

Elderly fear homelessness

The Global Tenants has repeatedly reported on the difficult situation for tenants in Central and Eastern Europe, the CEE region, and about the consequences of massive privatisation and restitution.

Restitution started in several CEE countries already in 1991, and still after almost eighteen years these processes still linger and gravely affect people's everyday life. Perhaps most seriously hit and vulnerable are the elderly. And they are not getting any younger, nor healthier.

According to IUT's own estimations there are some 2,4 million households affected by restitution in six former socialist countries, among them is Slovakia.

There are many legal cases pending in the courts in the CEE region. Most of these cases are about private owners, or company owners, who are trying one way or another to get rid of tenants. The situation today is that the present tenants in restituted flats have the legal right to stay in their homes, with a somewhat regulated rent. But once they move out, the owner has the full right to let his/her property to anyone, and to market rents. Or convert the flats into offices, or



Rozália Ondrušková.

demolish the building and make way for another new building.

Without heating for two years

Mrs Rozália Ondrušková is 81 years old, and lives in an old house in Grösslingova Street in the centre of Bratislava, the capital of Slovakia. Since November when her husband died she lives alone. Mrs Ondrušková worked as a taxi driver in Bratislava until 1992 when she retired. Mrs Ondrušková is dressed in several layers of jumpers and socks as her flat is without heating. Two years ago the owner of the house shut off the heat-

ing, hoping that this would force Mrs Ondrušková to move out.

The house was restituted in 1991 by a private person and was later inherited by three daughters. One of these daughters, Mrs Stracová, lives in the same house but she refuses to discuss the matter.

Also, there is no hot water, as the boiler broke several years ago. The only functioning tap for cold water is in the old bathroom.

During my visit I asked about the refrigerator, and why the door was left open. Mrs Ondrušková calmly explained: "What is the use? I use the refrigerator simply as a pantry, as the room is as cold as a functioning refrigerator would have been".

The Tenant Association in Bratislava, Právo na Bývanie (Right to Housing) is currently engaged in assisting Mrs Ondrušková with the re-installing of heating.

Cutting of gas conduits

Before WW II Bratislava was a very cosmopolitan and mixed city with Slovaks, Hungarians, Germans and Austrians living together. Hilda Tomašovicová is born in Bratislava in 1921. She became a widow already in 1962. Hilda was allocated, by the State, to this flat in Sancova Street over twenty years ago. Her daughter Magda, and granddaughter Hanka, live next-door, just across the staircase, so that they can nurse Hilda who is ill with Alzheimer's Disease and also suffers from multiple sclerosis. Everyone can easily understand that Hilda needs care, 24 hours a day. Nursing homes in Bratislava are mostly private and terribly expensive. Municipal homes are, according to Magda and Hanka, out of the question as the standard is merely of old socialist type, pre 1991 and very poor.

To make a very long and poisoned housing story short – now the owners want to move out Hilda, to one flat, and Magda and her daughter to another flat – not at all close, and with definitely less secure tenure. The owners have now, which is common use by house owners in the CEE region, cut of the gas supplies for heating and cooking.

Text and photo: Magnus Hammar, IUT



Hilda Tomašovicová together with her granddaughter Hanka and daughter Magda.

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Poland:

Social effects of evictions

The crisis comes into effect at the same time as thousands of tenants are being evicted from their flats, due to a situation where three-year termination of contracts are enforced. In 2001 a law was implemented allowing the owners to terminate the rent agreement with 3 years of termination period, and many households were given a notice to quit in 2006. Despite this situation and the serious financial crises the Polish government has not yet implemented any new social housing programs. The bank loans, particularly the mortgage loans are very expensive and almost impossible to get because the banks are unwilling to lend money.

Text: Karol Szylo, PZL, Polish Tenant Association

Slovakia:

State subsidies for renovation

The Slovak government has reacted to the crisis with two major programs; Firstly, one is assistance to persons who has lost their jobs due to collective redundancies, after 1 January 2009, and therefore are not able to pay their mortgages. The government agreed together with the commercial banks that the banks would try to restructure the debts and set a calendar of payments in favour of the debtor for one year. Secondly, state subsidies for repairs are provided for apartment buildings with substantial defects and for repairs focused on energetic efficiency. The non recurring subsidy can cover 50% of the overall costs.

Also, sitting tenants in denationalised flats are in an increasingly dangerous position, as this group is constantly under the risk at losing their homes – and there are no flats available. See also page 15.

Text: Právo na Bývanie (Right to Housing), Bratislava.

USA:

Some renters are smiling

Apartment vacancies in the US are rising, particularly in Phoenix, Las Vegas,



Is Bill Clinton's project, homeownership to all Americans, what started the global financial crises?

Atlanta and in most of Florida. Vacancy rates are still low in Los Angeles, San Francisco, Portland, Ore., Cincinnati and New York. Housing experts expect the multifamily vacancy rates will soon be at 8 percent nationwide, higher in some areas. Home sellers who can not sell are renting out their flats and houses instead. This increases the shadow rental market which in some cities makes up to 40 percent of the rental stock.

But even in New York, according to the New York Times, some renters are smiling as some rents, like for studio apartments, have fallen almost 8,5 percent from last year. Also brokers' fees, which can add 15 percent of a year's rent to the initial cost of leasing, are down considerably.

But, there are clouds too. Financing of affordable housing is getting tougher. Nonprofit housing developers who build multifamily rental housing affordable to low and moderate income households need US federal funding from Washington. Under the low income housing tax credit program, the US federal government allocates tax credits to the 50 states, which then distribute them to qualified developers. And funding from Washington is slowing down.

Sweden:

Opportunities for municipal housing

JM, one of the Nordic region's leading private developers of tenant owned co-ops, for profit, has seen a sharp decline in the sale

of flats. In March, Stockholmshem, one of the three municipal rental housing companies in Stockholm, seized the opportunity and bought 400 flats from JM.

Housing minister Odell expresses the need for new rental housing, in these times of financial crises. Odell hopes to give the National Housing Credit Guarantee Board new tools, which should allow the banks new guarantees for building credits.

On the other hand, at the same time the Swedish National Board of Housing, Building and Planning, reports that the construction of rental flats is down by 58 percent, an average from the years 2005–2007...

Denmark:

Increase of empty small flats

In times of crises, young Danes move out from their small flats and go and live with mum and dad.

The website announcing free flats in Denmark, Boligportalen, reported of 600 free small flats in January, all for less than 3000 DKK, or 400 euro, per month.

The financial crisis and insecurity has lead to increased demand for rental flats in Danish public housing flats, almene boliger. In December, 100 000 people were registered for a rental flat, only in Copenhagen. In times of uncertainty very few are willing to invest their money in a flat or a house.

Source: Politiken.dk