

(English version)

Question for written answer E-003923/25
to the Commission
Lefteris Nikolaou-Alavanos (NI)
(7 October 2025)

Subject: Further hammering of working-class housing through the ‘Property Acquisition and Leaseback Entity’

While auctions are increasing, a tender is expected to be completed to launch the ‘Property Acquisition and Leaseback Entity’, a private company established on the basis of laws passed by the New Democracy Government. It will buy from banks at a 30% discount on the commercial value and will convert owners into tenants until they repay the loans. This is a mechanism that will seize the homes of over-indebted working-class households. The Government and the Commission are implementing the ‘Hercules’ programme, with the aim of relieving banks of ‘bad’ debts. At the same time, complaints about abusive practices by loan servicers are on the increase.

On the basis of the above, what is the Commission's position:

1. on the request for a complete ban on auctions of public housing, professional housing for the self-employed, a generous ‘trimming’ of debts and a reduction in interest and debts for over-indebted working-class families?
2. on the fact that, based on EU guidelines, the transfer of real estate from working-class families to a private companies is being promoted, while the dramatic consequences for these households, driven by the acquisition of ‘bad’ loans by banks, investment companies and credit managers, the management costs of which the EU subsidises from the Recovery and Resilience Fund, are already known?
3. the need for comprehensive housing planning under the responsibility of the State, with the aim of meeting the needs of workers and the people, with the re-establishment of the Workers’ Housing Organisation (OEK), the strengthening of an exclusively State-run construction programme, the upgrading and expansion of student dormitories and the utilisation of apartments and hotels for free housing for students?

Submitted: 7.10.2025

Answer given by Mr Jørgensen on behalf of the European Commission
(8 January 2026)

The Commission takes note of the issues and concerns raised by the Honourable Member. The Commission put forward a European Affordable Housing Plan (EAHP) on 16 December 2025.

It will also conduct an analysis of the impact of housing speculation and its economic consequences as well as propose follow-up actions where needed.

Concerning auctions, the Commission notes that protection of primary residences, and regulation of electronic auctions as a way of acquisition of properties fall within the competence of the Member States.

The Greek insolvency code ⁽¹⁾ established a safety net for vulnerable debtors, with a temporary subsidy of their loan instalment in out-of-court restructuring and a sale-and-leaseback regime ⁽²⁾. The Hellenic Asset Protection Scheme ⁽³⁾ is a scheme created and implemented by the Hellenic Government.

Transfer of real estate between parties is regulated by national law and protection of consumers is a primary responsibility of national authorities and courts. There are no EU guidelines which would promote transfer of real estate.

Comprehensive housing planning under the responsibility of Member States can indeed be a tool to evaluate national housing policies and offer solutions to the issues identified by such exercise.

The Commission agrees that students and youth are particularly impacted by the housing crisis and the Commission intends to cover the matter in the EAHP.

⁽¹⁾ Law 4738/2020 transposing Directive (EU) 2019/1023. The new sale-and-leaseback regime aims to avoid past moral hazard behaviour and the adverse impact it has had in the cost of credit in Greece. An interim scheme has been established by the authorities to ensure a smooth transition until the sale-and-lease-back entity commences operations, according to which the state will provide financial support to eligible vulnerable debtors.

⁽²⁾ e.g. in case of insolvency or if their primary residence is about to be auctioned.

⁽³⁾ Also known as Hercules scheme, the aim of the scheme is to improve the asset quality of the banks by supporting securitisations of non-performing loan portfolios by providing state guarantees on senior tranches of securitizations. On the request of the Greek authorities, the Commission has approved the scheme as market conform (e.g. it does not involve state aid).

At the same time, the Commission notes that housing is a multifaceted issue. Most of the determinants influencing housing affordability fall largely within the competence of the Member States, and therefore any new avenue on housing will have to respect the principle of subsidiarity.
