



# Experiences with housing programs

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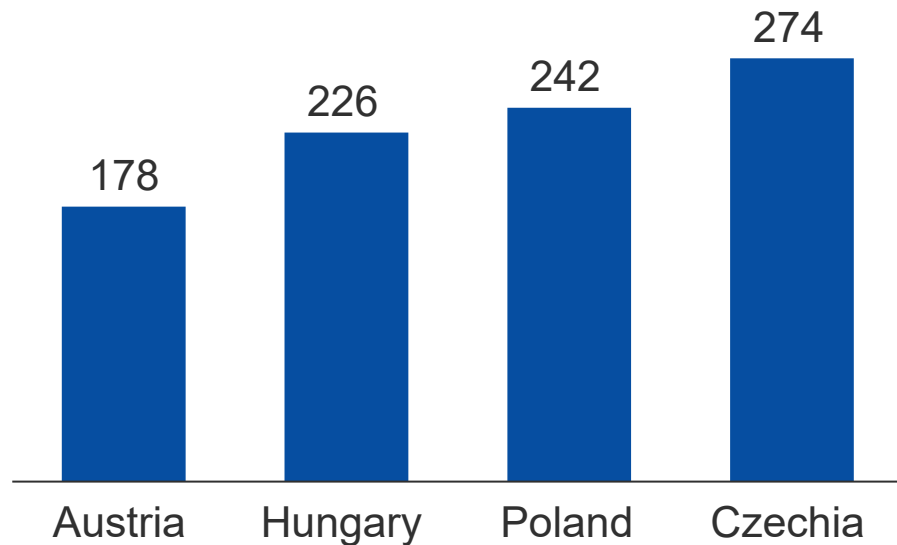
**Financial stability  
is not sustainable  
without social  
stability**



# We have a housing crisis due to the high cost of housing

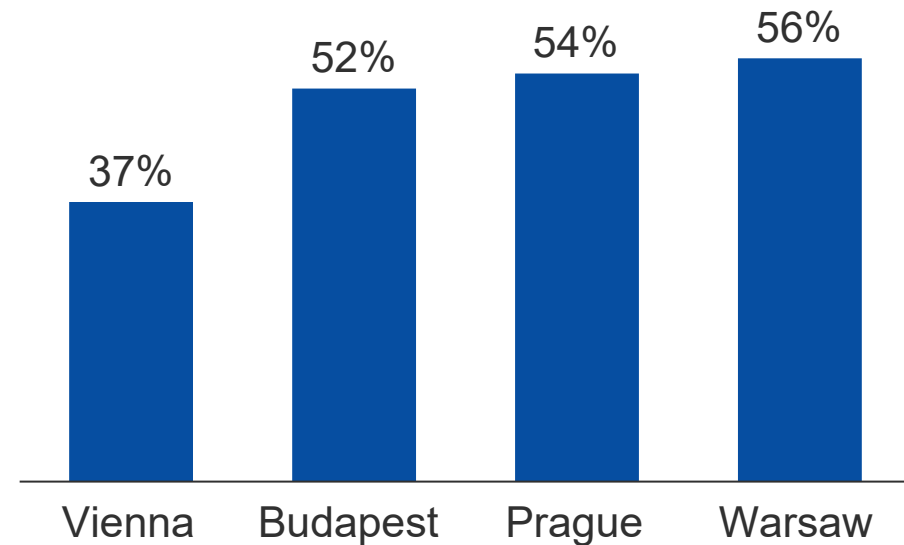
15-20 years of salary is needed for a home in CEE

Months of salaries needed for a 100 sqm meter home, months (2024)



Half of the salary goes to rent, making it hard to accumulate the necessary down payment

% of salary spent on rent, % (2025)



Hungary tried several loan subsidy programs to support housing in the last 16 years, primary focusing on demand side...

4 programs for families

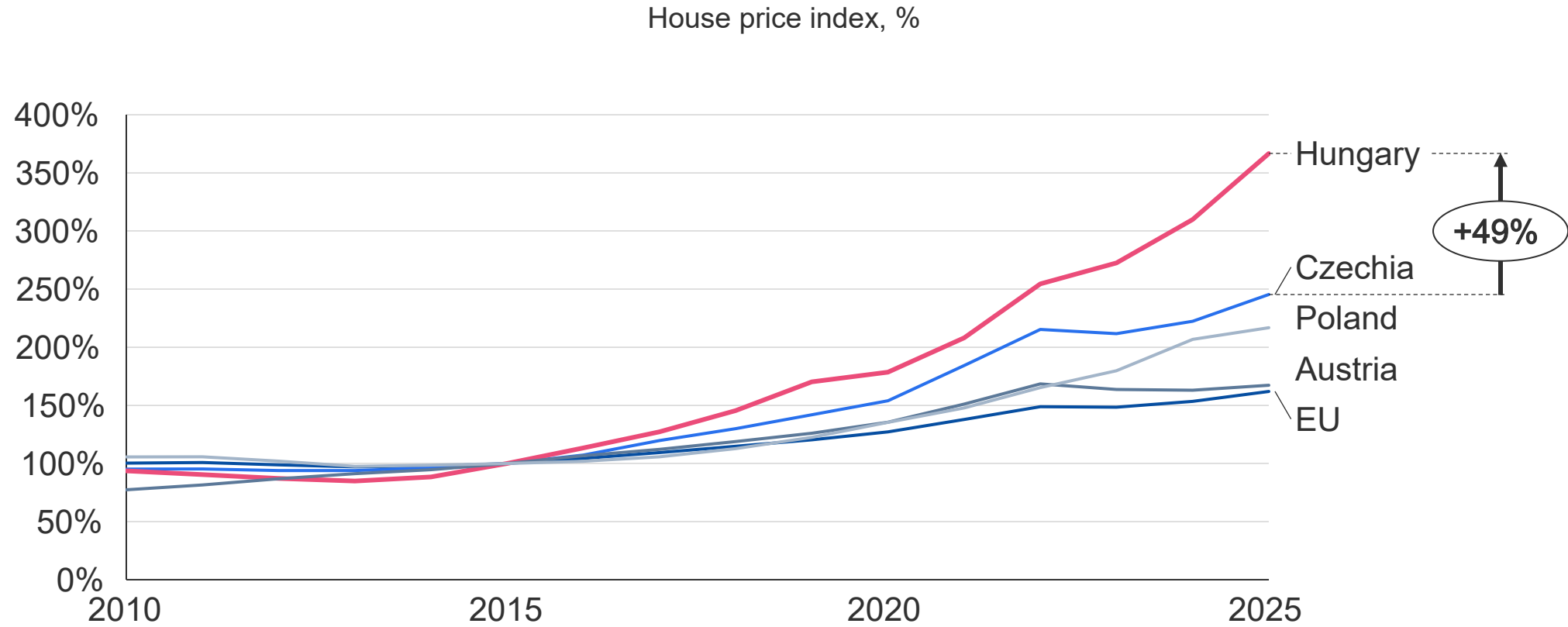
1 program for first home buyers

2 programs for newly built home buyers

1 program for countryside

4 programs for renovations

# ... that has caused housing prices skyrocketing



Although these programs resulted some unwanted effects ...



Supporting the wealthy



Housing speculations



EUR ~1bn budget burden p.a.

# ... there are some important lessons to be learnt as well!

Worked in Hungary	Lower LTV for first home buyers	10% down payment for young first home buyers instead of regular 20%
	Higher lending limits if mortgage loans are fixed	25% debt -to -income ratio in case of variable rate loans, while 50 -60% in case of fixed rate loans
	Cheap funding for home buyers	Central bank bought up to 50% of mortgage bonds from commercial banks with a discount
	Supporting green transition	Central bank bought up to 50% of green mortgage bonds from commercial banks with a discount
	Using pension savings	Reinvesting existing pension savings into own home
	Cheaper funding for RE developers	Lowering financing cost for home developers to decrease price
Not tried	RWA discount	Lower risk weight for targeted group of home buyers (e.g. young buyers, families with children, etc.)