far from being extinguished, demand is merely deferred and rationed by affordability, maintaining upward pressure on prices against a supply that remains structurally scarce.

(1) Index of major purchases planned over the next 12 months: https://ec.europa.eu/eurostat/databrowser/view/isoc_eco_ic/default/table?lang=EN
Source: Eurostat

Fig. 31

Residential construction output

Usable floor space in m^2, indexed to 2012 = 100

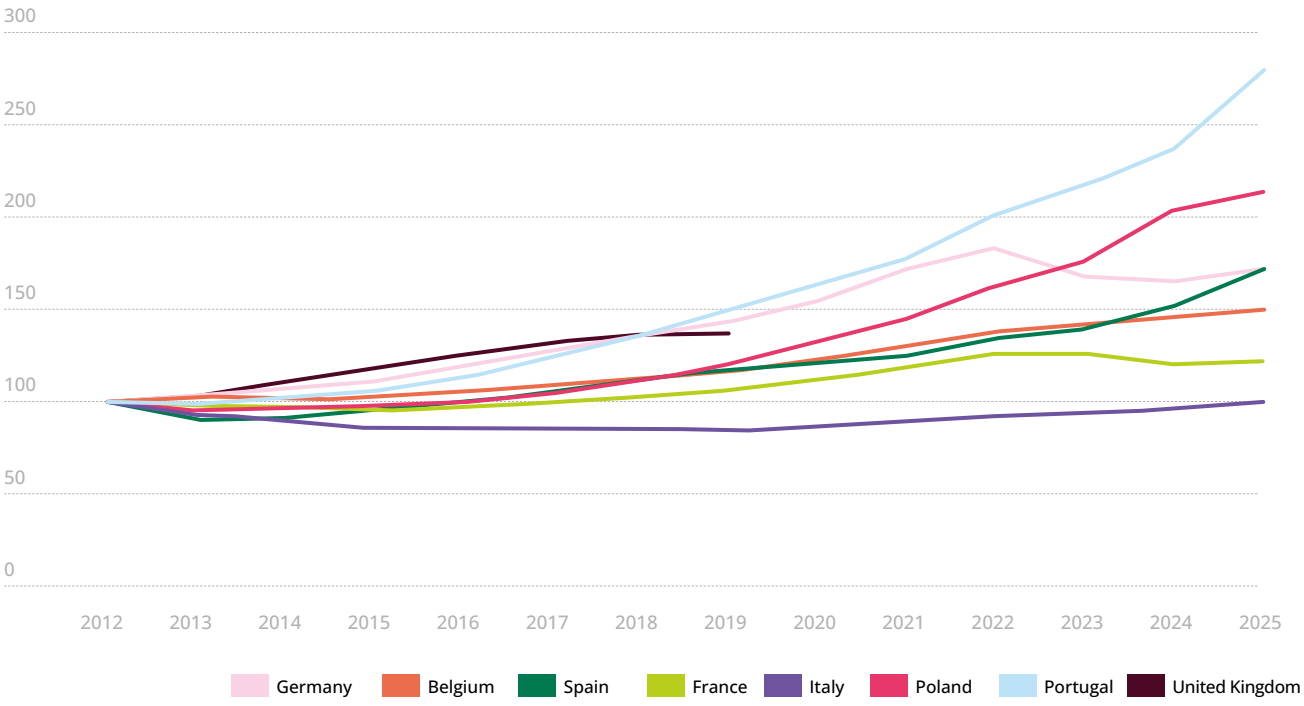


Source: Eurostat

Fig. 32

House price index

Indexed to 2012 = 100



Source: Eurostat

VALUE FOR MONEY STAYS PARAMOUNT IN HOUSING DECISIONS, BUT DELIVERS EVER LESS SATISFACTION

When selecting a home, price reigns supreme: 9 in 10 Europeans consider it important, and it ranks as their single most critical criterion, with 60% attaching "great importance" to it.

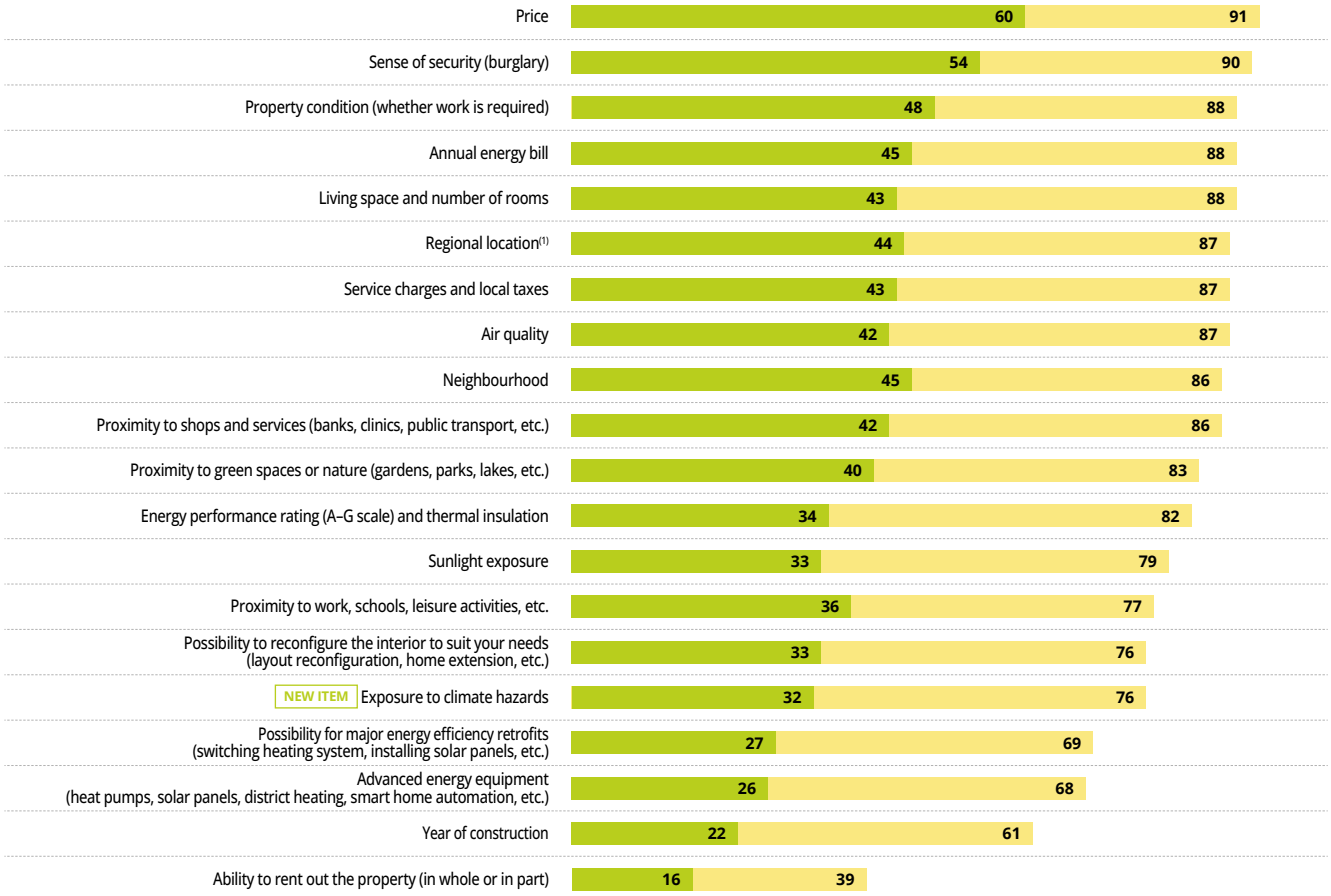
Next come security and a baseline of practical factors: property condition, energy bills and floor area.

This dominance of price is not driven by frugality. Rather, it reflects a climate in which every euro allocated to rent or mortgage payments weighs heavier, as income growth fails to keep pace, particularly across 2025 and 2026.

Fig. 33

When choosing a home, how much importance do you attach to each of the following criteria?

All respondents, % answering **"Great importance"** and **"Some importance"**



(1) In the 2024 survey, this criterion was phrased as "Location".
Source: Observatoire Cetelem de l'habitat, 2026

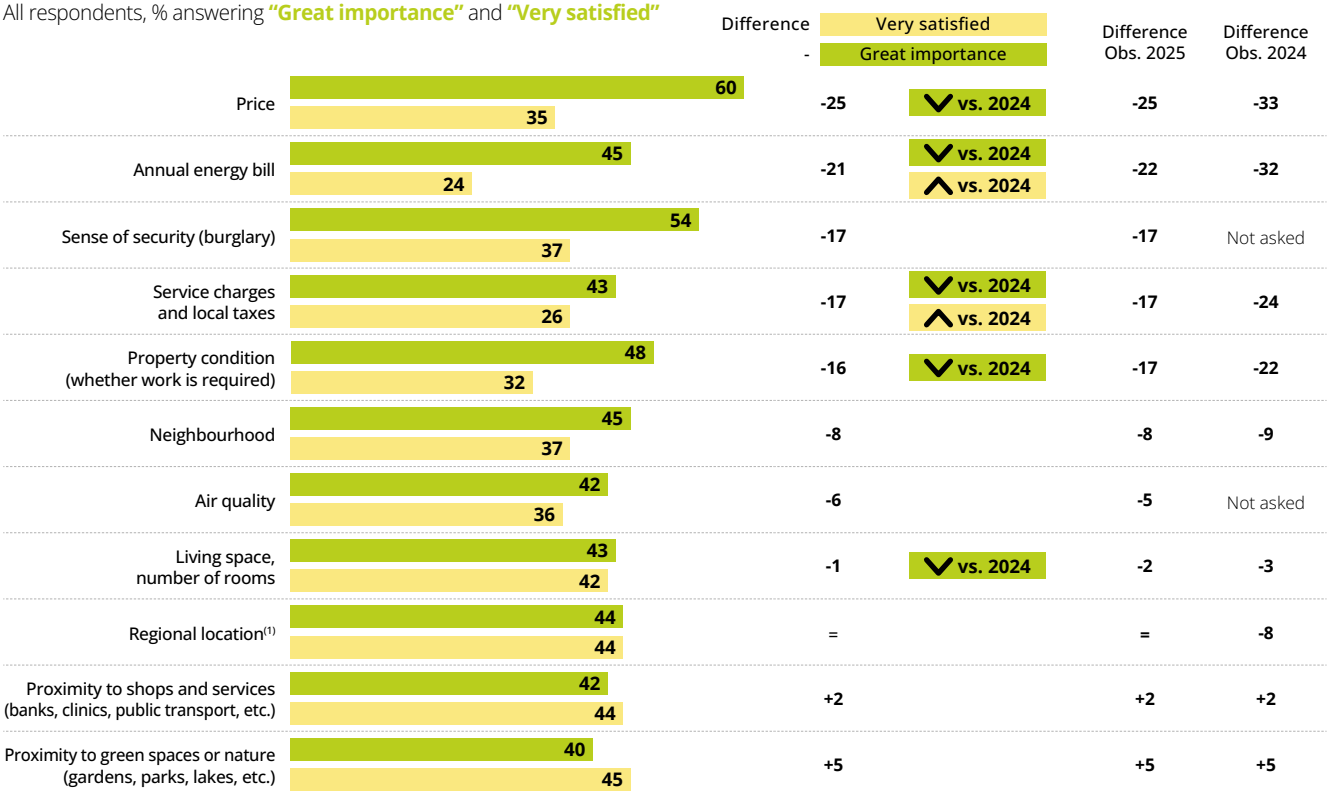
Comparing importance with satisfaction highlights the core gap: what matters most satisfies least. Price exhibits the sharpest divergence between expectations and reality, outpacing energy bills, feeling of security, service charges and property condition.

Conversely, living environment and location form a comfort zone where satisfaction meets or exceeds expectations. Although the gap between what Europeans expect and what they currently have, most acute in pricing and energy, has narrowed since 2024 as price pressures abated, it remains the primary challenge ahead.

Fig. 34

Cross-referencing criterion importance with satisfaction

All respondents, % answering **"Great importance"** and **"Very satisfied"**



Choice is constrained: facing a frozen market, persistent high prices, and tight budgets, Europeans prioritise price even as it frustrates them most.

Yet across this balance of deep attachment and hard compromises, housing keeps its safe-haven appeal.

(1) In the 2024 survey, this criterion was phrased as "Location".
Source: Observatoire Cetelem de l'habitat, 2026

KEY FIGURES

86%
of Europeans
are attached to their home
(of whom half are “very attached”)

90%
say they are satisfied
with their home, a figure that has held
stable since 2024

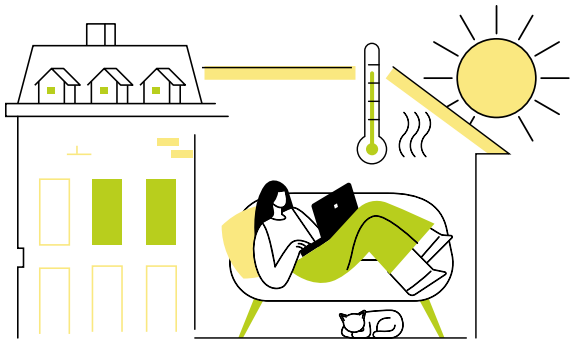
82%
report an increase in their energy
bills over the past 12 months

87%
feel safe in their home
against the risk of break-ins

34%
consider their home uncomfortable
during at least one season

51%
believe their home is exposed
to at least two climate risks

91%
rank price among their home selection
criteria (making it the top priority)



CONCLUSION

By the end of this first part, housing emerges as a firm anchor for Europeans, yet one increasingly strained by economic pressures.
Attachment remains overwhelming, while overall satisfaction is both high and stable. Both trends follow the same fault lines: tenure status, age and property type. Attachment and satisfaction are strongest among homeowners, particularly where properties offer generous space.

On the budgetary front, energy costs remain the epicentre of household financial strain, even if the initial shock has passed and familiarity has blunted the immediate perception. Housing nevertheless remains a safe haven: nearly 9 in 10 Europeans feel secure against intrusion. Yet climate change presents an emerging threat, testing the housing stock and exposing a persistent lack of climate adaptation.

These trade-offs are taking place against the backdrop of a stalled market: construction activity is in retreat while prices remain sticky, a clear sign that demand has not evaporated, but has merely been deferred and constrained by affordability. Price, the top criterion when choosing a home for 9 in 10 Europeans, thus remaining their leading source of dissatisfaction. This economic constraint will weigh heavily on household plans as well as their capacity to undertake renovations, the focus of Part 3.

2

Co-ownership: a largely positive experience for European apartment owners



Part 1 demonstrated that housing remains a safe haven under economic strain, with lived experiences defined by tenure status, age and property type. This second section shifts the focus: from the home one owns to the spaces one shares. Living in a co-owned property means navigating shared control: you are sovereign behind your own front door, yet reliant on neighbours to repair the roof, restore the facade or approve a budget.

This section draws first on data across all eight surveyed countries to evaluate attitudes towards collective living, before focusing on four key markets where co-ownership is particularly prevalent.

Shared living: a workable trade-off

COLLECTIVE DECISION-MAKING: SOUND IN PRINCIPLE

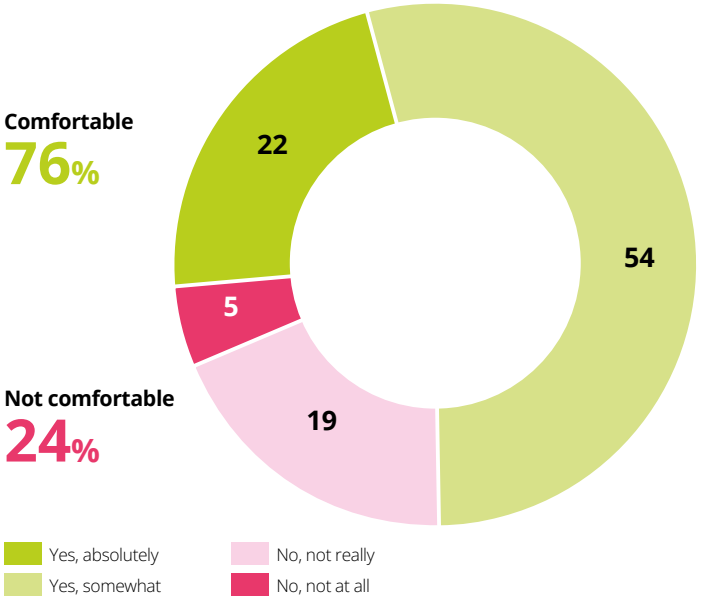
In theory, the principle of collective decision-making offers reassurance rather than concern. Over three quarters of Europeans feel comfortable with the idea of making joint decisions in the interest of their building or neighbourhood, compared with just a quarter who view it with mistrust. This comfort grows with experience: apartment co-owners are the most serene (84%), ahead of sole homeowners (77%) and tenants (71%).

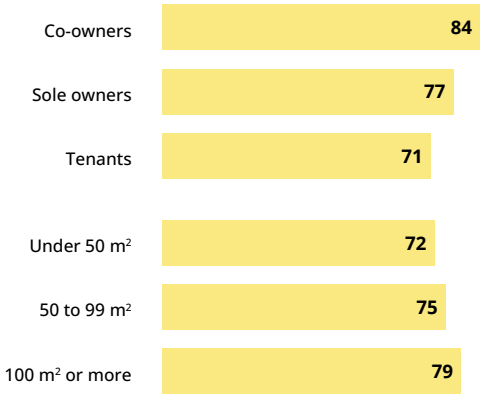
In other words, joint decision-making is least feared by those who practise it, and most by those who observe it from afar. From one country to another, the findings are remarkably consistent. Comfort levels remain high across all surveyed nations, ranging between two thirds and four fifths of respondents depending on the region, with no sharp geographical divide. What distinguishes Europeans above all is their tenure status: when it comes to collective decision-making, the experience of co-ownership matters far more than country of residence.

Fig. 35

How comfortable are you with the principle of collective decision-making in the shared interest of your building or neighbourhood?

All respondents, in %





Source: Observatoire Cetelem de l'habitat, 2026

CO-OWNERSHIP IS SEEN AS AN ASSET, BUT DECISION-MAKING REMAINS A FRICTION POINT

This theoretical comfort does not mean that co-ownership is considered preferable to single-family housing. Compared with standalone homes, its primary appeal lies in the burdens it removes. Routine maintenance and administrative management top the list of cited benefits, at around 45%, ahead of energy efficiency retrofits and property improvements. The logic is straightforward: co-ownership is valued first and foremost for sharing costs and tasks, in short, for everything it saves owners from managing alone.

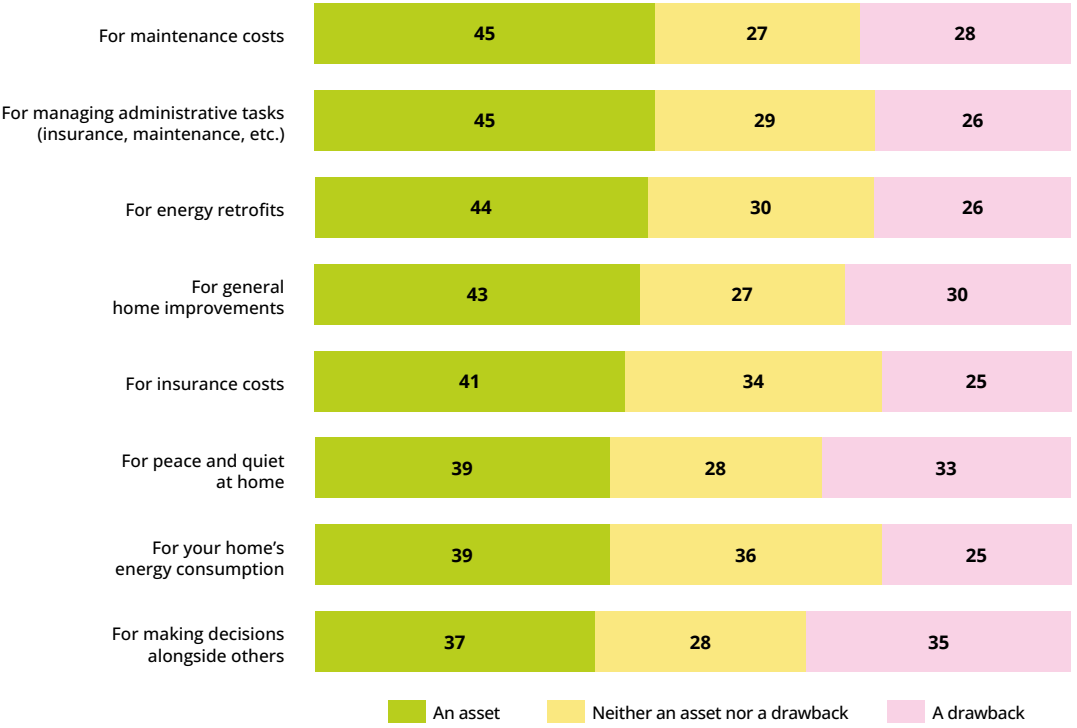
Shared living turns back into a burden, however, as soon as collective decisions must be made. This is the sole item where opinion splits almost evenly between an asset and a drawback: making decisions alongside others is viewed as an advantage by 37% of respondents, but as a disadvantage by 35%. Peace of mind at home follows the same dynamic. People value co-ownership for what it allows them to share, but resent it for what it forces them to negotiate.

Once again, lived experience alters perspectives: co-owners are more likely than average to view co-ownership as a net benefit, demonstrating that practical reality tempers theoretical reluctance. Cross-country variations remain modest: across Europe, the same tension persists between the service provided and the friction of joint decision-making.

Fig. 36

In your view, compared with single-family housing, is living in a co-owned building an asset, a drawback or neither?

All respondents, in %



Source: Observatoire Cetelem de l'habitat, 2026

KEEPING A SAY REMAINS A PRIORITY FOR MOST EUROPEANS

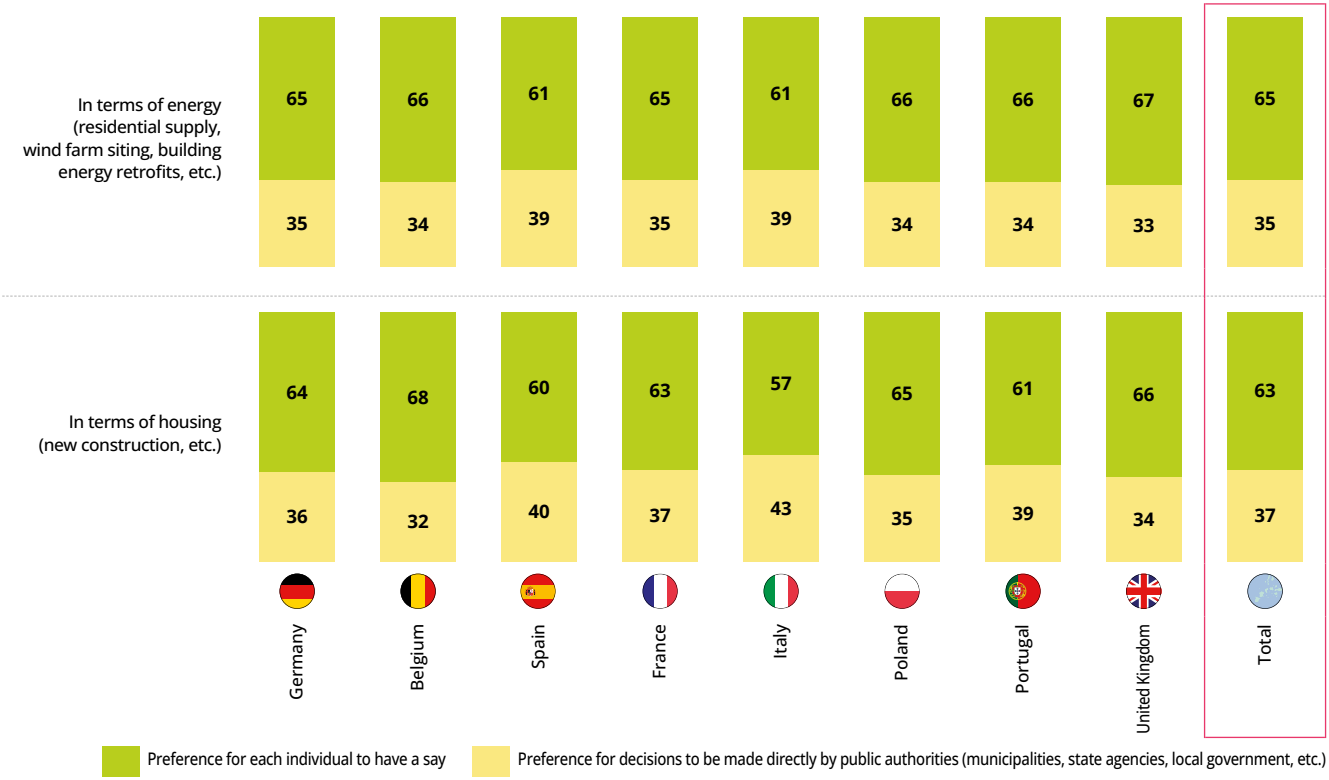
If the principle of joint decision-making raises a degree of hesitation, it is also because Europeans want to retain a decisive voice in matters that directly affect them. Asked who should hold decision-making authority—individuals themselves or public authorities (prefectures, municipalities or state agencies)—a clear majority of Europeans lean towards individual choice. This preference commands around 65% support for energy matters and 63% for housing decisions. The desire for individual agency strengthens with age, rising from younger cohorts, who are more willing to delegate (around half), to senior citizens, who are far more intent on making their voices heard (exceeding 70%).

Crucially, a slight North–South gradient emerges across the continent. Mediterranean nations appear somewhat more open to letting public authorities decide: Italy, Spain and Portugal report the lowest preference for individual choice in housing, at around 60%. Conversely, Northern and Western Europe remain more committed to individual expression, stretching from the UK and Belgium to Germany and Poland, where support reaches 66% to 68%. France aligns closely with the European average.

Fig. 37

When making choices regarding your building or neighbourhood, is it better for each individual to have a say, or for decisions to be made by public authorities?

All respondents, in %



Source: Observatoire Cetelem de l'habitat, 2026

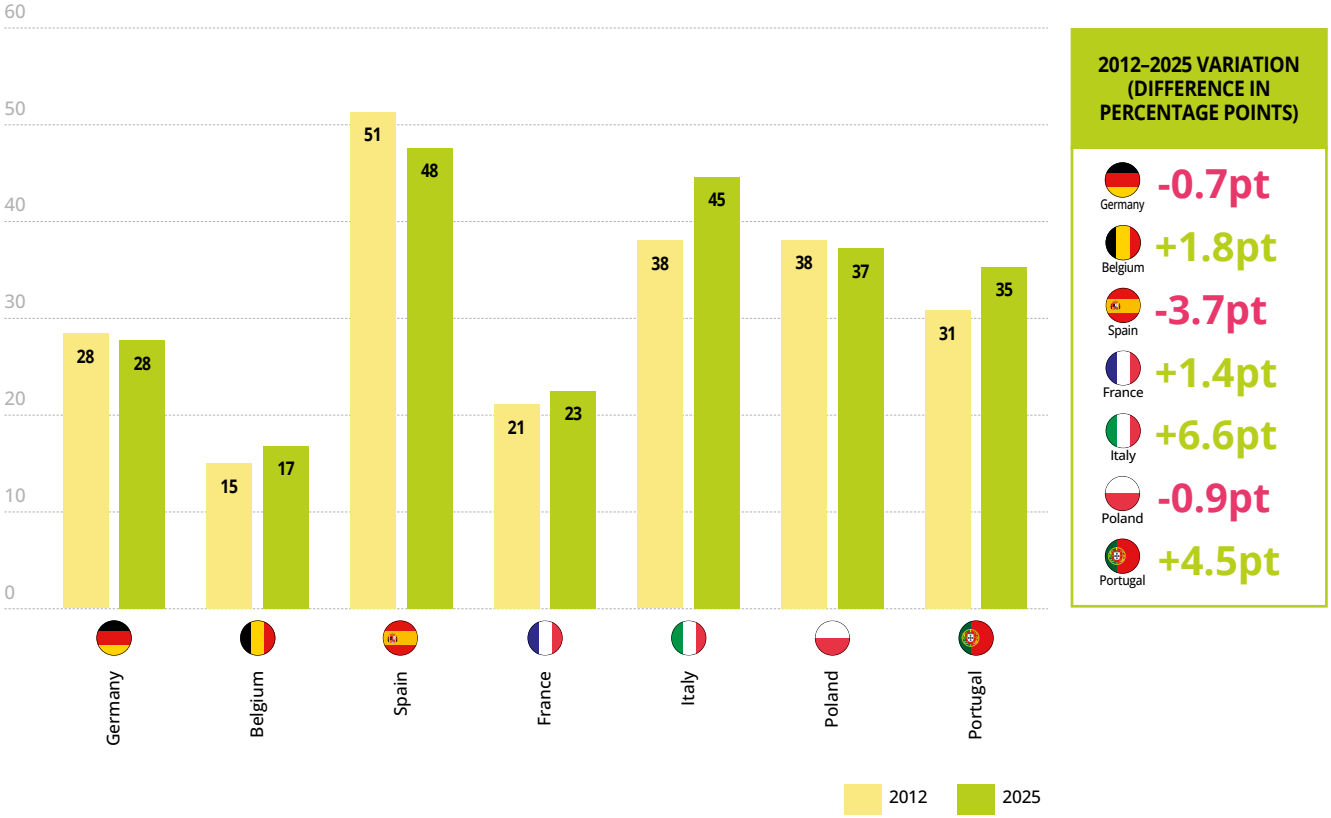
This North–South divide coincides with the broader geography of co-ownership: in Southern Europe, where nearly half of all households live in co-owned buildings, compared with a fifth to a third in the North-West, delegating authority appears to come more naturally.

This reading remains an interpretation, however: the survey measures a preference, not its underlying causes.

Fig. 38

Estimated share of co-owner households (% owner-occupiers × % in apartments)

In %



This strikes at the central tension of co-ownership: everyone wants a say, but no one enjoys negotiating to get it.

Source: Eurostat, C-Ways calculations

OVERALL SUPPORT FOR COLLECTIVE DECISIONS REMAINS HIGH

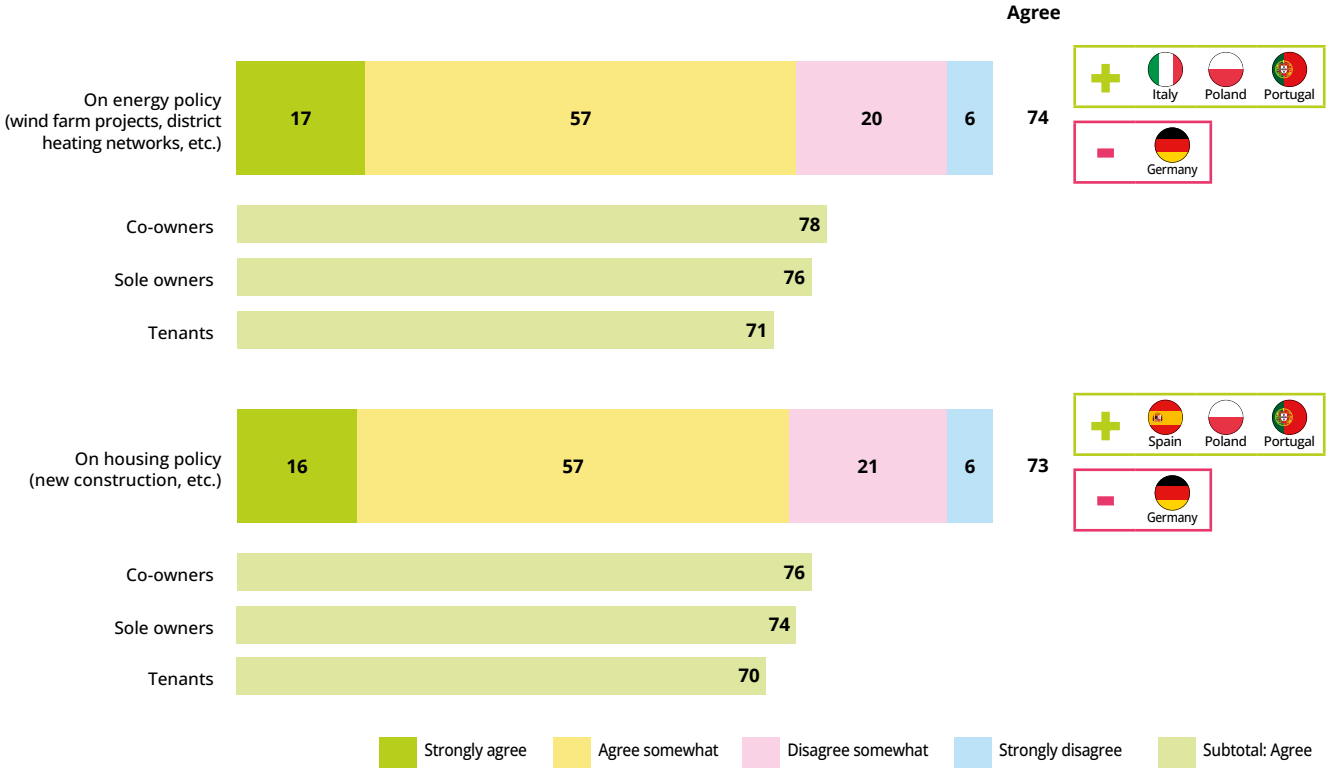
The real test is whether decisions, once made, win broad buy-in. On the whole, they clearly do: roughly three quarters of respondents say they agree with the choices made where they live, regarding both housing policy and energy strategy. Here again, co-owners show higher levels of approval than tenants, a clear sign that active participation in decision-making fosters acceptance of the outcome.

Cross-country variations remain minor, yet they map a clear geography of trust in collective decision-making. Portugal and Poland display the strongest endorsement, reaching 77% in Poland for housing decisions, whereas Germany appears somewhat more reserved. The overall picture is thus one of a European who endorses the collective principle and generally accepts its decisions, yet remains reluctant to delegate their own voice. The central challenge therefore lies in the transition from principle to practice: in the lived experience of co-ownership.

Fig. 39

Overall, do you agree or disagree with the decisions made where you live?

All respondents, in %



Source: Observatoire Cetelem de l'habitat, 2026

Relatively harmonious co-ownership, with sharper scepticism among the most engaged

With the principle established, attention turns to lived experience. The following subsections focus on four countries where co-ownership forms a major pillar of the housing stock—France, Italy, Spain and Belgium—drawing on the survey module reserved exclusively for co-owners, comprising nearly 3,000 respondents across these four nations.

FOUR MODELS OF CO-OWNERSHIP, ONE SHARED TRAJECTORY

European co-ownership takes many forms. France and Belgium share a highly regulated system built around the central role of the professional agent manager.
Germany combines a robust, modernised regulatory framework with relatively streamlined governance. Italy has an intermediate level of oversight within an ageing housing stock where retrofit needs are substantial.

The Spanish and Portuguese frameworks rely on structured community management. The United Kingdom follows an atypical model stemming from the split between land and building ownership, currently in transition. Finally, Poland remains shaped by a post-socialist legacy that is still evolving. Beyond these structural differences, a common trajectory emerges: a drive towards tighter regulation, greater professionalisation and stronger integration of energy efficiency imperatives.

Fig. 40

Co-ownership models in Europe

	Franco-Belgian		Southern European			Germanic		Common law
Country	France	Belgium	Italy	Spain	Portugal	Germany	Poland	United Kingdom
Legal framework	Napoleonic civil code; dedicated statutory law (1965 / 1924)		Napoleonic/Latin civil code; specific statutes and provisions (1942, 1960, 1966)			Standalone special legislation outside the civil code (WEG 1951, Polish Act of 1994); Germanic-Austrian influence		Common-law tenure system (freehold/leasehold); no horizontal property statute prior to 2002
Legal status of the owners' association	Full legal personality (syndicate / co-owners' association)		Partial legal personality			Distinct legal capacity, short of full legal personality		No horizontal collective body (except commonhold, which remains marginal)
Distinctive feature	Largely aligned co-ownership framework with robust legal personality across both countries		Similar framework to the Franco-Belgian model, but with weaker legal personality			Tiered regulatory thresholds based on building size (notably in Poland) and shared historical roots		Legacy system currently under reform to roll out commonhold and converge with the continental model

Source: C-Ways compilation, synthesis of national legislation, and CLGE Condominium Compendium 2023

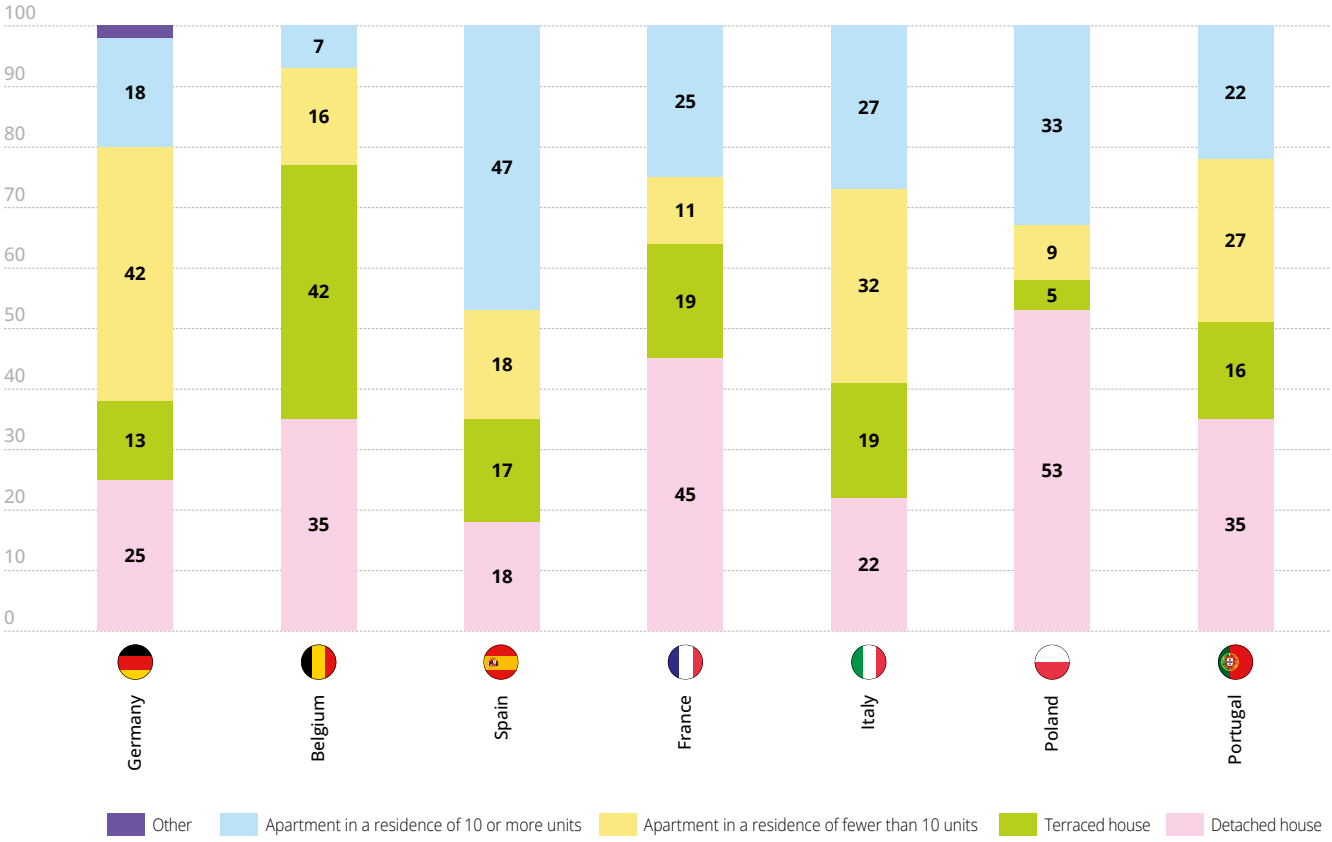
As a reminder, the proportion of households living in co-ownership varies significantly across countries, peaking in Southern Europe. Among the focus nations, Spain and Italy are overwhelmingly co-ownership markets, with more than half of households living in co-owned property, in contrast to France and Belgium, where multi-family housing accounts for around a quarter of the total.

This quartet thus encompasses two distinct structural realities, a distinction worth keeping in mind. The size of these developments introduces a second fault line: in both France and Spain, large complexes of 10 units or more predominate, whereas smaller residences dominate in Belgium and Italy. This contrast will inevitably shape the governance climate, which tends to be more fluid in smaller developments.

Fig. 41

Breakdown of households by housing type, 2024

In %



Source: Eurostat

CO-OWNERSHIP GOVERNANCE VIEWED FAVOURABLY ACROSS EUROPE, WITH ITALY A CRITICAL OUTLIER

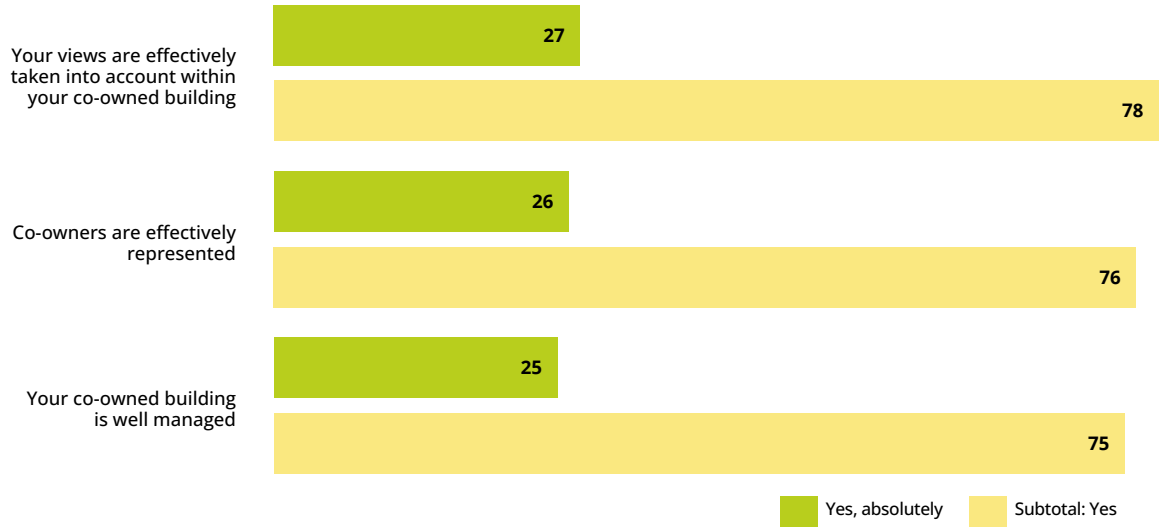
Attachment to one's home, already exceptionally high among apartment co-owners (91%, compared with 94% for detached single-family homes; see Part 1), extends into a broadly positive relationship with collective living. Nearly three quarters of European co-owners consider their property to be well managed. A solid 78% feel their views are properly taken into account, while 76% believe co-owners are effectively represented. The sense of having a voice thus outweighs any feeling of subjection, tempering the baseline reservations observed earlier.

Among the four focus countries, France stands out relatively favourably. Satisfaction with management sits above the European average, with 80% responding in the affirmative. This score is partly attributable to its management agent model, which rests on a highly organised profession subject to strict legal oversight. France runs neck-and-neck with Spain and Belgium, both at 77%. Italy, by contrast, lags significantly behind, scoring just 7 out of 10 and bringing up the rear across all three dimensions: management, consideration of residents' views and representation. This Italian underperformance, a recurring theme throughout this section, serves as an initial indicator of governance perceived as more distant. Satisfaction is far from uniform, with sharp cross-national disparities already coming into view.

Fig. 42

Overall, do you feel that your co-owned building is well managed, that your views are taken into account and that co-owners are effectively represented?

All co-owners, in %



Source: Observatoire Cetelem de l'habitat, 2026

GOVERNANCE THAT ENGAGES THE MAJORITY OF CO-OWNERS

Beyond positive perceptions of management, European co-owners actively participate in the life of their buildings: roughly two thirds report attending meetings and general assemblies regularly and keeping themselves informed about governance matters. Attendance and oversight go hand in hand, signalling an active level of engagement.

Yet around one third remain on the sidelines, rarely present and poorly informed. The lack of participation can weigh heavily on decisions requiring a supermajority, a threshold that varies sharply across jurisdictions: up to 75% to 80% of votes in Belgium for structural works, compared with a simple majority (>50%) under more flexible regimes, such as in Spain. This detachment echoes a looser bond with the property already highlighted in Part 1: when surveyed about their homes, one third of co-owners viewed their dwelling as "temporary, until something better comes along", compared with a quarter of single-family homeowners.

This weaker attachment can foster lower engagement in building governance.

Here, a paradox emerges: Italy, which ranked last in overall satisfaction, records the highest level of engagement, with participation and oversight hovering around 72% to 73%. Portugal and Spain follow close behind.

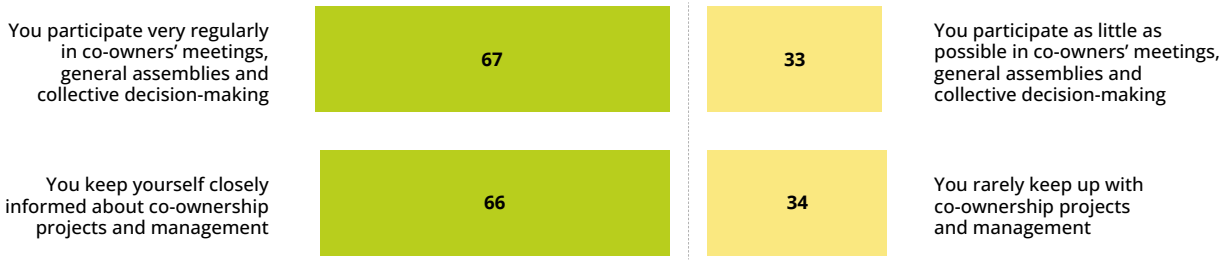
The Italian paradox is instructive: residents can invest heavily in building affairs while simultaneously holding a critical view of how their property is governed.

Involvement there is not a sign of a tranquil atmosphere, but rather a response to governance perceived as flawed. Conversely, Poland registers the lowest level of engagement, at around 55%, despite ranking among the most satisfied nations. This demonstrates that a quiet co-ownership requires far less intervention than a contentious one.

Fig. 43

How involved are you personally in the management of your co-owned building?

All co-owners, in %



Behind the national average lies a subtle yet more structural divide: building scale. The governance climate deteriorates as the number of units increases. Satisfaction with property management declines, as does the perceived ease of decision-making. A distinct tipping point appears to emerge at six units.

Smaller co-owned buildings, which are inherently more personal, remain more consensus-driven, as seen in Belgium. Conversely, large complexes tend towards a more impersonal operational model. Beyond national borders, this dividing line naturally leads to the question of governance itself.

Source: Observatoire Cetelem de l'habitat, 2026

Deciding together: between genuine satisfaction and measured enthusiasm

CO-OWNERSHIP: WHO IS AT THE HELM ACROSS EUROPE?

We come at last to the heart of the matter: the moment when co-ownership ceases to be merely a residential backdrop and becomes a decision-making engine. The following table compares eight European legal frameworks based on two straightforward yet foundational questions: who manages the property, and how decisions are reached. Beneath the surface uniformity of a shared physical asset lies an astonishing diversity of legal philosophies.

For France, Belgium, Italy and Spain, three primary fault lines capture the essential differences:

- Management agents: France and Belgium treat property management as a strictly regulated profession, requiring either a *Carte G* licence or IPI accreditation, and making a professional agent mandatory in both countries. Spain takes the opposite approach: a designated co-owner (president) is sufficient, with professional management remaining optional. Italy occupies a middle ground, mandating an administrator only for developments exceeding eight units, while requiring specific training and potentially a formal diploma in the future.
- Voting mechanics: for routine matters, all four jurisdictions rely on a simple majority of attendees. Divergences emerge on major decisions. Belgium requires a 75% to 80% supermajority for structural works. Italy combines two distinct voting criteria, a head-count of owners alongside their fractional share of the building, to limit litigation. France applies a three-tiered majority system calibrated to the importance of the resolution. Spain remains the most flexible regime.
- Reserve funds: France mandates a reserve fund equal to 5% of the annual operating budget, Spain sets a floor of 10%, and Italy goes furthest by requiring full upfront coverage for all approved capital works. Belgium, by contrast, simply recommends its establishment.



Fig. 44

European co-ownership guide

Summary of national legal frameworks

Country	In a nutshell	Who manages?	How are votes taken? (day-to-day management)	Mandatory reserve fund?	Defining feature	Current trend
Germany	System modernised in 2020: co-ownership body is a full legal entity. Online AGMs permitted.	*Verwalter* recommended; IHK certification available upon request (since 2023)	Simple majority of those present (§25 WEG)	Not statutory, but near-universal in practice	Legal entity status (2020 WEG reform); online AGMs permitted	IHK certification established; focus on 3D cadastre integration and energy retrofits
Belgium	Mandatory notarised deed; high voting thresholds (75–80%) for major capital decisions. Professional management agent required.	Mandatory management agent; IPI accreditation required for professionals.	>50% of votes of those present	Not mandatory (recommended)	Mandatory reasoned report required to establish share allocations; 75–80% supermajority for structural works	Civil Code recodification (2020); ongoing debates on mandatory as-built plans by certified surveyors
Spain	Co-owner president required; no professional manager mandated. Share quotas (cuotas) fixed in ownership deed.	Co-owner president mandatory; external Administrator optional	Simple majority of those present (Art. 17.7 LPH)	Yes — minimum 10% of annual budget (since 2022)	Restriction of short-term holiday rentals (e.g. Airbnb) permitted by 3/5 supermajority (2023 reform)	Crackdown on short-term holiday rentals; reinforced by Supreme Court ruling (10/2024)
France	Highly regulated regime featuring a mandatory management agent and a three-tiered majority voting structure unique in Europe	Professional management agent (*Carte G* holder) or volunteer; Mandatory.	Simple majority of those present (Art. 24)	Yes — minimum 5% per annum of operational budget (ALUR Law 2014)	Three distinct majority levels (Art. 24/25/26) plus voting bridge mechanism (Art. 25-1)	Mandatory multi-year maintenance plans (PPT) and collective DPE energy audits (2023–2026); energy retrofits driving policy
Italy	~50% of population in co-ownership; fractional shares (millesimi) core to system. Property disputes account for ~35% of civil cases.	Administrator mandatory for >8 units; formal training required	>50% of those present + >1/3 of millesimi (2nd call)	Yes — fund must cover 100% of approved capital works	Lift maintenance allocated by floor level (Art. 1124 C.C.); statutory financial penalties (€200–€800)	End of the "Superbonus 110%" incentive; draft legislation (2025) proposing university degree requirement for administrators
Poland	Post-communist heritage; distinction between small (≤3 units) and large (>3 units) communities (*wspólnota*). First major overhaul in 30 years underway.	Board of Directors (*Zarząd*) or external manager (*Zarządca*); licensing abolished in 2014	Absolute majority of total building shares (>50% of all *udziały*)	Not statutory (widespread in practice)	Forced judicial sale of unit permitted for severe arrears (Art. 16); strict legal distinction based on building scale	Reform (2026): legal definition of *wspólnota*; simple majority for postal voting
Portugal	AGM minutes constitute an enforceable title directly (no court judgment needed). Major reform in 2022.	Administrator mandatory; No professional certification required.	>50% of those present	Yes — minimum 10% of annual revenue	AGM minutes act as enforceable titles; mandatory debt-free declaration required upon sale (Law 8/2022)	Law 8/2022: enhanced transparency, 3 mandatory quotes for works, electronic voting/signatures accepted
United Kingdom	No co-ownership in the continental sense; "Feudal" leasehold system being phased out in favour of commonhold.	Management agent or RTM; no mandatory certification (under consultation)	Determined by individual lease terms — no uniform statutory rule	Recommended (RICS code of practice) but not statutory	Historical structural transition: leasehold to commonhold; ground rents capped at £250 then peppercorn	Draft Bill (01/2026): ban on new leasehold apartments with a strategic goal to end leasehold within 5 years

Source: C-Ways compilation, synthesis of national legislation, and CLGE Condominium Compendium 2023

MANAGEMENT AGENTS PROVIDE REASSURANCE, BUT DIVIDE OPINION AMONG CO-OWNERS

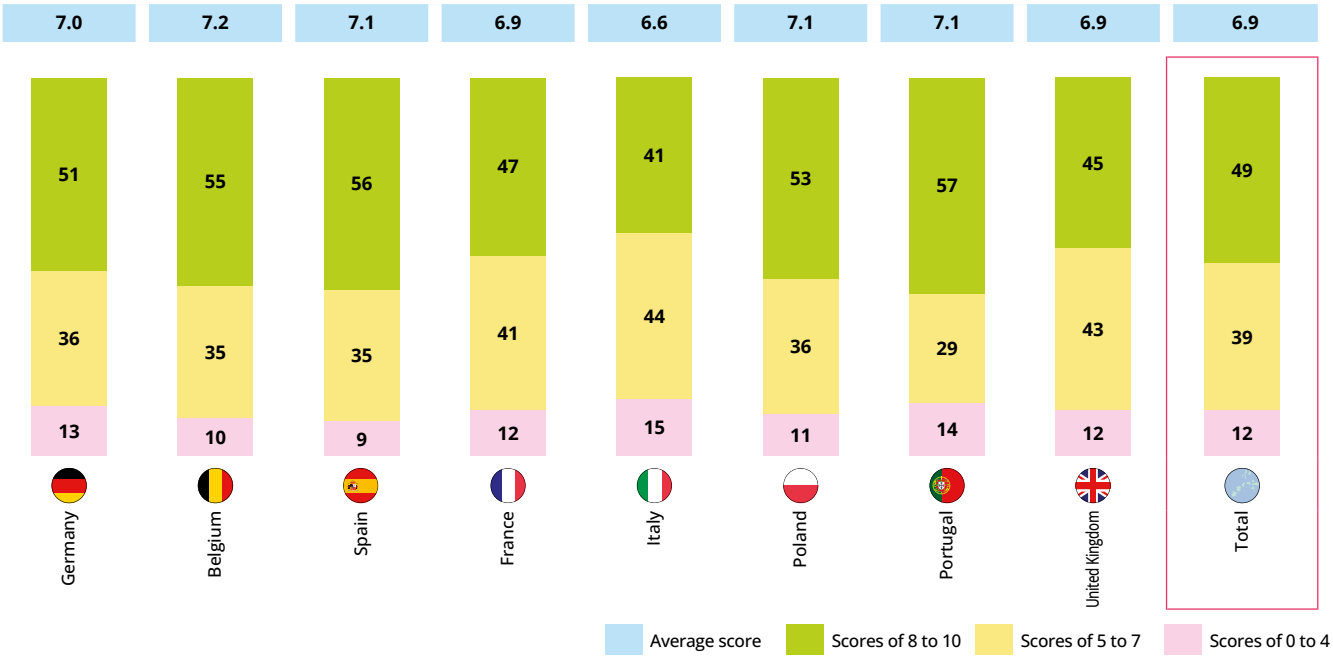
Management, whether structured as a management agent or administrator, inspires genuine if measured satisfaction. On a scale of 0 to 10, European co-owners award their management agents an average score of 6.9. Roughly half express clear satisfaction, assigning scores between 8 and 10. Conversely, a 12% minority proves resolutely critical, rating their manager below 5. The management agent thus inspires cautious approval rather than unreserved endorsement. The analysis of the focus countries confirms the hierarchy observed earlier. Portugal, Spain and Belgium register the highest satisfaction levels, with approximately 55% of co-owners awarding top marks. They are followed by a more reserved France at 47% and a distinctly more critical Italy at just 41%.

This final figure completes the Italian profile: a country where co-owners are highly engaged yet hold their property management in low regard, a hallmark of a more contentious relationship with collective governance. Satisfaction with the property management thus serves as an accurate reflection of the overall climate within a co-ownership. These cross-national disparities closely align with differing legal models. Spain achieves the highest satisfaction despite requiring no professional management agent. Belgium, which mandates an accredited agent, follows closely behind, demonstrating that a strict regulatory framework can reassure residents without necessarily generating enthusiasm. Conversely, Italy brings up the rear despite mandating a trained administrator, in a country where co-ownership disputes reportedly account for nearly one third of civil litigation. The presence of a professional manager is therefore not enough to restore harmony: the prevailing decision-making culture matters every bit as much as the legal framework.

Fig. 45

On a scale of 0 to 10, how satisfied are you with the way your building is managed by your management agent (or administrator)?

All co-owners, in %



Source: Observatoire Cetelem de l'habitat, 2026

DECISIONS GET MADE, WITH A SLIGHT STUMBLE ON EXECUTION

The ultimate test remains: the quality of the decision-making process itself. When asked how choices are made—whether regarding building works, maintenance, service providers or financing—co-owners view the mechanism as broadly consensus-driven (79%) and well suited to handling urgent matters (78%). Conversely, slightly fewer consider it effective, at 75%.

All three dimensions are neck-and-neck, pointing to an operational model that is generally well received. Yet the minor lag in effectiveness is revealing: residents reach agreement and react promptly, without always feeling confident that decisions will translate into action. Execution is the weakest link in the chain.

Italy provides a prime example of this paradox. Its co-owners are among the most likely to view their decisions as consensus-driven (82%), yet among the least likely to deem them effective (just 70%).

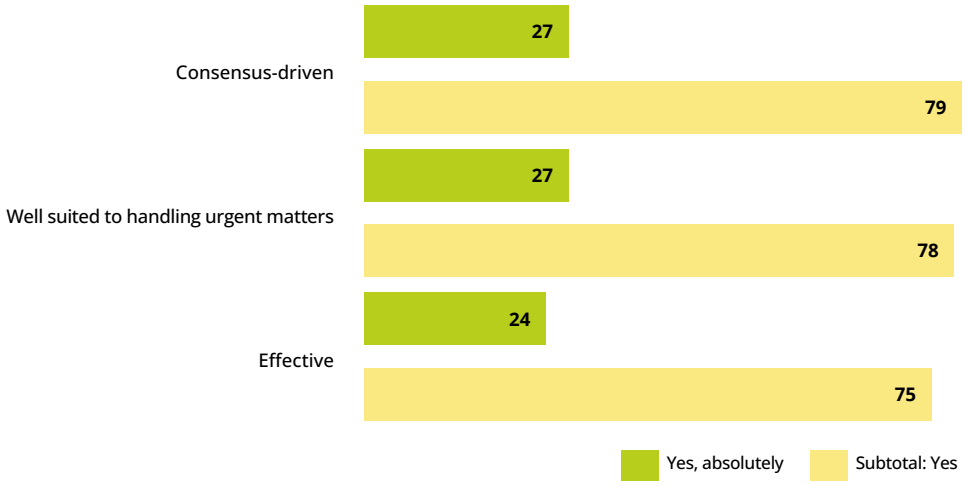
Residents there reach an agreement, but without always achieving results. Belgium presents the opposite picture: solid perceived effectiveness (78%), but the lowest consensus and responsiveness scores among the four focus countries (73% for each).

Spain registers high marks across the board, reaching 82% on consensus and 80% on emergency responsiveness, while France displays the most balanced profile, hovering between 76% and 78% across all three metrics. Each country thus exhibits its own specific vulnerability, but everywhere it is the ability to turn agreement into concrete action that remains the most uncertain, even if scores stay comfortably in majority territory (averaging 75%). Legal frameworks help explain these profiles: the high supermajorities required in Belgium for major decisions safeguard consensus but slow response times, whereas in Italy the weight of fractional ownership shares and frequent litigation hamper execution effectiveness.

Fig. 46

Would you say that, in your co-ownership, the decision-making process is usually consensus-driven, well suited to handling urgent matters, and effective?

All co-owners, in % answering **"Yes"**, of which **"Yes, absolutely"**



Source: Observatoire Cetelem de l'habitat, 2026

KEY FIGURES

76% of Europeans

are comfortable with collective decision-making, while **37%** actively see a benefit in shared governance

65 %

consider it preferable for every resident to have a say regarding energy choices for their building or neighbourhood

75 %

of co-owners consider their property to be well managed, and **78%** feel that their views are taken into account



6.9/10

average score awarded to management agents, with Italy expressing the most critical outlook (41% assigning scores of 8–10)

The decision-making process

is widely viewed as consensus-driven (79%) and well suited to handling urgent matters (78%), though slightly less so on effectiveness (75%)

Italy stands out:

the highest levels of resident engagement (72–73%) and consensus (82%), yet trailing on management satisfaction (68%) and execution effectiveness (70%)

CONCLUSION

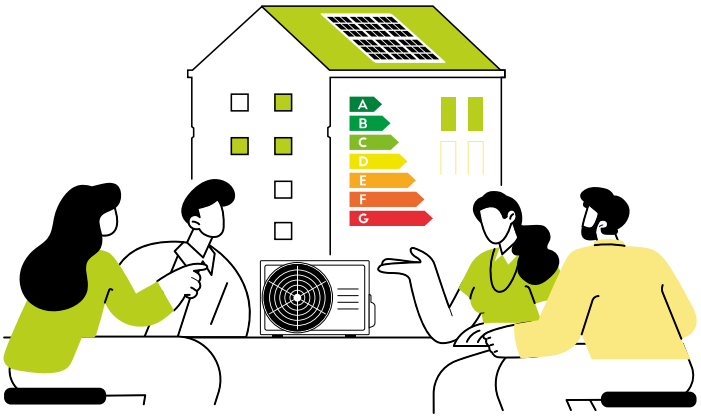
Co-ownership lives up to its reputation as a river that is generally calm on the surface, yet prone to turbulent undercurrents whenever joint decisions must be reached.
Europeans broadly embrace the principle of shared governance. Roughly 76% express comfort with collective decision-making. A distinct majority also consider their property well managed (75%) and feel that their views are taken into account (78%). This calm facade, however, should not obscure a deep-seated attachment to having a say, nor the inherent friction of collective action, namely, reaching consensus and executing efficiently. Indeed, the sole genuine grievance voiced against co-ownership is precisely the necessity of deciding alongside others.

A primary fault line runs through this landscape, and it is strictly national.
Italy occupies a singular position: highly engaged and relatively consensus-driven, yet noticeably dissatisfied with its property management and the least convinced of its decision-making effectiveness. By contrast, Spain and Belgium enjoy a more harmonious governance climate, while France sits in an intermediate position with a generally favourable view of its management.

Ultimately, the decision-making engine functions, albeit with more pronounced reservations regarding execution; agreement does not always translate into action.
It is precisely this ability to bridge the gap between intent and realisation that will be tested in the third section, as the focus shifts to energy retrofits.

3

Energy renovation: first and foremost a collective challenge



Following the 2022 energy crisis, Europe has regained a degree of stability: emissions are falling, energy bills are easing, and fuel poverty is declining. However, concerns over purchasing power and energy costs persist. At the same time, the momentum behind renovation is slowing down, even though older housing stock still requires widespread transformation.

This transformation hits a particular bottleneck in co-owned properties, where decision-making and financing are shared. From energy use and collective renovation through to financing, the same pattern emerges: while households support the principle, they are waiting for proof that the investment will be cost-effective and affordable. Two variables remain key: finances and the size of the building.

Housing energy transition is underway, but the appetite for renovation is fading

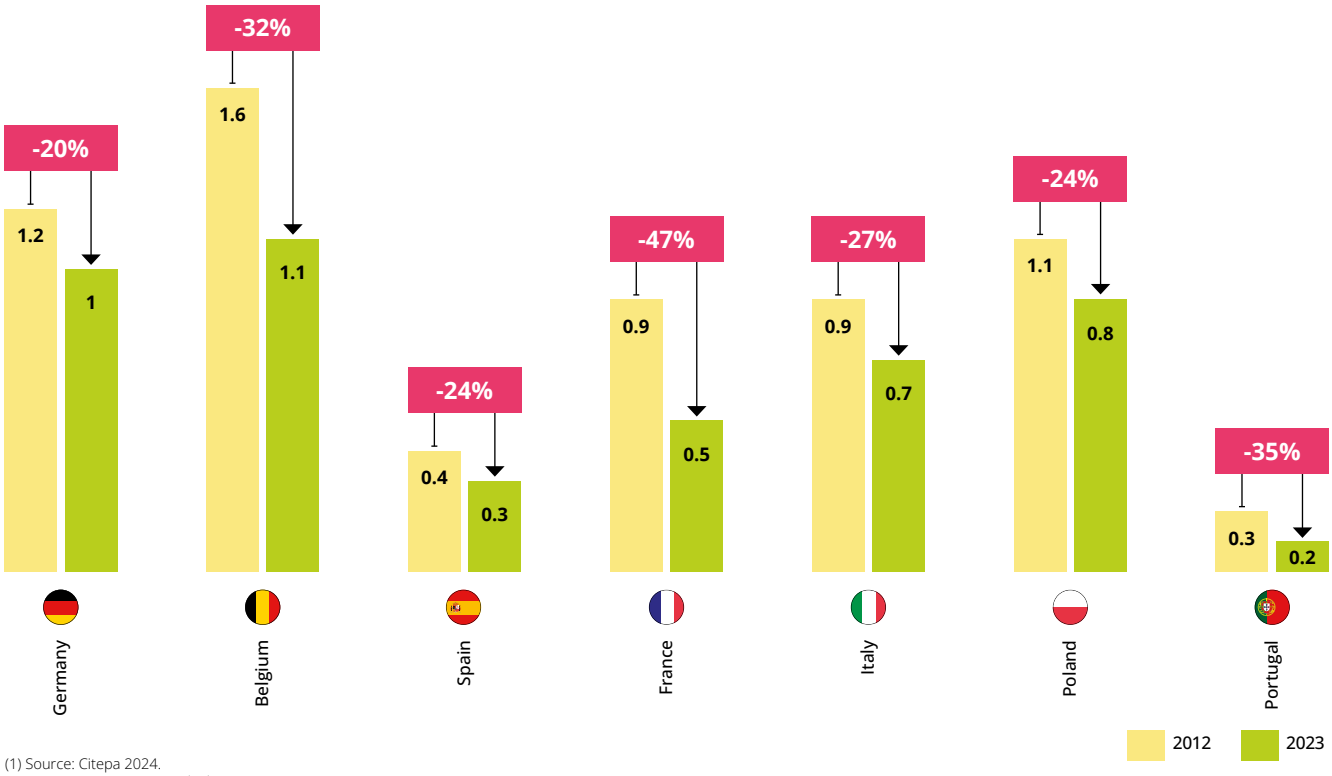
A RESIDENTIAL HOUSING STOCK THAT IS DECARBONISING

It's worth starting with some good news, which remains rare in the context of climate matters: residential greenhouse gas (GHG) emissions per capita are falling across all countries surveyed. France has recorded the most dramatic reduction (down 47% since 2012, from 0.89 to 0.47 tCO_2eq per capita), driven by the decarbonisation of its energy mix and improvements in the energy efficiency of its building stock. Belgium (-32%) and Germany (-20%) are also making progress, but remain the highest emitters in the group. Residential housing, which accounts for around 16% of territorial emissions in France, therefore remains a major lever for decarbonisation and achieving climate targets.(1)

Fig. 47

Residential GHG emissions per capita

Tonnes CO_2eq per capita



(1) Source: Citepa 2024.
Source: Eurostat, C-Ways calculations

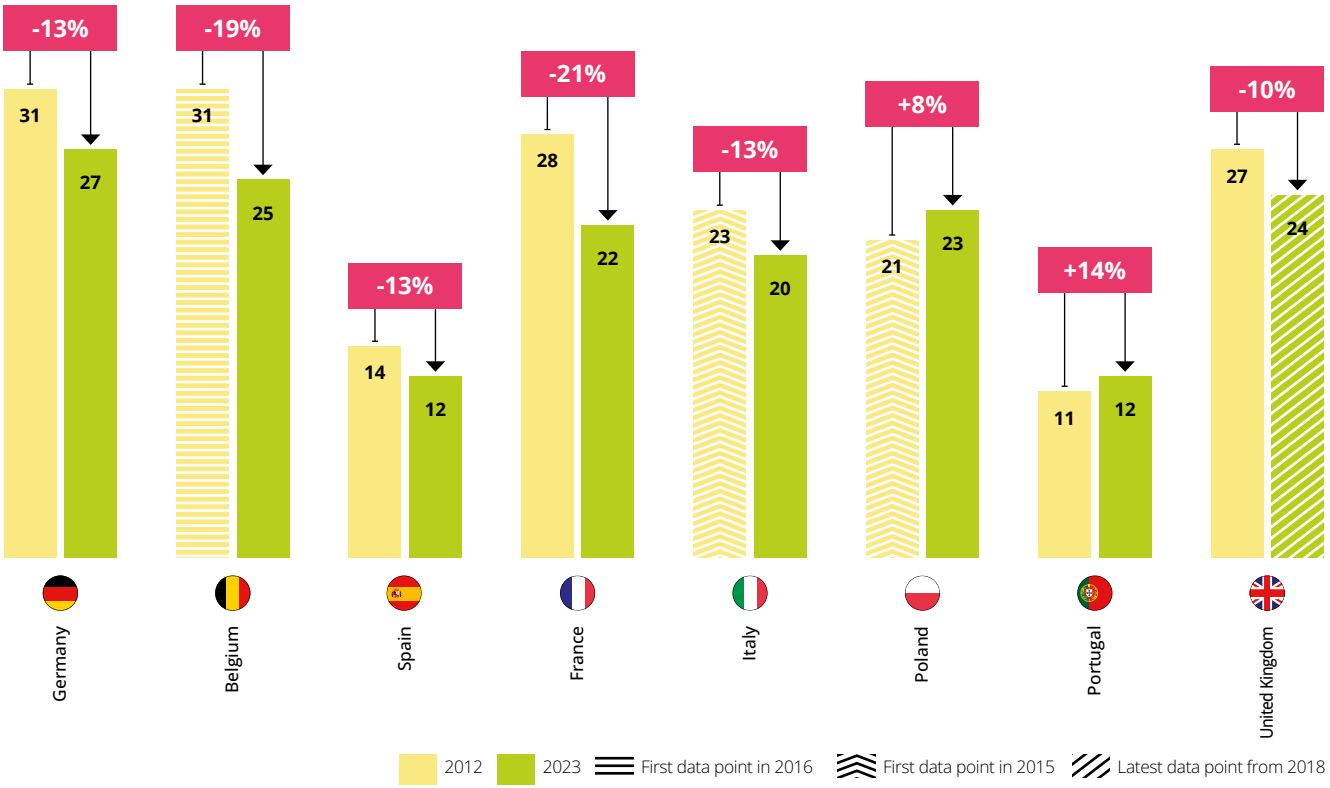
This drop is driven by two main dynamics:

- Per capita residential energy consumption has fallen since 2012 in most countries: down 21% in France, 19% in Belgium and 13% in Germany and Italy. This decline stems from converging factors: gains in energy efficiency, higher performance in recent building developments and public renovation subsidies (such as Italy's Superbonus scheme at 1.4% of GDP and MaPrimeRénov' in France). However, it is also driven by the rise in energy prices since the 2022 energy crisis, which has forced households to curb their consumption.

Fig. 48

Residential energy consumption per capita

GJ per capita



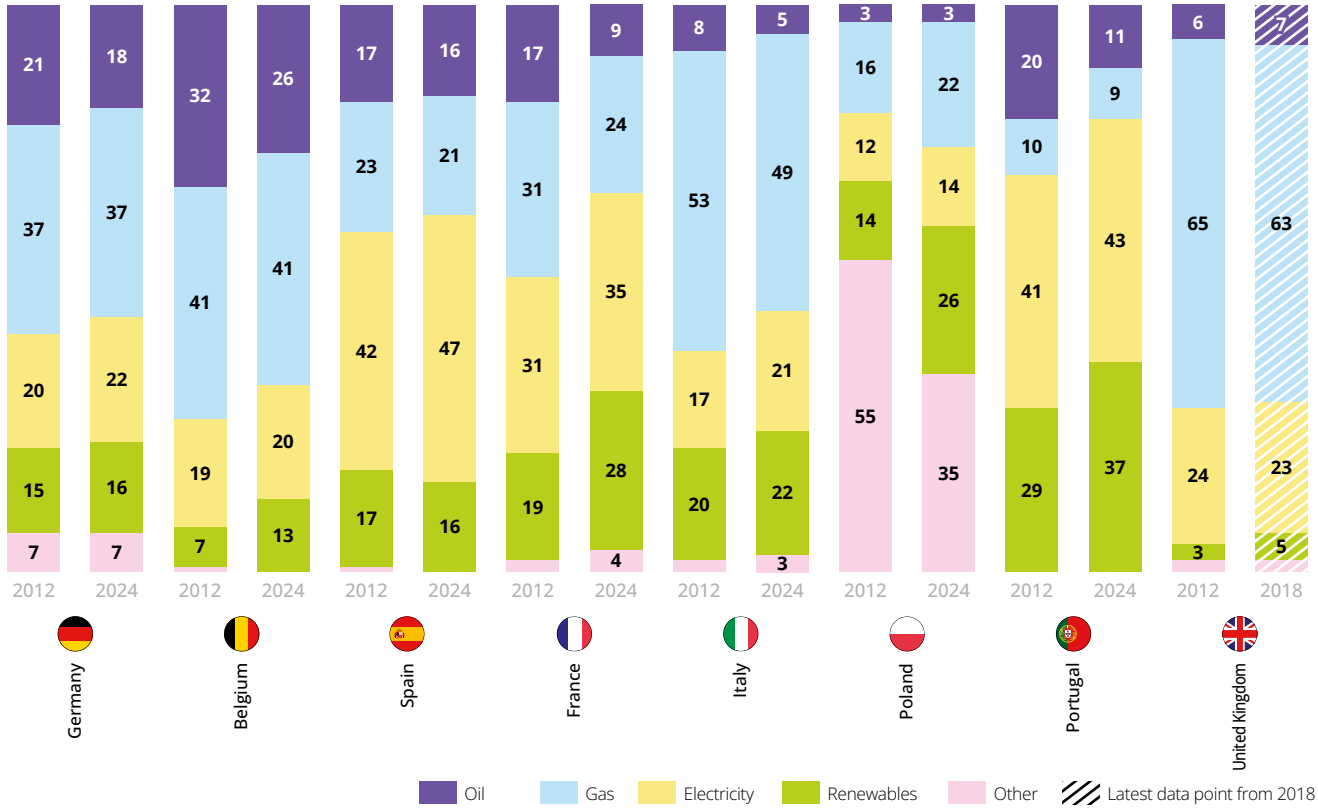
Source: Eurostat, C-Ways calculations

- The residential energy mix is becoming greener. The share of fossil fuels, namely gas and oil, is falling almost everywhere, with France and Portugal leading the way, both recording a drop of 10 to 15 percentage points since 2012. At the same time, renewables are making strong progress: Poland has nearly doubled its share, while France and Portugal have gained close to 10 percentage points. Electricity is also gaining ground, particularly in France and Spain. Finally, in Poland, the "other" category, dominated by coal and district heating, has fallen sharply, falling from over half of the residential mix in 2012 to just over a third in 2024.

Fig. 49

Residential energy mix by country

In %



The blind spot remains: older housing stock. Homes built before 1970 consume up to three times more energy than recent builds,(1) and this energy-inefficient housing stock weighs heavily, accounting for anywhere between one third and nearly two thirds of total housing depending on the country. As a reminder, Germany (52%) and especially Belgium (63%) are the most heavily affected, with the highest share of older homes needing renovation.(2) Retrofitting older housing is therefore a critical challenge.

(1) Source: Gevorgian A. et al., European Building Stock Analysis, Eurac Research / TU Wien, 2021. (2) Source: EU Building Stock Observatory / Eurostat Census.
Source: Eurostat, C-Ways calculations

THE ENERGY BILL EASES ITS GRIP

In 2025, energy remains structurally expensive.[1] Across the board, electricity and gas prices are sitting well above pre-crisis levels. France shows the sharpest increases in the panel over the past decade: up 91% for electricity and 104% for gas since 2012. Since the peak in 2022, several countries have admittedly seen their bills fall, in some cases significantly. Gas prices have dropped by nearly half in Spain and a third in Belgium, while electricity has fallen by more than 40% in Poland. However, this downturn has not reached France or Germany, where prices have remained at record highs.

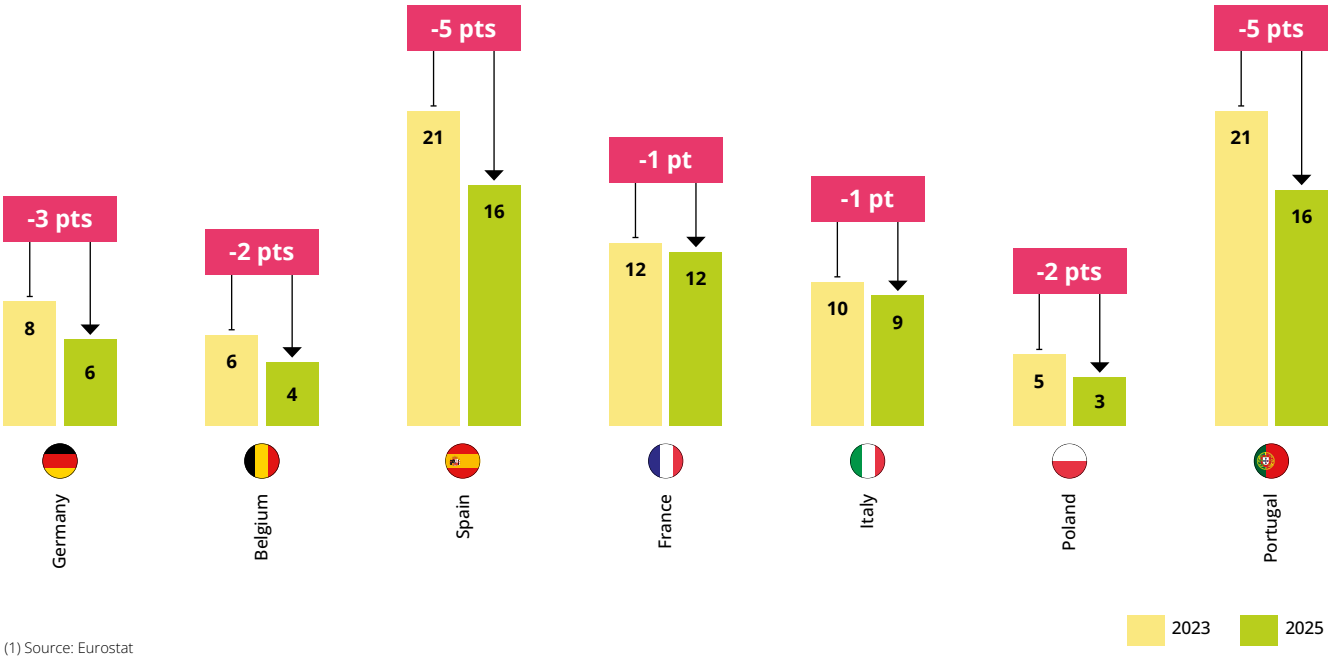
Yet these high prices have not prevented the pressure from easing. Fuel poverty, defined as the inability to keep a home adequately warm, fell almost everywhere between 2023 and 2025, following the peak of the crisis. The decline is marked in Spain and Portugal, which have both dropped by nearly 5 percentage points, and is also visible, though more subtle, in Germany and Belgium. While national figures still vary widely, the overall trend is clear: Europe has absorbed the 2022 gas crisis in the housing sector.

There is, however, one exception: France. Starting from a very low baseline, its fuel poverty rate more than doubled during the crisis and remains at around 11.5% in 2025, showing almost no sign of falling even as its neighbours improve. This respite must nevertheless be interpreted with caution. Collected before or at the very start of the new gas crisis sparked in early 2026 by Middle Eastern tensions, these data and survey responses do not yet reflect its impact, which could redraw the landscape this year.

Fig. 50

Fuel poverty – Inability to keep the home adequately warm

% of the population



(1) Source: Eurostat

Source: Eurostat

The easing of energy pressure is also reflected in how households perceive their budgets. Between 2024 and 2026, the feeling of having an excessive energy budget fell by 7 percentage points: it now concerns just 31% of Europeans, while 69% now view their budget as reasonable or low.

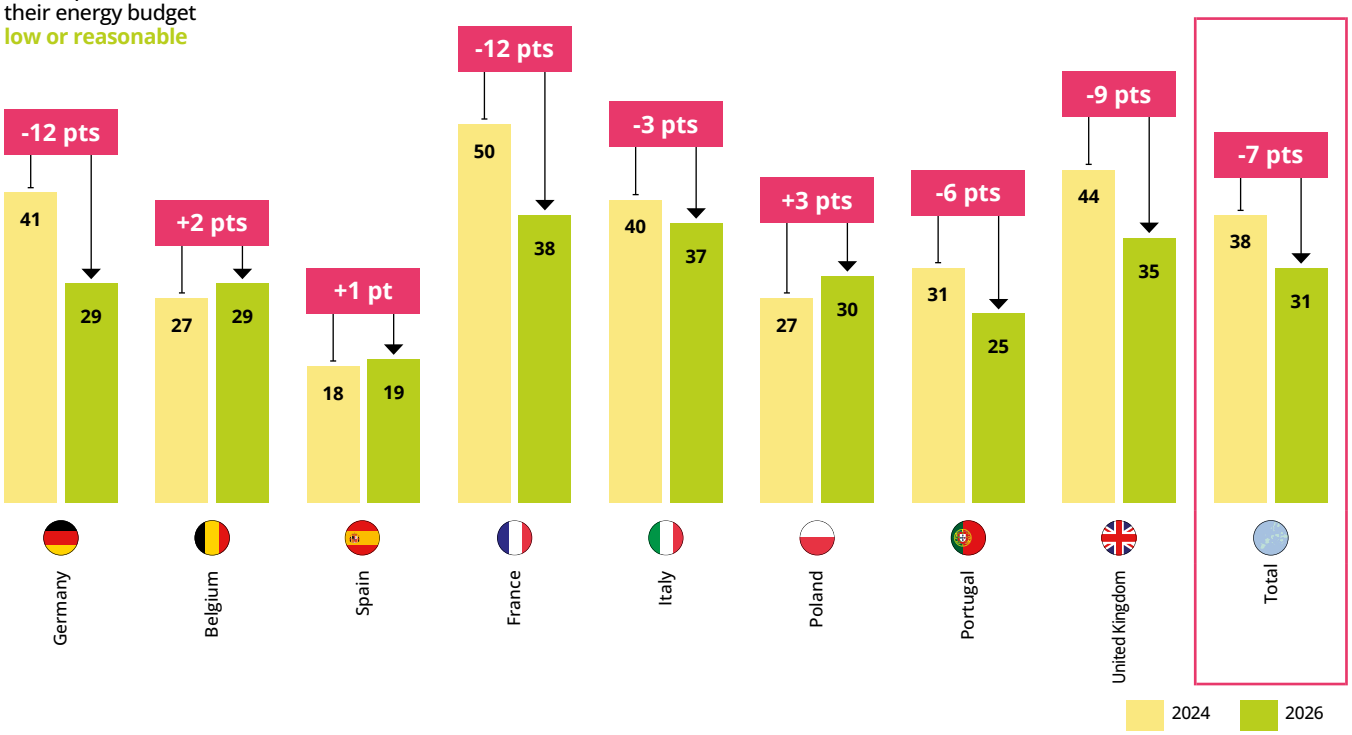
This easing is widespread, and the gap between countries has narrowed significantly, from 32 down to 19 percentage points. Finally, one last divide runs across the whole of Europe and will thread through the rest of this section: tenants (36%) feel their energy budget is a heavier burden than homeowners do (29%).

Fig. 51

We will now talk more specifically about energy expenditure in your home. Would you say that the budget spent on energy in your home, considering your usage and the type of housing you occupy, is...?

All respondents, % answering **"Excessive"**

69%
of Europeans consider their energy budget **low or reasonable**



Source: Observatoire Cetelem de l'habitat, 2024 & 2026

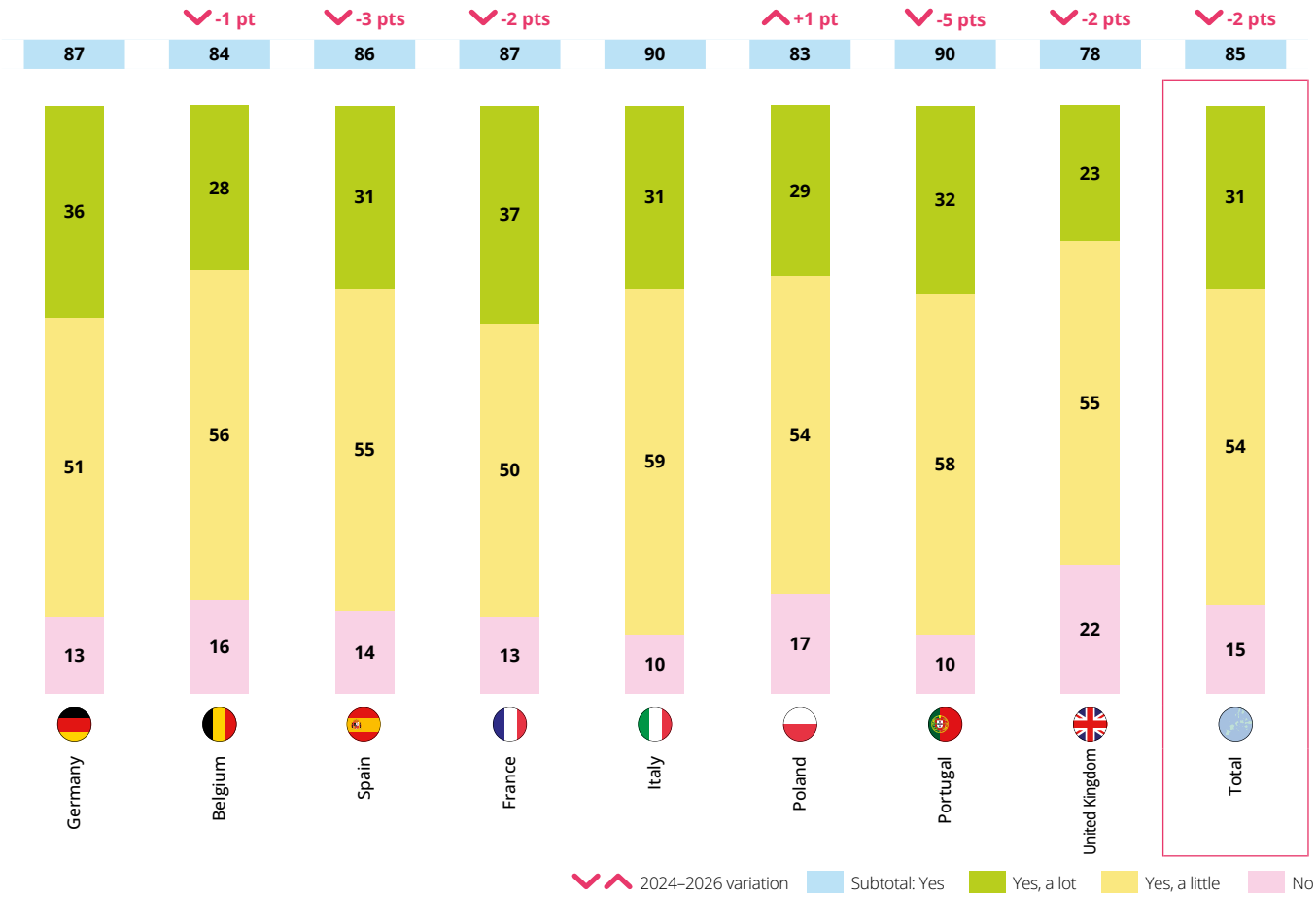
ENERGY SOBRIETY TAKES HOLD, AS RENOVATION APPETITE WANES

The respite from high energy bills has not erased the habits it established. Between 2024 and 2026, the pursuit of energy savings remains near-universal, embraced by 85% of Europeans and dipping only slightly (down 2 percentage points), while the gap between countries continues to narrow (from 15 down to 12 percentage points). Energy sobriety has established itself as the norm: less a political statement than a common-sense financial habit inherited from the 2022 crisis. It persists even as price pressure eases, driven by ongoing anxieties about the future. Once formed, the habit survives the calm.

Fig. 52

Generally speaking, do you try to reduce energy consumption in your home?

All respondents, in %



Source: Observatoire Cetelem de l'habitat, 2026

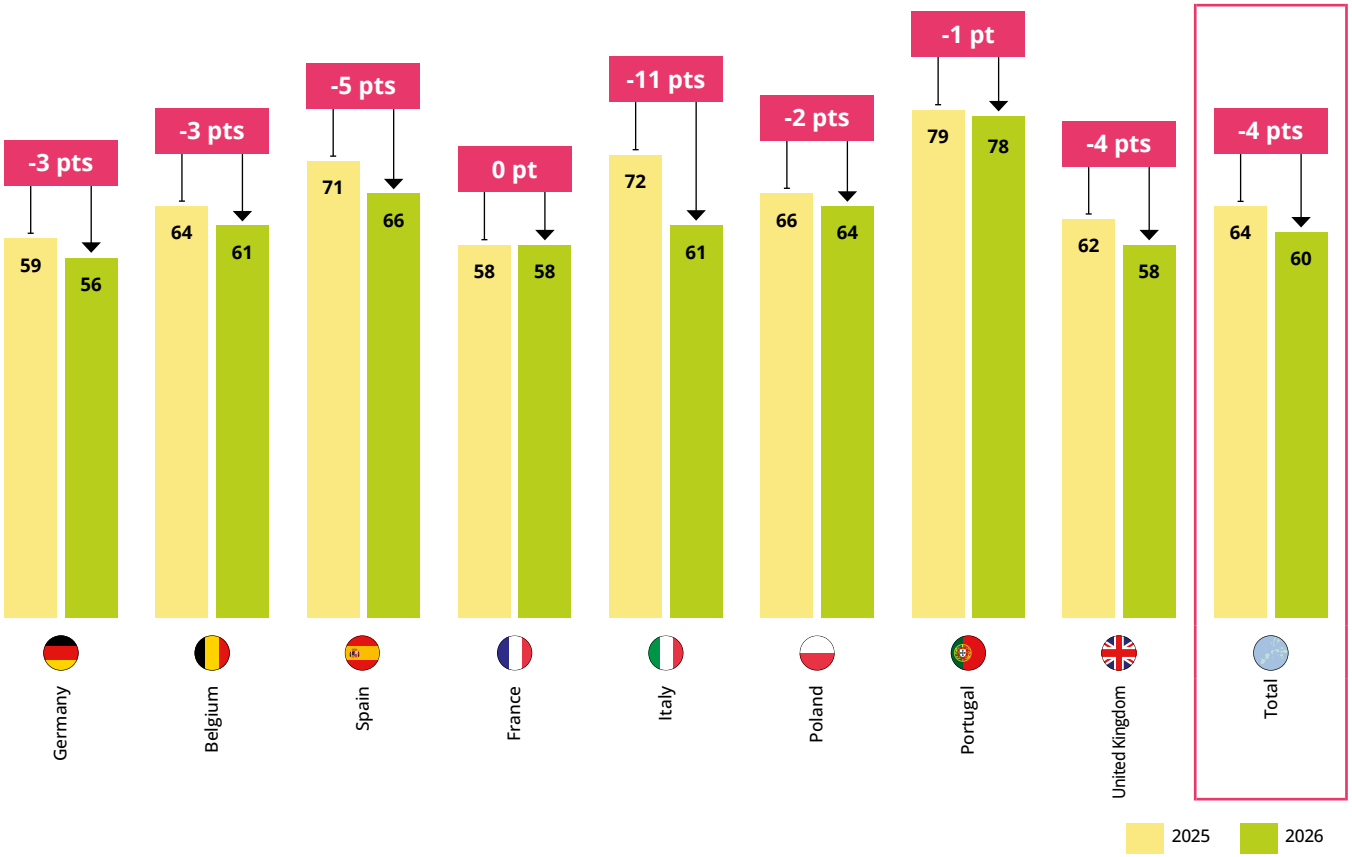
Attitudes towards renovation, meanwhile, are shifting in subtle ways. For instance, 6 in 10 Europeans still believe that building works could improve the energy efficiency of their home, homeowners (62%) more so than tenants (57%), but this sentiment declined across all countries between 2025 and 2026. This retreat can be interpreted in two ways:

- As energy bills weigh slightly less heavily on day-to-day budgets, the perceived urgency to act is waning. At the same time, the progress already achieved, such as the decarbonisation of the housing stock and lower consumption levels highlighted above, reduces the perceived need for some households.
- Yet the objective need remains completely unchanged: an ageing housing stock, predominantly built before 1970, that consumes up to three times more energy than new builds. Herein lies the paradox: the perceived pressure is easing faster than the underlying problem is being solved. The question now is how households and local authorities will tackle this challenge.

Fig. 53

Do you think works could be carried out to improve the energy efficiency of your home (insulation, heating system, etc.)?

All respondents, in %



Source: Observatoire Cetelem de l'habitat, 2026

ENERGY SOBRIETY PROJECTS, DRIVEN BY THE CURRENT MOMENTUM OF LOCAL REGIONS

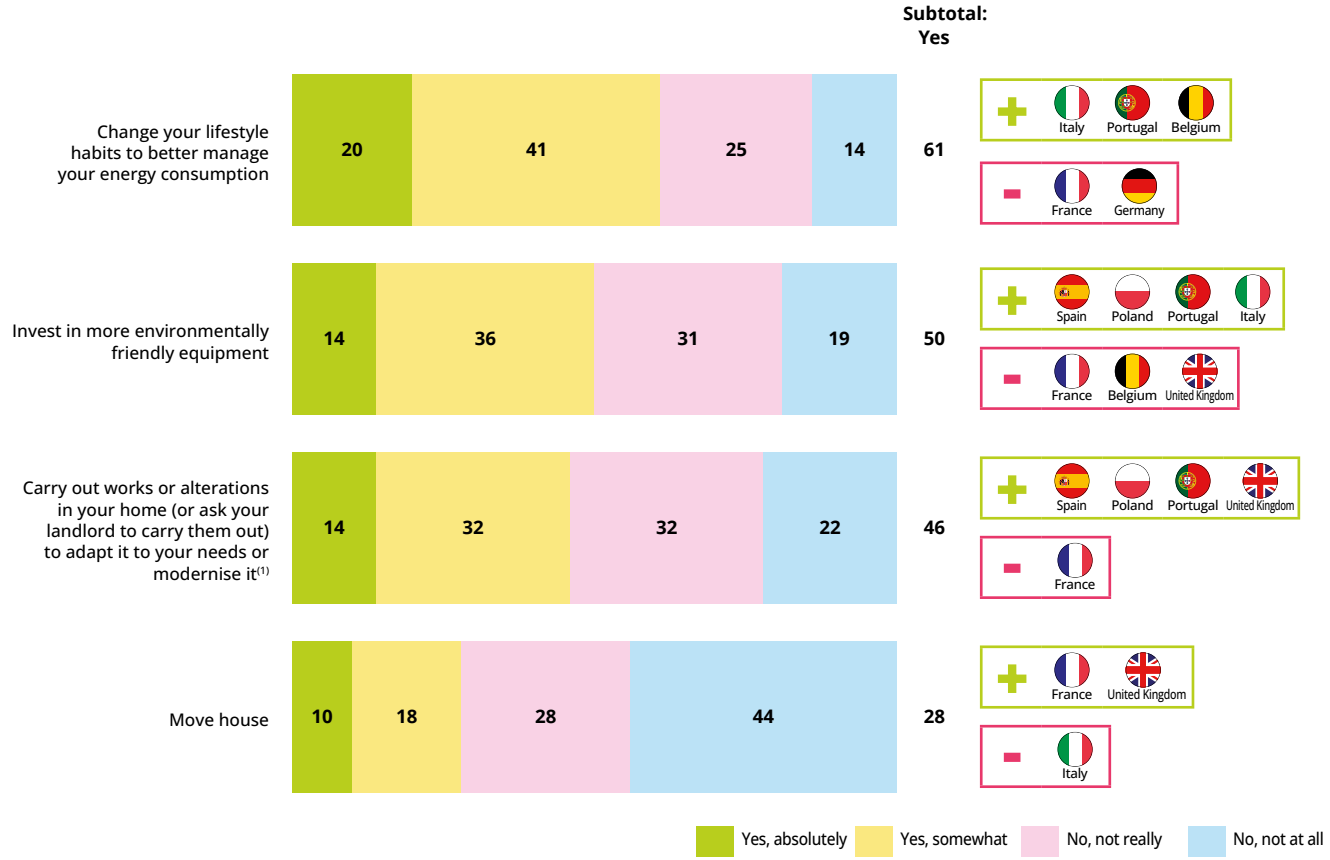
Projects for the year ahead build on this energy sobriety that has become second nature. However, the more costly or demanding a project is, the fewer Europeans plan to undertake it. A majority intend first and foremost to adjust their consumption habits, the simplest step.

As soon as investment is required, intentions fall away: 1 in 2 plans to buy more efficient equipment, 46% intend to carry out adaptation works, and only 28% consider moving house, an option that half categorically rule out. Over a two-year period construction work and relocations have increased modestly, indicating a slow market recovery.

Fig. 54

Over the next 12 months, do you plan to do any of the following?

All respondents, in %



(1) In the 2024 survey, this criterion was phrased as "Carry out works in your home to adapt it to your needs".
Source: Observatoire Cetelem de l'habitat, 2026

The geographical pattern of taking action mirrors the findings on household budgets in Part 1.
It is the most economically dynamic countries—Portugal, Spain and Poland—that show the strongest desire to act.
Conversely, Germany and France are taking a more cautious approach, adopting a wait-and-see stance. The motivation to act therefore appears to be driven less by fear than by the resources available.
Households take action when their financial situation allows it. Yet today, that is not the case for everyone.

HOUSEHOLD CONCERNS RISE EVEN AS INFLATION FALLS

And yet, anxiety persists, as though following its own logic, detached from the momentum to take action.
It is fuelled primarily by energy and purchasing power, which were already central to the budget analysis.

The most striking aspect lies elsewhere: these concerns have grown over a two-year period, even as prices have adjusted following previous inflationary peaks, suggesting that consumers confidence is rebuilding much more slowly than inflation is easing.

Crucially, the map of anxieties does not overlap with the map of projects. Concern peaks in Poland and Italy, but fades in Germany and Spain. Spain, however, is taking significant action while remaining calm, whereas France harbours high levels of anxiety yet moves very little.

The takeaway is clear: whether it comes to buying more efficient equipment, undertaking renovation works or moving to a more energy-efficient home, taking action stems not from fear, but from having the means to do so.
Anxiety raises awareness, but only financial capacity truly enables action.

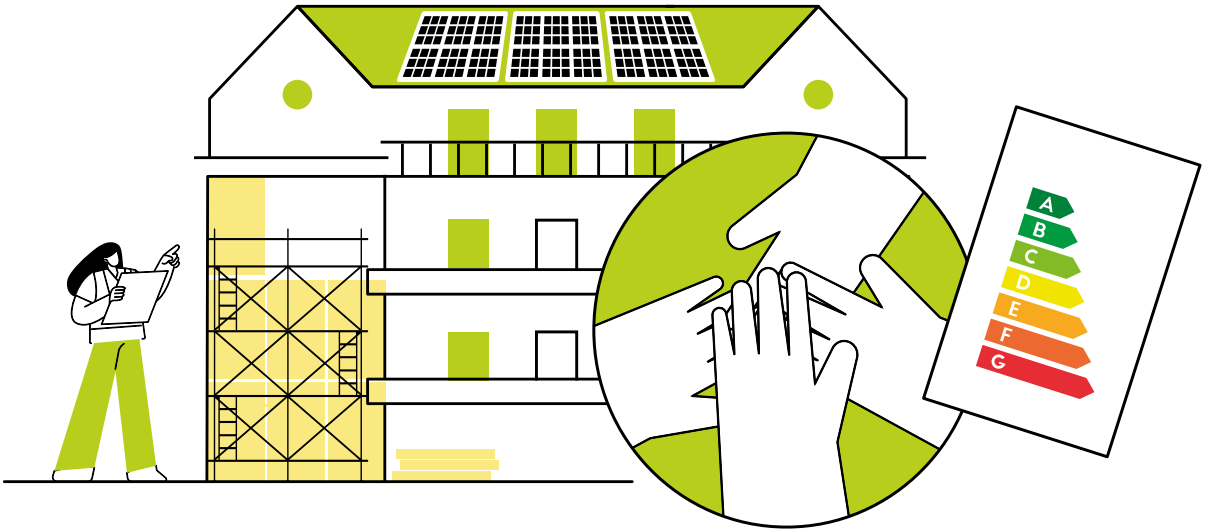


Fig. 55

Over the coming year, are you worried that you will face difficulties regarding each of the following areas?

All respondents, % who answered **"Yes".**



This finding dictates the remainder of this section: if taking action depends far more on financial capacity than on anxiety, then energy efficiency retrofits will founder less on buy-in than on collective decision-making and funding, two hurdles that are particularly high in co-owned properties.

(1) In the 2024 survey, this criterion was phrased as "Heating your home to a comfortable temperature".
Source: Observatoire Cetelem de l'habitat, 2026

In co-owned properties, willingness alone does not get works underway

Energy efficiency retrofits require cooperation on a collective scale. Yet it is precisely in co-owned developments, where decisions must be taken jointly, that the hurdle is highest. As a reminder, the 2026 Observatoire Cetelem de l'habitat specifically surveyed co-owners across eight countries. The analysis of decision-making in co-owned properties, both here and in the following section on financing, focuses on the four target markets: *France, Italy, Spain and Belgium*.

INDIVIDUALLY, CO-OWNERS ARE RECEPTIVE TO ENERGY RETROFITS

Taken individually, co-owners are well-versed in energy retrofitting. Indeed, 2 out of 3 consider themselves informed about retrofit solutions, are interested in them and are aware of both potential energy savings and funding options. The topic is therefore neither ignored nor misunderstood.

However, this level of awareness is uneven, particularly across different financial profiles: information levels rise to 79% in affluent co-owned developments, but fall to around 50% in more financially constrained properties. Property size follows the same trend: co-owners in small properties with fewer than five units report being significantly better informed (around 75%) than larger developments of more than twenty units (around 60%).

Fig. 56

Regarding energy efficiency retrofits for the buildings and units in your co-owned property, would you say that the co-owners…?

All co-owners, % who answered **"Yes"**



Source: Observatoire Cetelem de l'habitat, 2026

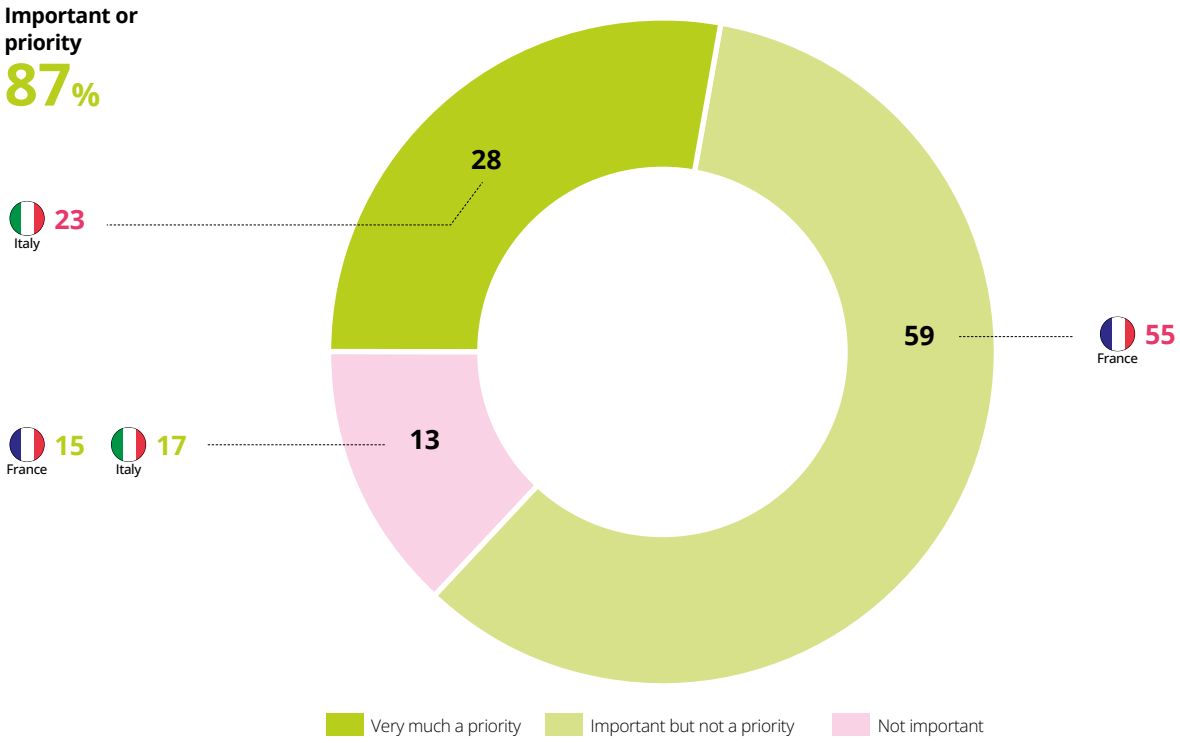
And the stakes are widely recognised: 87% of co-owners consider renovation important, with Belgium leading the four surveyed countries, ahead of Spain, France and Italy. Yet, much like awareness, conviction follows financial capacity and property size: energy retrofitting is judged important by 94% of affluent co-owned developments compared to 77% of the most financially constrained, and by 91% of small properties versus 82% of larger ones.

Co-owners themselves are the first to demand higher standards: nearly 7 in 10 believe that not enough is being done regarding at least one aspect of their building, with energy efficiency retrofits topping the list of shortcomings (38%, rising to 47% in Italy).[1] Readiness, then, is not the issue: informed, convinced and eager for change, co-owners individually possess every reason to move forward.

Fig. 57

In your co-owned property, would you say that energy efficiency retrofits for the buildings and apartments are a topic that is...?

All co-owners, in %



(1) Source : Observatoire Cetelem de l'habitat, 2026. "Within your co-owned property, generally speaking, do you feel that too much, not enough, or just the right amount is being done to improve the condition of the building regarding energy efficiency retrofits?"
Source: Observatoire Cetelem de l'habitat, 2026

COLLECTIVELY, AGREEMENT ON ENERGY EFFICIENCY RETROFITS BECOMES MORE COMPLEX

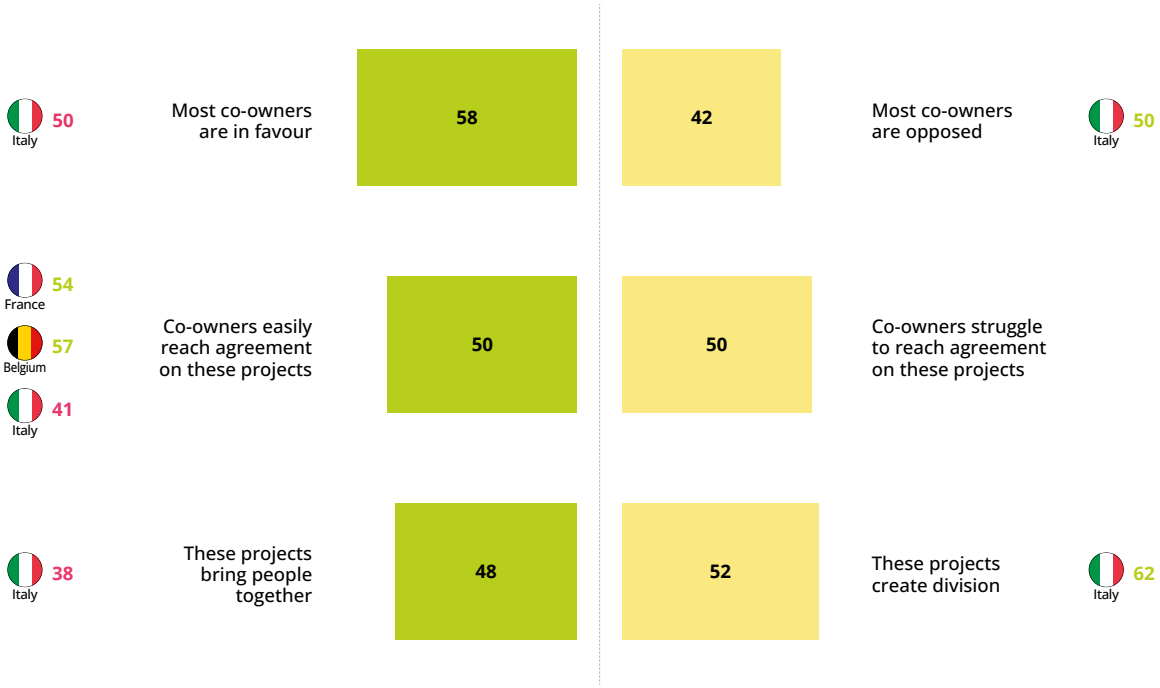
While co-owners are ready to act when making decisions for themselves, momentum flags as soon as they must act as a group and make a commitment. In principle, 6 in 10 believe their neighbours favour retrofit projects, but only half consider that they reach agreement easily.

The same divide observed with information levels re-emerges here: agreement increases with financial ease and smaller property size (64% in favour in affluent co-owned developments, 63% in properties with fewer than five units), whereas in large complexes and financially constrained properties, projects prove more divisive (62% in lower-income co-owned properties, 55% in developments with more than 20 units).

Fig. 58

Still on the subject of building and apartment energy efficiency retrofit projects, would you say that most of the time...?

All co-owners, in %



Source: Observatoire Cetelem de l'habitat, 2026

RETROFITTING IS SLOW TO MOVE FROM INTENTION TO ACTION

Actual progress, however, is struggling to follow suit. When asked about their real stage of advancement, barely more than half of co-owners have initiated an energy efficiency retrofit process, with most remaining at the audit stage.

When it comes to concrete action, Belgium (29%) and France (26%) are ahead of Spain (21%) and Italy (19%) in terms of completed works or formally approved projects.

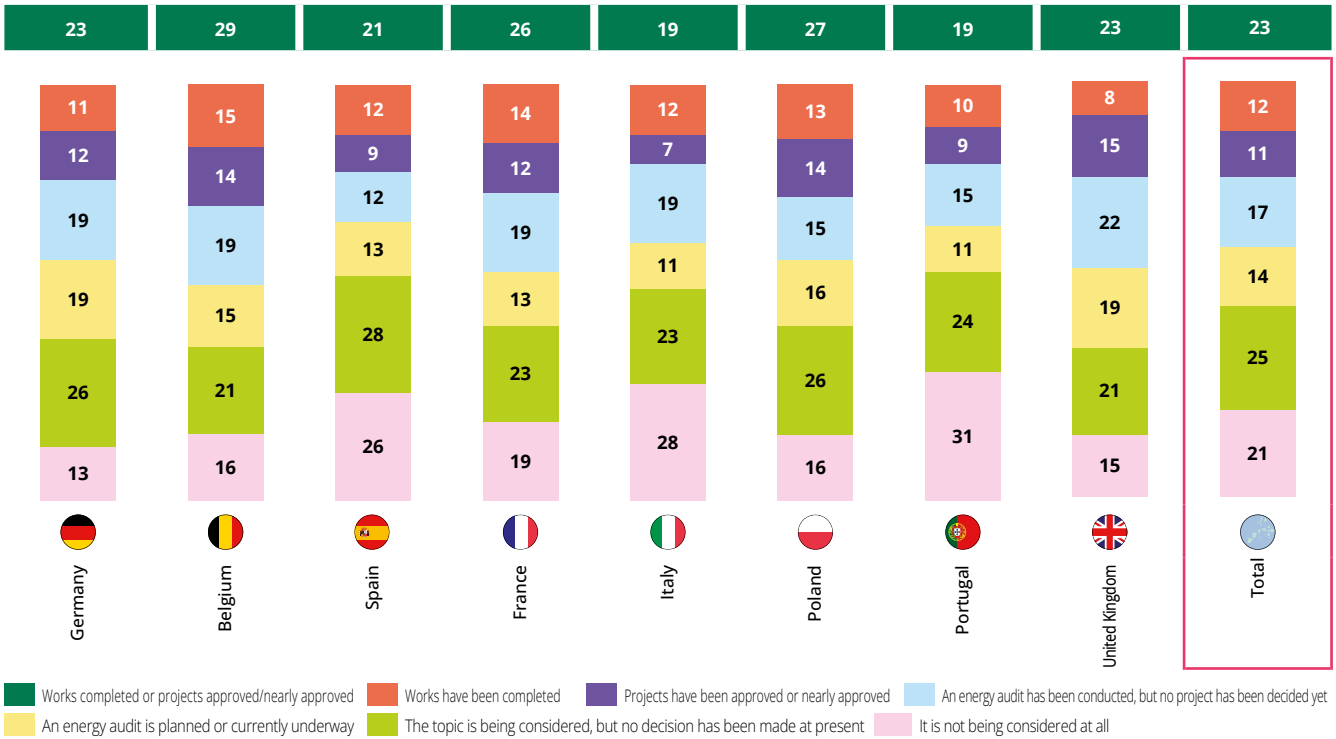
In line with previous findings, financial resources and property size once again exert an influence in the same direction: affluent co-owned developments and smaller properties are significantly more likely to be engaged in projects, whereas non-decision dominates in large, financially constrained complexes, with the share of properties undertaking works dropping as building size increases.

Building age creates a final line of fracture, one that widens as properties move further down the retrofit path. While the difference is minor for works already underway (28% for buildings under five years old versus 21% for pre-2005 structures), it becomes stark when looking at total inaction: pre-2005 developments account for nearly twice as many stalled units as newer stock.The finding is both consistent and paradoxical: precisely where energy stakes are highest (in the oldest, largest, and most financially constrained properties), retrofitting is most often a topic that is never even raised.

Fig. 59

In practical terms, where does your co-owned property currently stand regarding energy efficiency retrofits?

All co-owners, in %



Source: Observatoire Cetelem de l'habitat, 2026

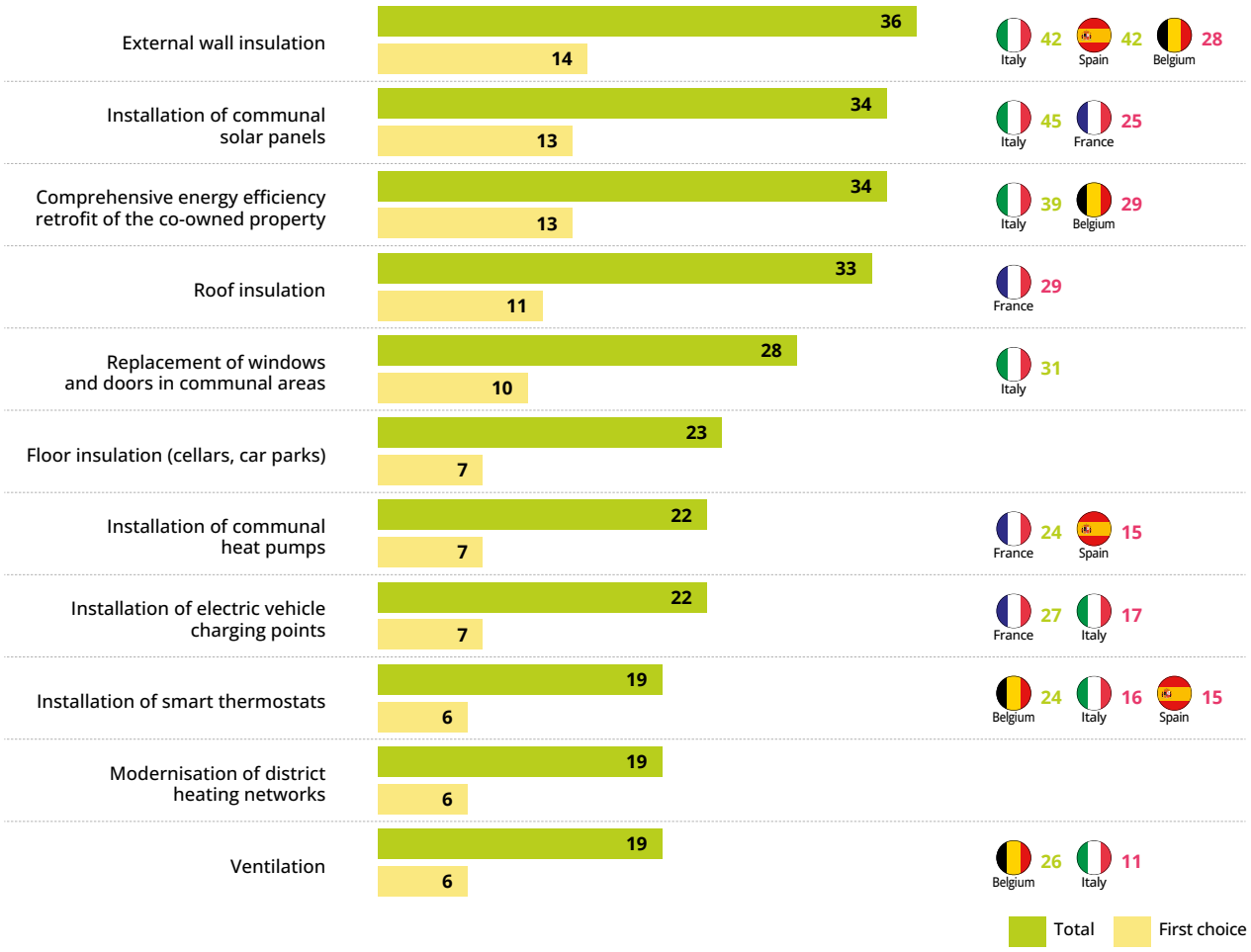
When they look ahead despite these obstacles, co-owners show interest in a broad array of works. External wall insulation tops the priority list (36%), ahead of communal solar panels and comprehensive retrofits (both at 34%), followed by roof insulation (33%).

Each country tailors its priorities to its climate: Italy overwhelmingly favours solar power (45%), Spain focuses on wall insulation (42%), France values wall insulation alongside comprehensive retrofits, while leading on EV charging points (27%), and Belgium splits its support between solar energy and roof insulation.

Fig. 60

And more specifically, which energy efficiency retrofit projects do you think should be a priority in your co-owned property? 1st? 2nd? 3rd?

All co-owners, % of responses for **"Total"** (top 3) and **"First choice"**



Source: Observatoire Cetelem de l'habitat, 2026

Retrofit funding must meet the demand for return on investment

In co-owned properties, energy efficiency retrofits hinge largely on financing. However, the core challenge lies less in the availability of funds than in meeting the necessary preconditions: demonstrated ROI, accessible support mechanisms and a collective agreement to incur the expense. The question remains as to the conditions under which co-owners are prepared to commit, the resources available to them, and the public and private support upon which they can rely. As a reminder, this analysis focuses on the four target markets: *France, Italy, Spain and Belgium*.

ENERGY EFFICIENCY RETROFITS: YES, BUT ONLY IF THEY PAY OFF

For co-owners, the primary motivation for undertaking energy efficiency retrofits is overwhelmingly financial: reducing energy bills takes precedence over thermal comfort and property value appreciation, with regulatory compliance and the fight against climate change lagging behind. Within the target markets, Italy is the most sensitive to energy bills (79%), Spain and Italy to thermal comfort (71%) and Belgium to property values (62%). The underlying logic is universal: it is economic proof, far more than environmental conviction, that secures buy-in.

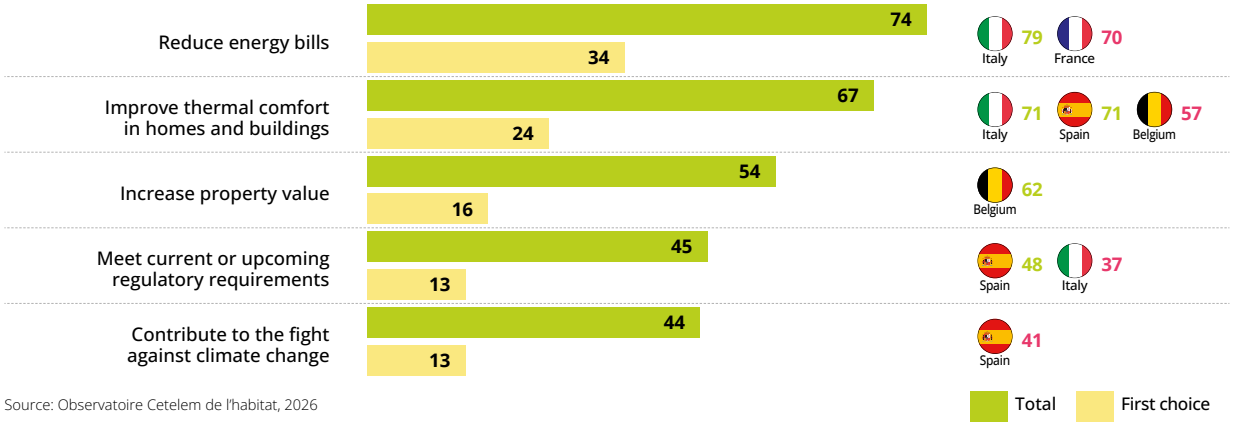
This hierarchy becomes even more pronounced as building size increases: the larger the co-owned property, the more motivations become focused on two priorities: bills and comfort. Meanwhile, the climate argument fades, though it remains noticeably stronger in smaller, wealthier developments (37% in large complexes versus 48% in the smallest properties).

Yet what serves as a driver also acts as an obstacle. The single biggest barrier is undeniable: cost, cited far ahead of all other factors. Moreover, it does not stand alone: of the top five barriers, three are financial, including cost, the lack of targeted subsidies and financing difficulties. Low interest and the absence of a shared vision only follow later.

Fig. 61

Generally speaking, would you say that carrying out energy efficiency retrofit projects in your co-owned property would primarily allow you to...?

All co-owners, % of responses for **"Total"** (top 3) and **"First choice"**

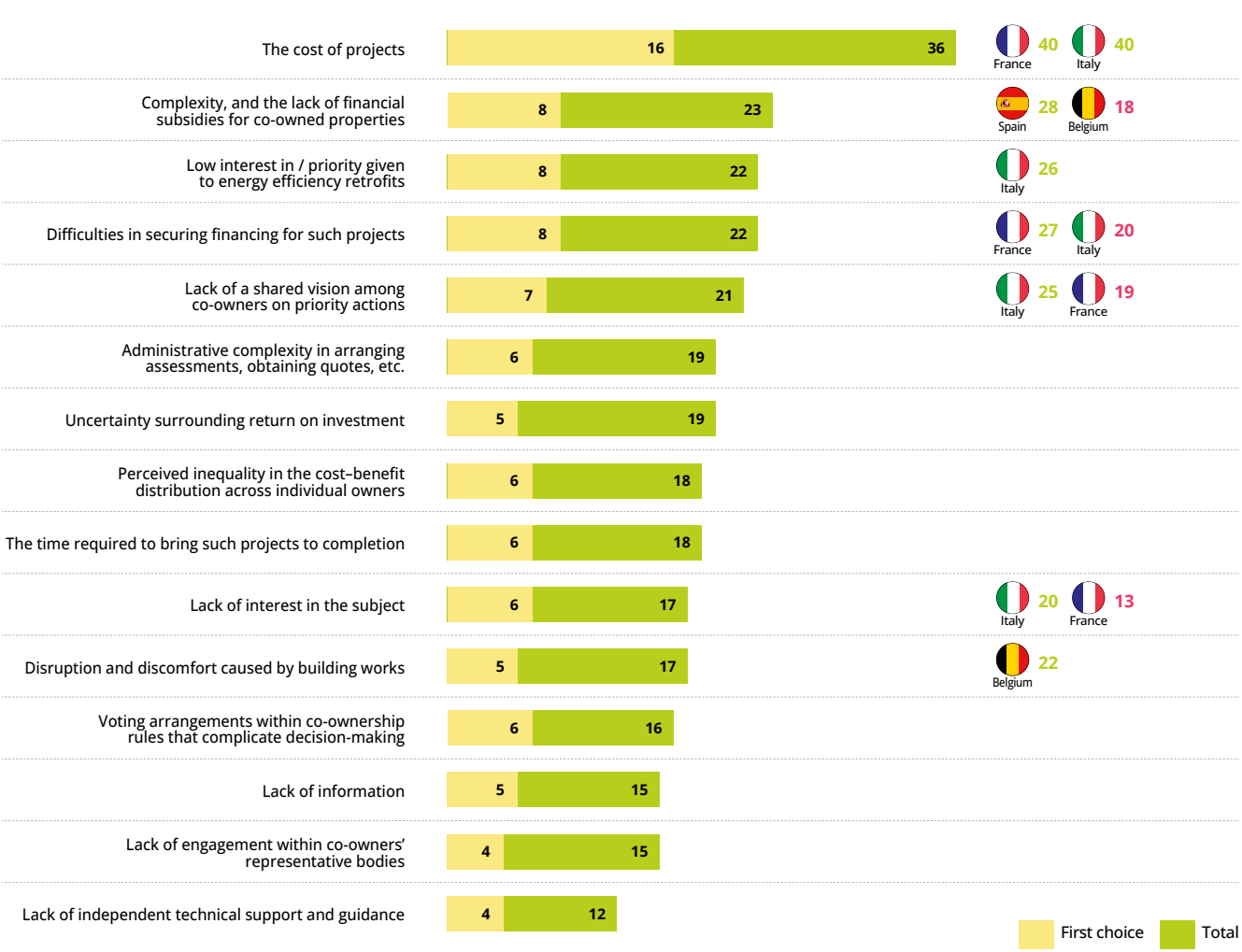


Source: Observatoire Cetelem de l'habitat, 2026

Fig. 62

Which of the following factors contribute most to delaying or blocking energy efficiency retrofit projects in your co-owned property?

All co-owners, % of responses for **"Total"** (top 3) and **"First choice"**



Energy efficiency retrofitting thus turns on two sides of the same coin: the money it promises to save versus the money it requires upfront. Co-owners know it can lower their bills, but their primary concern remains what it will cost.

What is lacking is neither conviction nor, in most cases, capital, but rather proof that the retrofit will pay off and the capacity for collective action.

Source: Observatoire Cetelem de l'habitat, 2026

CREDITWORTHY CO-OWNERS READY TO BORROW, BUT FOCUSED ON RAPID ROI

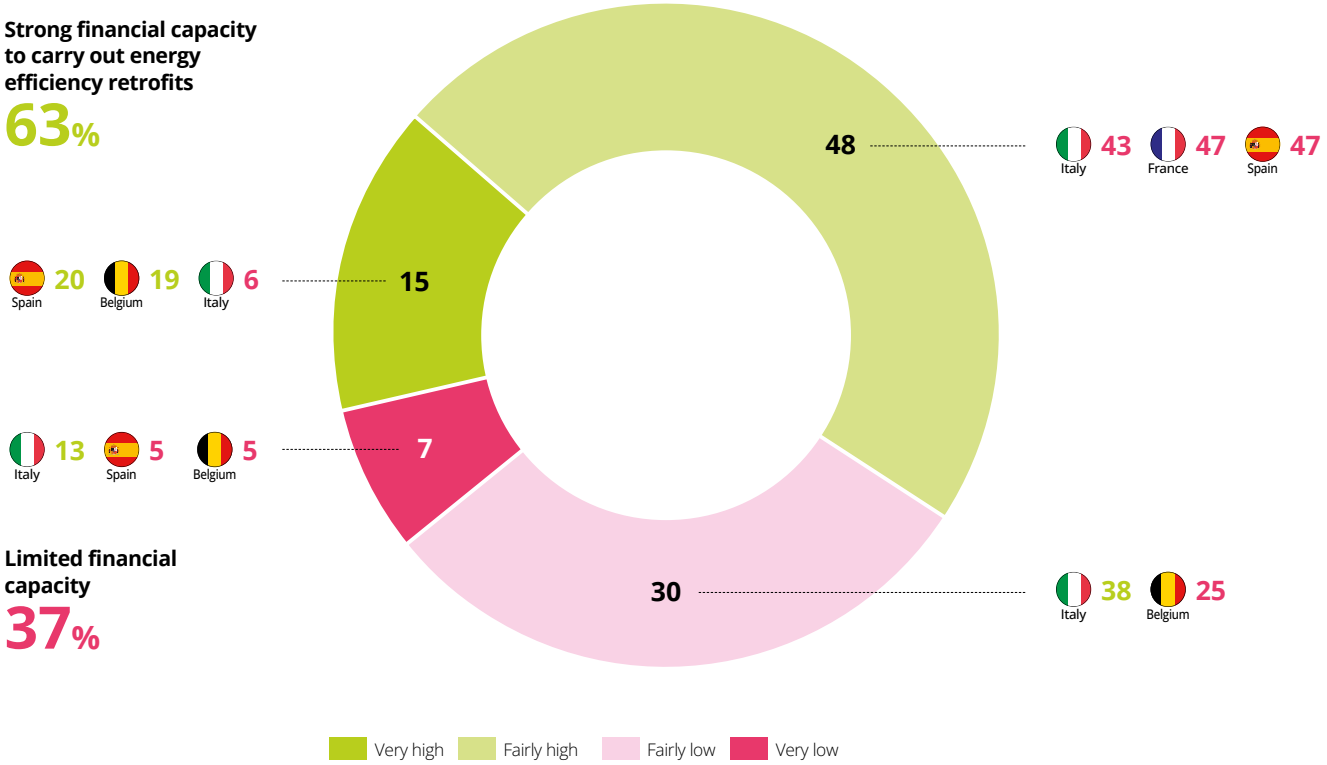
While cost is undeniably the top barrier cited, financial means are more readily available than might be expected: nearly 2 out of 3 co-owners consider their co-owned property capable of funding energy efficiency retrofits. Financial capacity is not, therefore, the primary obstacle in itself.

The four focus countries reveal sharp disparities: Belgium and Spain feel best equipped, France follows, while Italy lags noticeably behind (49%). It is in older buildings, where the stakes are highest, that funds are most lacking: perceived capacity drops from over 8 out of 10 in recent properties to just 1 in 2 in pre-2005 buildings.

Fig. 63

Would you say that in your co-owned property, co-owners' financial capacity to carry out energy efficiency retrofits is:

All co-owners, in %



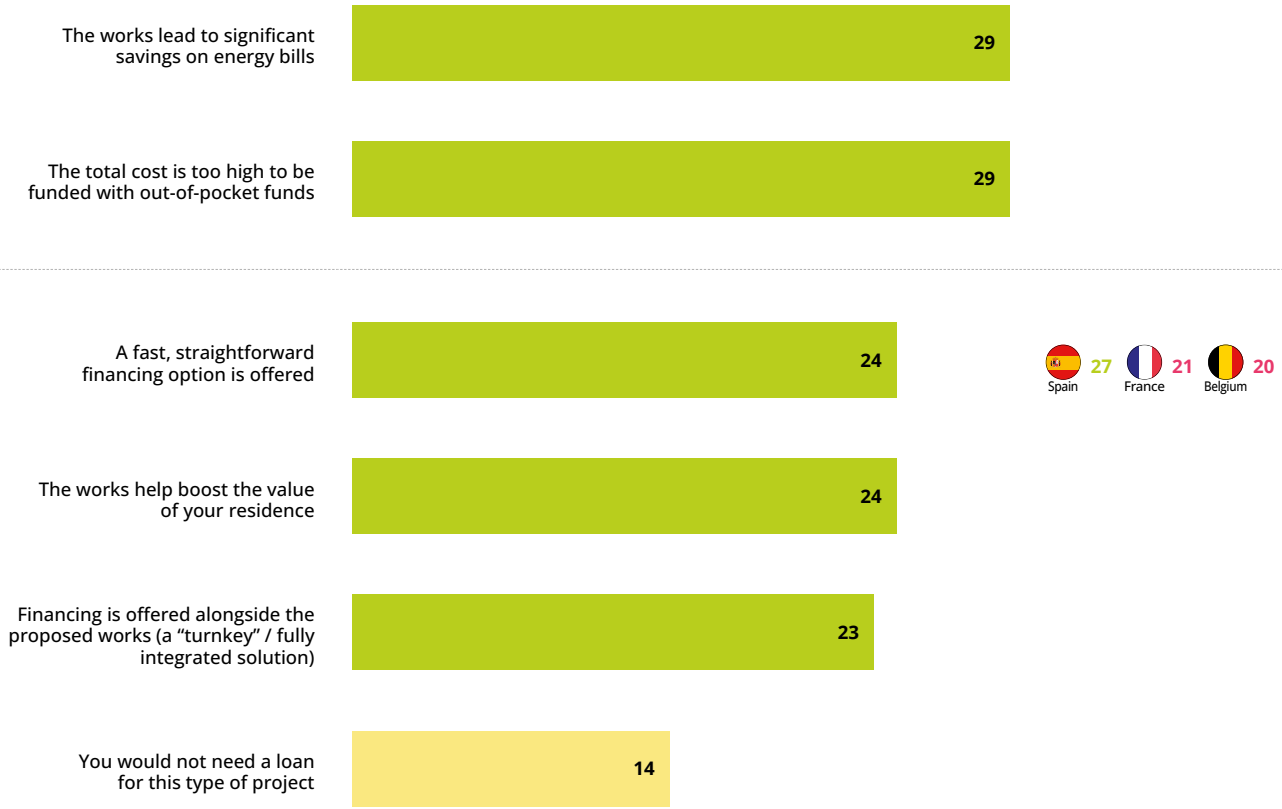
Source: Observatoire Cetelem de l'habitat, 2026

Taking out a loan, on the other hand, is widely considered. Only a minority state that they would not need a loan: 86% could therefore consider one, subject to certain conditions. These conditions are mainly financial: owners borrow when costs exceed available equity or when simple, turnkey solutions are available, directly aligning with their main goals to cut energy bills and boost property value.

Fig. 64

Under what circumstances would you consider taking out a loan to fund your share of the works in the co-owned property?

All co-owners, in %



Source: Observatoire Cetelem de l'habitat, 2026

The remaining question is under what conditions co-owners would actually agree to contribute financially. When asked about a major investment with costs shared among all owners, 93% answered yes. However, this agreement is almost always subject to a condition: only 19% accept without hesitation, while 45% demand proof of energy savings, 16% require an increase in property value, and 13% condition their approval on obtaining public subsidies. Absolute refusal remains marginal (7%). What holds projects back is therefore not a matter of principle, but a need for proof: retrofit works are accepted once their value is demonstrated.

Building size is the most decisive factor shaping these conditions, and its effect is cumulative. As the building grows larger, spontaneous agreement diminishes: acceptance without hesitation drops from 24% in co-owned properties with fewer than five units to 15–17% in those with more than 10, while outright refusal nearly doubles from 6% to 11%.

Crucially, the nature of the condition itself shifts. The capital value argument fades as individual ownership feels diluted within a larger collective, falling from 17% to 11% for property value gains, while reliance on public subsidies increases steadily. In other words, large co-owned properties do not merely expect the benefits to be proven; they expect public funding to help finance the works.

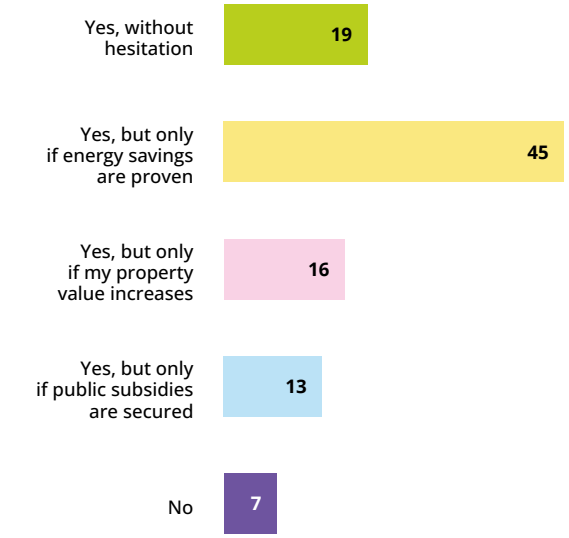
Financial means operate in the same direction and amplify the impact of building size. Unconditional acceptance falls from 26% in financially secure co-owned properties to 9% in those with tighter budget constraints. The latter are four times more likely to refuse outright and three times as likely to make their approval conditional on receiving subsidies.

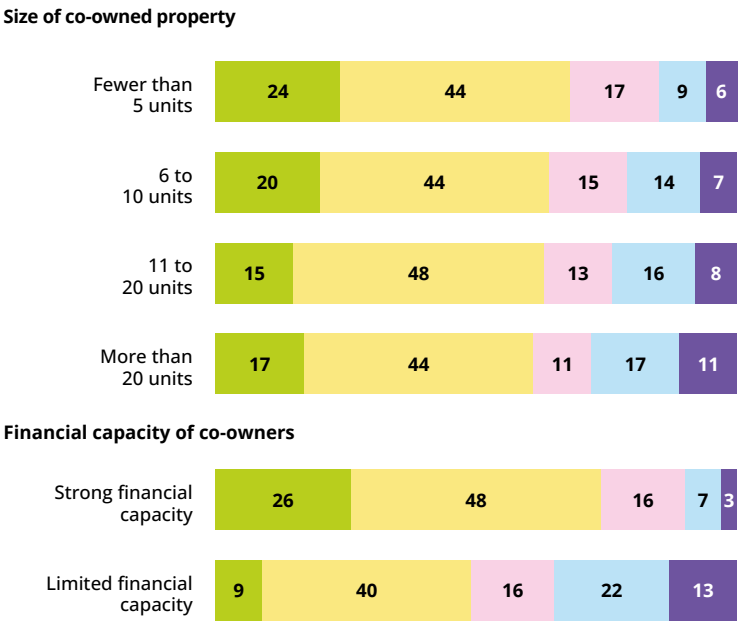
For these large, cash-strapped properties, taking action depends not on proving returns, but on securing public funding, the very lifeline that remains most elusive to them.

Fig. 65

Would you be willing to accept (or agree to again) a major investment in energy efficiency retrofits for your co-owned property if the cost is shared among all co-owners?

All co-owners, in %





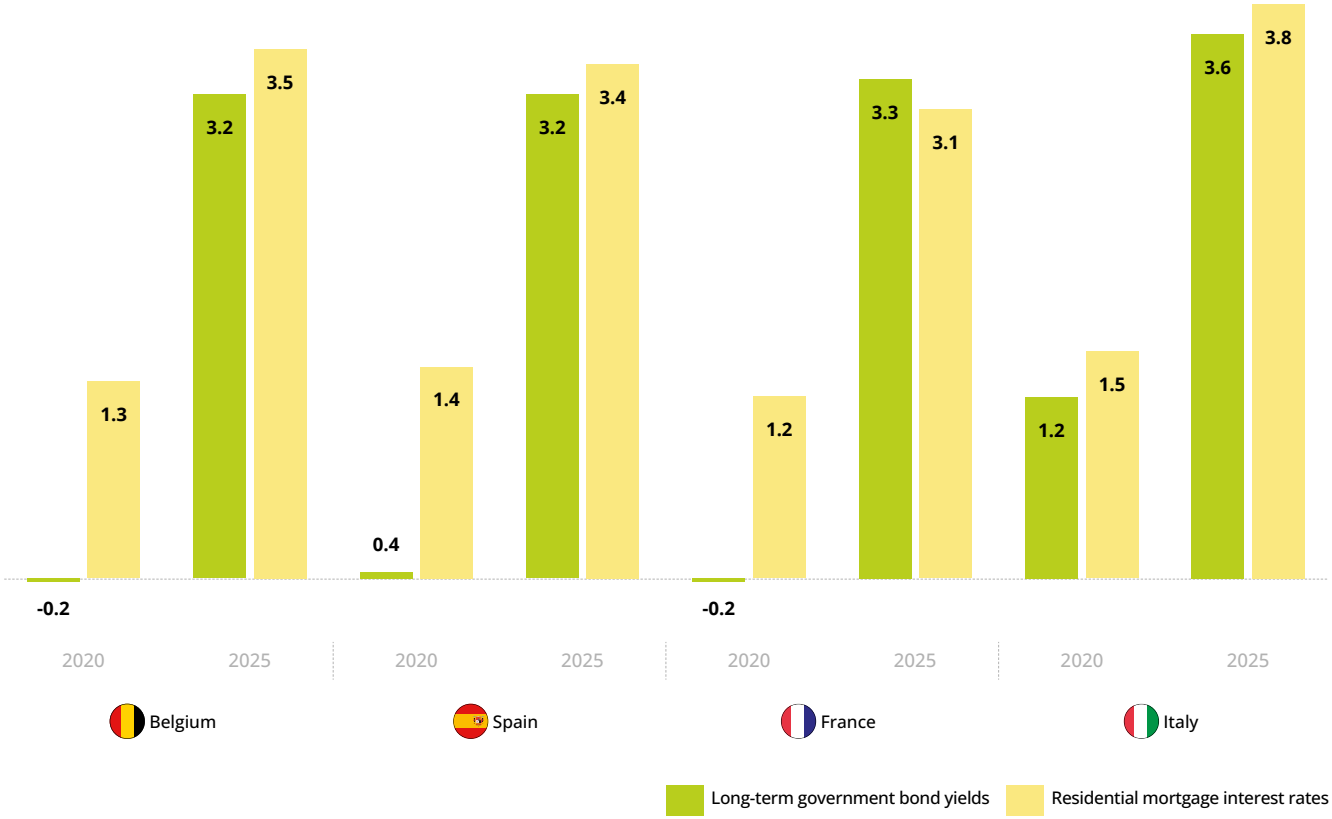
Source: Observatoire Cetelem de l'habitat, 2026

The interest rate environment offers little help. After reaching historic lows in 2020–2021, long-term government bond yields have risen sharply, pushing up mortgage borrowing costs. Mortgage rates have followed suit: in France, they rose from 1.1% in 2021 to 3.1% in 2025, and currently range between 3.1% and 3.8% across the four focus markets. Borrowing to carry out retrofits is therefore significantly more expensive than it was four years ago, making the demand for a rapid return on investment all the more acute.

Fig. 66

Long-term government bond yields and residential mortgage interest rates

Annual average (%)



Sources: Eurostat, ECB (European Central Bank) / ECB MFI Interest Rate Statistics

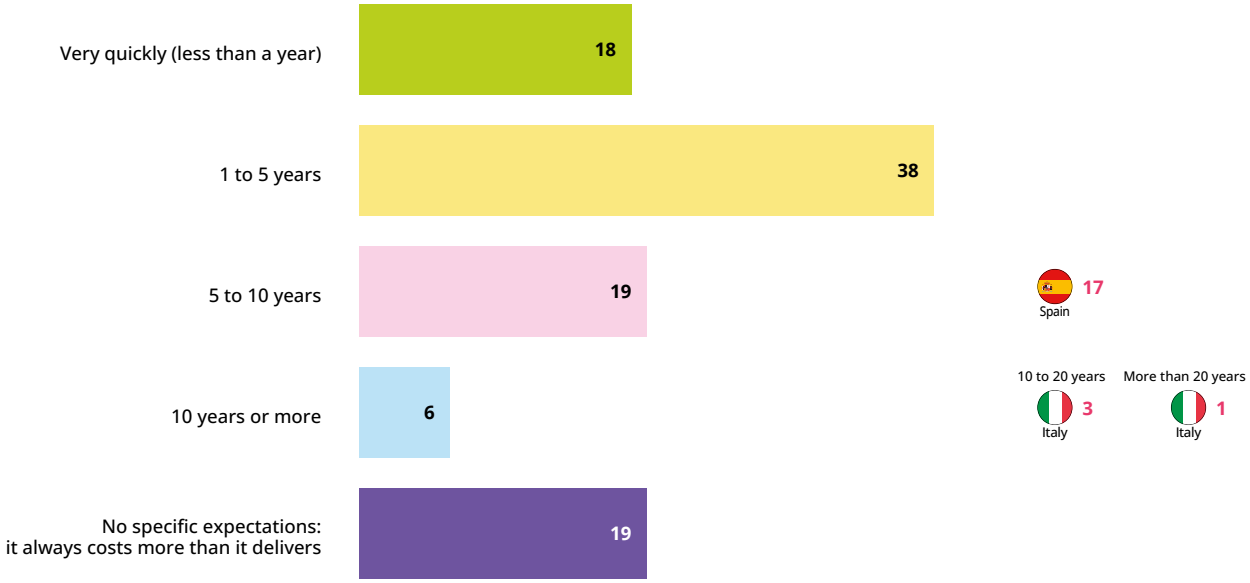
Indeed, this demand for a rapid return on investment appears urgent: more than half of co-owners expect a payback within five years, including nearly 20% who look for a return in less than a year. At the other extreme, nearly 1 in 5 believes that "it always costs more than it delivers".

Yet the actual payback period for a comprehensive energy retrofit typically ranges from 10 to 20 years. This gap between expectation and reality points to a structural bottleneck: most co-owners will commit only under conditions that the market is currently unable to offer.

Fig. 67

If you were to consider investing in energy efficiency retrofits for your co-owned property, what payback period would you accept for the investment to be worthwhile?

All co-owners, in %



Source: Observatoire Cetelem de l'habitat, 2026

A POWERFUL PUBLIC LEVER, UNEVENLY DEPLOYED

To compensate for these limited financial means, public support serves as a decisive lever. However, governments must still provide the necessary backing, and situations vary sharply across borders on this front.

In 2024, France allocated 1.4% of its GDP to public housing expenditure, whereas Italy, following a peak of 4.4% in 2023 driven by its Superbonus scheme, has already dropped back to 0.8%, with other countries sitting between 0.4% and 0.6%.(1)

Their room for manoeuvre is further constrained as all public accounts remain in deficit, ranging from -3.2% of GDP in Spain (the least strained) to -5.8% in France, the highest deficit in the cohort.(1)

France provides a concrete illustration of this: in the absence of an approved budget, MaPrimeRénov' was suspended on 1 January 2026, freezing roughly 38,000 co-owned property applications.(2) The scheme reopened only upon the enactment of the 2026 Finance Act, and has since remained subject to strict fiscal trade-offs.

These policy stop-starts illustrate the fragility of public support that is nevertheless essential, and whose availability and terms depend on increasingly tight national budgetary balances.

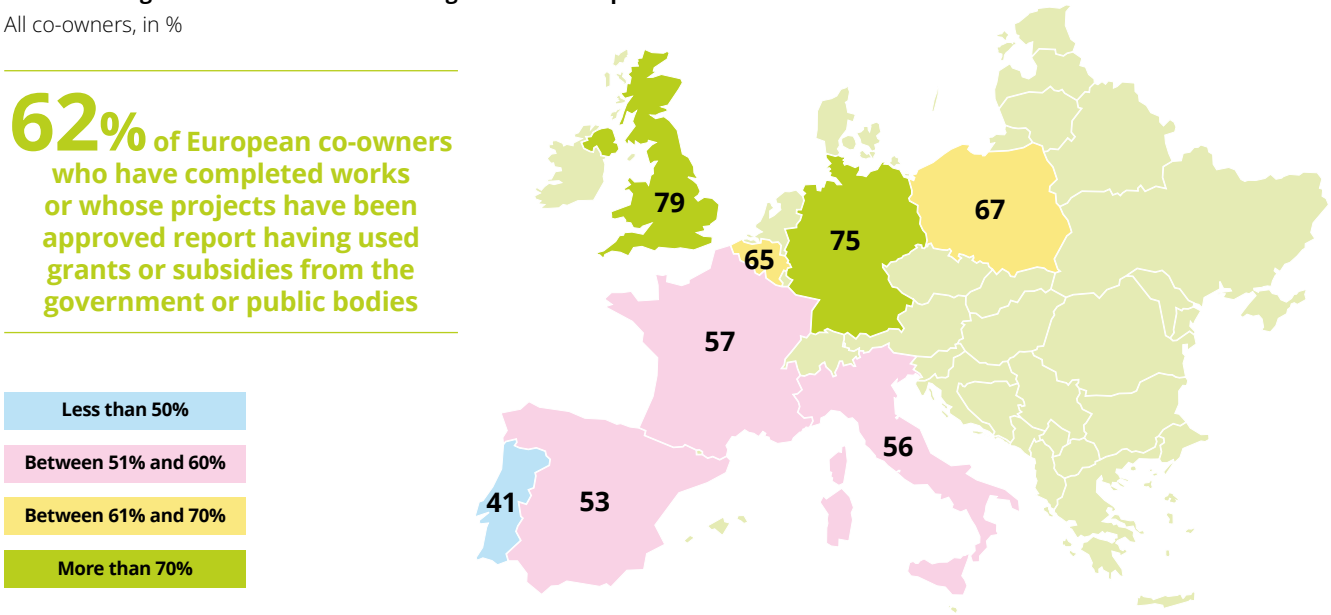
Where it is deployed, this support proves decisive: among co-owned properties that have completed or formally approved works, 62% have benefited from or will benefit from public subsidies. Once activated, state support clearly tilts the balance in favour of project delivery.

Fig. 68

Regarding project financing, has your co-owned property received—or will it receive—one or more grants or subsidies from the government or public bodies?

All co-owners, in %

62% of European co-owners who have completed works or whose projects have been approved report having used grants or subsidies from the government or public bodies



(1) Source: Eurostat. (2) Source: Banque des Territoires, "MaPrimeRénov': suspension on 1 January, reopening and budget allocation", 2026
Source: Observatoire Cetelem de l'habitat, 2026

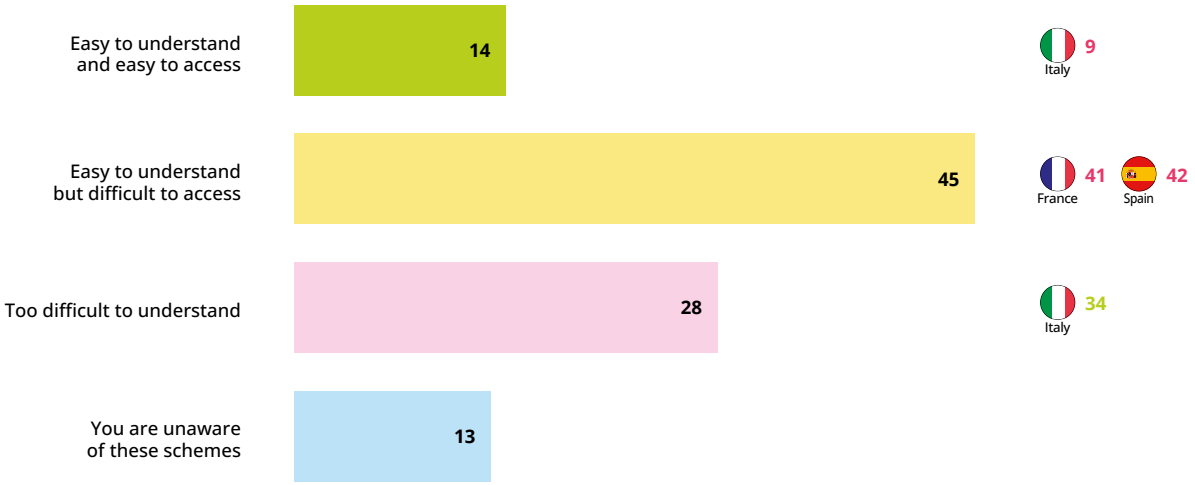
Yet for the majority of co-owned properties, public support remains out of reach, and the obstacle is not a lack of understanding. Schemes are broadly understood, with nearly 6 in 10 co-owners (59%) considering them easy to comprehend. The bottleneck lies elsewhere, in accessibility and implementation.

Barely 14% find schemes both simple to understand and easy to access, whereas 45% report that they are clear in principle but difficult to mobilise, 28% view them as overly complex, and 13% are entirely unaware of them. In total, nearly 9 out of 10 co-owners do not have straightforward access to public funding.

Fig. 69

How would you describe state or public grant schemes for energy efficiency retrofits in co-owned properties?

All co-owners, in %



In practice, taking up public support and easily accessing it reflect the exact same divide encountered at every stage. Uptake rises from 36% in the most financially constrained co-owned properties to 70% in the most affluent, and from 50% in large developments to 73% in small ones.

Ease of access to these schemes follows the same upward curve, climbing from barely 4% in constrained properties to 21% in affluent ones, and from 9% in large residential complexes to 21% in the smallest ones. This means that public support structurally fails those who need it most.

Source: Observatoire Cetelem de l'habitat, 2026

HOUSING PROFESSIONALS FOR GUIDANCE, FINANCIAL ACTORS FOR FUNDING

To guide them through their projects, co-owners place their trust first and foremost in local, on-the-ground players: specialised installers and building managers lead the way, ahead of financial actors such as banks and insurers.

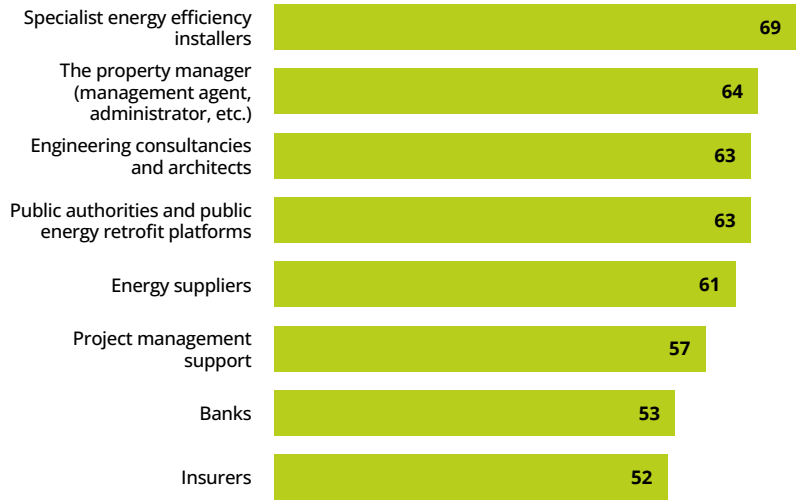
However, when it comes to the funding itself, the hierarchy is reversed: co-owners turn primarily to the financial sector, with banks or credit institutions taking precedence over building managers, a trend even more pronounced across the four focus countries. Ultimately, financing is the arena where the financial sector takes the lead, with banks playing the primary role, a natural positioning that can be leveraged to support co-owners in delivering their projects.

Finally, regarding how to accelerate progress, no single approach commands a clear majority, though incentive takes precedence over compulsion: a third (33%) consider encouraging decisions at general meetings through grants and financial incentives to be the most effective approach, ahead of freedom of choice (25%), simplifying voting rules (21%) and regulatory mandates targeting energy-inefficient properties (21%).[1] The anticipated lever is therefore, once again, financial: it is by lowering costs and facilitating collective decision-making, rather than through compulsion, that retrofit projects will be unblocked.

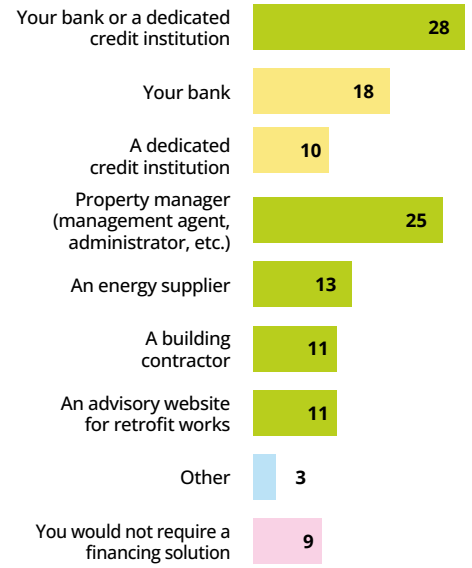
Fig. 70

Is each of the following stakeholders in a position to support co-owners in collective energy efficiency retrofit projects? Which one would you turn to first for a financing solution for energy retrofits in your co-owned property?

All co-owners, % who answered **"Yes"**



All co-owners, in %



(1) Source : Observatoire Cetelem de l'habitat, 2026. "In your country, which approach do you believe would be most effective in accelerating energy efficiency retrofits in co-owned properties?" All co-owners, in %.
Source: Observatoire Cetelem de l'habitat, 2026

HOUSING AND ENERGY IN EUROPE

KEY FIGURES



69%
consider their energy budget to be reasonable or low

82%
report that their electricity bill has increased over the last 12 months

85%
are looking to reduce their energy consumption

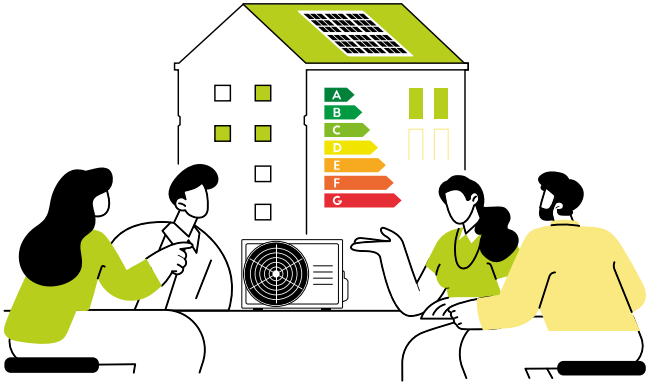
46%
are considering works to improve their home's energy efficiency

28%
wish to move house within the next 12 months

65%
believe it is preferable for everyone to have a say in their building or neighbourhood's energy choices

ENERGY EFFICIENCY RETROFITS AND CO-OWNED PROPERTIES

KEY FIGURES



87%
of co-owners consider energy efficiency retrofits to be an important or priority topic

Only 23%
have already completed or agreed upon energy retrofit works

46%
have not yet made a decision or are not considering the matter

86%
could consider a loan to finance their share of the works, subject to certain conditions

62%
have benefited or will benefit from public grants or subsidies

Only 14%
find public grants easy to understand and access

CONCLUSION

As this third section closes, the perceived urgency of energy retrofits is fading faster than the housing stock can be renovated. The shock of 2022 has been absorbed: residential emissions are falling across all countries, the energy mix is turning greener, energy bills are easing their grip, and fuel poverty is declining almost everywhere. Energy sobriety, meanwhile, has taken root, becoming a common-sense budgetary habit rather than an ideological stance. Yet this calm comes with a downside: the appetite for retrofits is waning, even as the older building stock, which accounts for the majority of housing and consumes up to three times more energy than new builds, remains entirely in need of transformation.

Household intentions reflect this same shift: behavioural energy savings dominate plans, while any measure requiring capital expenditure is losing ground. Furthermore, the inclination to take action mirrors national economic health: strong in Portugal, Spain and Poland, but lagging in France and Germany—far more so than anxiety levels alone would suggest. Indeed, concerns continue to grow even as inflation subsides; confidence takes years to build and moments to lose.

It is within co-owned properties that the true structural bottleneck becomes clear. In isolation, co-owners are ready: well-informed, overwhelmingly convinced of the issue's importance (87%) and the most likely to consider current efforts insufficient. Yet momentum collapses as soon as collective decision-making and commitment are required, with barely more than half of co-owners having actually taken action. What is lacking is not conviction, but proof that the financial effort will be worthwhile and the operational tools to deliver it.

Financing, however, is not the barrier it is often assumed to be. A majority of co-owners consider themselves able to fund retrofit works, and most would consider taking out a loan. The core obstacle stems less from a lack of funds than from two conditions that are rarely met simultaneously: evidence that the effort will be cost-effective and the capacity to make collective decisions. Expectations of a payback period under five years collide with a market reality of 10 to 20 years. Meanwhile, public support, despite being decisive where deployed, structurally fails those who need it most: the largest, oldest and most financially constrained co-owned properties. The clearest signal emerges from this dynamic: 93% of co-owners would accept a major shared investment, but only 19% would do so unconditionally, while 45% require proven energy savings. This demand becomes an absolute sticking point as properties get larger, with big residential complexes shifting their expectations toward public funding rather than property value appreciation.

Two variables have thus governed every stage of this section: financial capacity and property size. It is on these two levers that the energy transition of European housing will depend: not through regulatory compulsion, but by demonstrating tangible returns, facilitating collective decision-making and making public funding genuinely accessible.

METHODOLOGY

Surveys conducted **online** and simultaneously in **eight European countries.**
Eight representative samples of the national population of each country aged **18 and over**, surveyed **from 29 April to 13 May 2026.**
A total of **12,653 people** were surveyed across the different countries as follows:

- Germany: 1,393 people
- Belgium: 1,303 people
- Spain: 1,310 people
- France: 3,187 people
- Italy: 1,348 people
- Poland: 1,489 people
- Portugal: 1,305 people
- United Kingdom: 1,318 people

Representativeness is guaranteed by quota sampling and an adjustment applied to the following variables: gender, age, region of residence and the level of income (or socio-professional category in France) of those questioned in each of the countries. Each country was then given its weight in the overall sample, according to the size of its total population.

To examine the issue of **collective decision-making in housing**, a specific focus was placed on **co-owners**. For the purposes of this study, **co-owners were defined as individuals who own a property within a co-owned development**, whether as their primary residence, a second home or a short- or long-term rental property.

A total of **4,686 co-owners** were surveyed across the different countries as follows:

- Germany: 369 co-owners
- Belgium: 333 co-owners
- Spain: 882 co-owners
- France: 934 co-owners
- Italy: 770 co-owners
- Poland: 661 co-owners
- Portugal: 513 co-owners
- United Kingdom: 224 co-owners

In this report, **questions designated for "co-owners"** were presented to respondents who indicated that they **own at least one property within a co-owned development**.

In the cross-analysis, property ownership terms are defined as follows: **"Co-owners"**: owner-occupiers of a co-owned property; **"Multi-property co-owners"**: owners of two or more co-owned properties; **"Sole homeowners"**: owner-occupiers of a single-family home (as opposed to a co-owned property).

For clarity, figures presented in this study are rounded. Consequently, graphic representations and variations may differ slightly from the displayed values.

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