

ACCESS TO LAND & FINANCE FOR COMMUNITY-LED HOUSING

Short case studies from Africa, Europe and Latin America

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This publication is a CoHabitat initiative led by World Habitat and urbaMonde.



CoHabitat is a network of different grassroots federations and umbrella organisations, as well as NGOs and academic institutions working in the field of community-led housing, working together to secure housing rights through collective, non-speculative, people-led solutions.

co-habitat.net



World Habitat is an independent charity working internationally to help bring the best housing to the people who need it the most. Since 1986, World Habitat has organised the annual [World Habitat Awards](#) (in partnership with UN-Habitat) rewarding inspiring initiatives - many of them led and inspired by the community - from across the world as well as providing opportunities for knowledge exchange and peer learning. In 2018, World Habitat launched the [Global Community-Led Housing programme](#) to support the community-led housing sector to increase knowledge and capacity for housing to be created by - and for - communities. World Habitat contributes financially and strategically to urbaMonde's work, including co-ordinating the CoHabitat Network and in the production of this publication.

world-habitat.org



UrbaMonde is a non-profit organisation founded in 2005 in Switzerland and in 2015 in France. Its mission is to promote community-led housing locally and internationally. Convinced that inhabitants and users of urban spaces should be at the centre of all processes that produce the city, urbaMonde's mission is to support groups of inhabitants who implement community-led housing projects and who are committed to making their cities more sustainable and inclusive. Since 2014, urbaMonde co-ordinates the CoHabitat Network, and it is within this framework that urbaMonde has conducted this study.

urbamonde.org

INTRODUCTION

This publication is the second issue of five short-case studies focusing on how different community-led housing initiatives across the globe have managed to access land and finance. The first one published in October 2021 is [available online](#).

In a world increasingly marked by the financialization of housing and the lack of affordable land, it is estimated that around [40% of the world population will need access to decent housing by 2030](#), according to UN-Habitat. While access to housing finance excludes the great majority of the vulnerable population, groups of people worldwide have found a new way of building their habitat, collectively organising to gain leverage when struggling for finance and land.

Community-Led Housing (CLH) refers to a multitude of practices where people unite to collectively take control of the planning, managing and - sometimes - constructing or improving their living environment, including housing, communal or public spaces, areas for recreational or income generating activities, amongst others. CLH is extremely diverse and is not a guarantee for a more environmentally-friendly construction or a low-carbon footprint way of life, but it definitely offers people the power of taking collective decisions about how to live. As this CLH project-review shows, the participation of the residents, the interactions with the neighbourhood - and the collaboration with public authorities and other stakeholders - leads to comprehensive projects, including innovations in eco-conception and energy-efficiency, affordability, circular and solidarity economy, social inclusion, and mutual-aid among neighbours.


In any case, CLH projects always involve a two-fold complexity: **how to access land that comes with tenure security**, and **how to access affordable and inclusive finance**. These elements will again be at the heart of this second project-review.

Who we are and what we do

The [CoHabitat Network](#) is an informal network of organisations which seek to promote **community-led housing as a concrete and sustainable way to build cities for - and with - citizens**. It started in 2014 in Geneva (Switzerland), in a gathering organised by urbaMonde, which has since then coordinated events and meetings of this growing network of partners. Funding for the CoHabitat Network has been received through World Habitat, the Fondation pour le Progrès de l'Homme (FPH) and the City of Geneva.

Since 2019, urbaMonde, World Habitat and other Network partners have organised regional **Community-Led Housing Awards (CLH Awards)** with the objective of promoting the international recognition of the transformative potential of community-led housing, as well as the dissemination of inspiring practices.

CoHabitat Network's CLH Award has been organised in the following years and regions, recognising and showcasing the work of 27 organisations from 24 different countries.



	2015	2016	2017	2019
Latin America	3	3	5	
Europe		4	4	3
North America			2	
Africa				3

To learn more about these projects, see their descriptions on [the following Map](#).

Winners of the CLH Awards are directly integrated in the shortlist of the [World Habitat Awards](#) competition - which is organised annually by World Habitat, in partnership with UN-Habitat (the United Nation Programme for Human Settlements). The panel of external judges of the World Habitat Awards is composed of international housing experts, including the Executive Director of UN-Habitat. Some of the regional CLH Award winners were ultimately selected as winners or finalists of the World Habitat Awards.

Winners of the CLH Award are then invited to share their experiences during **Regional Meetings**, also organised and coordinated by the CoHabitat Network, back-to-back with other regional or international events like Habitat III, the International Social Housing Festival or the UN-Habitat Assembly. At these meetings, civil society organisations, grassroots federations, local communities, academic actors and other stakeholders have a space to meet and share knowledge and ideas, thus creating a space for community-led housing allies and pioneers to promote people-led solutions and strengthen the movement. According to the context, those meetings are focused on advocacy work, experience exchanges and peer-to-peer learning.

In 2021, given the difficulties in travelling and organising in person events, these awards were replaced by another initiative called **CLH in the Spotlight**, a virtual workshop during which the floor was given to grassroots organisations from Bangladesh, Brazil, Namibia, Thailand and Vietnam proposed by CoHabitat partners. Each participating organisation could share their experiences and local realities. The videos of the workshop, and others about their projects, are available in the [CLH in the Spotlight Youtube playlist](#).

Besides the organisation of the Regional CLH Awards and Regional Meetings, another important tool of the Network is its **collaborative database** [cohabitat.io](#). The database aims to document and share information on different community-led housing projects located all over the world. By exploring the scale of CLH and documenting how different initiatives came to exist - through their context, models, financial and land mechanisms, difficulties and obstacles, organisation and management, partners - the database is an important resource to inspire people-led initiatives while showcasing the diversity of existing solutions. We wholeheartedly invite you to **visit [cohabitat.io](#), join the community and contact us in case you would like to see your project and/or organisation featured on the platform!**

Finally, **the CoHabitat Network promotes solidarity finance** through a pilot initiative called **Habitat Solidarity Fund** - a financial tool managed by urbaMonde. Aware that access to affordable and ethical finance is a major obstacle for community-led housing, the Habitat Solidarity Fund connects donations and loans made in Europe - usually involving funds from Swiss housing cooperatives - with local revolving funds managed by grassroots organisations and their technical support NGOs for home improvement (Senegal) and cooperative housing construction (Nicaragua). Throughout the year, the CoHabitat Network organises and promotes a series of different activities, including **events, publications, peer-to-peer exchanges**, among others. In order to keep informed about all our activities, as well as our partners' - everyone is welcome to subscribe to [the Network's newsletter](#).

Goal of this publication

This short publication reviews some of the winning projects of the regional CLH Award by focusing on how they managed to secure land and accessed funding to plan and build, refurbish or improve, their living environment.

It is urbaMonde's belief that, despite the diversity of their local contexts and particularities, these practices can inspire other people who are trying to conceive or strengthen CLH projects, espe-

cially given that access to affordable finance and land tend to be some of the main obstacles for developing CLH all over the world.

Through five new case studies, you will learn about different land management and financial mechanisms used by projects in Zimbabwe, Uruguay, Brazil, Switzerland and Germany - thus exploring a variety of contexts while exposing their difficulties, hopes, opportunities and ultimately presenting the solutions found by those groups of people.

The first three cases - located in **Harare, Montevideo** and **Rio de Janeiro** - explore how vulnerable communities living in precarious conditions have managed to **collectively organise in the construction of their houses**. In Harare, a **revolving fund** has been established by the municipality to improve living conditions in informal settlements thanks to the strong involvement of civil society. Meanwhile, in Montevideo and Rio, COVICOFU **Mutual Aid Housing Cooperative (MAHC)** and Grupo Esperança have shown the importance of collectively fighting for their rights, managing to access public financing from a national funding scheme after years of struggle and thanks to the **technical assistance** of local organisations.

The first **MAHC** was born in rural Uruguay at the end of the 1960s and now over 20,000 homes belong to MAHC in collective ownerships. This housing cooperative model for low-income workers is based on the principles of direct democracy, self help, collective ownership and mutual aid. MAHC is nothing new in Montevideo, and each one is different and has somehow innovated in constructive and social ways. **COVICOFU** is one of the few MAHC that was built for very poor households, in that case an informal recyclers community, and that could benefit from the support of the Uruguayan Federation of MAHC (**FUCVAM**) to build better quality houses than the public social housing programmes at that time.

In Rio, Grupo Esperança, inspired by the Uruguayan MAHC, also shows the power of cooperative values by constructing their houses through mutual-aid and collectively purchasing materials, which reduced costs for all families. Nevertheless, they could not introduce the concept of **user-cooperative which guarantees collective ownership**, like in Uruguay, and are currently trying to develop **a first Brazilian Community Land Trust (Termo Territorial Coletivo)** with technical assistance from [Catalytic Communities](#), to ensure that houses will remain permanently affordable for generations.

The last two cases present **how housing cooperatives have clear advantages when it comes to financial inclusion for affordable housing in European cities**. Through collective loans and solidarity financial mechanisms, cooperatives ensure that no one is left behind. In Mehr als Wohnen, in **Zurich**, the cooperative has put in place **a solidarity fund** that serves not only to support members in need, but also other projects, nationally and abroad. In **Berlin**, Spreefeld cooperative members pay affordable rents in an area that suffers increasing real estate speculation. Besides, the cooperative was able to act as a guarantor for members who would not be eligible for bank-loans, allowing their inclusion to the project.

Through all the case studies, **the importance of local, regional and/or national governments' support comes as crucial**. This support can take the form of land tenure formalisation (Harare), low-interests loans (Berlin), loans with favourable repayment conditions (Rio de Janeiro), loans and crossed subsidies (Zurich), land and guarantees (Montevideo).

We hope this publication will inspire more policy-makers to be innovative and supportive with Community-Led Housing initiatives over the world.

CREDITS

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Finally, but not less important, we want to acknowledge the work of the communities that inspire us and are the principal actors of change that deserve to be better known. Specially, we would like to thank all the people who have given their time for an interview for this publication: Patience Mudimu and George Masimba Nyama (Dzivarasekwa Extension Slum Upgrading Project), Andrea Wieland (Mehr als wohnen cooperative), Sandra Kokudai, Neide Mattos e Tarcyla Fidalgo (Grupo Esparança), Michael LaFond (Spreefeld Berlin), Fernando Zerboni (FUCVAM).

SUMMARY

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DZIVARASEKWA EXTENSION SLUM UPGRADING PROJECT HARARE, ZIMBABWE



A municipal financial facility to upgrade informal settlements in Harare

In 2010, a Memorandum of Understanding (MOU) was signed between the city of Harare, the technical assistance organisation Dialogue on Shelter for the Homeless Trust (DSHT), and the Zimbabwe Homeless People's Federation (ZHPF) in order to enumerate and upgrade the slums in the capital city. The Federation is a community-based organisation affiliated to Slum Dwellers International (SDI) made up of a network of savings schemes in low-income communities, which collectively save for housing and other essential needs.

While enumerating all the slums (71 slums mapped by 2018), a pilot project started in Dzivarasekwa Extension (DZ) from where learnings would be applied elsewhere. **Construction began in 2011 with 480 families as the primary beneficiary group.** DZ families were involved in developing three architectural designs through community consultations with technical support by the City of Harare and Dialogue on Shelter.

Applying the learnings from SDI in other cities and communities where federations put together funds to finance citywide upgrading projects, ZHPF - together with DSHT and the City government - established and injected money into a revolving fund, the **Harare Slum Upgrading Finance Facility (HSUFF)**. The home improvement loans are directed towards saving groups which, in turn, lend to their members. Members generally have informal incomes and are excluded from the official bank system.

Timeline

- 1992** Creation of DZ "holding camp" for evictees
- 2010** Start of the Harare Slum Upgrading Project (HSUP)
- 2014** 63 slums mapped - Creation of the HSUFF
- 2019** Winner of the African Community-Led Housing Award
- 2019** Bronze World Habitat Award



Land negotiation

DZ used to be a “holding camp” created by the government to house evictees by the government from surrounding areas to “clean the city” when the Commonwealth countries and Queen Elisabeth II were coming to visit Zimbabwe. People were given wooden shacks which were supposed to be temporary. The original allotted people were resettled but those who arrived after remained in DZ.

After a mass eviction of slum dwellers in 2005, the Alliance between ZHPF and DSHT negotiated for two years with the authorities for the land to be allocated to the people living in the informal settlements. The agreement led to the Harare Slum Upgrading Project (HSUP), which for the first time resulted in an in situ upgrading project, instead of resettlements. Moreover, the **Federation received the land allocation for free** from the central government so that the land does not have to be paid for.

The **project management committee** consisted of community members, the Alliance and the City of Harare which established a joint task team (town planners, finance experts, engineers, residents’ representatives).

- The city of Harare financed and constructed the basic infrastructure (water and sewer reticulation systems, roads) and provided technical knowledge.
- DSHT provided capacity-building, training and facilitation between communities and government, the private sector and academic institutions.
- The Federation contributed with community mobilisation, the participatory settlement profiling process, documentation of the families, and the supervision of the infrastructure construction.
- The beneficiaries used their savings and workforce to build the houses. In the participatory architectural design (“dream houses”), people came up with different designs together with the technical staff from the City of Harare.

480 families (around **2050 residents**) now have secure land tenure, improved roads, adequate water and sanitation facilities (including solar-powered water system with solar lighting for safety during evenings, eco-sanitation toilets). In the area, over **336 homes** have already been built, benefiting **1344 people**.

Financial mechanism for land and constructions

In DZ, before the upgrading programme, there were already **community saving groups affiliated to the ZHPF Federation**. These saving groups were generally women-led and, once the land was acquired and the project started, men started participating more in the construction process.

To finance the in-situ upgrading process, the **Harare Slum Upgrading Finance Facility (HSUFF)** was developed in 2014 as part of the DZ project to provide financial sustainability and extend the initiative to other settlements. The initial fund was of USD 200 000 (USD 120 000 from the City of Harare, USD 50 000 from DSHT, and USD 30 000 from ZHPF community saving groups). In order to take a loan from the HSUFF, DZ dwellers have to form a solidarity loan group (around five people). These small groups take a loan from the HSUFF for a member who needs money for different types of activities: income-generation projects, water and sanitation improvements, housing (building materials or construction wages).

Each loan group has to ensure the member pays back the loan, so they can take a new one with low interests. Some of the residents are loan officers at the HSUFF and work with the community leaders and loan groups to inform and assist them with the loan application, and ensure reimbursements.

In total, **355 loans were issued through 110 solidarity loan groups, benefiting 550 households**.

Construction was divided into three categories: infrastructure, superstructure and social amenities. The infrastructure was constructed by the community who divided themselves into work groups. The community identified individual connections to the municipal water line as a priority, after Harare Municipality reticulated the area. They built the infrastructures with a first loan, repaid it, took another loan for ma-

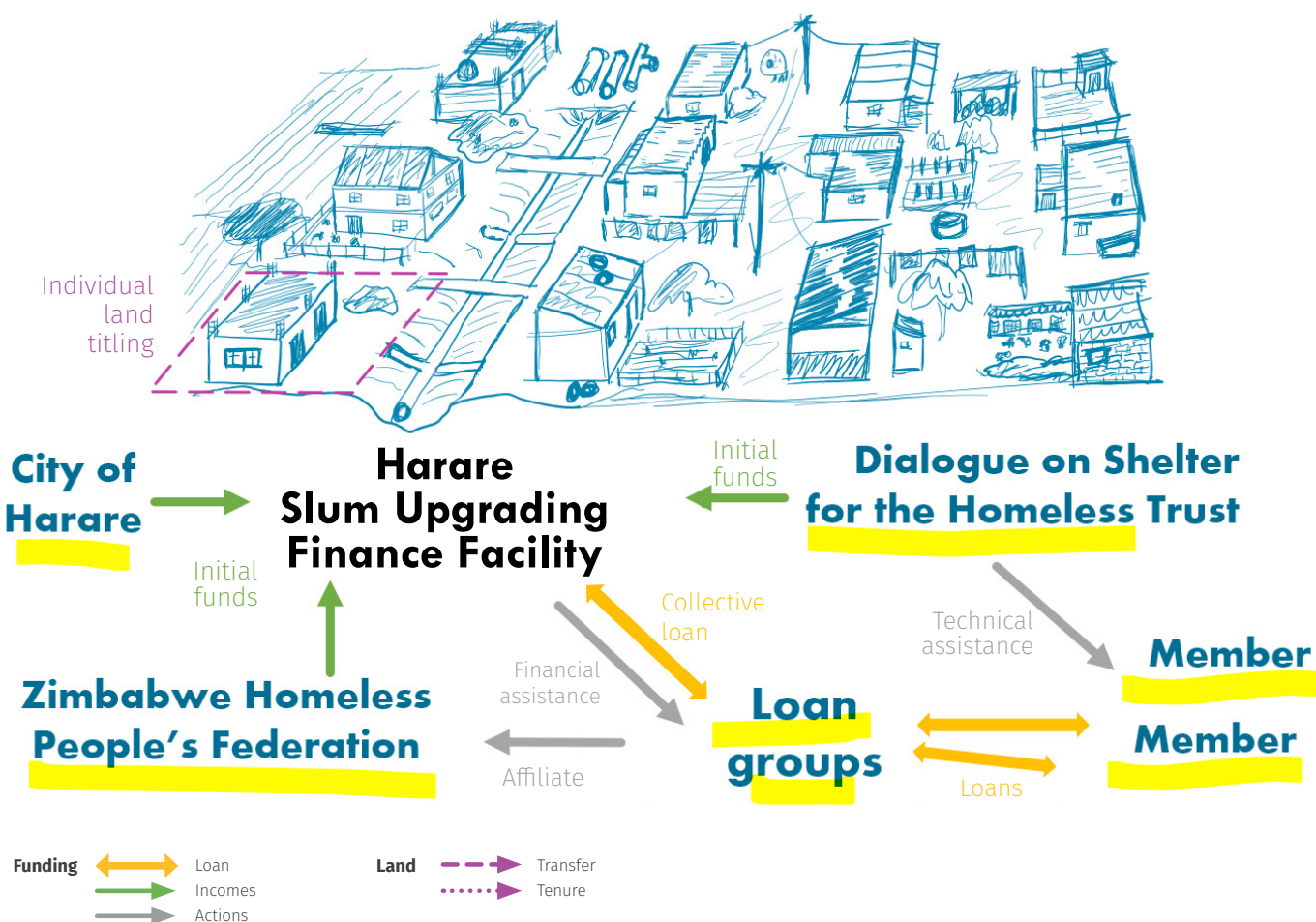
materials, repaid it; another one for the building process, and so on. Through these small loans, each family could progressively buy construction materials for its house and contribute to the collective building process of the other's houses.

The total cost per housing averages USD 2400 for a 24m² basic house that can be incrementally extended by each household afterwards. Finally, once **the houses are finished and are totally paid for, an individual land title is issued by the ZHPF to the household.**

Even though many DZ residents didn't have formal or regular incomes, the loan group system allowed even the poorest to integrate the upgrading project. Criteria used by the solidarity loan groups to give loans included the income and employment situation, but they also prioritise elderly, child-led or women-led households in need of housing. During the process several men and women acquired experience and skills in plumbing and bricklaying and could offer their services to others to generate an income, while others who were trained in solid waste management started working in recycling activities.

The HSUFF has worked very well with **high repayments rates**, and its **model has been replicated to the cities of Bulawayo and Masvingo** for similar upgrading processes. Nowadays the fund has reached USD 200 000 and keeps growing. The challenge it faces is the macroeconomic situation, since the exchange rate changes very often since the 2019 cash crisis. At the beginning, loans were operating in US dollars, then Zimbabwe dollar which initially was 1-1 exchange rate, however it is currently 1-140. Loans have been negatively affected by these changes.

Despite these difficulties, the Dzivarasekwa upgrading through the Harare Slum Upgrading Finance Facility and the strong participation of the community in the planning, financing and executing most of the works through self-help, highlights the importance of partnerships between low-income communities and city governments. The municipality of Harare considered the communities and non-profit organisations **as serious partners to solve the land tenure, infrastructure and housing challenge of the city.**





A mutual-aid housing cooperative to secure land tenure and adequate housing in an informal settlement in Montevideo

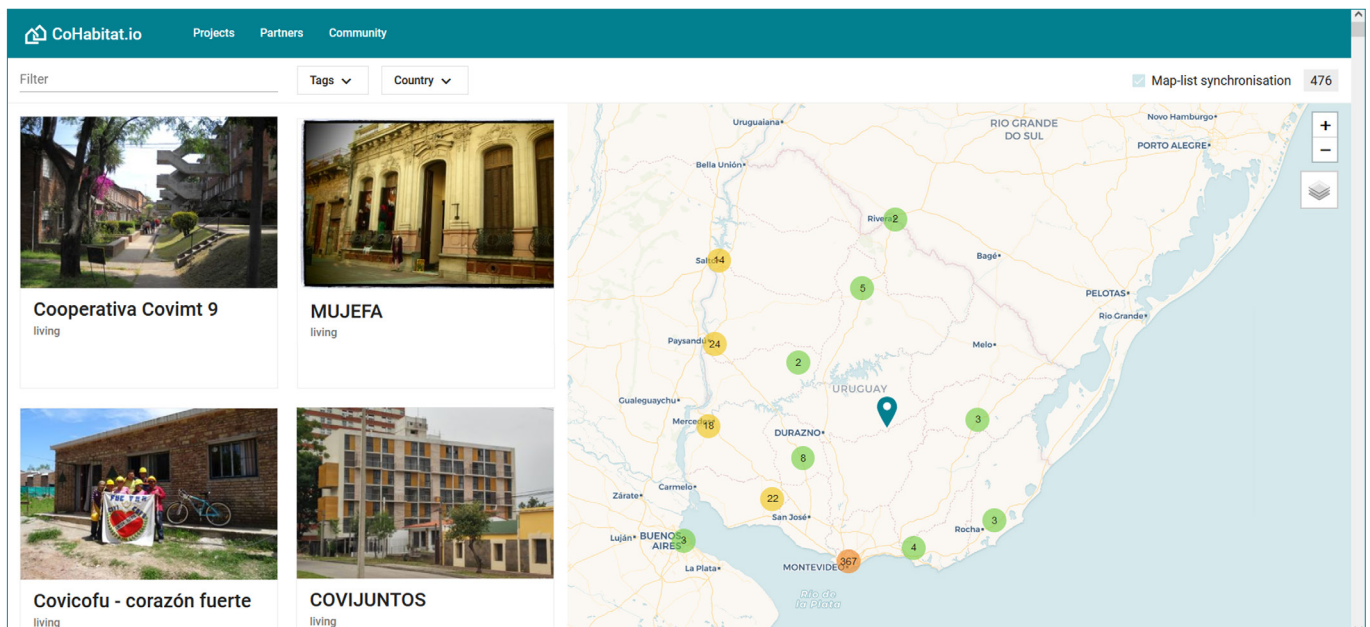
The “strong heart” (corazón fuerte) mutual-aid housing cooperative COVICOFU was built after more than fifteen years struggling to **secure land and housing rights for a poor informal recyclers’ settlement** in the eastern outskirts of the city of Montevideo. Not far away from the glitzy Carrasco neighbourhood, the most exclusive suburb of the city, this small community of 14 families, who were occupying a plot of land for several generations, decided to organise themselves as they were facing the threat of eviction by the municipal government back in 2002 in the midst of the country’s worst banking crisis. Following their neighbours’ advice, they contacted FUCVAM, **the Uruguayan Federation of Mutual-Aid Housing Cooperatives**, to get support in their efforts to regularise their informal settlement by forming a mutual-aid housing cooperative (MAHC).

FUCVAM is a nation-wide umbrella organisation, and **the result of a strong social movement born in the 1960’s**, that brought together low-income workers in a struggle to secure their right to affordable housing in a context of economic crisis. The striving movement developed from three successful pilot projects of this new innovative housing cooperative model based on mutual-aid, collective ownership and self-governance, while it also benefited from **the national housing law introduced in 1968**, that would recognise and support the development of MAHCs, notably through state loans and subsidies for low-income households. FUCVAM was then founded in 1970 and has been continuously defending housing as a right, even during the 12-years-long dictatorship, and managed to become an influential political and social actor in this small South American country that counts a little more than 3 million inhabitants. More than 50 years later, around 600 MAHCs are members of FUCVAM, which represent around 100,000 residents in the whole country.

Timeline

- 1968** National housing law (Ley 13.728)
- 1991** Creation of the MVOTMA (National Ministry of Housing and Land planning)
- 1994** New regulation from the MVOTMA for housing cooperatives
- 2002** Threat of eviction and first contact between COVICOFU and FUCVAM
- 2008** Legal status and promise of state loan for COVICOFU
- 2016** Release of the state loan, acquisition of land, start of construction and SPH Award





Map of FUCVAM members, source: cohabitat.io

From low-income to informal workers

While, primarily, FUCVAM only supported formal low-income workers in their struggle for housing, they slowly shifted to also include informal workers in their scope. This is a logical continuation of the development of this model which, through its **principle of self-construction (or mutual-aid)** by the future inhabitants, ensures access to long-term affordable housing without having to contribute with prior savings.

At the time COVICOFU was formed, in 2002, its members were considered as part of **the lowest income category** according to Uruguay's housing policy established during the reforms of the 1990s. During this period, in particular during Lacalle's presidential term (1990-1995), the country experienced strong liberalisation and privatisation, resulting in a weakening of the State. In the same vein, in 1991, the creation of the National Ministry of Housing and Land planning (MVOTMA) marked a turning point in the way to conceive social housing.

Inspired by the World Bank, the Inter-American Development Bank and other international and multilateral organisations' recommendations, the Uruguayan housing programmes for low income households were now to be based on an assistencialist approach, in a context that was promoting building processes through public financial support and private corporate production.

This orientation was also characterised by a stratification of the population into categories based on the income level. It initially established two categories of population. One with a monthly income of more than 60 Readjustable Units¹ (RU - a fictitious adjustment unit), considered as solvent, with access to loans from the Uruguayan Mortgage Bank (BHU). And one with a monthly income of less than 60 RU, not considered as solvent, with access to loans and subsidies from the MVOTMA through the National Housing and Urbanisation Fund (FONAVIUR).

The RU was created by the national Parliament, in the framework of the National Housing Law, with the purpose of lending money and subsequently collecting its repayment for the construction of housing. The RU is adjusted monthly, according to the average wage index (IMS). In the case of housing cooperatives, the repayment instalment is adjusted once a year, according to the accumulation of the annual change in the RU. This is intended to ensure that workers who take out a loan from the FONAVIUR can maintain their ability to pay.

In a nutshell, the Uruguayan social housing policy between 1990 and 2004 focused on the poorest population, leaving behind the other low-income households categories, and implementing fast solutions with

¹ In March 2022: 1 UR = 42 USD. In March 2016: 1 UR = 27 USD

low-quality standards, which ended up reinforcing territorial segregation. COVICOFU was the last MAHC project built under one of these programmes, as the housing policy changed in 2005.

Financial mechanism and access to land

COVICOFU has to be situated in the framework of the programme that was based on **the construction of “turnkey” housing solutions called Núcleos Básicos Evolutivos (NBE)**, as part of the Integrated System of Access to Housing (SIAV), a mechanism through which direct housing subsidies and loans are provided by the MVOTMA. This programme promoted **32 m² houses** for the poorest households (with a monthly income between 0 and ~1,000 USD), whatever their size, and were located in peripheral areas, usually without access to any services or infrastructure.

Since 1975 and until 2005, housing cooperatives were struggling to have the law applied and to receive actual support from the national government. Very few housing cooperatives managed to build, and most of them had to wait several years between the moment they obtained legal status and the moment the government would release the loans. In this context, **FUCVAM was a major actor in putting pressure on the government to improve and apply the law.**

The regulation formulated in 1994 by the MVOTMA, which established new conditions for housing cooperatives to have access to state loans and subsidies, was one of the results of their demands, even though it still had many flaws. It divided the low-income households into 6 income categories (francas), the lowest being 20.9 RU and the highest 60 RU.

The loans would be calculated according to income, but subsidies were a fixed amount of 374 RU, regardless of category. This new regulation integrates FUCVAM's demand to the government to apply for the poorest households who were willing to establish a MAHC, the same financial support as for the NBE programme.

COVICOFU's members fell into the 1st category (Franja 1), this means that the government would consider a maximum cost of 31,050 USD (value of the RU in 2016) for each house, the same amount as for the 32 m² NBE. The financial scheme to cover the land acquisition and the construction for MAHC includes an 85% of state loan and a 15% of in-kind contribution through the self-construction principle of this model. In COVICOFU's case, the total cost for 14 houses was 434,700 USD. They received a loan per house in the amount of 26,392 USD, and each household had to provide the equivalent of 4,657.5 USD in working hours.

Thanks to the state subsidy of 10,098 USD per household, the amount to be reimbursed, per household, was only 16,294 USD. In addition, and following the initial “Francas” programme logic, the households would have had to pay back more than 4 RU (7%) of interest rate each month for 25 years. But FUCVAM negotiated and obtained a lower interest rate, so they would have to pay only 2 RU per month for 5 years. The total of the interest to be paid back to the state by COVICOFU was 45,360 USD.

It is worth noting that **FUCVAM builds, for the same cost, better quality and bigger houses** (60 m² instead of 32 m²) than the NBE programme. Through the participation of the future inhabitants throughout the process, the architectural and urbanistic conception answers to their needs and preferences. Savings on the total cost are made by cutting out intermediaries, especially the large construction companies. And although the financial resources weren't sufficient to build a community room in this case, one of FUCVAM's hallmarks, COVICOFU managed to obtain a donation from the Ministry of Transports in order to build it.

Land negotiation and construction process

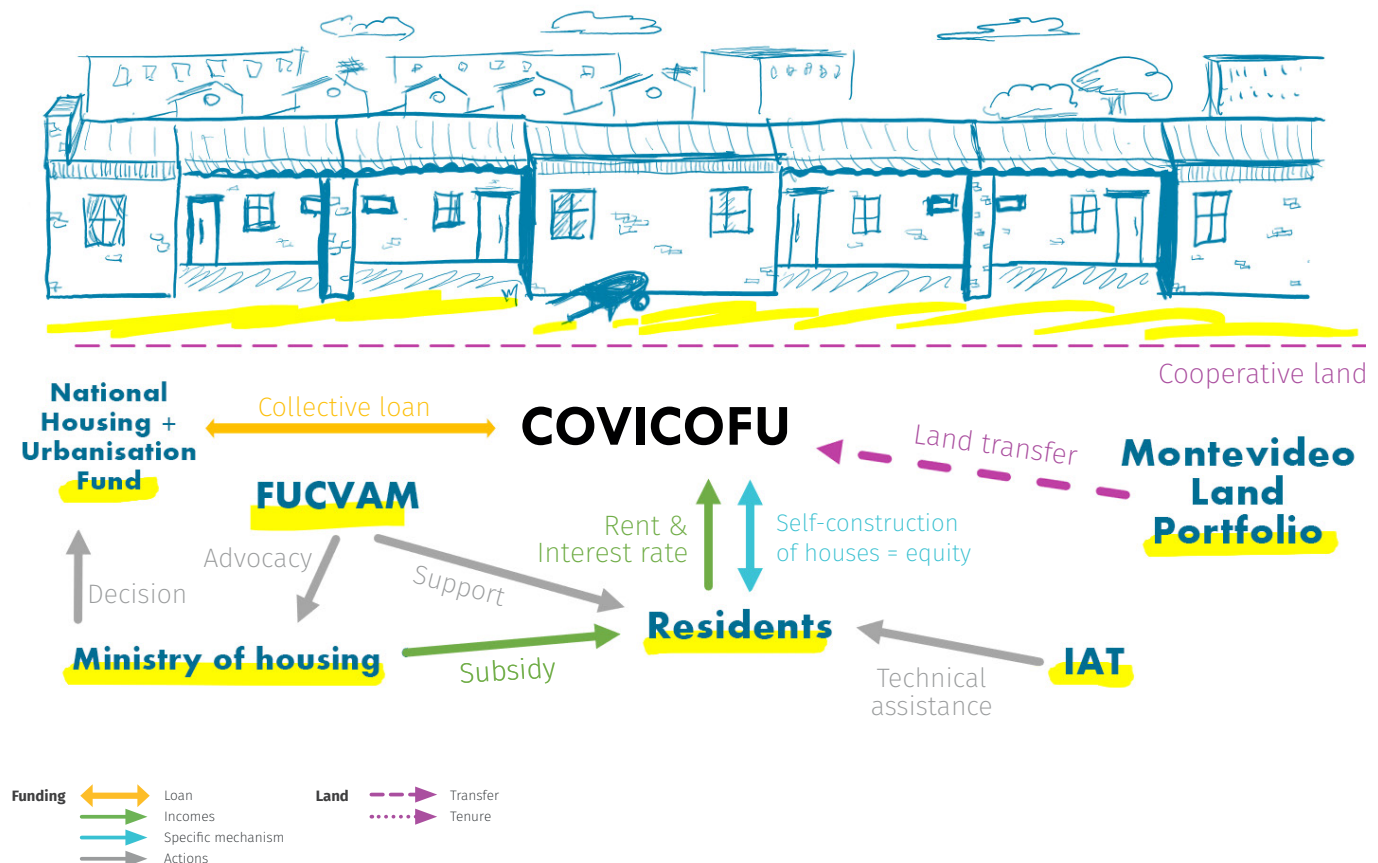
Another major achievement for FUCVAM during this period, while taking advantage of a progressive municipal government in Montevideo, was to obtain **a municipal “Land Portfolio”, which allows the cooperative groups, as well as other public housing providers, to have access to urbanised land at an adequate cost.** Once the loan was released by the government in March 2016, COVICOFU was able to buy the plot of land they were occupying and which was part of the municipal portfolio.

The construction of the future 14 houses started in October 2016 and was finalised in 2019, thanks to the possibility established by law for the MAHC to hire a Technical Assistance Institute, who would provide multidisciplinary services in support of their self-construction process. These technical NGOs, recognised by the state, usually represent a 7% of the total cost of a MAHC project.

Solidarity is an important principle for the MAHC. Not only are FUCVAM’s members helping each other during the construction process and once they are established, but also on some other occasions. For instance, COVICOFU received the [Social Production of Habitat Award in 2016](#) for showing solidarity with communities who had been affected by a hurricane in another city in Uruguay, the same year as COVICOFU started to build its houses. They sent them 15,000 bricks for the reconstruction of damaged houses.

COVICOFU’s project illustrates the difficult struggle for low-income households to access adequate housing, despite the existence of a national legal framework that recognises and supports alternative housing models like mutual-aid housing cooperatives.

Started in 2002, it took 14 years for the project to get off the ground. The slow achievements on the way were only possible thanks to FUCVAM’s advocacy work and the strong will, solidarity and perseverance of the people carrying the project.



COOPERATIVA ESPERANÇA

RIO DE JANEIRO, BRAZIL



Construction of housing through mutual aid and collective self-managed processes in Brazil

In March 2000, in response to the need for decent housing of poor families in Jacarepaguá, a middle-class neighbourhood in the West Zone of the city, the *União por Moradia Popular do Rio de Janeiro* (UNIÃO-RJ), with technical assistance from the Bento Rubião Human Rights Foundation, started the mobilisation and organisation of the **Cooperativa Esperança**.

The community gave following to the experiences of the Housing and Mixed Cooperatives Shangri-lá (1996-1999) and Herbert de Souza (2001-2003), which, inspired by exchanges with Uruguayan cooperatives, built their houses in Rio de Janeiro.

The success of these experiences attracted a great deal of attention and interest, which gave rise to the Esperança Cooperative, **formed by 70 families**. Although inspired by the Uruguayan model, no housing cooperative in Brazil is legally recognised and formalised as such, given the inexistence of legislation to regulate the model at a national level - which subsequently led the families to opt for the name “Grupo Esperança”, formalising themselves as the “Esperança Group Residents’ Association” but maintaining their collective identity as a cooperative (within the moulds and values of cooperativism).

With the withdrawal of international cooperation in the 2000s and without public policies to support the model, the collective took years to access land and funding. Throughout the process, the support received by UNIÃO-RJ and the Bento Rubião Foundation were essential for the consolidation of the group - especially due to the extensive experience acquired by these organisations in the construction of the Shangri-lá and Herbert de Souza cooperatives. **The solidarity network between these actors was essential** to keep the group together and overcome the various obstacles.

At the time of its foundation, the Esperança Group was composed of families in vulnerable socio-economic conditions, with low levels of formal education and in situations of unemployment or underemployment. Even today, a considerable part of these families are headed by women, afro-descendants and informal workers. Thus, due to the great difficulties faced by these population groups historically deprived of their basic rights, the need for access to decent housing was one of the main motivators for the organisation of the group.



Photos: Group Esperança

Timeline

- 2000** Foundation of Esperança group
- 2011** Access to public land and financing
- 2015** Completion of construction. Residents moved in.
- 2018** Exploring the establishment of a CLT model in the community

Self-help and mutual-aid through the *mutirões*

Throughout the mobilisation and construction process, one of the pillars of the Esperança Group was the mutual-aid among its members, as well as the collective management of the whole project. Different committees were formed, in addition to those required to access public funding, including: Representatives Committee, Construction Monitoring Committee, Kitchen, Daycare, Mobilisation and Health Committees, as well as the Fiscal Council and the General Coordination. Each family contributed voluntarily with 17 hours a week.

All the houses were built through self-help and mutual-aid - in Brazil, these are processes commonly known as *mutirões*, in which families and other volunteers contribute with their workforce in the construction works. Among the specialised and paid workforce were members of the Group who already worked in the construction business - and who contributed to the training of the group, allowing the knowledge acquired for the construction of the housing units to be disseminated among its members. In the *mutirões* organised, around 70% of the participants were women - challenging the misconceptions around a work predominantly dominated by men. To save costs, **construction materials were bought collectively**.

In addition, to encourage participation in the *mutirões*, the houses of each family were not defined before the interior design stage - similar to what happens in Uruguayan cooperatives. This allowed everyone to participate in the construction of each house with the same commitment, while giving each resident the opportunity to do the internal finishes according to their tastes and dreams, once the houses were defined.

Another interesting aspect of the project is its environmental character. Through a partnership with the *Mata Atlântica* campus of [Fiocruz](#), the group participated in theoretical and practical workshops for the construction and installation of prototypes of low-cost solar water heating and rainwater harvesting - technologies that the residents could choose to implement in their homes. In addition, all the houses were built in order to have better energy efficiency, adopting, for example, some principles of bioclimatic architecture, resulting in brighter and cooler houses.

Land negotiation

In 2003, the change in power in the federal government provided for the creation of favourable public policies for social housing, including the allocation of public land. In 2005, after years of resistance and mobilisation, a pledge was signed to allocate two plots of land in *Colônia Juliano Moreira*, located in Jacarepaguá, for the development of community-led housing projects, which included the Esperança Group.

The Juliano Moreira area, where the Esperança Group land is located, extends **for about 780 he**, being previously used as a psychiatric institution. With the beginning of the Growth Acceleration Program (PAC) of the Federal Government, part of the territory was given to the city hall, which subsequently developed urbanisation projects, infrastructure and construction of affordable housing - transforming the area into a "new neighbourhood of the city". The investment in the new neighbourhood led to real estate appreciation and the dispute over land intensified, at the same time that the city hall opted for the production of large-scale housing. Some local residents claimed the land previously allocated to Grupo Esperança

for the construction of a neighbourhood square¹ - which led the collective to give up its land to avoid conflicts with the new neighbours. As a precondition for doing so, Grupo Esperança demanded that the city government provided the necessary urbanisation and infrastructure works on the new plot that would then be destined to the cooperative - work that had already been carried out by the collective in the previous lot.

The urbanisation works on the new plot were completed in 2010, however, due to bureaucratic problems with the registry office, the land was only granted to the collective in 2011. With the land use concession registered, Grupo Esperança was able to join the *Minha Casa, Minha Vida ENTIDADES* (MCMV-E) - a governmental financing programme - from which it obtained the necessary funds for the construction of the houses.

Financial mechanism for land and constructions

The Brazilian federal government's MCMV-E programme began in 2009 and was designed to meet the housing needs of low-income families with gross family incomes of up to R\$ 1,800 (around US\$ 340), organised in housing or mixed cooperatives or other private non-profit entities. The total cost of the Esperança project was approximately **R\$ 3 million** (approximately US\$ 565 000), including technical assistance costs.

The first transfers of MCMV-E funds took place in April 2012, and Grupo Esperança could finally begin **the construction of the 70 houses**. The MCMV-E programme offered better financing conditions, with subsidies and more available resources. The socio-economic situation of each family determined its repayment capacity as well as the amount of the subsidy. The amount of each family's monthly loan repayments should not exceed 10% of family income. **Each family has 10 years to make the credit payment**, which is interest-free, but includes monetary correction.

The MCMV-E program constituted a major advance in the production of community-led housing. The management of the resources could be carried out by the Bento Rubião Foundation, as a "Qualified Organising Entity", together with the Representatives and Construction Monitoring Committees, both with elected members by the cooperative. All decisions were taken collectively in general assemblies. In addition, the transfer of funding followed a specific, pre-defined schedule of construction works, to which new remittances depended - similar to the logic employed in the cases of mutual-aid uruguayan cooperatives.

According to public funding regulations, both the land and the financing are received by the Organising Entity (in this case, the Bento Rubião Foundation). However, although the resources are used for the collective construction of housing, there is no collective financing in Brazil - before the responsible bodies, each family is individually responsible for its part in the repayment of loans.

Currently, the families of the Esperança Group have not yet started repaying the credit due to bureaucratic issues related to regularising the land and obtaining the land registry after constructions had finished. This uncertain situation worries the residents as, since signing the financing contract, the regulations involving the amount of subsidies set for projects of this kind have changed. The collective is ready to continue the fight if they see their rights violated.

A first brazilian CLT - the "Termo Territorial Coletivo"

Even after the construction of the houses, the Esperança Group still faces many challenges. The long history of the collective has allowed the Group to experience the different moments of the national public policy scenario. Today, the key obstacles are obtaining the land rights and registry over the conceded land, the repayment of loans, as well as the difficulty in keeping the group together. All legal responsibility for the project remains in the hands of the Bento Rubião Foundation, since the land is still in the process of being regularised by the public authorities - even though the Group has already been granted

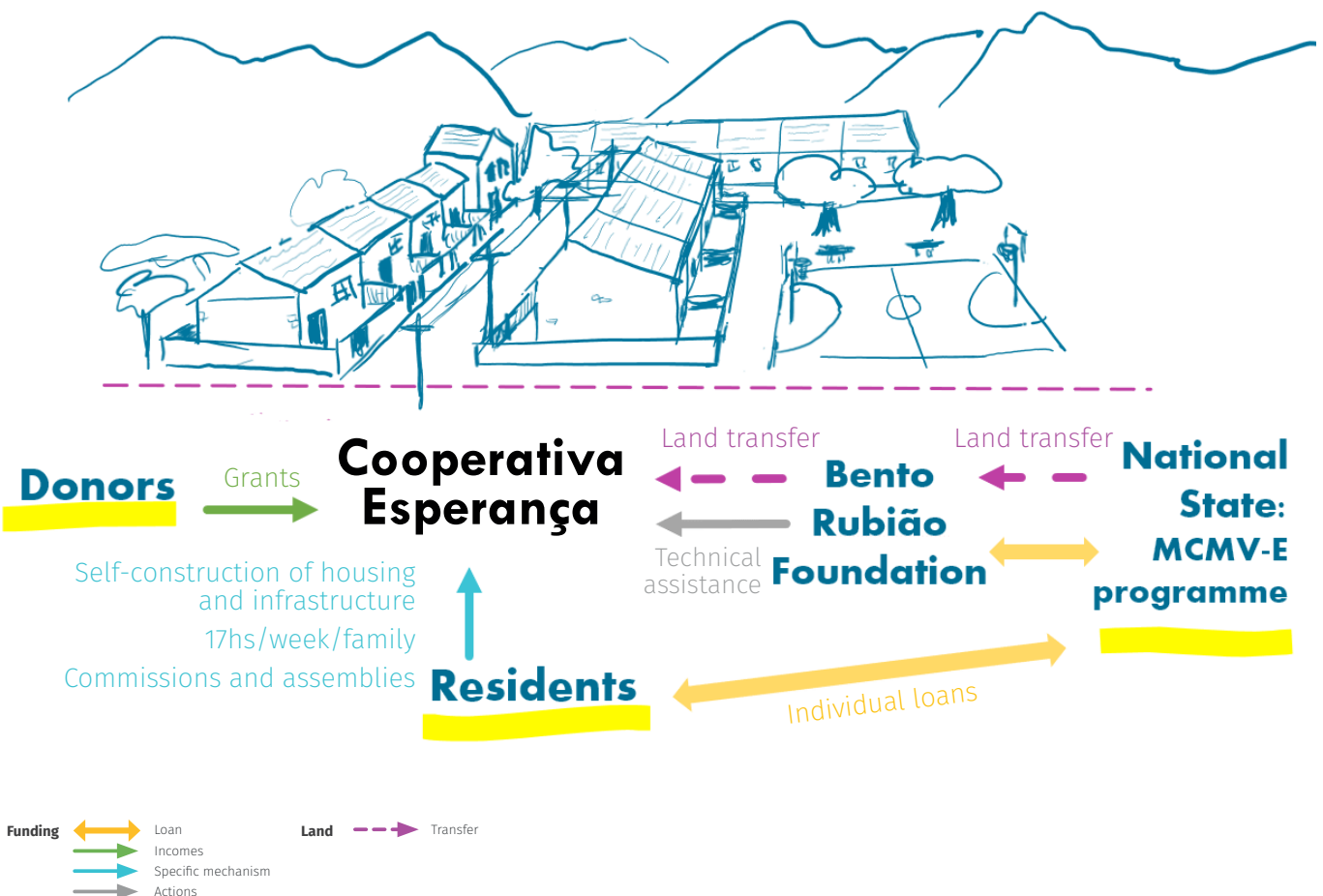
¹ The construction of the neighbourhood square did not take place, nor did many of the investments planned by the city hall in the area, with a strong withdrawal of public investment in the neighbourhood. Today, many of the areas in the neighbourhood are held by parallel powers.

a concession of use by the public authorities. After regularisation, each family will obtain individual property titles, which may lead to the gentrification of the area if the families decide to sell their properties due to the increase in value of real estate in the region.

As a result, **new forms of property ownership** began to be discussed in the collective. The NGO [Catalytic Communities](#) has been working with interested communities in Rio de Janeiro to implement the [Termo Territorial Coletivo](#) (Community Land Trust, in English). The Esperança group is one of the pilot communities involved in the realisation of the first Brazilian CLT.

According to Neide, member of the Esperança Group since its formation, the CLT is an important new chapter in the group’s history - essential for bringing residents back together around a common cause while ensuring their housing is permanently affordable. *“Before the pandemic, there was a period where we were a bit disconnected. During the pandemic, there was confinement. Over time, we started feeling the need to come together again. We started a process together with Catalytic Communities, for the Community Land Trust. I tried to keep these meetings regular, although not all the residents participated, due to difficulties with technology. We started a new process now with the CLT, so that the land can be collective, so that we can have legalisation and organisation, with everything documented, everything registered. [...] I really want the implementation of the CLT here, as a guarantee of the land, to give continuity to the project, bringing the rules of cooperativism into our association”.*

Neide underlines how important it is that the group has the same involvement and cohesion as at the beginning of the project, which was lost with the long years of struggle, as it happens in many other collective housing projects. She explains: *“We have to get back to all that involvement we had at the time of the mutirões. We had participation of, let’s say, 85% of the families - which we don’t have today. So we felt the need to make a new coordination, because the current coordination is very tired. We will hold an election, with new members, new people. With commissions again. Because we saw, back there, that with commissions, the mutirão worked. So we are going to have various commissions, including one with young people and children, so that there is continuity. We need new leaders to give continuity to this work”.*



MEHR ALS WOHNEN

ZÜRICH, SWITZERLAND



A vision becomes reality

Mehr als wohnen is a housing cooperative located in the city of Zurich, in Switzerland. In the Swiss context, housing cooperatives are private organisations, co-owned and self-managed, with the aim of **securing land and property from speculation**. Organised democratically, every resident has the right to one vote (one member = one vote), regardless of initial investment or equity brought into the housing cooperative.

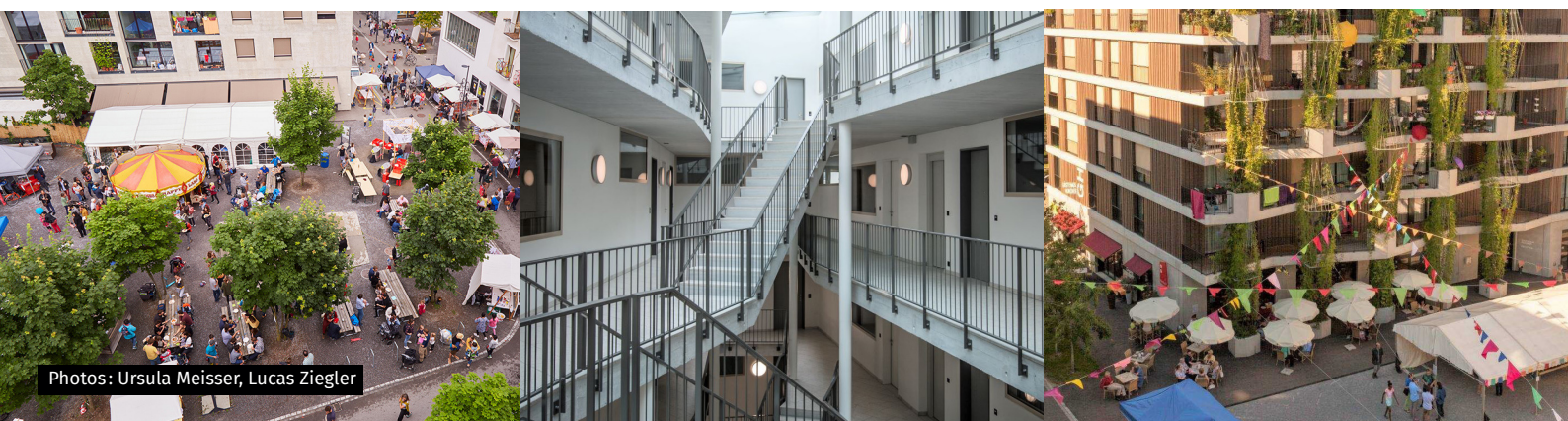
Particularly in the city of Zurich, housing cooperatives and non-profit housing associations have a long history and tradition. Currently, **25% of the city's housing stock is owned by cooperatives and non-profit organisations**. In 2011, a city-scale referendum was held in which the population voted in favour of a law to have $\frac{1}{3}$ of non-profit housing in the city by 2050. Through this law, the city of Zurich is required to support a framework and instruments to support non-profit housing.

With civil society and government support, housing cooperatives in the city have, therefore, an important role of providing affordable housing. In 2007, together with the municipality, Zurich's housing cooperatives celebrated the 100th anniversary of the cooperative movement. More than celebrating their history and achievements, this celebration was marked by a question: *how can we tackle the pressing housing needs and urgent issues of the 21st century?*

To answer this question, over 50 different local housing co-ops came together and formed a new cooperative with the aim of establishing a learning and innovation hub that would benefit the entire housing cooperative sector. That was the beginning of mehr als wohnen ("more than housing", in English).

Located in the north of Zurich, in the Hunziker area, mehr als wohnen aims to prove it is possible to live in a holistically sustainable environment - socially, economically and environmentally - promoting community-led, self-organised dynamics that cater for different lifestyles and different housing needs that constantly evolve through time.

As its name suggests, "more than a housing" established a new level for cooperative housing at the scale of a whole neighbourhood, **with 370 housing units, 1 300 residents and 150 jobs** through its various facilities and shops.



Timeline

2007	Creation of mehr als wohnen and ideas competition
2008-2009	Architectural competition
2010	Land lease officially signed with the City of Zurich
2014-2015	1300 residents moved in

An innovative way to create a cooperative neighbourhood

In partnership with the City of Zurich, mehr als wohnen launched an architectural competition with a jury composed of residents and wider public based on “*how do we want to live in the future?*” and “*what does an urban neighbourhood need?*”, with twenty-six teams involved. The winner was selected, and three additional architecture firms were commissioned to design other buildings. Moreover, three to four participatory events per year **allowed future residents and neighbours to participate in the project development together** with master planners, architectural firms and technical experts.

In addition to this new paradigm for neighbourhood making, another innovative aspect of the project is its demographics. The demographics of the city of Zurich had to be represented in the cooperative’s population, so that **its diversity reflects the reality of the city**. Factors such as household type, income, ages, nationality and others, were taken into account to ensure social diversity. A software programme developed in partnership with a spin-off of the technical University of Zurich (ETH) facilitated this analysis to select future residents.

Finally, given its commitment to research and innovation, mehr als wohnen has a research yearly budget. For instance, through the studies and innovations carried out in the housing complex, aiming sustainability, **mehr als wohnen has managed to show that the 2000-Watt society goals are already possible** (currently, the cooperative stands at 1300 Watt). For its next housing project, mehr als wohnen is aiming at a **net zero power consumption**. All research and innovation implemented in the area are properly documented and shared with other housing cooperatives that can benefit from the knowledge gained during this process.

Land negotiation

With an overheated housing market and increasing private development in the city of Zurich, housing cooperatives face the challenge of finding and accessing affordable land. Once mehr als wohnen was formed, negotiations with the local government took place to find a suitable plot of land for the project.

The cooperative is located in a former industrial zone in the northern part of the city, in an area only developed at the beginning of the 20th century, with 4 hectares. Up until the 80s, the area hosted a concrete factory. The site was later purchased by the city of Zurich, and became one of the largest reserves for housing development in the city. Through the law approved by the 2011 referendum, **the city of Zurich cannot sell land to the highest bidder - instead, it has to take into consideration non-profit housing development**.

In 2007, the city offered the site to mehr als wohnen, through a long-term lease agreement (signed in 2010), in which the cooperative has the use rights over the area. The **long-term lease is nearly 100 years**, and can be renewed after this period. As part of the agreement, the cooperative has to respond to several conditions: rents have to be calculated on the basis of investment costs, **20% of the housing units have to be subsidised**, the city of Zurich has the right to use 1% of the floor space free of charge for district functions (e.g. kindergartens), 0.5% of the construction costs had to be invested in local art projects (“Kunst am Bau”); the highest energy standards (Minergie P-Eco) had to be implemented and an architecture competition had to be held; among others.

The lease agreement also determines that **the cooperative pays an annual rate to the city of Zurich** (currently, CHF 720,000), which is adjusted every five years in accordance with the cost of living index as well as considering the average benchmark interest rate, which is published every quarter by cantonal banks while its five years average is used to recalculate rents and land costs in Switzerland.

The calculation of the annual land lease rate also takes into account the space provided for free by the cooperative for the development of public interest infrastructure as well as the amount of subsidy it provides to low-income households (20% of apartments are subsidised).

The long-term lease agreement between the City of Zurich and mehr als wohnen is highly beneficial for both parties: the cooperative provides affordable housing and living spaces, with social and ecological contributions to the urban fabric, while profiting from urban land resources and easier access to financial support.

Indeed, nowadays, the urban district of mehr als wohnen provides not only housing for 1,300 people, but has over 7,000 m² of ground floor usage for restaurants, cafes, guesthouses, working spaces, kindergartens, studios, and so on - hosting 150 jobs on site. It is a very lively neighbourhood, with very engaged and committed cooperative members transforming and developing their environment further.

Financial mechanism for land and constructions

The total cost of the project was **CHF 195 million** (approximately EUR 187 million). In order to reduce the risk, the project aimed for having diversified sources of financing.

Since the land was secured through a long-term lease agreement with the City of Zurich, the member equity required from mehr als wohnen was 6% of total project cost - of which 10% were to be financed by the municipality, meaning the cooperative had to bring an initial equity of 5.4% as starting capital. Mehr als wohnen benefited from the large expertise and resources of its founding member cooperatives, who contributed to approximately half of this required capital - the rest being collected from future residents as their equity.

Since being a young cooperative, **every resident is required to bring CHF 250/m² as their member equity**. In Switzerland, families can use their pension fund to cover up to 70% of this amount. For low-income families and the elderly, other mechanisms exist through which this amount can be paid by the City of Zurich's social services.

Funding was raised among all three levels of government: at the Zurich city level; at the "state level", through the Canton of Zurich; and at the federal level through the Swiss Federation - all of them having different instruments to support non-profit housing projects.

At the federal level, the federation of Swiss Housing Cooperatives provided a loan through its working capital for a total of CHF 11 million, with favourable conditions over **20 years and with 1% interest rate**. At the federal level, another CHF 35 million was secured through a bond loan with fixed interest rates for the first 20 years through the Emissionszentrale gemeinnütziger Wohnbauträge (EGW) (in English, "Issuing office for public utility housing developers"). EGW is an instrument for financing housing projects of public interest, in which loans are guaranteed by the Swiss Confederation (Federal Bureau of Housing) and thus offer investors the best possible security while nonprofits benefit from considerably more advantages than comparable fixed mortgages with the same terms.

At the cantonal level, the project was able to secure **a loan of CHF 8 million from the Canton of Zurich**. At the municipal level, another **CHF 8 million was secured through the City of Zurich**. In Switzerland, Cantons only grant loans if the municipality has agreed to finance the project as well - therefore, they depend on each other.

Both loans came with fixed interest rates - however, instead of paying this interest to the City and Canton of Zurich, this theoretical pre-calculated amount is redirected by the cooperative to cover the subsidised rents - guaranteeing that 20% of housing units are subsidised. Such an arrangement highlights the economic and social benefits of partnerships between government and non-profit initiatives.

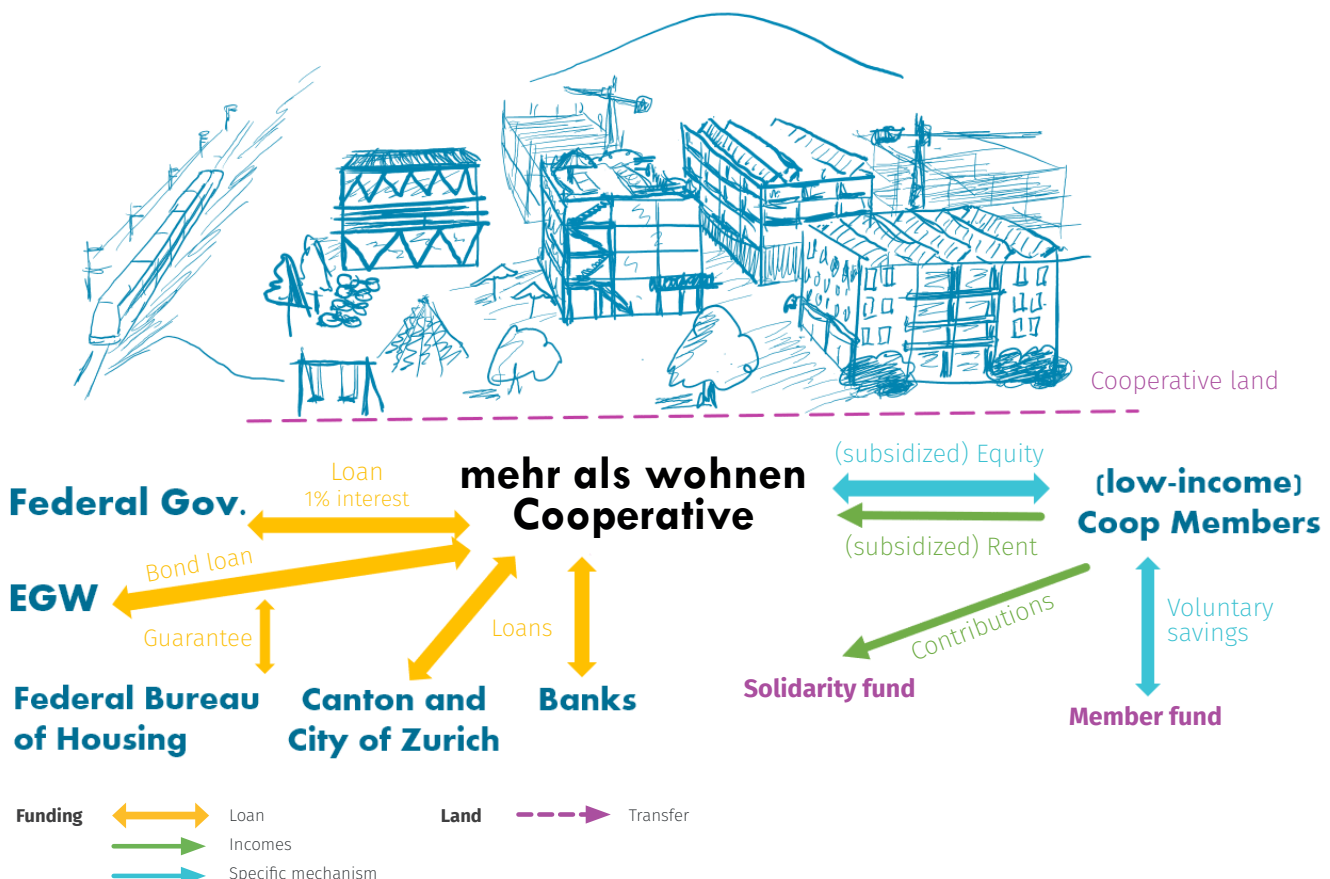
To complete its financial planning, mehr als wohnen also secured a loan from the City of Zurich's pension fund, **which helped raise another CHF 8 million**, with fixed interest rate. The rest of the necessary financing was pulled from **a consortium of four banks through traditional mortgage loans**. Mehr als wohnen was careful to only work with banks and financial institutions with good ethical standards.

The initial financial set up of the project (fixed interest rates for the first 15 to 20 years, for instance) was very important for the project as it directly influences the price of rents, and therefore the long-term affordability (since rent calculation takes into account the amortisation of loans and payment of interest).

Another interesting aspect is that mehr als wohnen, like many Swiss housing cooperatives, has a mechanism that allows its members to transfer their savings to the cooperative instead of keeping them at traditional banks' saving accounts. Those **"member funds"** are part of the capital of the cooperative - meaning that the larger the member funds are, the less mortgages a cooperative will need in the future, for example for launching new projects or refurbishment works. Members who invest in their cooperatives then benefit from a higher investment return than they would get at a conventional bank.

The cooperative also disposes of **an internal Solidarity Fund**, helping to pool resources that can be used to finance solidarity projects or even help families in distress entering the cooperative (unable to cover their equity). The Solidarity Fund receives contributions from all residents (CHF 10 to 30 per month, depending on family income) and commercial stores located in the cooperative.

This amount allows mehr als wohnen to support several activities and projects: lower monthly rents for very low-income households, purchase furniture for an indoor playground or new equipment for a repair café, organise the annual cooperative party and financial support cooperative projects in the neighbourhood or abroad. This initiative clearly embodies **the solidarity values housing cooperatives carry**, allowing for cooperation and solidarity in most diverse scales.



SPREEFELD

BERLIN, GERMANY



Democratically building and managing mixed-use housing projects

Before and after the German reunification in 1990, Berlin has been the scene of a vibrant self-managed housing provision by squatting movements, Baugruppen (construction groups), and Housing Cooperatives, among others. Over 500 community-led housing projects appeared in Berlin in the last decades. **The Spreefeld housing cooperative, downtown Berlin, is one of them.**

It was built between 2012 and 2014, on a plot of land of 7 000 m² along the Spree River and includes 60 flats (around 140 residents), as well as 10 commercial and service areas (with over 70 workers). Nevertheless, by the time the residents could move in, gentrification and financialization processes had started all over Berlin. **The value of land increased by 16 times since they could buy it**, generating divisions in the cooperative and making it difficult for other new affordable housing projects to emerge without public subsidies.

On the planning stage, in order to stand against privatisation of the riverfront, the group wanted to design an open landscape, not another gated community. The car-free public space from the waterfront is connected to the private spaces around the cooperative, which most people think are public - therefore **benefitting the whole community and ensuring public access to the riverbanks.**

Timeline

- 2007** Protesting about the privatisation of the Spree waterfront
- 2010** Acquisition of land
- 2014** End of construction
- 2021** Creation of the Berlin CLT (Stadtbodenstiftung)
- 2022** Many households gain private ownership of their apartments



Photos: Michael LaFond, Ute Zscharnt



Another way of ensuring social interactions with the neighbourhood community was to ensure that the ground level of the buildings have only **commercial spaces (cafés, coworking, studios, educational and cultural spaces), and a children's day-care centre**. The pre-existing “boat house” (a bunker for police boats built in the 1960's), refurbished by the cooperative, as well as two unassigned “option rooms” along with a workshop, can be rented by residents while non-residents can book them to organise cultural activities, sports, music, celebrations, workshops, etc.

Each of the buildings also has common areas like shared laundries, roof terrace, sports rooms, and the cooperative also wanted to demonstrate that it is possible to grow food in public spaces. Many of the residents live in cluster-apartments (Wohngemeinschaften) where even kitchen and living areas are shared by different households which have **their own decision-making structures to manage their shared spaces**. Each of the 60 apartments are different and the building achieved a passive-building standard (they also produce the energy they consume with renewable sources).

Land negotiation

Inspired by housing cooperative initiatives in Berlin, Hamburg, Munich, as well as Switzerland, Austria and Denmark, a dozen people started looking for land to create a mixed-use Community-Led Housing project. At the end of the 2000's, they found a huge plot of land that the Federal Government wanted to sell. They initially wanted the City of Berlin or a non-profit foundation to buy it to develop an affordable housing project with a long-term lease, but the municipality refused to do so.

The Spreefeld core group was left with no other option than to buy it to prevent yet another project that would privatise the access to the river. They eventually **bought the land as a private entity, before transferring the ownership to the Housing Cooperative** “Bau- und Wohngenossenschaft Spreefeld Berlin eG” which was registered in 2011.

The aim of the cooperative was to create a participatory plan, build and manage a mixed-use housing project. The cooperative acted as both an “investment group” and as a “cooperative group”. Three architect's offices were involved in the planning and construction process, each helping design and realise one of the three buildings to ensure the collective appearance.

The governance has always been through a monthly membership assembly and a number of thematic working groups, as well as house and community space teams involving the future residents, and other citizens interested in the different initiatives around the project. There were also several alternative architects and housing developers involved in this large-scale project that would transform the sector.

Financial mechanism for land and constructions

Spreefeld is **a membership-based cooperative** and therefore depends on the resources of its residents. The cooperative structure reduces individual interests and fosters solidarity among members. Initially the core group bought the land with a loan from an alternative bank (Umweltbank), which is often used to finance renewable energy and cooperative projects.

Since the project reaches very high environmental standards, the German state-owned investment and development bank (KfW Bank) gave the cooperative a low-interest loan for the construction of the buildings and infrastructure.

The total cost of the project rose to EUR 17 million, 50% of which was paid through cooperative loans and 50% through members' contributions for their apartments (through savings and individual loans). To pay back the loans for land and construction to the banks, the cooperative generates income through “use-fees” that residents must pay for their homes. Rent from the commercial spaces is enough to cover the costs of creating and financing these.

The community and “option spaces” which can be rented to organise all kinds of events do not generate income but cover their basic costs through modest rents.

Loans are with **fixed interest-rates for the first 10 years**, and then the cooperative can negotiate with the bank regarding the lasting repayment period. *“The nice thing about the cooperative is that we can change the rules depending on the situation. It is up to us to repay the loan in anywhere from 15 to 50 years. For now, we are expecting to repay over a 20-year period”* explains Michael LaFond, a member of the cooperative who co-created Co-Housing Berlin and the Institute for Creative Sustainability id22.

From the 60 households, 15 were not eligible for bank loans, for being independent workers or artists, and the cooperative acted as **a guarantor of their loans to ensure they could be integrated to the project**. Furthermore, an emphasis has been given to creating and maintaining affordable rents (currently around 6-7€/m², and in the future 3-4€/m² when the cooperative’s loan is repaid). Many of the Spreefeld residents could not otherwise afford to live in the city centre under today’s conditions. Additionally, a number of rooms are rented to non-members of the cooperative, including Syrian and Ukrainian refugees whose rent is paid by the State.

Shifting towards a hybrid ownership model

Since the beginning there were disagreements inside the group, with conflicting views among the residents regarding collective and private ownership of the buildings. At the end, Spreefeld was established as a building and housing cooperative with an option to individually buy one’s own apartment. A growing number of people went for the second option, which involved constituting a condominium organisation (WEG - Wohnungseigentümer Gemeinschaft).

Currently **35 homes are privately owned, while the other 25 and all the commercial spaces are owned by the cooperative**, which is also a member of the newly created condominium association. A new hybrid structure has been created to integrate everybody and follow the dynamic of meetings every two months to share ideas, opinions, and keep the cooperative spirit alive.

In cooperative projects, with collective property, one of the main difficulties is educating cooperators on the importance **of limiting speculation**. In some cases, when members realise they won’t be able to generate added value to their investment, they have the impression of losing capital - especially when the cooperative is located in areas with high-speculation. Many people who are self-employed or employed in precarious jobs, without retirement guarantees, see the investment in a privately-owned home as a solution for their old days.

This tendency is accentuated by the growing financialization of the riverfront area, where Spreefeld is located, **which saw its square metre rise from 500 € to 800 € in only a decade**.

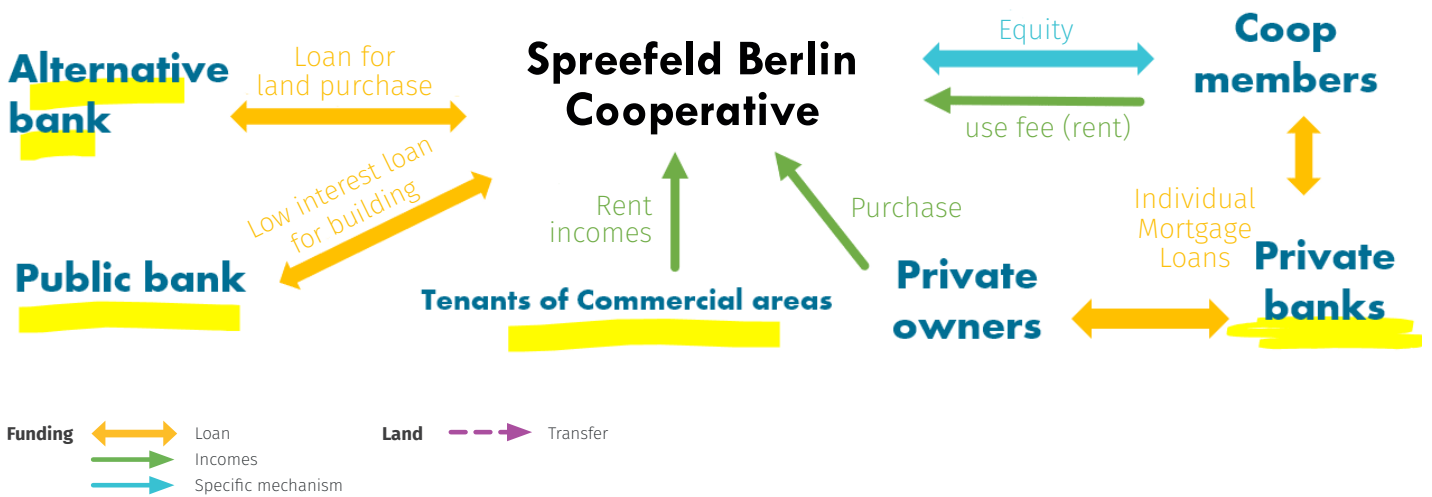
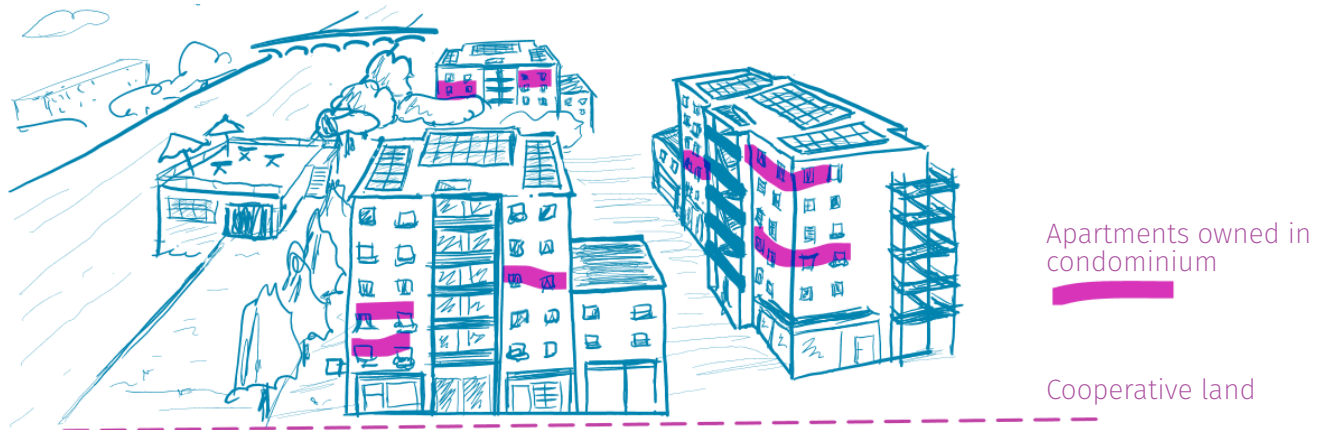
Unfortunately, there is not much the cooperative can do in the future to avoid homeowners from selling their apartment to the highest bidder. These could be wealthy people or speculative investors who accumulate housing as commodities, and don’t have any interest in the local community or Spreefeld Berlin’s founding ethos.

Theoretically, the cooperative has a “right of first refusal” to buy an apartment that is being sold, but the market price could be far too expensive for the cooperative to afford each time an owner is selling an apartment.

“Many people are quite frustrated with the result of Spreefeld, because at the end this hybrid mix is due to a neoliberal impulse of private ownership. It is still a good urban project with collective participation, but the private ownership model is a bit disappointing” explains Michael who works on other collective land tenure initiatives, for example, [the Stadtbodenstiftung](#), the Berliner version of a Community Land Trust (CLT).

The CLT model is precisely an alternative to ensure long term affordability by extracting land from the speculative market. However, if the CLT must buy land and buildings at the current market price without any subsidy, the homes it will rent or sell, will hardly be affordable to low-income households.

According to Michael, the regional government of Berlin has been providing land and grants for housing cooperatives, but small community-led initiatives in the field of affordable housing are not a priority for the current government.



RESOURCES

Dzivarasekwa Extension Slum Upgrading Project

Official Website

Cohabitat.io Project Page

Study on citizen financing mechanisms for affordable housing production in Africa

World Habitat Project Summary

COVICOFU

Cohabitat.io Project Page

Revista Vivienda Popular n°27, “Cien años. Vivienda Social y Facultad”, 2015, Universidad de la República, Facultad de Arquitectura, Montevideo

Fernández Caetano, C., “La política pública de vivienda en Uruguay en los últimos treinta años. Del enfoque residual a la vocación universalista”, Fronteras 15 (2): 112-124, 2020, Montevideo

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Cooperativa Esperança

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Mehr als wohnen

Official Website

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Video: Land & Financing for Community-led Housing: learning from successful projects

PDF: A vision becomes reality – 10 years lessons learned

Spreefeeld

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- » Study on citizen financing mechanisms for affordable housing production in Africa
- » The Growth of Community Land Trusts in England and Europe



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