Conversion of offices into affordable housing

Final report

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Executive summary

Housing has recently moved to the forefront of the European policymaking agenda, receiving its due recognition as a fundamental right. Ensuring that housing is accessible, inclusive, and sustainable – particularly for vulnerable groups – is essential to improve quality of life and promoting social equity. As Europe navigates the interconnected challenges of housing shortages, social cohesion and economic competitiveness, addressing the housing deficit must be done in an affordable, sustainable and efficient way, while not breaching planetary boundaries.

The conversion and repurposing of existing buildings can provide practical responses to these challenges. Repurposing offices into housing can expand affordable supply in high-demand areas while supporting inclusion and climate objectives. While conversions alone cannot fully resolve housing shortages, they can make a meaningful contribution by offering an affordable, often faster and more climate-friendly and resource-efficient alternative to new construction and urban sprawl.

Converting buildings into new functions is far from a new idea. For centuries, buildings have been repurposed to serve functions beyond their original design, and many historic European cities are celebrated for preserving and reimagining their landmark structures. What is new, however, is the framing of this practice within the sustainable building movement and as a strategic response to ongoing housing shortages. Coupled with the steady rise of office vacancies since the COVID-19 pandemic, conversions highlight a significant opportunity to transform underutilised office stock into much-needed homes of different sizes and functions.

This report aims to inform policymaking, especially the forthcoming European Affordable Housing Plan (EAHP), by exploring examples from various EU regions and identifying regulatory, technical, financial and social aspects that enable successful conversions. It also highlights the multiple benefits of repurposing non-residential buildings into housing and provides insights essential for scaling up such initiatives.

Key findings

- Repurposing existing structures does not necessarily mean compromising on living standards or quality of execution. On the contrary, conversion projects provide opportunities to combine energy efficiency renovation, innovative solutions and forward-looking design principles.
- The identification of suitable office conversion projects tends to follow an opportunistic rather than a systematic approach. Projects were initiated when favourable opportunities arose, often driven by the recognition of pressing social housing needs in particular areas.
- Engaging with neighbouring communities and future tenants is essential to ensure that office-to-housing conversions create liveable spaces and integrate

successfully into their urban context. Building trust and securing community support requires transparent communication, opportunities for local input, and sensitivity to concerns about neighbourhood character.

- Successful conversions rely on more than just adapting buildings, they also depend on fostering social fabric and vibrant communities. Residents cannot be placed in buildings surrounded by empty office towers that lack activity on weekends or after business hours. Considering the surrounding neighbourhood and enhancing the experience for residents is therefore an important aspect of successful conversions.
- Conversions provide an opportunity to create more need-based residential units. This means that apartment sizes, building functions and features are adjusted and tailored to the demographics and social needs of tenants.
- Every conversion project is unique, making it impossible to generalise whether conversions are consistently cheaper or more expensive than new construction. What is clear, however, is that they involve greater risks and uncertainties than building new due to potential hidden structural defects or presence of hazardous materials, which can lead to unforeseen issues once work begins on site.
- The four cases explored in this study, however, have all achieved lower costs than equivalent new-build projects, demonstrating that under the right conditions, conversion can be both technically feasible and financially viable.
- Cooperation and support from local actors, including both the public sector and private developers, is a clear success factor. A favourable acquisition price (particularly for publicly-owned buildings), along with financial support and fast-track approval processes are essential for successful and high-quality implementation.
- Favourable loan conditions and socially-oriented business models are particularly relevant in the case of conversions into social housing, where rent levels are capped and developers must accept lower returns on investment compared to more traditional projects.
- Additional funding programmes help make conversion projects financially viable. Existing funding programmes are often not tailored specifically to conversion projects, but schemes designed to support energy efficiency improvements, renovation or the creation of social housing can also be leveraged for this purpose.
- Streamlined permitting and mixed-use zoning are important success factors. In contrast, compliance with overly detailed building regulations require complex adjustments which drive up costs.
- Public procurement that prioritise the reuse of existing buildings acts as an important lever for shifting mindsets from new construction to conversion.

- Unlocking affordable homes through office-to-housing conversion in cities can avoid carbon emissions not only from new construction but also from the needed infrastructure (e.g. roads, utilities) and commuting typically associated with suburban development. High energy performance is also achievable in office-to-affordable housing conversions.

Priority interventions and recommendations

1. EU, national and local authorities are encouraged to adopt policies that prioritise conversion over new construction in the bid to increase the affordable housing stock and contribute to community regeneration
2. EU to develop methodology for gathering data on vacant office buildings
3. Real estate professional bodies to develop fitness checks to evaluate the suitability of the location and technical design for conversion into residential housing
4. Local authorities to adopt a neighbourhood approach to make publicly owned vacant offices available for affordable housing
5. National and regional authorities to adapt building regulations to allow for conversion projects
6. Local authorities to fast-track zoning and permitting regimes ('permitted development') for office-to-affordable housing conversions while ensuring that public interests and occupier wellbeing are safeguarded
7. National and local authorities to expand financial incentives such as tax credits, grants and low-interest loans to overcome the initial cost barriers associated with conversion projects
8. National governments to introduce taxes on vacant offices
9. Construction industry to invest in upskilling and develop capacity to scale up conversion and repurposing as viable alternatives to new construction
10. EU Affordable Housing Plan to coordinate initiatives for a comprehensive best practice guidance and exchange on lessons learned

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1. Introduction

1.1. Relevance

Housing affordability and availability have become defining social and economic issues across the Union, undermining social and territorial cohesion, labour mobility, and economic competitiveness.[1] Housing has risen to the top of the European Commission's agenda, recognised both as a fundamental right and as a cornerstone for the fight against social inequality. Improved housing conditions can save lives, increase quality of life and reduce social disparities.[2] Ensuring that housing is accessible and inclusive for all, including persons with disabilities, is also essential to strengthening social cohesion and equal opportunities. Delivering affordable housing to meet urgent social needs must align with climate commitments and recently updated policies on energy use and the broader environmental impacts of buildings.

Building new affordable housing remains a key part of the solution. However, renovation and better use of existing building stock, along with minimising unnecessary new construction where possible, offer an approach (also referred to as "sufficiency"[3]) which contributes to the efforts needed to meet housing demand while advancing environmental, social, and economic goals.[4] Prioritising the existing building stock is essential to deliver decent accommodation to households in need, avoiding both embodied carbon[5] and environmental impact

[1] European Parliament (2025) Draft report of the Special Committee on the Housing Crisis in the European Union, PR_INI_SpecialCom and European Commission (2025) Mid-term review of cohesion policy (COM/2025/123 final).

[2] World Health Organisation (2018) WHO housing and health guidelines.

[3] The IPCC defines sufficiency as: "a set of measures and daily practices that avoid demand for energy, materials, land and water while delivering human well-being for all within planetary boundaries", IPCC (2022). Climate Change 2022: Mitigation of Climate Change. Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change. In the context of buildings, sufficiency involves 'meeting occupants' real need for space, accessibility and affordability while considering ecological limits.' BPIE, Ramboll (2024) Sufficiency in the building sector.

[4] Fianchini, M. (2018): Turning empty office buildings into sustainable social housing; Walk-Morris, T. (2021): How adaptive reuse can help solve the housing crisis; Beeckman, P. (2024): The repurposing of our built environment: Circular strategies in reconversion projects of office buildings to affordable housing; Eriksson, L. (2024): Efficient renewable sufficiency: A dense office transformation for resilient affordable housing.

[5] Embodied carbon refers to all the greenhouse gas emissions associated with materials and construction processes throughout the whole life-cycle of a building excluding operational energy and water.

linked to new constructions. This approach encompasses a wide range of measures, ranging from behavioural measures with minimal physical intervention (e.g. shared living arrangements or flexible work and use patterns) to densification within the existing urban fabric (e.g. vertical extensions or subdivision of large dwellings) to structural interventions in existing buildings, such as converting offices into housing. The implementation of sufficiency measures also strengthens the long-term resilience of ecosystems, communities, and economies. Achieving this shift will require innovative policies and business models that move away from a predominant focus on new construction and incentivise redistribution, repurposing and conversion.

In preparing the first European Affordable Housing Plan (EAHP), in consultation with stakeholders, the European Commission is seeking to support Member States, cities and regions, to address structural drivers, and unlock public and private investment in order to increase and accelerate supply. Part of this response also promotes making better use of vacant and underutilised housing stock, as well as considering what other types of vacant properties could be converted for residential purposes.

Well-located but underused buildings represent a largely untapped resource for affordable housing in areas where demand far exceeds supply. Converting vacant or underutilised buildings in cities into homes can provide access to jobs, education and services, while promoting inclusion, without the social disruption of displacement or urban sprawl. Existing research suggest that such measures can provide a substantial share of the housing capacity needed, thereby significantly reducing the need for new construction.[6] Although there is strong evidence that sufficiency in the built environment is a necessary strategy for achieving both climate and resource targets and meeting housing needs,[7] other aspects, such as the impacts of individual sufficiency measures, their technical and political feasibility, as well as social acceptance have not yet been adequately researched across Europe.[8]

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6 For Germany: BBSR (Ed.), 2023: Unterstützung von Suffizienzansätzen im Gebäudebereich (EN: Support of sufficiency approaches in the building sector); for the Netherlands: EIB (2024): Meer woningen door verbouw.

7 BPIE, KU Leuven, Ramboll (2023) Supporting the development of a roadmap for the reduction of whole life carbon of buildings; Zimmermann, P. (2022). Transition pathways for the European building sector: Comparison of environmental saving from sufficiency, consistency, and efficiency measures. TATuP Journal for Technology Assessment in Theory and Practice, 312, 32-39.

8 Some exceptions: BBSR (Ed.), (2023): Unterstützung von Suffizienzansätzen im Gebäudebereich (EN: Support of sufficiency approaches in the building sector). BBSR-Online-Publikation 09/2023, Bonn; EU Horizon FULFILL project, Lage, J. et al. (2023): Citizens call for sufficiency and regulation – A comparison of European citizens assemblies and National Energy and Climate Plans, Energy Research & Social Science. Volume 104;

Among the various measures aimed at transforming vacant or underutilised spaces into housing, the conversion of vacant office spaces holds some of the greatest potential for creating housing within the existing building stock.[9] Conversions alone cannot fully resolve housing shortages, but they can make a sizeable contribution.

Studies assessing national and regional potential estimate a substantial opportunity. In Germany alone, office conversions in the seven largest cities could provide up to 60,000 housing units;[10] with estimates up to 200,000[11] and 350,000 units[12] when including further cities and regions with high housing demand. In the Netherlands, market research suggests that empty offices or offices that are likely to become vacant in the near future could yield around 11,500 homes, based on 665,000m^2 of office space that is immediately suitable for conversion. Nationwide, approximately 2.1 million m^2 of office space with residential conversion potential currently remain idle.[13]

This report aims to inform policymaking[14] by exploring examples from various EU regions, identifying design choices, success factors, impacts and benefits. Concrete real-life case studies illustrate the conditions that enable successful conversions, essential for scaling up, while also highlighting the multiple benefits of repurposing non-residential buildings into housing. The report aims also to highlight the need for stronger collaboration among key stakeholders and public authorities to deliver high quality conversions.

Ruokamo, E. et al 2024: Are people willing to share living space? Household preferences in Finland. Buildings & Cities. 601–619.

[9] BBSR (Ed.), 2023: Unterstützung von Suffizienzansätzen im Gebäudebereich (EN: Support of sufficiency approaches in the building sector). BBSR-Online-Publikation 09/2023, Bonn; IEB 2024: Meer Woningen Door Verbouw (EN: More Housing Through Conversion. Opportunities and Challenges in Adding Storeys, Subdividing, and Converting Buildings).

[10] Krause, S. et al. (2024): Homeoffice und die Zukunft der Büros: Flexibilisierung, Reduzierung und Umnutzungspotenzial. ifo Institute, 2024 (EN: Home working and the future of offices: flexibility, downsizing and potential for repurposing).

[11] Estimates based on analysis of 21 cities; Colliers, Garbe, PwC (2024): Obsoleszenzrisiken von Büroimmobilien – Wohnen und Life Science als Ausweg. (EN: Obsolescence risks of office properties – residential and life sciences as a way out).

[12] Estimates based on potential of cities and peri-urban areas with high housing demand; TU Darmstadt, Pestel Institute (2019): Wohnraumpotenziale in urbanen Lagen. Aufstockung und Umnutzung von Nichtwohngebäuden. Deutschlandstudie 2019. (EN: Housing potential in urban locations. Additions and conversion of non-residential buildings).

[13] Cushman&Wakefield (2022) Serious opportunities to convert offices into homes.

[14] E.g. the forthcoming initiatives such as the Affordable Housing Plan and Circular Economy Act, guidance on implementing land-use targets, or the drafting and implementation of national building renovation plans (NBRPs).

1.2. Contextualising office-to-residential conversions

Converting buildings into new functions is far from a new idea. For centuries, buildings have been repurposed to serve functions beyond their original design, and many historic European cities are celebrated for preserving and reimagining their landmark structures – a testament to the longevity of historic architecture. What is new, however, is the framing of this practice, referred to in more technical terms as 'adaptive reuse', within the sustainable building movement. In this context, it has emerged as a deliberate strategy to make better use of existing space while reducing greenhouse gas emissions and the consumption of natural resources.

In a global landscape, the office-to-residential conversions were explored before and during the 2000s, particularly in the Netherlands, Belgium and the United States, as a response to economic downturns and vacant city centres.[15] Rapid advances in design standards and building technologies accelerated the obsolescence of older offices, as companies relocated to newer, better-equipped spaces.[16] Some of these initiatives even led to the development of first assessment guidelines for the feasibility of adaptive reuse of vacant offices,[17] which have since been revised and further refined.[18] The issue gained further prominence during the COVID-19 pandemic which acted as a catalyst for changing demand trends for office space, mostly due to digitalisation and new working cultures.

Office conversions in Europe are a rising trend, driven by a surplus of office space, depressed valuations, growing demand for housing and tightening climate

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[15] Beauregard, R. (2005): The Textures of Property Markets: Downtown Housing and Office Conversions in New York City; Geraedts, RP., & van der Voordt, DJM. (2003). Offices for living in: An instrument for measuring the potential for transforming offices into homes;. Geraedts, RP (2004): Three New Evaluation Instruments for Matching the Market Supply of Vacant Office Buildings and the Market Demand for New Homes.

[16] Böhlke, A. 2013: Brussels: Why so empty? Time to turn unused office space into other habitable functions. Revolve, Issue 32.

[17] E.g. the 'QuickScan' for assessing the potential for housing, the 'Feasibility model' to assess financial feasibility, and the 'Checklist tool', that enables a risk inventory to anticipate problems that might come up during the transformation, all in: Geraedts, RP., & van der Voordt, DJM. (2003). Offices for living in: An instrument for measuring the potential for transforming offices into homes.

[18] for Germany: BDA 2025: O2H - Office to Housing. Eine Handreichung zur Transformation ungenutzter Büroflächen in bezahlbaren Wohnraum. Bund Deutscher Architektinnen und Architekten. BDA Bayer. (EN: A guide to transforming unused office space into affordable housing. Association of German Architects).

regulations.[19] European office vacancy rates have risen steadily since the pandemic, climbing from 6% to about 9.7%.[20] Many major European cities continue to experience persistently high vacancy levels, even in central business districts. This has resulted in a momentum to office-to-residential conversions, as reflected in the growing share of acquisitions aimed at conversion in key European markets. In the first four months of 2025, conversions accounted for more than 30% of total office transactions, up from 17% in 2024 and well above the post–global financial crisis average of 8%.[21]

Despite rising conversion rates,[22] office-to-housing conversions are far from becoming a mainstream practice.[23] Nevertheless, many countries and cities are embracing large-scale building revitalisation, and governments are introducing incentives to encourage the conversion of commercial properties into residential use (Text Box 1, p. 31).[24] This combination of factors highlights a significant opportunity to repurpose underutilised office stock into need-based homes of different sizes and functions, while simultaneously reducing environmental pressures associated with new construction and urban sprawl. Conversions also

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[19] E.g. Minimum Energy Performance Standards (MEPS) requiring commercial buildings to meet stricter energy performance thresholds or risk obsolescence. At the same time, growing regulatory focus on lifecycle emissions is making reuse and renovation of existing buildings more favourable than demolition and reconstruction.

[20] Cushman&Wakefield (2025) European Office Update – H1 2025 and AEW (2025) Monthly research report – June 2025, Savills (2024) European Office Development.

[21] AEW (2025) Monthly research report – June 2025.

[22] Colliers, Garbe, PwC (2024): Obsoleszenzrisiken von Büroimmobilien – Wohnen und Life Science als Ausweg. (EN: Obsolescence risks of office properties – residential and life sciences as a way out.)

[23] For France: Banque de France Bulletin no 244 (2023): The conversion of office real estate into residential real estate: trends following Covid-19 and the surge in teleworking.; for Germany: Berlin Hyp. 2025. Umnutzungspotenziale Büro zu Wohnen - Umnutzungspotenziale in deutschen A-Städten. Kurzstudie. Berlin (EN: Potential for conversion from office to residential use – potential for conversion in German A cities); BDA 2025: O2H - Office to Housing. Eine Handreichung zur Transformation ungenutzter Büroflächen in bezahlbaren Wohnraum. Bund Deutscher Architektinnen und Architekten. BDA Bayer. (EN: A guide to transforming unused office space into affordable housing. Association of German Architects).
This is especially true for Central Eastern Europe where it was very difficult to find completed cases. Brussels may be an exception, where by now one in five housing units originates from former office space. However, this is almost exclusively in the high- to middle-range housing segment, and only in a few selected cases does it result in affordable housing (see Böhlke, A. (2013): Brussels why so empty? Time to turn unused office space into other habitable functions; this was confirmed in an interview in October 2025).

[24] Ellen Macarthur Foundation (2024) Building Prosperity: Unlocking the potential of a nature positive, circular economy.

provide an effective strategy for preserving asset value, despite the technical and regulatory complexities involved.

Consequently, understanding the success factors and impacts of office conversion and how to realise its potential to contribute to affordable housing at scale must be a priority.

1.3. Objective and methodology

The primary aim of this report is to explore how repurposing of offices can contribute to affordable housing solutions, while remaining within planetary boundaries. To this end, it is important to identify the key success factors that enable such projects, as well as to assess their ecological, economic, and social impacts and benefits and importantly, to understand how these success factors and impacts are interconnected.

Five cases in five different countries were analysed in detail. Relevant cases were identified through desk research and criteria-based selection (see Section 1.4 for a detailed overview of case studies). Due to the scarcity of publicly available data on impacts, the analysis relied on interviews with project developers and architects. To assess impacts, a set of indicators covering the social, economic and environmental dimensions was developed. This indicator set guided data collection during the interviews and ensured comparability across the cases. It was slightly adapted during the research, to better capture results (see Table 1).

Impact indicators		
Social		
Affordability for tenants	Tenant satisfaction with building design and quality	Impacts on the surrounding neighbourhood
Economic		
Cost of conversion compared to new built	Economic viability of conversion, rental and ownership costs	
Environmental		
Whole-life carbon emission reduction	Building performance improvement (e.g. energy efficiency, climate adaptability)	Creation of green spaces (e.g. roof, patio, surrounding)

Table 1: Indicators for social, economic and environmental impact assessment

An analysis grid for the enabling factors was also developed to ensure the collection of comparable data. In addition to the broader context, the analysis focused primarily on regulatory, technical, and social challenges and success factors (see Table 2).

<table>
<tr><td colspan="7">Context</td></tr>
<tr><td colspan="3">Identification of building to be converted</td><td colspan="4">Location within city</td></tr>
<tr><td colspan="7">Policy, regulatory and financial aspects</td></tr>
<tr><td>Policies and political strategies supporting office-to-housing conversions</td><td>Zoning flexibility and permits</td><td>Building codes</td><td>Funding and preferential loans</td><td>Purchase price and availability of land</td><td>Taxation</td><td>Demolition rules</td></tr>
<tr><td colspan="7">Technical aspects</td></tr>
<tr><td colspan="7">Building characteristics and architectural constrains</td></tr>
<tr><td colspan="7">Social factors</td></tr>
<tr><td colspan="3">Capacity of the implementing actors</td><td colspan="4">Community involvement & co-creation</td></tr>
</table>

Table 2: Analysis grid for common challenges and success factors across various diemsions

To validate the findings and distinguish between common success factors across countries and those specific to individual contexts, additional interviews were conducted with experts in the field. These included the *l´Union Sociale pour l´Habitat*, the French federation of social housing organisations, which has authored a publication on office conversion into affordable housing in France[25] and Anders Böhlke, expert in office-to-housing conversion in Brussels, who is publishing since 2013 on the topic.[26] Further insights were drawn from a recent publication by the Bavarian Section of the Association of German Architects on office-to-affordable-housing, which, although it was written in the German context, provides one of the most comprehensive analysis of barriers and success factors from an architectural perspective.[27]

[25] L`Union Sociale pour l´Habitat, Banque des Territoires (2022): Transformation de l'existant et construction réversible: penser le logement pour demain et après-demain. (EN: Transforming existing buildings and reversible construction: designing housing for tomorrow and beyond.)

[26] Böhlke, A. 2013: Brussels: Why so empty? Time to turn unused office space into other habitable functions. Revolve, Issue 32.

[27] BDA 2025: O2H - Office to Housing. Eine Handreichung zur Transformation ungenutzter Büroflächen in bezahlbaren Wohnraum. Bund Deutscher Architektinnen und Architekten. BDA Bayer. (EN: A guide to transforming unused office space into affordable housing. Association of German Architects).

There is no universally accepted definition of Affordable Housing.[28] Given the narrow scope of the project, the analysis followed the country-specific definitions, which are typically based on national or regional income thresholds determining eligibility for social housing. These thresholds vary across countries, reflecting differences in living costs and housing market conditions. As for the locations for the case studies in this study, in Ireland, categories differ by region: in Cork, a single person must have an income below €40,000 to qualify.[29] In the Brussels region, the ceiling for a single person is €28,379, with higher limit for households with dependents.[30] In mainland France, the income ceiling for a single person is €30,161, with higher thresholds for couples, young households, and people with disabilities. In Barcelona, eligibility for social housing is generally limited to an annual income below roughly €31,000 for a single person, also with higher thresholds applying to larger households.[31] In addition to social housing, the Barcelona housing office also provides various rental subsidies to make housing more affordable for a broader group of people. We only considered projects in which offices were transformed into social housing as per national or regional definitions.

1.4. Overview of the case studies

The five examples analysed in this report are the result of desk-based research and a criteria-driven selection process. While many more office-to-housing conversions across Europe have been identified,[32] detailed analysis is often hindered by incomplete documentation.

During the desk research, 58 cases were collected, of which 30 met the criterion of conversion into affordable housing. The geographical distribution of these cases is uneven: approximately two-thirds are located in Western and Northern Europe (Western: France – 10, Germany – 3; Northern Europe – 11), while only four cases were identified in Central and Eastern Europe, most of which were still under development. In Southern Europe, two completed cases of office-to-affordable housing conversions were identified.[33]

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[28] Rosenfeld, O. (2017) Analysis of interpretations of the term affordable housing in the EU Urban Agenda Partnership for Housing

[29] Webpage citizens information portal: Applying for social housing.

[30] Webpage *Sociétés immobilières de service public*, Brussels. Conditions d´admission.

[31] Webpage gencat: Tablas de ingresos de referencia para acceder a una Vivienda protegida.

[32] In Brussels alone, 1,6 Million m^2 office space were transformed to housing since the 1990s, however, mostly into high-end housing, Böhlke 2013; interview Anders Böhlke.

[33] Thanks to Green Building Council Spain for the contribution to this research.

From this pool, a narrower selection was established based on the following criteria:

- *geographic diversity*, ensuring balanced representation across European regions;
- *project completion*, focusing on cases where conversions had been finalised and occupied;
- *availability of data* on social, economic and environmental impacts, to support robust evaluation;
- *building typology*, with preference given to office buildings, while also including other non-residential-to-affordable housing conversions where office projects were unavailable.

The following office-to-affordable-housing conversion cases were selected:

In **Ireland**, the selected case is Springville House in Cork, an office-to-residential conversion, delivered 35 new social housing units. The building, a disused 1960s office block, had been vacant for over a decade before Cork City Council identified it for redevelopment through a Competitive Dialogue process. The property was later acquired by *Tuath Housing*, one of Ireland's largest social housing providers.[34]

In **France**, Marseille, the private, non-profit social housing provider[35] *Erilia*[36] transformed a public office building on Rue Acquaviva into social housing. The building was sold by the state to a social housing agency, which converted it into 24 apartments.

In **Spain**, Barcelona, the public business organisation *IMPSOL,*[37] that is directly depending on the Barcelona Metropolitan Area, converted the two upper office floors of a mixed-use building on Carrer del Pla 2F into affordable housing (the ground floor is a supermarket, and first and second floor are car parking). Three of the newly created units are designated as "emergency housing," providing

[34] Tuath Housing: https://tuathhousing.ie/

[35] *Erilia* is a so-called *Entreprise Sociale pour l´Habitat* (ESH), a specific French legal form, combining a private legal status with a public mission. ESHs are bound by public interest obligations, are often linked to banks, cooperatives, or local authorities and have access to tax advantages and access to state-backed financing: https://www.esh.fr/les-esh/quest-ce-quune-esh/ .

[36] As of July 2024 *Erilia* merged with Logirem, another *Entreprise Sociale pour l´ Habitat,* with Erilia becoming the absorbing entity.

[37] Metropolitan Institute of Land Development and Property management (Barcelona): https://www.amb.cat/en/web/habitatge/impsol

short-term accommodation for people in critical situations, such as victims of domestic violence or young individuals in need of urgent shelter.[38]

The fourth case, in **Belgium**, involved the creation of 41 apartments through an office-to-housing conversion in Brussels. It was led by the private social real estate company *Inclusio.*[39]

In addition, the Demo Hub project in **Hungary** is included, to represent the Eastern European context, despite the project not yet being completed[40]. The project aims to create 26 new affordable housing units within a former vocational school in Budapest that has stood vacant since an educational reform in 2007. Construction has not started yet. While the first public procurement did not attract sufficient number of bidders, a second round of tendering opened in September 2025, with move-in date planned for early 2027. While not yet providing sufficient data on impacts, it nevertheless highlights several promising practices at the planning stage that warrant attention.

[38] Details about Social Emergency Housing can be found here: https://www.consorcihabitatge.barcelona/es/viviendas-por-emergencia-social

[39] Inclusio: https://www.inclusio.be/

[40] The completed case could not be included, as attempts to obtain information from the developer and the city council remained unanswered.

Overview:

Country	Case	Year of completion	Conversion type	No of housing units created	Type or size of units	Implementing stakeholders
Ireland	Springville, Cork	2023	vacant office building (1960s) to social housing	35	31 apartments (between 45.5 – 95 m^2), 4 single-story bungalows	Private company MMD Construction Ltd led the construction for the private, non-profit housing company Tuath Housing, who owns the building.
France	Rue Acquaviva, Marseille	2019	vacant public office building (1950s) to social housing	24	6 units with 43 m^2, 6 units with 65 m^2, 5 units with 85 m^2, 4 units with 34 m^2, 3 units with 105	Private, non-profit social housing provider *Erilia* bought the building from a Public Land Establishments (state entity).
Spain	Carrer del Pla 2F de Sant Feliu de Llobregat	2023	Vacant offices in a mixed-use building to social/emergency housing	34	23 single bedrooms, 10 two-bedroom, 1 three-bedroom	Project realisation through the public business organisation *IMPSOL* following the initiative of Municipality of Sant Feliu in Barcelona.
Belgium	Pavillon 7-9, Brussels	2021	Vacant offices (1960s) to social housing + first floor rented to two NGOs	41	10 studios (average area/unit 30 m^2), 7 one bedrooms (average 55 m^2), 16 two bedrooms (average 77 m^2), 8 three-bedrooms (average 87 m^2)	The private social real estate company *Inclusio*, bought the building and led the conversion.
Hungary	*Demo Hub, Budapest*	*ongoing*	*Vacant vocational school to affordable housing*	*26 (planned)*	14 studios (39m^2), 4 one-bedrooms (42-58 m^2), 6 two-bedrooms (55-65 m^2), 1 three-bedrooms (100 m^2), 1 four-bedrooms (100 m^2)	*Project is led by the 'Affordable Housing for All' initiative by the Budapest City Council. Key implementing stakeholders are NART Architects who chose the building and developed the design, and KEK - Kortárs Építészeti Központ, a cultural centre responsible for all social engagement.*

Selection of photos of the five cases:

Springville, Cork (Ireland)

Before

After

Rue Acquaviva, Marseille (France)

Before

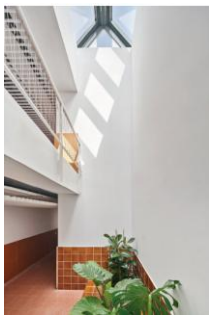
After

Carrer del Pla 2F, Barcelona (Spain)

Before

After

View from inside after conversion



Atriums for natural light after conversion

Pavillon 7-9, Brussels (Belgium)

Before

After

Inside after conversion

Balcony after conversion

Demo Hub, Budapest (Hungary)

Before

Before

Rendering of building after conversion

2. The impacts of office-to-housing conversion

This section describes the social, economic and environmental impacts of the office conversions into affordable housing in the five case studies. The analysis is supplemented by insights from available literature.

2.1. Social impacts

Affordability for tenants

Each project created or aims to create between 24 and 41 new social housing units, ensuring affordability for tenants according to the respective national definitions of social housing. While affordability was guaranteed under national definition, there have been further nuances in three of the cases on the type of social housing tenants the project aimed to accommodate.

The **Barcelona** case included a specific category of *emergency housing*, designed for refugees, minors in crisis situations, survivors of domestic violence, and other vulnerable groups. Unlike social housing, which requires proof of income to demonstrate the ability to pay rent, emergency housing does not. In **Cork**, the converted Springville House now is home for 35 tenants. 13 came through the "rightsizing" scheme (37%) and the remaining tenants came from Cork City Council's social housing waiting list. The "rightsizing" scheme is a voluntary offer of the Cork City Council, connecting social tenants and private homeowners to suitable smaller accommodations. Private homeowners can choose to sell their property at reduced market price to the Council in return for a granted tenancy in an age-friendly property that fits their needs. Social housing tenants can simply request to move. The scheme aims at persons older than 60 years.[41] In **Budapest,** the 'Affordable Housing for All' initiative[42] of the municipality aims specifically at people in housing poverty.

[41] Cork City Council: Rightsizing Scheme; The Housing Agency 2024: Office-to-Residential Conversion: Case studies from Tuath Housing.

[42] A €5 million EU-funded initiative financed by the European Urban Initiative focused on tackling housing insecurity and energy poverty through integrated housing services, an early warning system for vulnerable households, and the transformation of public buildings into social, energy-efficient housing that aims to provide quality affordable rental housing for people who are struggling with housing poverty. It aims to address stigmatisation in Hungary against flats rented on a social basis which are often believed to be rather bad, poor and temporary. The Demo Hub conversion is the core project of the initiative at the moment.

Tenant satisfaction with building design and quality

The cases illustrate that converting offices into social housing can be done without compromising on living standards or quality of execution.

In **Barcelona**, design features included atriums for natural light and ventilation. Also, the design avoids hierarchical room arrangements, ensuring that all rooms are of equal size ("gender-sensitive design"), and it incorporates intermediate spaces to improve thermal comfort and facilitate social interaction. In **Brussels**, an additional floor was built using a lightweight wooden prefabricated structure, manufactured off-site. It was designed including a terrace to provide outdoor space for residents. In **Budapest,** the top floor is designed for an open-air community space, intended as a shared amenity for residents to use during the summer months. In **Marseille**, balconies were added, especially for summer comfort (providing outdoor space and at the same time shading for the window below.

Green spaces with the aim to facilitate community cohesion were created in two cases (**Marseille**, **Cork**). Marseille implemented a small patio; Cork has set up a garden with easy access picnic tables, wheelchair accessible picnic tables and flower planters. In **Budapest** a community garden is planned.

With regard to shared spaces, some initial challenges were reported in **Brussels** and **Barcelona**, largely attributed to limited experience with the design and use of such facilities. In Barcelona, the spaces designed for social gatherings were initially underused. The Catalan developer *IMPSOL*, who also manages the building, responded by improving communication and information to encourage social interactions. In Brussels, the shared space was located in the basement without natural light; in subsequent projects, such spaces are now placed in areas with natural light to create a more welcoming environment.

In **Cork,** *Tuath Housing* conducts quarterly tenants satisfaction phone surveys throughout the year to track quality of housing, tenant engagement and gather feedback. They reported a very low tenant turn-over rate and suggested that based on these phone surveys with tenants, their satisfaction with both the quality of the homes at Springville House and the overall building design was and remains high. This was especially relevant as the converted house inhabits tenants above 60 years who have chosen to participate in the "rightsizing" scheme to live in smaller, age-friendly accommodation.

None of the other cases conducted resident surveys, although *Inclusio* in Brussels, plans to collect such data in the future. Based on anecdotal evidence and regular direct contact with residents, developers in all cases reported high levels of tenant satisfaction. Low tenant turnover was consistently observed, which can serve as a proxy indicator of satisfaction. Evidence from other studies in the Netherlands and the UK suggests that secure access to affordable housing

is a central driver of tenant satisfaction.[43] At the same time, design quality of the buildings and the surrounding infrastructure, such as community spaces and playgrounds, also play an important role.[44]

Impacts of conversion on the surrounding neighbourhood

In **Brussels**, the variety of residential unit sizes and the presence of NGOs[45] on the ground floor contributed to a diverse social mix and is now seen as bringing new life and services to the neighbourhood. Another ongoing conversion project from *Inclusio* is also reported to have been welcomed by the neighbourhood as a way of bringing families into the area. However, none of the cases systematically measured the impact of the conversion projects on the surrounding neighbourhood or the extent to which the creation of social housing contributed to the revitalisation of the wider area.

In **Cork**, the Marina and Blackrock Loop (5 km hiking trail) had been developed and officially opened. This is on the doorstep of Springville House and consists of a walk and cycle path along the waterfront, lined with coffee shops, gift shops and other amenities. This has had a very positive impact for residents and many of them invested in bicycles, enjoying the loop daily and coffees.

In the **Budapest** project, still under development**,** neighbourhood integration has been successful so far, with increasing participation in events organised by project partners. The 'Affordable Housing for All' initiative has set objectives for so-called "placemaking" events, where the locals could understand the mission of the program and recognise that it will not increase segregation in the neighbourhood. The project also aimed to destigmatise social housing[46] through a variety of community activities, including open houses for neighbours to learn about the building and plans (April 2025), free plant distribution (May 2025), and a graffiti workshop (July 2025). Residents reacted positively and social acceptance exceeded expectations. More than 500 neighbours responded to an online survey conducted by *KÉK* on the needs and wishes from the neighbourhood for the public community space planned on the ground floor of the

[43] Open Access Government: The built environment: The effects of office conversions in the Netherlands. (NL), The Guardian: Office-to-homes conversions: London blocks hold fresh allure since shift to home-working (UK).

[44] Open Access Government: The built environment: The effects of office conversions in the Netherlands.

[45] Both NGOs manage daycare for people with disabilities: Bataclan (here) and Les Tof Services (here).

[46] Stigma stemming from many connected negative stereotypes that label residents as being 'lazy', 'uneducated', or dependent on benefits, reinforcing negative perceptions and leading to marginalisation and discrimination from landlords and the wider community.

Demo Hub.[47] Additional workshops are planned for autumn 2025, and since spring of the same year, a Housing Office staffed with social workers has been operating on site.

2.2. Economic impacts

Cost of conversion compared to new-build

Both literature and interviews from the specific case studies confirm that costs depend heavily on the individual building project. Every building is unique, making it impossible to generalise whether conversions are consistently cheaper or more expensive than new construction. What is clear, however, is that conversions involve greater cost uncertainties, such as potentially hidden structural defects or presence of hazardous materials, which can lead to unforeseen issues once work begins on site.

The market evidence on the cost-effectiveness of conversions compared to new builds remains inconsistent, largely due to project-specific conditions and local market factors, including acquisition costs, incentives, policies and financing. A 2023 study comparing different conversion scenarios with demolition and new constructions in Brussels found that total conversion costs (ranging between €1,800/m^2 and €2,200/m^2) were slightly higher than demolition and new-build costs.[48] Similarly, the *l´Union Sociale pour l´Habitat* in France concluded that conversions are generally more expensive. In contrast, in a German publication on the potential of existing buildings, the authors compared the costs of various options and concluded that conversion is cheaper than new construction (at €1.281 compared to €3.405).[49]

Despite the inconclusive findings, the four completed cases explored in this study have achieved lower (in one case equal) overall costs than equivalent new-build projects, demonstrating that under the right conditions, conversions can be both technically feasible and financially viable.

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[47] They offered the possibility to fill out surveys in person for people with reduced access to digital devices. The results are being evaluated in autumn 2025 and complemented by a number of personal interviews.

[48] Stiernon, D, A Böhlke, A Stephan, M Bos, and G Marino (2023): Office to Housing Conversion: Estimating Life Cycle Environmental and Financial Performance. *Journal of Physics: Conference Series* 2600

[49] Walberg, D. et al (2022): Wohnungsbau: Die Zukunft des Bestandes: Studie zur aktuellen Bewertung des Wohngebäudebestands in Deutschland und seiner Potenziale, Modernisierungs- und Anpassungsfähigkeit. Bauforschungsbericht, Nr. 82. Kiel: Arbeitsgemeinschaft für zeitgemäßes Bauen e.V, 2022. (EN: Housing construction: The future of the housing stock: Study on the current assessment of the residential building stock in Germany and its potential, modernisation and adaptability.)

For *Inclusio* in Brussels, the costs of the Pavillion case were comparable to those of a new build project. However, Inclusio emphasised that costs of conversion can be even lower if a large portion of the façade is preserved – something they experienced in another conversion project in Antares. In **Barcelona**, the conversion was about 20% cheaper than other new built social housing projects developed by *IMPSOL* in 2017, mainly because the façades and slabs were already in place, requiring only verification of the structural integrity and replacement of the windows.

This finding aligns with conclusions from the Association of German Architects' working group in Bavaria on office-to-housing conversions, which published cost comparisons between a new-residential building of average standard with a hypothetical office building of comparable size (i.e. potential for 50 housing units). The greatest differences were observed in the building envelope (façade and roof), as can be seen in Table 3. In the reference new build, these accounted for 25% of total costs, whereas in conversions they could range widely from 5% to 48%. For other construction costs, including structural and technical works, differences were minor (50% for new-build versus 46–48% for conversion). Costs for excavation and building shell were significantly lower in conversions, at 4–12% compared with 25% for new-build projects. In total, this means that the condition of the existing façade and the performance targets set for energy efficiency can be a decisive factor in determining the economic viability of a conversion. At the same time, office conversions typically require minimal interventions in the foundation of the building, which reduces costs in comparison to new constructions. According to the BDA, comprehensive surveying and planning can avoid costly works on the load-bearing structures. Interior fit-out costs, on the other hand, largely depend on the desired end-user quality standards, such as acoustic performance or material finishes.

Elements	*New Construction*	*Conversion*
Excavation / Shell Construction	**25%**	**4% - 12%**
Excavation Pit	2%	0%
Foundation	5%	5% - 2%
Structural Frame	18%	4% - 10%
Building Envelope	**25%**	**5% - 48%**
Facade	18%	5% - 40%
Roof	7%	5% - 8%
Interior Construction and Building Services	**50%**	**46% - 60%**
Architectural Fit-Out*	25%	23% - 30%
Technical installations**	25%	23% - 30%
Total	**100%**	**60% - 120%**

** BDA 2025 refers to Cost Group 300, this includes the building's structural and architectural components (walls, floors, ceilings, finishes, etc.).*

***BDA 2025 referst to Cost Group 400 includes building services installations such as heating, ventilation, plumbing, and electrical systems.*

Table 3: Cost parameters: Comparison of New Construction vs. Conversion

In **Marseille**, renovation costs were reported to be lower than for a comparable new-build projects in the Old Town of Marseille, where strict building permits require the maintenance of the architectural character and historical integrity of the area. In **Cork**, it was observed that the cost per unit was lower than constructing a comparable new apartment. Nevertheless, current financial conditions, such as high construction costs and interest rates, may push

conversion costs above market value, creating the risk of an impaired asset.[50] As with many refurbishments of older buildings, unforeseen structural or technical issues can also add unexpected costs, further threatening financial viability, even if the broader social value remains significant.

Economic viability of conversion, rental and ownership costs

For office-to-housing conversions to scale, they need to become attractive for developers, property owners and investors. From a purely economic perspective, fully rented office spaces typically generate higher rental yields than residential units, as office rents per square metre are generally higher. Conversions also tend to be less space-efficient than new builds, since they must work with limitations imposed by the existing structures and layouts.[51] In addition, office developments are often more profitable than residential ones, as higher market rents and land values in central business districts drive up property valuations and investment returns.[52] These factors apply even in the private housing market where no rent caps apply and explains why, from a purely profit-oriented perspective, office-to-social housing conversions, where rents are regulated or capped, become challenging.

Only the **Brussels** case provided direct insights into the economic viability of the investment. In this case, *Inclusio* achieved a profit margin of 1.5–2%, well below profit margins targeted by real estate developers. Financial break-even was achieved by purchasing the building at a low cost (€860/m²), applying a simple design, and maximising the reuse of existing materials. *Inclusio's* business model relies on attracting investment through shares (approximately 3,300 public and private shareholders) to cover acquisition, architectural fees, and other costs, while secured rents are paid directly by the social housing agency. The total investment cost amounted to roughly €2,500/m², with a rental yield of around 5% (annual rental income divided by total investment). After accounting for bank loan interest of about 3%, the resulting profit margin was 1.5–2%.

For the other cases, public subsidies were still essential for project delivery. The necessity of public subsidies, especially when conversion is intended to create

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[50] "Impaired asset" is an accounting term that refers to an asset whose recoverable value is lower than its carrying value. This means that the asset has declined in value and is no longer worth its original cost.

[51] See BDA 2025; Stiernon, D, A Böhlke, A Stephan, M Bos, and G Marino (2023): Office to Housing Conversion: Estimating Life Cycle Environmental and Financial Performance. *Journal of Physics: Conference Series* 2600

[52] One reason why, in the absence of strong local incentives, many conversion projects result in gentrified, high-end luxury apartments rather than affordable homes.

affordable housing, is also confirmed in the literature.[53] In **Budapest**, for example, the building had remained vacant since 2007 due to failed private investments. Notably, in all cases, including private developers in **Marseille** and **Brussels**, the conversions were undertaken with a social mission rather than a profit-maximisation objective. Consequently, converting offices into social housing requires dedicated public sector support (e.g. direct financial support, or facilitation of blended financing, such as green financing and secondary financing sources, public incentives and support programmes), as wells as developers and investors driven by a social mission**.**

2.3. Environmental impacts

Whole-life carbon[54] savings

Conversions of commercial to residential buildings avoid much of the embodied carbon associated with demolition and redevelopment. By retaining significant parts of the existing building fabric, especially the load-bearing structure (e.g. foundations, columns, slabs and core), conversions prevent greenhouse gas emissions that would otherwise result from producing new materials. This climate advantage is one of the main reasons why practitioners, including the Bavarian Architects' Working Group in Germany and *l'Union Sociale pour l'Habitat* in France, advocate for office-to-housing conversions.

Barcelona assessed the whole-life carbon emissions of the conversion, following the Metropolitan Region´s Sustainability Protocol[55], which defines life-cycle greenhouse gas requirements for public projects by AMB and *IMPSOL*. **Marseille, Cork and Brussels** did not carry out a whole-life carbon assessment, mainly due to a lack of resources. However, all of them confirmed in interviews that they are well aware of the relevance of embodied carbon. They also emphasised that the potential to avoid those emissions is one of the main motivations to focus increasingly on conversion projects. For example, *Tuath Housing* previously piloted a conversion of a commercial building into social housing at Park West Plaza in Dublin which resulted in a 73% reduction in embodied carbon compared with the office building being demolished and re-

[53] BDA 2025, Stiernon, D, A Böhlke, A Stephan, M Bos, and G Marino (2023): Office to Housing Conversion: Estimating Life Cycle Environmental and Financial Performance. *Journal of Physics: Conference Series* 2600

[54] Whole-life carbon encompasses all greenhouse gas emissions resulting from the materials, construction and the use of a building over its entire life, including its demolition and disposal. It is thus the total amount of embodied and operational emissions.

[55] AMB sustainability protocol: Criteria for AMB and IMPSOL projects and works.

build, and a 62% embodied carbon reduction compared with a new build of comparable residential units.[56]

There are only a few openly accessible life cycle assessments comparing office-to-housing conversion with new-build. However, the available studies paint a consistent picture. A 2023 study established a benchmark in Brussels, across four scenarios: office renovation, office-to-residential conversion, demolition and new office construction, and demolition and new residential construction. The conversion scenario had the lowest carbon footprint, with approximately 1 million kg CO_2e, compared to 4 million kg CO_2e for the demolition-and-new-build residential scenario, a fourfold difference.[57] **Barcelona's** Sustainability Protocol first mandates priority for conversion over new construction. It also sets specific values for the carbon footprint for both new built and conversion projects.[58] For new construction projects, the benchmark is a 40% reduction compared to the reference building (611 $kgCO_2e/m^2$) while, for conversions, the required reduction is 68% (324 $kgCO_2e/m^2$). The protocol also mandates the use of recycled materials in sub-bases, drainage, concrete, and screeds, though this requirement was not applicable to the conversion project. *IMPSOL* verified compliance with the target values through bills of quantities.

In Germany, another study estimated potential annual savings of up to 9.2 million tonnes of CO_2e by 2045 through conversions of offices and commercial spaces into housing. These savings result from improved space efficiency, energy efficiency improvement carried out simultaneously during the conversion process, and reduced commuting emissions as more housing is created in central urban locations.[59] The importance of reducing transport-related greenhouse gas emissions by creating homes in well-connected, central areas rather than on the urban periphery has also been emphasised by the French association of social housing organisations *l´Union Sociale pour l´Habitat*, which argued that life cycle

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[56] The Dublin Plaza West 12 case in: BPIE, Ramboll (2024) Sufficiency in the building sector; or also here: The Housing Agency 2024: Office-to-Residential Conversion: Case studies from Tuath Housing.

[57] Stiernon, D, A Böhlke, A Stephan, M Bos, and G Marino (2023): Office to Housing Conversion: Estimating Life Cycle Environmental and Financial Performance. *Journal of Physics: Conference Series* 2600.

[58] For material-related emissions, it requires that at least 70% of material categories be justified, covering the following chapters (including demolition, earthworks, and waste management): foundations, load-bearing structure, envelope, interior partitions, and installations (see section 7.2 of the Protocol).

[59] Walberg, D. et al (2022): Wohnungsbau: Die Zukunft des Bestandes: Studie zur aktuellen Bewertung des Wohngebäudebestands in Deutschland und seiner Potenziale, Modernisierungs- und Anpassungsfähigkeit. Bauforschungsbericht, Nr. 82. Kiel: Arbeitsgemeinschaft für zeitgemäßes Bauen e.V, 2022. (EN: Housing construction: The future of the housing stock: Study on the current assessment of the residential building stock in Germany and its potential, modernisation and adaptability.)

assessments should also account for avoided emissions from urban sprawl and commuting.

Energy performance of converted buildings

In all five cases, high to very high energy efficiency performance was achieved or planned.

The **Barcelona** project stands out, in particular for its innovative natural ventilation system. *IMPSOL* integrated atriums with operable skylights that open in summer to enable cross-ventilation and close in winter to create a thermal buffer zone. The building also features high-efficiency ventilation with heat recovery. As a result, the building exceeded the requirements of the Sustainability Protocol, achieving a 72% reduction in energy use compared to the current benchmark of 80 kWh/m²/year, corresponding to an exceptionally low energy consumption of below 20 kWh/m²/year.[60]

In **Cork**, mechanical and engineering systems were upgraded to improve energy performance and enable individual metering. The building now includes 20 units with an A2 rating (the second-highest class, >25 and ≤50 kWh/m²/year, as required for new dwellings since 2019) and 15 units with an A3 rating (>50 –75 kWh/m²/year), which is still considered highly energy efficient.[61]

The **French conversion project** achieved the BBC renovation label, a voluntary certification for high energy-efficiency.[62] For renovation projects, the BBC standard corresponds to approximately 80 kWh/m²/year primary energy,[63] depending on climate zone, altitude, and other local factors.

In **Brussels**, the converted building reached an EPC label B, corresponding to an energy consumption of 71 kWh/m²/year.

The conversion in **Budapest** foresees various interventions in the final design to improve the buildings energy performance, including 18 cm of external wall insulation, larger double-glazed PVC windows, a heat pump, and a rooftop PV system for domestic hot water production.

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[60] The sustainability protocol mandates a 65% reduction of the current 80 kWh/m²/year for a normal private social building.

[61] Department of Housing, Local Government and Heritage 2019: New Energy Efficiency Standards for New Dwellings.

[62] Observatoire BBC (2021): Les Maisons renovées a basse consummation.

[63] The French energy performance labels use the standard metric of kWhEP/m²/yr, where EP stands for primary energy, which includes the energy used to produce and deliver the energy consumed; the BBC label “translated” to the other metric of kWh/m²/yr would be around 35 – 45 kWh/m²/yr.

Biodiversity and carbon capture through green spaces

Green spaces were created in only two of the cases (Marseille and Cork) primarily for social rather than environmental purposes. None of the projects included green roofs or similar features to target biodiversity preservation. During the interview with the Association of Social Housing Organisations, the French Climate and Resilience Law was mentioned as a reference point promoting the goal of zero net land take and encouraging development within the existing built environment over greenfield sites.

3. Common challenges and success factors

This section on challenges and success factors is based on a small sample of cases and should not necessarily be considered representative. Rather, it provides initial insights into potential leverage points for further upscaling of office-to-housing conversions. Findings are supported by evidence from the literature and insights from experts interviewed during the project.[64]

3.1. Context that led to successful conversions

From concept to site: identifying the buildings to be converted

All conversion projects explored in this study were undertaken in response to an urgent need for social housing in urban areas with tight housing markets. Local authorities played a key role, providing strong support and, in some cases, direct leadership.

In **Barcelona**, the Municipality of Sant Feliu actively approached the public development agency *IMPSOL*, inquiring whether two vacant office floors could be converted into social housing, specifically for emergency accommodation. The third floor already belonged to the municipality. After an initial feasibility assessment, an architectural competition was launched, in which *IMPSOL* participated together with the municipality. Similarly, in **Brussels**, the social enterprise *Inclusio* learned about a vacant office building on Pavillon Street in Schaerbeek through a real estate agent. The property owner had been struggling because the location was no longer attractive, making it difficult to find buyers.

In **Marseille**, there was a clear need to create social housing in the area, and the vacant building presented a convenient opportunity, as relocating existing tenants elsewhere would have involved significant effort and likely resistance. *Erilia* conducted a small feasibility study to assess the viability of the potential conversion project. In **Cork**, the long-vacant building had formerly served as the headquarters of an engineering firm. It was initially purchased by the private company MMD Developers, who had already secured the conversion permit. The developers subsequently approached the City Council for implementation support, which in turn facilitated contact with *Tuath Housing*, the current owner and social housing provider.

In **Budapest,** the Demo Hub project was also a response to the question how adequate housing can be more accessible to broad social groups. Furthermore, it was designed to serve as a pilot for the potential conversion of 15 other

[64] Additional interviews were conducted with the French federation of social housing organisations *l'Union Sociale pour l´Habitat* and the Brussels-based architect and manager of the Executive Master in Real Estate at the Saint-Louis University.

abandoned public buildings across the city, ranging from historic structures to mid- and late-20th-century properties. While in some of the cases examined, the choice of buildings was largely opportunistic, driven above all by the urgent need to create housing, the Budapest case followed a more strategic and purpose-driven approach. The building was selected from 30 potential sites based on a set of clear criteria, including structural integrity (its ability to be adapted without major interventions), budget considerations (balancing renovation costs with housing capacity), accessibility and location (good transport connections and potential for mobility-friendly design), energy efficiency potential (scope for retrofitting to high energy performance standards), and zoning conditions (ensuring that residential use was already permitted or could be approved with minimal changes).

Beyond the case studies, there is research and practice guidance for evaluating office buildings for conversion potential to housing.[65] Factors to consider include, among others: vacancy, availability and remaining lease term, average office rent per square metre and the size of combined vacant floor area (the larger the better, with at least 3,000 m² considered favourable). Factors influencing the practical feasibility of the conversion include floor-to-ceiling height, floor plate size, accessibility, structural integrity, plumbing and electrical wiring requirements, fire safety and legal provisions imposing a minimum number of parking spaces per resident. These factors directly influence the ease of obtaining conversion permits. The attractiveness of the conversion is determined by proximity to public transport, essential infrastructure (e.g. shops, schools) or parks. A further critical consideration concerns the presence of hazardous materials, particularly asbestos.

Location, location, location…

With regard to the selection and location of office conversions, a central location and good transport links were cited as advantages in **Brussels** and **Marseille**. In **Cork**, the proximity to public transport links was especially relevant as many tenants were not only older (above 60 years) but also part of the “rightsizing” scheme and had to actively choose to leave a larger unit behind to move into Springville House. Public transports in cities were originally designed to bring workers into the central business district, therefore residents in converted office buildings benefit from location and convenient access to other parts of the city. The latter is particularly important for residents of social housing, who often have limited access to private cars.

[65] BDA 2025: O2H - Office to Housing. Eine Handreichung zur Transformation ungenutzter Büroflächen in bezahlbaren Wohnraum. Bund Deutscher Architektinnen und Architekten. BDA Bayer. (EN: A guide to transforming unused office space into affordable housing. Association of German Architects); Geraedts, RP., & van der Voordt, DJM. (2003). Offices for living in: An instrument for measuring the potential for transforming offices into homes.

The attractiveness of the surrounding neighbourhoods varies across the cases. In **Brussels**, *Inclusio* noted that the Pavillon Street location was in a rather neglected neighbourhood - a fact that had also contributed to the previous office tenants relocating to a more central site. However, these concerns reflect broader urban planning challenges rather than being specific to office-to-housing conversions. In fact, conversions can have an overall positive impact by revitalising neglected or empty urban spaces. As neighbourhoods become more vibrant, public safety often improves, which in turn encourages further investment in public services and infrastructure, creating a positive cycle of ongoing urban regeneration.

3.2. Policy, regulatory and financial framework

Policies and political strategies supporting office-to-housing conversions

Across all four completed office conversion cases, the cities faced acute shortages of social housing and were characterised by dense urban development. Office-to-housing conversions therefore represent an obvious solution. However, in two cases, this had not yet been translated into concrete strategies or specific policies on the local level at the time of conducting the projects analysed. Only **Marseille** and **Barcelona** had specific programmes or strategies in place that promoted the use of existing building stock to create housing units. In **Budapest**, the project is part of the municipality's 'Affordable Housing for All' initiative and was motivated by testing the conversion to social housing embedded into the neighbourhood for replication of the many idle publicly owned buildings.

In **Marseille**, the sale occurred in the context of a French national law *Loi Duflot II*[66] which, among other provisions, encourages the sale of public buildings at reduced price for social housing purposes. Additionally, the *Climate and Resilience Law* (2021) promotes repurposing and conversions by requiring a *diagnostic de réversibilité*, meaning an assessment of a building's potential for conversion or alternative future use prior to any demolition or new construction project.[67] In France, specific political targets have been set to promote office-to-residential conversions.[68] Social housing agencies *(Entreprises Sociales pour l´Habitat)* are required to develop new social housing taking geographical and real estate constraints into account. As a result, the growing policy focus on

[66] Also referred to as law ALUR (Loi pour l'accès au logement et un urbanisme rénové, EN: Access to Housing and for Renovated Urbanism).

[67] This was one of the proposed policy measure of the Citizens assembly for the Climate which was constituted in 2019 (Ecologie Gouvernement France).

[68] *Aus USH Interview:* CSTB in France: between 2015 and 2019 10k conversions of offices into housing (quite little compared to the government ambition).

converting offices into housing represents an opportunity for these providers to meet their obligations within existing urban areas.

The **Barcelona metropolitan region** in its *AMB Sustainability Protocol* ,[69] which applies to public projects, requires priority for conversion projects ahead of new constructions. It also establishes clear benchmarks for energy consumption in new social housing, aiming at a reduction to 65% of the current 80 kWh/m². Moreover, after the initial prioritisation of existing buildings, it ensures that conversion themselves are carried out in a low-carbon manner, setting differentiated carbon footprint limits (upfront emissions) for new builds and conversions.[70] These requirements have prompted *IMPSOL* to make significant efforts to reduce environmental impacts and to place greater emphasis on conversion projects. Beyond this protocol, however, no additional policies were in place to specifically support conversions or low-carbon construction at the time.

During the execution of conversion works, **Brussels** did not have specific policies in place. However, it is one of the European cities where office-to-housing conversions have been practiced for decades. Between 2020 and 2023, 20% of new dwellings were created through conversions, although these were mostly high-end luxury apartments.[71] It is only recently that, according to *Inclusio*, the Brussels social housing authority (SLRB) begun to engage more actively in conversion projects.[72] In 2024, the Brussels government approved the draft of the 'Good Living' regional planning regulation to refine standards for housing in the capital region. As of summer 2025, the regulation had not yet been adopted, however its draft version already establishes a set of objectives such that renovation will be the starting point for each existing building and that demolition of a building will only be permitted in exceptional cases.

Elsewhere, it is only recently that interest and momentum are growing, with decision-makers announcing new incentives and strategies for office-to-housing conversion in response to growing office vacancies and housing shortages in many cities (see Text Box 1).

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[69] AMB sustainability protocol: Catalonia 2050. Environmental criteria for AMB and Impsol projects and works.

[70] Carbon footprint limits covering scope A1–A5 (emissions associated with the product and construction stages are set at 611 kg CO_2e/m² for new construction compared to 324 kg CO_2e/m² for conversions. The regulation does not offset the inherent carbon advantage of conversions compared to new constructions, since it applies only after the initial prioritisation of existing buildings. Rather, it ensures that conversions themselves are carried out in a low-carbon manner.

[71] also see: Stiernon et al 2023: reuse or renew – office building conversion under different scenarios in Brussels EU district.

[72] Still there are only maximum five office-to-affordable housing projects; interview with Anders Böhlke (Oct. 2025).

Zoning flexibility and permits

A key success factor that stands out in the completed projects was the relative ease of obtaining building permits. In **Cork**, the existence of a permit for conversion that the developers held when the building was sold to Tuath Housing was cited as a major reason for the project's speed and overall cost efficiency. Similarly, **Barcelona** and **Marseille** reported no difficulties in obtaining permits. In **Brussels**, the building permit was issued within 11 months, considerably faster than the average 2 to 3 years. In **Barcelona**, the building permit was issued within the regional average of 6 to 8 months.

In **Budapest**, the city owns many vacant buildings and the vocational school was chosen because existing zoning regulations already permitted residential use. Otherwise, changing the zoning typically takes more than one year. However, a full building permit for a more extensive conversion was expected to be more complex and dependent on political decisions, potentially delaying the project. To avoid this, the project was implemented with the existing renovation permit. As a result, certain initially planned design elements, such as balconies, terraces, and an elevator, had to be omitted.

The ease of obtaining permits is consistently being quoted as a key enabling factor; without it many projects would be considered too risky. The importance of flexible permitting is also reflected in recent policy developments in many cities, which provide for planning simplifications to make office-to-housing conversions easier (see Text Box 1).

Building codes

A challenge that is highlighted in the literature on office-to-housing conversions relates to building code requirements. Office buildings are typically designed to different standards than residential buildings and converting them often triggers stricter regulations on acoustic insulation, fire safety, natural light, ceiling heights, or minimum distances between units and neighbouring properties.[73] While the analysed cases demonstrate that such conversions are nonetheless feasible, they also reveal that compliance with those standards can lead to additional costs.

In **Brussels**, for example, *Inclusio* reported that a larger elevator had to be installed in order to meet the regulation requiring bicycle access, which meant the existing elevator could not be retained. Similarly, the French Association of social housing providers, *l´Union Sociale pour l´Habitat,* emphasised the challenge of

[73] BDA 2025: O2H - Office to Housing. Eine Handreichung zur Transformation ungenutzter Büroflächen in bezahlbaren Wohnraum. Bund Deutscher Architektinnen und Architekten. BDA Bayer. (EN: A guide to transforming unused office space into affordable housing. Association of German Architects);

meeting the requirement that emergency staircases must be accessible within a maximum distance of 15 metres.

Car parking requirements can also act as barrier to conversion, as many older or centrally located office properties lack the physical capacity to meet strict parking quotas. This was the case e.g. in **Budapest** where normally one car parking space is foreseen per housing unit. Finally, due to the classification as school, the project could go forward with fewer car parking spots.

A particular challenge in **Brussels** was the lack of coherence between municipal and regional requirements, which meant that the developer had to put in extra effort to coordinate and clarify matters. Here, the car parking regulations conflicted: the region argued there were too many car parking spaces, while the municipality insisted there were not enough. Similar inconsistencies were also reported with regard to fire safety requirements.

Overview of example cities adapting planning and permitting to facilitate conversions

In **France**, the Housing Minister announced a new support plan in March 2025 to promote the conversion of vacant offices into housing.[74] This initiative builds on an earlier national plan by the Ministry, aimed at tackling property vacancies across municipalities.[75] Furthermore, a policy reform adopted in June 2025 introduced several measures to simplify change-of-use procedures.[76] These include the introduction of 'reversible' permits (*permis de construire à destinations successives*,[77] initially piloted during the construction of the Olympic Village, which enable buildings to switch between uses more easily; empowering urban planning authorities to deviate from land-use designations in the Local Urban Planning Plan (*Plan Local d'Urbanisme*); and replacing the requirement for unanimous approval among co-owners in mixed-use buildings with a simple majority vote when approving a change of use.

In June 2024, the **Community of Madrid** passed a law[78] establishing a temporary framework (in effect from November 2024 to November 2026) that

[74] Ministère chargé du logement, March27, 2025: Plan pour soutenir la transformation des bureau vacants (EN: plan to support the conversion of vacant offices).

[75] BPIE, Ramboll (2024) Sufficiency in the building sector, p. 41

[76] LOI n° 2025-541 du 16 juin 2025 visant à faciliter la transformation des bureaux et autres bâtiments en logements (EN: Act No. 2025-541 of 16 June 2025 aimed at facilitating the conversion of offices and other buildings into housing).

[77] Multi-purpose building permits

[78] Boletín official de la communidad de Madrid, 2024: LEY 3/2024, de 28 de junio, de medidas urbanísticas para la promoción de vivienda protegida (EN: Law on Urban Development Measures to Promote Social Housing).

allows the change of use of land/buildings classified as tertiary office use into residential social housing without the need to amend existing urban plans. Under the temporary exemption, up to 30% of the total floor area of an office building may be converted into social housing, and construction works must be completed within three years of commencement.

In March 2024, the **Brussels Regional Urban Planning Regulation** (RUPR) was revised to make office-to-housing conversions more feasible.[79] The updated regulation allows greater mix of functions within the same zoning areas. While a separate building permit is still necessary to change the function of a building, the simplified regulatory framework significantly facilitates the conversion process.

In October 2024, **Hamburg** amended its state building regulations to make adaptive reuse of buildings significantly easier. The reform extends existing rights so that conversions do not automatically trigger the requirement to meet the highest current building standards. Building authorities are now granted greater flexibility to approve deviations from regulations when these support the continued use of existing buildings or the creation of new housing, provided that safety standards and neighbouring rights are maintained. In addition, the previous requirement for a fixed number of parking spaces per inhabitant was replaced with a more flexible "mobility concept," allowing solutions that reflect local conditions.[80]

In May 2025, the Mayor of **Barcelona** announced the conversion of offices into housing as part of a "second wave of measures", following earlier actions taken to regulate short-term rentals. At the same time, a participatory process for the new housing plan (*Pla Viure*) is underway, which is expected to include specific measures to promote office-to-housing conversions.[81]

In **Ireland**, the *Planning and Development Act (Exempted Development) Regulations* were updated in 2022 to revise the 2018 Regulations (currently under review again, public consultation closed in summer 2025). It allows certain vacant commercial buildings to be converted into housing without planning permission, provided they have been unoccupied for at least two years and that at least 50% of the existing external fabric is retained, among other conditions. The potential of "underutilised office space […] could become

[79] Brussels Regional Public Service, April 2024: The regional urban planning regulation (RUPR) adopted in the second reading.

[80] Hamburg, October 2024: Hamburg beschließt Baugenehmigungen und erleichtert Bauen im Bestand. (EN: Hamburg speeds up building permits and makes it easier to build on existing sites).

[81] Ayuntamiento de Barcelona, March 2025: Participatory process under way to develop the new Barcelona Housing Plan.

vibrant apartment blocks in the heart of our cities" was recognised by Darragh O'Brien, Ireland's housing minister at the time.[82]

Outside Europe, **Calgary** has been one of the most proactive North American cities in promoting office-to-residential conversions, following an office vacancy rate that reached 30%. In 2021, the city launched the Downtown Calgary Development Incentive Program, offering a subsidy of CAD 75 per square foot to support conversions as part of its 10-Point Plan for Downtown Revitalisation. The programme promotes the transformation of office spaces into residential units, schools, hotels, and arts centres, with the goal of bringing people back into the city centre. Beyond direct financial incentives, the plan includes regulatory streamlining to shorten approval times, targeted zoning adjustments, infrastructure improvements, and monitoring mechanisms to track progress. As of 2025, the city is supporting 21 conversion projects, transforming 2.68 million square feet (approximately 249,000 m²) of office space into 2,628 new homes, a hotel, and a hostel.

Text Box 1: Overview of example cities adapting planning and permitting to facilitate conversions

Funding and preferential loans

Conversions are not necessarily more expensive than new construction, but tend to involve greater uncertainties, particularly regarding unforeseen costs (see section above under *Impacts*). Against this backdrop, repurposing of office building into social housing which generates relatively low rental income, is particularly challenging. Therefore, additional funding and support are considered to be key for viable conversions.[83]

All four completed projects confirm the importance of subsidy schemes and complementary funding to make the conversion of office buildings into social housing economically viable. None of the funding sources used by the completed projects were specifically designed for conversions, rather, they targeted renovation and energy efficiency (Barcelona, Brussels; for the latter the funds are no longer available) and/or the provision of social housing (Marseille, Cork). The subsidies covered up to 16% of the investments needed (Brussels: 10%, Barcelona: 12%, Marseille: 16%). The ongoing **Budapest** case is an exception**,** with the Affordable Housing for All initiative, funded under the European Regional Development Fund, to transform unused non-residential public buildings into energy-efficient social housing.

[82] Capplis, C., June 2023: 'I never imagined such places existed': what's it like living in a converted office block?

[83] BDA 2025, Stiernon et al 2023; confirmed also in the interview with *l´Union Sociale pour l´Habitat* and Anders Böhlke.

Loans are a central instrument, and successful conversions often require creative financing beyond conventional construction loans. Financing is mostly provided by public banks, which offer favourable lending conditions, though these loans are generally not tailored specifically to conversions. The French bank *Banque des Territoires* had a specific loan for the provision of social housing, with a total budget of 145 million EUR, which specifically aimed at supporting conversions. It was available between January and June 2025, offering a 0% interest long-term financing to social housing providers for converting non-residential buildings into energy-efficient housing.[84]

Purchase price

The prospect of converting office buildings into homes largely depend on the acquisition cost of the building or land. Market prices are often too high for social housing providers, as owners can usually achieve higher returns on the open market. In **Brussels**, for example, lengthy negotiations were required because the owner initially demanded a price that undermined the financial viability of the project. A key success factor is therefore when cities or public actors can secure land or buildings at reduced prices, as was the case in all projects analysed. In France, the so-called “Décote Duflot model” allows the sale of public buildings for social housing at a discount of up to 100%.[85] In other countries, such arrangements are generally determined at the local level rather than being regulated nationally.

Taxation

Tax implications are cited in the literature and by experts as a significant barrier. A key issue concerns the VAT treatment of conversions. Residential conversions are classified as non-commercial, meaning that developers cannot reclaim the VAT paid on construction and renovation costs. The VAT thus becomes a non-recoverable cost.[86]

In France, a national tax applies to vacant buildings while, in Belgium, this is decided at the level of local authorities (communes), with Brussels Region making use of this instrument. These taxes, which are generally intended to incentivise owners to bring unused properties back to the market, were not regarded as

[84] Banque des Territoires 2024: Prêt Haut de Bilan: 5 ans de soutien à la construction de logements sociaux. (EN: Long-term loan: 5 years of support for social housing construction).

[85] While introduced in the Loi Duflot in 2013, the mechanism is now codified in the Code général de la propriété des personnes publiques, Article L.3211-7 CG3P (EN: General Code of Public Property).

[86] BDA 2025: O2H - Office to Housing. Eine Handreichung zur Transformation ungenutzter Büroflächen in bezahlbaren Wohnraum. Bund Deutscher Architektinnen und Architekten. BDA Bayer. (EN: A guide to transforming unused office space into affordable housing. Association of German Architects);

effective levers in the cases analysed. According to *l´Union Sociale pour l´Habitat*, tax levels in France are too low to meaningfully encourage conversion.

Another challenge concerns the difference in property tax rates between office and residential buildings, with offices generally subject to higher rates. This tax differential can serve as an incentive for property owners to repurpose office buildings for housing. At the same time, for local authorities, conversions may lead to a reduction in tax revenue. In the Brussels Pavillon project, for example, the higher office tax rate remained in effect throughout the renovation period and was only lifted once the units were officially rented to the social housing provider.

Demolition rules

In none of the cases examined was there a mandatory pre-demolition audit at the time of the conversion. The fact that demolishing buildings is "too easy", led to many initiatives to advocate for clearer rules that focus on existing buildings.[87] The former Brussels Bouwmeester (chief architect) strongly promoted the principle that demolition should no longer be the default approach; instead, adaptive reuse and renovation should become standard practice. This stance is reported to have initiated a cultural shift within the construction and real estate industry in Brussels. For the removal of the existing interior fittings of the Pavillion conversion in Brussels, the developer *Inclusio* collaborated with a local demolition company specialised in selective deconstruction, reuse and recycling of construction materials and building components.

3.3. Technical aspects

Building characteristics and architectural constraints

Office architecture and design details have evolved significantly over the decades, which leaves a mark on how easily a building can be adapted for residential use. Based on the limited number of cases analysed, no specific construction period or typology stands out as being particularly well-suited for conversion. Among the cases examined, one building dated from the 1950s (France), two from the 1960s (Belgium and Ireland), one from the 1970s (Hungary), and one (Spain) was of more recent construction.

The four completed cases analysed show that successful conversions require motivation and creativity to overcome constraints of existing layout and building structures. In **Barcelona**, the design followed a principle of equal room sizes ("gender-sensitive design") and incorporated natural heating and cooling

[87] E.g. the European Citizens Initiative HouseEurope!, the Architects for Future, "Abrissmoratorium" in Austria, etc.

systems.[88] In **Marseille**, balconies were added to extend living spaces; while in **Brussels**, an additional floor was approved and built using a lightweight prefabricated timber structure manufactured off-site. Although much of the original structure was preserved,[89] most interior elements were removed, allowing for the creation of social housing units of varying sizes and configurations. In **Cork**, design decision considered an older target group from the beginning. The team had to address challenges such as redesigning lobby areas and staircases to better suit residents' needs and ensuring sufficient privacy on balconies.

Beyond the case studies analysed in this study, the Bavarian working group on office-to-housing conversion of the German Association of Architects provides a typology of office buildings based on their construction period, highlighting the predominant structural and design characteristics that influence their suitability for conversion.[90] According to the guide, older solid masonry office buildings (pre-20th century) are generally well-suited for conversion due to their simple, robust structures with regular window patterns, timber beam ceilings, and durable materials that can meet today's standards for sound insulation and thermal performance. By contrast, post-war buildings from the 1950s, often modest, lightweight and functional constructions, require significant retrofitting to meet minimum requirements. While buildings from the 1960s and 1970s still require considerable upgrading, conditions begin to improve from the 1980s onward, when first thermal insulation regulations were introduced in Germany and other European Member States. Moreover, as structures from the 1980s onwards are generally more robust and resilient than those of the earlier decades, they typically require less additional work to meet acoustic and fire safety standards.

The Bavarian architect's working group on office-to-housing-conversion also highlights asbestos, which was widely used between the 1930s and early 1990s, particularly in the 1960s and 1970s, in both East and West Germany. Following its ban in 1993, buildings constructed thereafter are generally far more suitable for adaptive reuse. Of the five cases analysed in this project, only the Marseille conversion required asbestos removal.

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[88] IMPSOL has received numerous national and international awards, including the FAD Awards for Architecture and Public Opinion, the Spanish Architecture Awards (CSCAE), the Ugo Rivolta Award, the BEAU Awards, the BIAU Awards, a finalist project for the Mies van der Rohe Award (2021), and the RIBA International Awards for Excellence (2024), among others.

[89] *Inclusio* won the Brussels Be Circular Prize in 2020: Pavillon 7 - Inclusio

[90] BDA 2025: O2H - Office to Housing. Eine Handreichung zur Transformation ungenutzter Büroflächen in bezahlbaren Wohnraum. Bund Deutscher Architektinnen und Architekten. BDA Bayer. (EN: A guide to transforming unused office space into affordable housing. Association of German Architects);

Regarding typologies and technical requirements, the working group emphasises that from a structural engineering perspective, redesigning the supporting structure is generally always feasible, but façade design plays a decisive role for determining complexity and costs of the conversion.[91] Another challenge identified is adapting building services and energy systems, because offices are designed for higher ventilation and cooling needs, while housing requires different heating configurations and stricter energy efficiency standards.

On a more general note, the French *l´Union Sociale pour l´Habitat* and also the interview in Brussels point to the fact that office-to-housing conversions often result in layouts that differ from typical social housing. Due to the original office floorplates, the resulting residential units can be unusually large. This poses a challenge for social housing, where larger floor areas may still need to be rented at rates comparable to standard 60 m² units.

3.4. Social factors

Capacity of the implementing actors

Most actors involved in the four completed cases had little prior experience with office-to-housing conversions, with the exception of **Marseille**, where the commissioned architects already had relevant expertise. Despite this, nearly all actors reported pursuing further conversion projects. Success was enabled by strong municipal support and the motivation of key stakeholders. Developers consistently cited climate considerations as a driving factor, viewing conversions as the reasonable way to address the need for social housing while reducing environmental impacts.

Community involvement and co-creation

Social acceptance depends heavily on the specific context. In France, *the l'Union Sociale pour l'Habitat* noted that social housing projects can sometimes face opposition from residents in the neighbourhood. In contrast, Irish stakeholders reported that neighbours welcomed the conversion of a previously vacant and squatted building into housing.

In most of the four completed cases, communities were not actively involved in planning or co-design processes beyond statutory public consultations. In **Brussels**, however, *Inclusio* maintained close coordination with the social housing agency to align on housing needs and the desired mix of studios and larger apartments, while also engaging the NGO Renovas to determine the use

[91] It is considerably simpler in buildings constructed before the 1920s, which typically feature regular window openings with balustrades; the working group outlines specific approaches for various façade types such as perforated, ribbon, post-and-beam, and curtain façade, see BDA 2025.

of the ground floor, now a day-centre for people with disabilities. In **Cork,** *Tuath Housing* hosted an open day for prospective tenants to view apartments and provide feedback on layout, room sizes, storage, accessibility, and safety. While tenants were not involved throughout the entire design process, stakeholders acknowledged the value of deeper engagement and have since developed a strategy to empower older tenants to participate in decisions about their building and surroundings. *Tuath Housing* also organises pre-tenancy training course for future residents and, as part of the age-friendly Springville House, they host a residents clinic every Wednesday morning to address any issues raised by tenants.

4. Conclusion

4.1. Lessons learned

The four completed office-to-housing projects in France, Ireland, Spain and Belgium[92] demonstrate that the conversion of office buildings into social housing is not only feasible but also offer solutions to interconnected urban challenges. Such projects:

- create affordable, good-quality housing in the centres of EU cities,
- can be less costly than new construction, and
- contribute to climate and environmental protection.

The conversion of offices deliver housing in prime urban locations that are well connected to infrastructure and amenities, such as public transport and community facilities. This proximity is particularly valuable for residents of social housing, as it strengthens accessibility, inclusion, and integration. It also prevents urban sprawl, risk of segregation and saves transport emissions for commuting.

The cases also illustrate that repurposing existing structures does not necessarily mean compromising on living standards or quality of execution. On the contrary, conversion projects were often accompanied by energy renovation. They call for innovative solutions and create opportunities to integrate forward-looking design principles, such as shared tenant spaces, gender-sensitive design, natural cooling and heating systems, or modular lightweight extensions. The use of shared spaces requires a process of learning and adjustments by residents and housing providers. There were reports of cases in which shared use initially functioned only to a limited extent – however, these issues can be addressed. Experience shows that improvements are possible through clear communication with residents or through refined design solutions.

The identification of suitable office conversion projects tends to follow an opportunistic rather than a systematic approach. In the four case studies on office conversion, none of the cities applied strategic planning or mapping of vacant office space to select buildings appropriate for adaptive reuse. Instead, projects were initiated when favourable opportunities arose, often driven by the recognition of pressing social housing shortages in a particular area. However, in

[92] This study focuses on four completed office-to-housing conversions where tenants have already moved in. An additional case from Budapest is included only marginally, as it is still in the planning stage. Findings from the latter case were only inserted where relevant.

the case of Budapest, the responsible architecture office evaluated a number of identified municipality-owned buildings for suitability of social housing.

Engaging with neighbouring communities and future tenants is essential to ensure that office-to-housing conversions create liveable spaces and integrate successfully into their urban context. Local perceptions of social housing are often mixed. The French *Union Sociale pour l´Habitat*, for example, reports instances where new social housing was met with scepticism, while in other cases conversions were welcomed, either because they brought new families into the neighbourhood or replaced previously squatted buildings. Building trust and securing community support requires transparent communication, opportunities for local input, and sensitivity to concerns about neighbourhood character. In Budapest, extensive community engagement was undertaken to destigmatise social housing and increase social acceptance from the neighbourhood.

Successful conversions rely on more than just adapting buildings, they also depend on fostering social fabric and vibrant communities. All case studies included in this report were in mixed use areas with already existing residential communities and liveable environments. It is important to avoid placing residents in buildings surrounded by empty office towers that lack activity on weekends or after business hours. Considering the surrounding neighbourhood and enhancing the experience for residents is therefore a key aspect of successful conversions.

The case studies showed how conversions are an opportunity to create more need-based residential units. With regard to the design and type of housing required, the developers in Brussels and Cork consulted with social housing agencies. In Cork, the conversion was integrated into the city's "rightsizing" scheme that supports people above 60 to move to smaller units in the converted building that is more suitable to their needs, thereby freeing up larger units in other parts of the neighbourhood.

The case studies also highlight the importance of favourable loan conditions and socially oriented business models that do not prioritise profit maximisation. This is particularly relevant in the case of conversions into social housing, where rent levels are capped and developers must accept lower returns on investment compared to more traditional projects. Among the four completed cases studied, two were led by private but mission-driven developers focused on social housing, while the other two were carried out by publicly owned companies. In all cases, favourable loan terms from public banks were essential to make the projects viable.

Additional funding programmes help making conversion projects financially viable. In all four office conversion cases, additional funding covered between 10–16% of the total investment costs. The existing funding programmes were not tailored specifically for office-to-housing conversion, but they were

generally designed to support energy efficiency improvements, renovation or the creation of social housing.

Conversion projects can cost less than new construction, though existing buildings involve risks and uncertainties that can significantly affect cost-effectiveness. In all four completed cases analysed, conversions were cheaper than comparable new builds. In one case, costs were around 20% lower, largely because much of the façade could be retained, a factor also highlighted in the literature as a key determinant of whether conversion is cheaper than new construction. In another case, renovation costs were lower because a new build in the historic city centre would have required compliance with strict architectural and heritage regulations.

Moreover, cooperation and support from local actors, including both the public sector and private developers, are key success factors. A favourable acquisition price (particularly for publicly owned building), along with financial support and streamlined approval processes, was highlighted as essential for successful and high-quality implementation.

The fact that building permits and zoning plans were not perceived as obstacles suggests that smooth administrative procedures and mixed-use zoning are important success factors. In the four office conversions, building permits were granted relatively quickly, and the sites were already located within mixed-use zones. The accelerated approval process was mentioned as an important factor to reduce project costs. The Budapest case, on the contrary, shows that in anticipation of complex permitting processes, compromises were made in the design so that the conversion could be classified as a renovation.

Reported challenges included compliance with overly detailed building regulations that required complex adjustments and drove up costs. Reported obstacles were density rules (lower for residential use), or requirements for particular lift dimensions, and parking space obligations. The Brussels case reported costs resulting from property taxes on office buildings that continued to apply during the conversion phase.

Public procurement requirements that prioritise the reuse of existing buildings are a key lever for shifting mindsets from new construction to conversion. In Barcelona, for example, the Sustainability Protocol explicitly embeds this principle, prompting a shift in perspective and practice among public project developers.

While three of the four cases did not conduct a formal whole-life carbon assessments due to limited resources, emission savings were a universal driver. All developers highlighted the climate and environmental benefits as a key consideration for embarking on conversion projects. The few openly accessible life-cycle assessments comparing office-to-housing conversion paint a consistent picture with savings around 60-80%. Reflecting this benefit, the Sustainability Protocol of the Metropolitan Area of Barcelona sets carbon footprint

target for conversions at just half that of new construction.[93] The benefits extend beyond the avoided carbon emissions from new construction. Unlocking affordable homes in cities can also avoid carbon emissions from the needed infrastructure (e.g. roads, utilities) and from commuting typically associated with suburban development.

High energy performance is achievable in office-to-affordable housing conversions. Across all cases, high energy performance was achieved. In Barcelona, this was accomplished entirely through passive heating and cooling systems.

Environmental considerations also influenced design decisions. The upper floor of the Brussels case was extended using modular timber construction, a choice which earned the project the Brussels BeCircular Prize.

4.2. Strategic priorities and recommendations

Insights from the case studies and additional literature review inform the following recommendations:

1. **EU, national and local authorities are encouraged to adopt policies that prioritise conversion over new construction in the bid to increase the affordable housing stock and contribute to community regeneration**

   Conversions can accelerate the delivery of affordable housing, providing the needed space in the right location for the right purpose, while reducing environmental impact and supporting community regeneration. This strategic prioritisation can be integrated across various policy themes, such as public procurement, housing and regeneration strategies, land-use targets and other environmental and climate policy strategies of cities, regions and Member States. It can also include demolition rules, e.g. mandatory pre-demolition audits. These policies and measures should be reported in National Building and Renovation Plans (NBRPs)[94] and the local Sustainable Energy and Climate Action Plans (SECAPs). At EU level, office-to-housing conversions could also be further integrated in the Urban Agenda of the EU.

[93] 611 $kgCO_2/m^2$ for new built; 324 $kgCO_2/m^2$ for conversion, see AMB Sustainability Protocol (here)

[94] In Annotated Template on National Building Renovation Plans under *(c) Overview of planned and implemented policies and measures* Member States need to report on *(j) the reduction of whole-life-cycle greenhouse gas emissions for the construction, renovation, operation and end of life of buildings, and the uptake of carbon removals* and are invited to address sufficiency (make the most of the existing stock, renovate instead of building new).

2. **EU to develop methodology for gathering data on vacant office buildings**

Data collection and systematic monitoring of vacancies is an essential first step to identify the potential of built space suitable for conversion. A range of approaches can be leveraged to track vacancies, including government records, utilities and geolocation data, remote sensing and community-based reporting. Establishing a shared set of definitions, indicators, and typologies would improve understanding of the nature and causes of vacancies, while also providing insights into strategies for preventing vacancy or bringing unused space back into use. A harmonised EU framework for assessing vacancies is recommended to guide Member States on data sources, methodologies and best practices. This can build on the recommendations on housing affordability in the Commission annotated template on NBRPs which encourages Member States to collect data on vacant residential, commercial and industrial buildings and facilitation of their renovation, conversion or repurposing where relevant.[95]

3. **Real estate professional bodies to develop fitness checks to evaluate the suitability of the location and technical design for conversion into residential housing**

The creation of a 'quick check' assessment framework to evaluate the technical and practical feasibility of conversion would support local actors to take informed decisions. It should consider factors such as, building typology, vacant floor area, location, access to transit, the distance between the building core and the windows, floor plate size, etc. The evaluation checklist should build on existing guidance,[96] be adapted and validated across Europe, and tailored to national contexts. The framework should be practical and user-friendly for municipalities, developers, housing associations and other NGOs.

4. **Local authorities to adopt a neighbourhood approach to make publicly owned vacant offices available for affordable housing**

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[95] In Annotated Template on National Building Renovation Plans under *(c) Overview of planned and implemented policies and measures* on (d) empowering and protecting vulnerable customers and the alleviation of energy poverty, including policies and measures pursuant to Article 24 of Directive (EU) 2023/1791, and housing affordability.

[96] e.g. just recently in the Bavarian Section of the Association of German Architects (BDA) or the NART architects in Budapest, see BDA 2025: O2H - Office to Housing. Eine Handreichung zur Transformation ungenutzter Büroflächen in bezahlbaren Wohnraum. Bund Deutscher Architektinnen und Architekten. BDA Bayer. (EN: A guide to transforming unused office space into affordable housing. Association of German Architects).

Municipalities should make public vacant buildings in central locations with good transport links available to social housing developers to maintain or create vibrant neighbourhoods and reduce the need to constructing social housing on greenfield sites outside city centres which increases urban sprawl and commuting. The EPBD annex II template for the NBRPs requires Member States to outline how they promote district and neighbourhood approaches and integrated renovation programmes, which could also include office-to-housing conversions.

5. **National and regional authorities to adapt building regulations to allow for conversion projects**

Certain specific barriers such as car parking requirements should be reconsidered or removed. Rather than applying rigid building codes designed for new construction, a more flexible and pragmatic conversion code would be appropriate. This should not imply deregulation, therefore minimum quality design standards covering both technical requirements (e.g. energy performance, space, accessibility, ventilation and natural light) and community involvement should be maintained to ensure that conversions do not result in the creation of substandard units.

6. **Local authorities to fast-track zoning and permitting regimes ('permitted development') for office-to-affordable housing conversions while ensuring that public interests and community wellbeing are safeguarded**

Municipalities should streamline the approval of zoning changes from commercial to residential or mixed-use, particularly where administrative barriers make conversions less viable compared to new construction. Multi-purpose permits and expedited "fast-track" approval processes can incentivise conversion projects and enable faster, lower-cost delivery. Such measures should be contingent on safeguards that ensure public benefits, such as reductions of whole-life carbon, long-term affordability for tenants, and positive contributions to the surrounding neighbourhood, rather than short-term profit considerations.

7. **National and local authorities to expand financial incentives such as tax credits, grants and low-interest loans to overcome the initial cost barriers associated with conversion projects**

National and local authorities are encouraged to provide tax incentives or direct funding support for developers who commit to creating affordable housing through conversions. The EU Commission is recommended to provide ESG guidelines to attract institutional investors and channel capital flows towards conversion projects, as well as to encourage banks to provide preferential loans that prioritise conversions over new built. Local governments could consider offering additional incentives for conversions that include affordable housing elements ensuring that these developments

serve the needs of low-income communities. Public subsidies should also be allocated in a carbon-conscious manner, meaning maximising efficient, quick and low-impact housing provision through conversions. Financial incentives for achieving lower whole life carbon emissions can also be an incentive for conversions.[97]

8. National and local governments to consider taxes on vacant offices

In at least two of the studied cases, the converted building was idle for 5-10 years. Vacant offices are easier to identify than vacant private housing. This advantage could be leveraged by tax authorities to impose a tax on vacant offices. Such a tax, however, should not apply during the conversion period so as not to incur additional costs for the developer.

9. Construction industry to invest in upskilling and develop capacity to scale up conversion and repurposing as viable alternatives to new construction

Conversions are inherently more complex than new construction, demanding innovative solutions and flexibility to manage the uncertainties of existing structures. The industry is encouraged to proactively engage and embrace this challenge by investing in upskilling and fostering partnerships between industry, educational institutions and public authorities. Such multidisciplinary collaboration can enable mutual learning and ensure the workforce is equipped with the technical and digital skills needed to deliver high-quality, affordable and low-environmental impact conversion projects.

10. EU Affordable Housing Plan to coordinate initiatives for a comprehensive best practice guidance and exchange on lessons learned into existing EU level initiatives

Office-to-housing conversions have a long history in Europe, though most have resulted in gentrified, high-end apartments. This research identified over 30 projects specifically converting offices into social housing. To upscale and replicate such conversions, particularly in Central and Eastern Europe, where examples remain scarce, platforms such as the Covenant of Mayors, the European Urban Knowledge Network (EUKN), EU Platform on Sustainable Urban Development, Living Spaces, the European Urban Initiative, and the New European Bauhaus should be leveraged to collect, analyse, and disseminate success factors and best practices. The EAHP could outline how to coordinate these initiatives and integrate conversion guidance to deliver affordable housing solutions.

[97] Such bonus was introduced in Hamburg in early 2025.

Getting in touch with the EU

In person

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On the phone or in writing

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Online

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EU law and related documents

For access to legal information from the EU, including all EU law since 1951 in all the official language versions, go to EUR-Lex (eur-lex.europa.eu).

EU open data

The portal data.europa.eu provides access to open datasets from the EU institutions, bodies and agencies. These can be downloaded and reused for free, for both commercial and non-commercial purposes. The portal also provides access to a wealth of datasets from European countries.

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