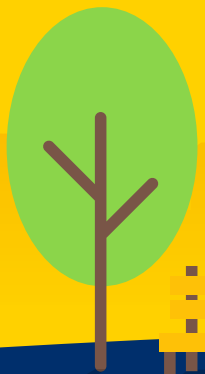




**The Global Housing
Continuum**
A global tool
for local action

Hungary

Housing Continuum Snapshot, 2026



Background: Basic terms in the Global Housing Continuum

The **Global Housing Continuum** is a conceptual framework that provides a structured definition for “housing,” promoting a shared language for the diversity of solutions it encompasses. Its scope is global, but it can be applied locally across diverse contexts. The continuum situates a range of different forms of housing along a spectrum,

ranging from “housing as a service,” such as responses to homelessness, to “housing as an asset,” including market-enabled solutions. It provides a visual tool that translates technical housing concepts into an accessible and intuitive format without sacrificing analytical rigor, and as such it is intended for specialist and nonspecialist audiences alike.

The scaffold of the Global Housing Continuum is a set of five main categories, each serving as an umbrella term. These categories capture multiple conditions of formality, affordability, sustainability and tenure status. Collectively, they reflect the range of diverse housing solutions needed to tackle the housing crisis affecting at least 3 billion people around the world.

Global Housing Continuum



The brief list on the next two pages includes common housing interventions typically associated with each category, alongside the stakeholder most commonly – but not exclusively – leading these types of solutions. This list reflects interventions that are globally applicable

or extremely relevant in specific regions. Housing interventions may vary across countries, with some more relevant than others depending on specific institutional or socioeconomic realities. When the continuum is applied to a specific geography, adjusting the interventions

might be necessary to ensure the framework is applicable. To assist this process, **the glossary in the full report** includes a description of each intervention on this list, providing official definitions where available.

Background: Basic terms in the Global Housing Continuum



Homelessness services

Solutions and support services mainly provided through government or civil society organizations to people without accommodation, with temporary accommodation, or living in severely inadequate accommodation. This category also includes services to prevent homelessness and protect against eviction, such as rental assistance and legal support.

Common housing interventions

- Homeless shelters.
- Supportive housing.
- Homelessness prevention and eviction protection (rental assistance and legal support).
- Encampment support and services.



Transitional shelter

Transitional shelter solutions provided mainly to internally displaced populations, or IDPs, and refugees via humanitarian actors and interventions in response to crisis, be it conflict or disasters. Many of these interventions are designed as temporary, but they often become long-term or permanent in protracted crises. This category includes nonconventional housing structures such as tents, container housing and mobile home campgrounds.

Common housing interventions *mainly humanitarian-led*

- Refugee, IDP and emergency shelters in situ or off site.
- Temporary housing arrangements.
- Mobile homes or nonconventional structures and campgrounds.



Incremental housing

Progressive, resident-driven processes – often self-built – that improve housing gradually over time by addressing qualitative housing deficits. These include informal settlement upgrading (most common in low- and middle-income countries); neighborhood revitalization (as commonly used in the United States); land titling and regularization of existing settlements; planned urban expansions (often delivered through sites-and-services programs); structural and nonstructural repairs and repurposing of buildings; core housing designed for progressive expansion; and creating new housing units through the addition or subdivision of existing units.

Common housing interventions *mainly resident-led*

- Participatory slum upgrading and neighborhood revitalization.
- Land titling and regularization.
- Sites and services and planned urban expansions.
- Core housing.
- Structural and nonstructural repairs .
- Building repurposing.
- Unit subdivisions and accessory dwelling units.



Social housing

A range of housing solutions heavily supported or constructed by government, civil society organizations or organized communities. Although this category is primarily intended for low-income or vulnerable populations, social housing may serve broader populations in some contexts. It includes public housing and non-market alternatives such as cooperative housing, community land trusts, shared-equity models, and other collectively owned or managed housing.

Common housing interventions

mainly government or CSO-led

- Deeply affordable homeownership.
- Social rentals.
- Public housing.
- Cooperative housing.
- Shared housing, collaborative housing and cohousing.
- Community land trusts.



Market-enabled solutions

A range of solutions to facilitate the delivery of affordable housing options, which may receive government support but are primarily delivered by developers through market channels. This category includes rent-to-own schemes, microfinance products, micromortgages, and prefabrication and technology-driven solutions for market-based mass production of affordable homes. Market-rate housing and luxury housing are excluded from this category.

Common housing interventions

mainly developer-led

- Affordable homeownership.
- Rent subsidies and rent-to-own arrangements.
- Microfinance and micromortgages.
- Prefabrication solutions.
- Inclusionary zoning.

Housing Continuum Snapshots — information for action

With a shared understanding of what housing is and how it responds to different needs across the continuum, the next question becomes, “How can this clarity be used to drive action?”

The Global Housing Continuum reveals where housing needs and existing solutions align — or fail to align. This is achieved by adding layers of information to a single visual: a snapshot of a specific housing context at a moment in time. The snapshots presented here include three layers of information: estimates of the population in need across housing categories, an overview of key policy tools, and a selection of financial mechanisms that address those needs.

Housing continuum snapshots can be developed at multiple scales, including the global, regional, national and subnational levels. For the launch of the Global Housing Continuum project, we produced six snapshots. A global one and five national-level snapshots: Mexico, Kenya, Egypt, Nepal and Hungary. All snapshots use the same framework — the five categories of the Global Housing

Continuum — which enables cross-country comparison. As additional layers of information are introduced, some flexibility in how categories are interpreted is necessary. The global snapshot is necessarily high-level and abstract, while national- and subnational-level snapshots can incorporate more granular data and a richer set of policy and financial instruments.

Drafts of the country snapshots underwent multiple rounds of review, with nearly 100 national-level experts contributing feedback. Even so, the snapshots should be understood as works in progress, with ample room for further refinement through stakeholder dialogue and future data updates.

Overall, these visual summaries are best seen as conversation starters — tools that open new ways to understand complex housing systems through a shared language.

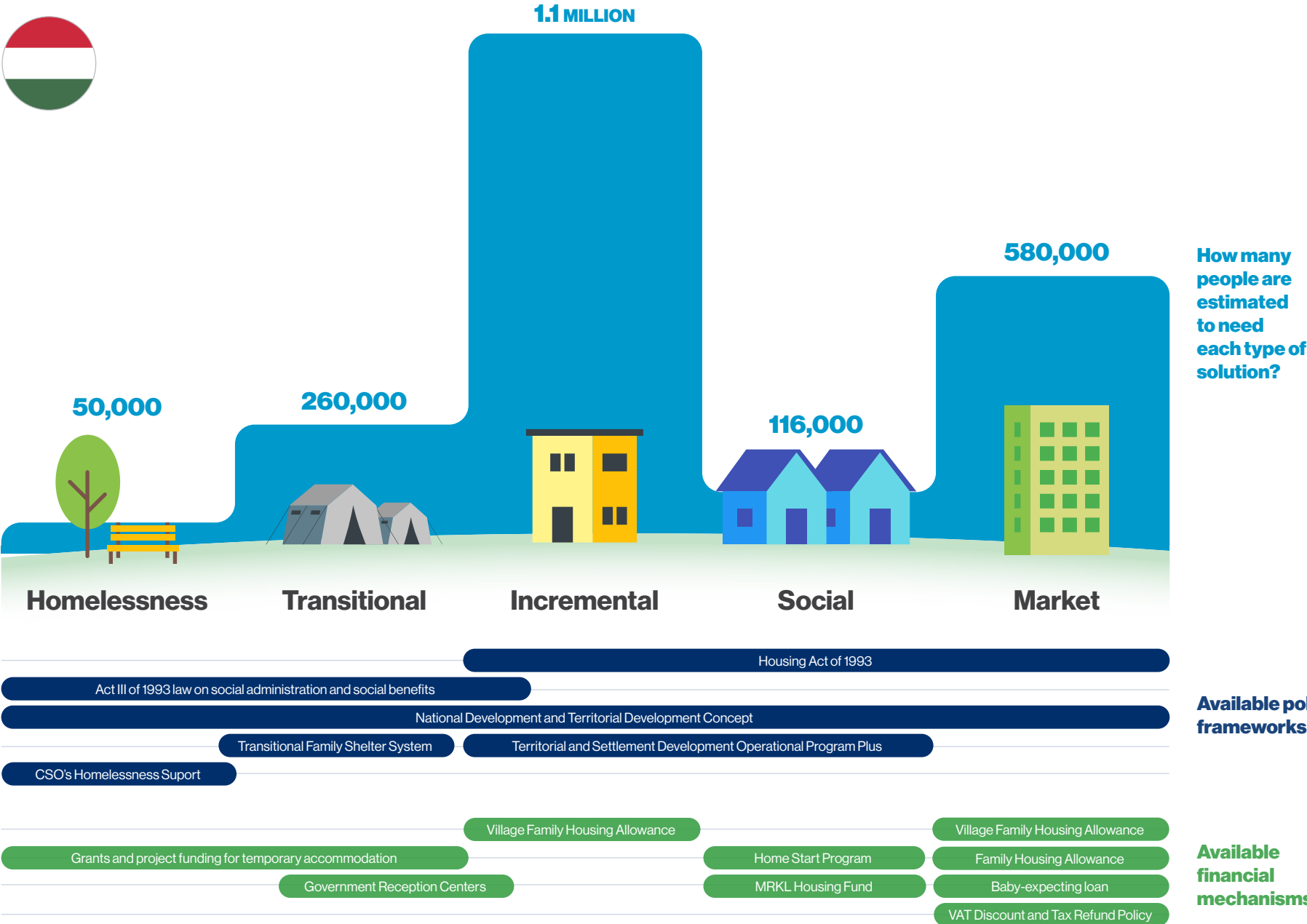
The 2026 Hungary Housing Continuum Snapshot



The Hungary Housing Continuum Snapshot visually represents the full spectrum of housing needs alongside the main housing-specific national policy tools and financial mechanisms available, validated by national-level experts. This visual summary is by definition incomplete and partial; it is intended as a starting point for further analysis and deeper conversations.

The snapshot reveals a relatively even array of policies supporting the full housing continuum. However, when it comes to financial mechanisms, there is a relative absence of national-level strategies to support incremental forms of housing provision that can improve the existing housing stock.

Hungary Housing
Continuum
Snapshot



Sources: Hungarian Central Statistical Office (HSH). (2022). Census 2022; United Nations High Commissioner for Refugees (UNHCR). (2025). *Refugee Population Statistics Database*; Jelinek, et al. (2026). *Social Housing and Empty Spaces Landscapes in Hungary*, Periféria Policy and Research Center, Habitat for Humanity International, Europe and Middle East; European Roma Grassroots Organisations (2023). *Roma Access to Quality and Affordable Housing in Hungary*.

Estimated number of people in need of each housing type

National-level housing statistics use different concepts, statistical definitions and measurement approaches to analyze different parts of their housing system. Concepts evolve over time, reflecting shifting policymaking priorities and capacities. The Hungary Housing Continuum Snapshot compiles different data sources and assembles high-level illustrative estimates of housing need, presented in numbers of people. Rather than precise statistical measures or forecasts, these figures represent approximations intended to show general patterns; they are not to be taken as precise measures.

According to our analysis, Hungary’s greatest housing needs lie in the “Incremental” and “Market” segments. Incremental housing primarily involves households that require improvements to both the structural and nonstructural conditions of existing dwellings. There is also significant demand for market-enabled affordable housing and for transitional housing solutions that mainly serve refugees needing temporary accommodation before securing permanent housing.

By contrast, “Social” housing, which relies heavily on government and civil society support, has been identified as an area of lower observed need, as has “Homelessness,” although data on the latter remain limited. Importantly, the relatively lower measured need for social housing should be interpreted with caution, as it may reflect limited supply and restricted access determined by providers rather than an absence of underlying demand or diminished policy relevance.

Table 1.
High-level illustrative estimates of the number of people in need of each housing solution in Hungary.

	Housing need (number of people)	Share of people in need by type	Share of total population
Homelessness	50,000	2.6%	0.5%
Transitional	72,692	3.8%	0.8%
Incremental	1,102,000	57.4%	11.5%
Social	116,000	6.0%	1.2%
Market	580,000	30.2%	6.0%
Population without housing need	7,679,308		80%
Total population	9,600,000		100%

Sources: Hungary Census (2011), Jelinek et al (2025), UNHCR (2025), European Roma Grassroots Organisations (2023), Habitat for Humanity Hungary (2026)
Note: These values are not exact. They reflect modeled estimates based on the best available information, providing an order of magnitude approximation, not a precise count.

The estimated number of people currently in need of each type of housing solution is listed below, alongside some comments about the sources of information and calculations made:



Homelessness (approximately 50,000 people): According to the 2011 census, 12,000 homeless people were living in Hungary, but based on more recent surveys, 50,000 individuals use homeless shelter services each year (Jelinek et al, 2025). This number serves as the baseline for quantifying need within this category and is assumed to include those living in homeless shelters, along with other housing solutions for children and people with disabilities in state care.



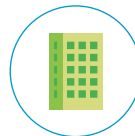
Transitional (approximately 72,692 people): UNHCR’s consolidated refugee statistics (UNHCR, 2025) reports that, as of 2025, there were 72,692 forcibly displaced individuals in Hungary. This number includes refugees, asylum-seekers, internally displaced populations, people needing international protection, and stateless individuals. This figure represents the total population potentially requiring transitional housing solutions and is assumed to include the 13,035 households (approximately 30,241 people) reported in the 2022 census to be living in emergency dwellings.



Incremental (approximately 1,102,000 people): Habitat for Humanity Hungary’s *Annual Report on Housing Poverty 2024* notes that in 2023, 475,000 households faced major housing quality concerns, such as leaking roofs; dampness in walls, floors or foundations; or damaged windows and flooring (Jelinek et al, 2025). Moreover, census data from the Hungarian Central Statistical Office showed that in 2011, 89,500 people lived in the outskirts of Hungary’s larger urban settlements, with many residing in inaccessible suburbs and informal squatter areas in certain allotment gardens (Farkas et al, 2025). Allotment gardens are “a type of rural land originally designated for agricultural use, such as vineyards, orchards, gardens, or arable land, typically divided into small plots. These areas are often used as hobby gardens, weekend retreats, or recreational spaces, and in many places today, they also serve as permanent residences” (Ibid.). Most of Hungary’s Roma population experiencing housing poverty reside in geographically segregated areas; according to the 2011 census, 276,000 people lived in 1,384 such settlements across 709 municipalities, often lacking basic infrastructure (European Roma Grassroots Organizations, 2023). However, it is assumed that people residing in low-quality housing in outskirts, allotment gardens and segregated areas are already included in the 475,000 households facing major property problems. Accordingly, the population in need of incremental housing was calculated by multiplying the 475,000 households by the average household size of 2.32 people.



Social (approximately 116,000 people): Habitat for Humanity Hungary estimates that 200,000 to 300,000 families require access to affordable rental housing. Of this number, 50,000 families are experiencing acute housing insecurity and are at significant risk of homelessness. To calculate the need within the social housing sector, the figure of 50,000 families has been used, as these households would require direct assistance from government entities, civil society organizations or other stakeholders to secure or maintain stable and adequate housing (Habitat for Humanity Hungary, n.d.). An average household size of 2.32 people was applied in determining the final estimate.



Market (approximately 580,000 people): Using Habitat for Humanity Hungary’s estimates from the “Social” category above, a figure of 250,000 families was adopted for market-enabled housing needs. This represents the upper threshold of 300,000 households in need of affordable rental housing minus the 50,000 families in urgent need of support. An average household size of 2.32 people was applied in the final calculation. In this analysis, this continuum category excludes market-rate and luxury housing.

What key policy tools are available in Hungary?

In Hungary’s housing policy and regulatory landscape, the Housing Act of 1993 establishes the legal framework for residential leasing, while the National Development and Territorial Development Concept and the Territorial and Settlement Development Operational Program Plus provide the spatial and investment basis for urban and regional development. These instruments anchor housing delivery within broader territorial cohesion and economic competitiveness objectives.

The Hungary continuum shows a partial alignment between housing needs and the orientation of existing policies, with some imbalances across categories. The largest housing need is concentrated in the “Incremental” category, affecting approximately 1.1 million people, primarily related to housing improvements. However, this segment is supported by a relatively limited set of targeted instruments, indicating that housing quality improvement may be comparatively underserved. By contrast, “Transitional” housing, which serves a smaller population of about 72,692 people, is supported by a number of policies and programs focused on temporary accommodation and reception services, suggesting institutional emphasis on short-term housing responses.

Additionally, “Social” and “Market-Enabled” housing together comprise nearly 700,000 people and are supported by a mix of policy frameworks and funding mechanisms, including housing legislation, family housing allowances, subsidized loans and tax incentives.

These instruments provide relevant pathways into homeownership, but their concentration in the “Market-Enabled” category relative to the “Incremental” category suggests a tilt toward market access rather than structural housing quality improvement. Lastly, “Homelessness,” which affects a comparatively small population, is supported by targeted social assistance and shelter programs that appear proportionate to its scale.

High-level descriptions of some key policy tools are presented below:

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Housing Act of 1993¹

Regulatory framework
Act LXXVIII of 1993 on Residential and Commercial Leases (Housing Act) establishes the general regulatory framework for the leasing of residential and commercial properties by both private individuals and institutions.

Act III of 1993 law on social administration and social benefits²

Regulatory framework
This law sets out state social benefits, care programs and services to support vulnerable individuals, including cash and in-kind assistance. It defines “homeless” for social welfare and requires social authorities to manage related procedures, such as accommodation provision. It states that local governments must provide and maintain night shelters, temporary housing, etc., as part of their social service obligations.

National Development and Territorial Development Concept³

Regulatory framework
This comprehensive urban development initiative targets 23 county seats to enhance quality of life and strengthen economic competitiveness by outlining specific objectives and strategic directions for urban development.

Territorial and Settlement Development Operational Program Plus⁴

Implementation program
Hungary’s primary regional development program for 2021–2027 is dedicated to enhancing territorial cohesion and addressing disparities in development throughout the country. A key component of the Territorial and Settlement Development Operational Program Plus is the Sustainable Urban Development Pillar, which includes several new investments to benefit local communities.

Government Reception Centers⁵

Implementation program
These structures have been established to provide initial reception and short-term stays for refugees while beneficiaries transition to longer-term solutions (e.g., subsidized housing or private rental with state support).

CSO Transitional Accommodation Programs⁶

Implementation program
Civil society organizations, or CSOs, support temporary protection for beneficiaries through information, placement and referrals to available housing options. CSO networks form an important part of transitional accommodation for many beneficiaries.

1 <https://natlex.ilo.org/dyn/natlex2/natlex2/files/download/117345/HUN-117345.pdf>
2 <https://natlex.ilo.org/dyn/natlex2/natlex2/files/download/117345/HUN-117345.pdf>
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5 https://asylumineurope.org/wp-content/uploads/2025/05/AIDA-HU_Temporary-Protection_2024.pdf
6 https://asylumineurope.org/wp-content/uploads/2025/05/AIDA-HU_Temporary-Protection_2024.pdf

What key financial mechanisms are available in Hungary?

On the delivery and financing side, market-enabled affordable housing is shaped by family-focused subsidies and preferential loans, including the CSOK Plus and Falusi CSOK programs, value-added tax discounts and tax refunds,

the Babaváró loan, and the Home Start Program. Social and transitional housing needs are addressed through government reception centers, CSO transitional accommodation programs, and central government block grants

for temporary accommodation. At the social housing end of the continuum, the MR Közösségi Lakásalap, or MRKL Housing Fund, and municipal housing are relevant programs.

Table 2.
Main national-level financial mechanisms for housing in Hungary.

Financial mechanism	Description
CSOK Plus program	CSOK (Family Housing Allowance) was established in 2015 to encourage the birth of children by offering financial assistance to young married couples. It consists of a nonrefundable grant, the value of which varies based on the type of property purchased, either existing or newly built, and the number of children planned, along with a preferential loan featuring an interest rate as low as 3%.
Falusi CSOK program	Falusi CSOK (Village Family Housing Allowance) offers financial grants to families with children for the purchase, construction, renovation or extension of homes in specified rural areas experiencing population decline.
Babaváró támogatás	Babaváró támogatás (baby-expecting loan) is a subsidized, unsecured loan available to married couples under the age of 34 who are expecting children. The maximum amount offered is 11 million HUF, provided at a fixed interest rate of 0%, with the difference between market rates and this subsidized rate covered by the central government budget.
MR Közösségi Lakásalap (MRKL Housing Fund)	The MR Közösségi Lakásalap was founded in 2022 by the Hungarian Charity Service of the Order of Malta and the Hungarian Reformed Church Aid. The fund took over thousands of homes from previous state programs that had acquired properties from households facing mortgage difficulties. Currently, MRKL owns approximately 5,580 residential units. Alongside municipal housing, MRKL makes up the core of Hungary’s incipient social rental sector.
Central government block grants and project funding for temporary accommodation	This refers to central funding for homeless services, including block grants for temporary accommodation, project funding through public foundations, and funding for capital goods.
Home Start Program	This subsidized mortgage scheme provides young people with a fixed 3% interest rate on home loans. It aims to increase first-time homeownership by offering monthly payments that are lower than standard market rates.
VAT Discount and Tax Refund Policy	Purchasing newly built properties is subject to a reduced VAT rate of 5%, which is significantly lower than the usual 27% rate. This benefit applies not only in major cities but also in rural areas and smaller villages, making property construction more affordable. VAT refunds are also available for renovations.

Insights for further exploration from Hungary's Housing Continuum Snapshot

The Hungary snapshot suggests some alignment between housing needs and the identified policies and funding mechanisms. The largest estimated housing need is concentrated in the “Incremental” category, representing approximately 1.1 million people, primarily related to housing quality deficiencies and substandard conditions. However, this segment is supported by a relatively limited set of targeted instruments, indicating that incremental housing improvement and structural rehabilitation may be comparatively under-resourced. Moreover, “Social” and “Market-Enabled” housing together comprise nearly 700,000 people and are supported by a mix of regulatory frameworks, family housing allowances, subsidized loans and tax incentives, with a stronger concentration of instruments on the market-enabled side.

This suggests that housing policy might be geared toward promoting homeownership and market access rather than addressing housing quality deficits at scale.

The Hungary Housing Continuum Snapshot presented here was developed through close collaboration with the Habitat for Humanity country team and in-depth engagement with national and local housing experts. These consultations were critical to shaping and refining the snapshot by clarifying how housing need is understood and measured in this context, how policy tools are structured and prioritized, and which financial mechanisms meaningfully influence housing outcomes in practice. Expert input was especially important for navigating data gaps, interpreting

national statistics in relation to the continuum categories, and distinguishing between formal policy intent and actual delivery on the ground.

This snapshot does not claim to be exhaustive, definitive or perfectly comparable to other contexts. By design, it offers a partial and evolving representation of a complex housing system, shaped by available data, expert judgment and contextual nuance. Rather than being developed for a fixed use case, the snapshot is intended as a learning tool to explore how a continuum approach can make housing needs more visible and legible while respecting local specificity. As a living tool, it is meant to be revisited and updated over time as new data emerges, conditions change and understanding deepens.

Keep learning about the Global Housing Continuum

Visit habitat.org/continuum to explore the Global Housing Continuum website and access the full **Continuum Toolbox**, including:

- *Making Sense of the Global Housing Continuum*
- *Glossary: Toward a Common Vocabulary*
- *Guide to Creating Housing Continuum Snapshots*
- *Examples of Common Housing Interventions Across the Continuum*
- *Templates Adapting the Global Housing Continuum*
- *Full report: The Global Housing Continuum*

You can also explore the **Snapshot Library**, which features the Global Housing Continuum Snapshot alongside a growing collection of national-level snapshots from different countries.

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The Global Housing Continuum

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Design

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