A Joint Boost for Community-Based Housing Forms

– Recommendations for a Systemic Shift in the Housing Sector

The recommendations were developed through the project 'Spectacular Communities – Spectacular Solutions', which is supported by the Realdania association and implemented by the National Association for Ecovillages (Landsforeningen for Økosamfund), represented by Dicte Frost and Camilla Nielsen-Englyst.

The project has analysed legal and financial models from other European countries and assessed their relevance in a Danish context. The work has been informed through collaboration with Helena Reumert Gjerding from Kontra Advokater, as well as through dialogue with interest organisations, researchers and other key actors in the field.

The focus has primarily been on grassroots ("self-grown") groups with a non-speculative approach. However, many of the recommendations can be applied more broadly.

Read more about the project here: https://okosamfund.dk/spektakulaere-faellesskaber

Community-Based Housing Forms (CBH)

The term CBH covers the part of the housing sector that is democratically governed and owned by the residents themselves. The term includes, among others, cohousing communities, ecovillages, cooperative housing associations and self-governing collectives. These housing forms are an important supplement to both the private and the social (non-profit) housing markets, as they can contribute to greater housing diversity, strengthened local communities, and constitute long-term and stable housing forms.

A call to the interest organisations for community-based housing forms:

- The National Federation of Cooperative Housing Associations (ABF)
- Bofællesskab.dk Association
- National Association for Ecovillages (LØS)
- Kollektivforeningen
- Kooperationen

Together, these organisations represent community-based housing forms in Denmark. The interest organisations are the first point of contact for groups, can gather experience across cases, are able to translate practice into policy, can legitimise new standards, and can generate volume and data. Their most important role is not only to advise existing members, but actively to change the structural conditions for the community-based housing forms of the future. This requires shared political advocacy, the development of new support functions, and strategic partnerships with the financial sector, municipalities and the state.

We hereby call for the establishment of a strategic collaboration between the national interest organisations for community-based housing forms, with the aim of improving the structural framework conditions for new communities in Denmark. This document presents a series of recommendations for how, working together, we can bring about a systemic shift that makes it easier to establish community-based housing forms.

The path to a systemic shift

To increase the realisation rate for CBHs, action is required at three levels:

- Micro level: Strengthen the capacity of start-up groups
- Meso level: Create new financial and legal “off-the-shelf products”
- Macro level: Change institutional frameworks through legislation, guarantees and planning tools

And the timing is favourable. A political tailwind is blowing across Europe, with growing political attention to housing forms that can strengthen both social cohesion and sustainability. Initiatives such as the European Affordable Housing Plan and New European Bauhaus highlight community-based housing forms as part of the solution to the pervasive housing and climate crisis. At the same time, new EU programmes are opening up opportunities to develop and spread these housing forms. The question is whether Denmark can gather its forces and seize this momentum.

Background and problem area

All of our organisations have extensive experience with the barriers that new CBHs face in the establishment phase. Despite growing interest from citizens, researchers and politicians alike, it remains difficult to realise new community-based housing projects. Many initiatives strand along the way. A structural imbalance is reflected in a number of systemic barriers, that is, across different sectors of society, such as the financial sector and the municipal sector. The most pervasive challenges are:

Difficult access to financing

Financing tools are lacking, particularly for start-up and bridge financing. Such tools have historically existed but have gradually been phased out as financial regulation has tightened – without there being any real documentation that community-based housing projects constitute a particular risk. On the contrary, an analysis from the Danish Housing and Social Agency (SBST, 2023) shows that homes in cohousing communities often constitute stable investments. But after the financial crisis, the framework became markedly stricter. The Danish FSA's requirements for banks and mortgage-credit institutions today entail greater equity requirements, higher documentation requirements, and far less flexibility towards new organisational forms. This makes financial institutions more reluctant towards projects that deviate from normal standards.

A housing system designed for individual households

Despite Denmark's long history of cohousing communities, the current system remains geared to individual households (nuclear families and singles), not communities. The financing system is primarily organised around individual housing loans and standardised owner-occupied or rental homes. There is a sharp rise in the number of professional developers moving into the ‘cohousing market’. These may also experience financing challenges, but stand far stronger than grassroots groups and are perceived by banks as safer partners than a citizen-driven group. Citizen groups that want to develop housing projects collectively therefore often fall outside existing and recognised models – and opportunities.

Legal and administrative frameworks

Community-based housing forms often fit poorly into existing legal categories and planning logics. Many projects encounter uncertainty or scepticism from authorities, banks and advisors, often due to a lack of knowledge and familiarity, mistaken assumptions about the housing form, its complexity relative to standardised housing forms, and a lack of legal recognition.

At the same time, analyses from, among others, the Copenhagen Institute for Futures Studies indicate that community-based housing forms are expected to play a growing role in the future housing sector.

The result is a paradox: there is growing interest in cohousing communities, but the institutional frameworks make them harder to establish. There is therefore a clear mismatch between the potential of this housing form on social, environmental and inequality-reducing parameters, and the many systemic challenges it faces today.

Case: The large collective 'Sandagergård'

8 people, primarily young academics from Copenhagen (27–33 years old), found a home in November 2025 for a self-owned, non-speculative large collective: a farm outside Køge, 45 minutes from Copenhagen, for DKK 7.2 million.

They had prepared thoroughly. Over 2.5 years they had developed their concept and been in dialogue with Bank 1, which was initially positive, advisory, and at their request had helped establish an association. But when the actual purchase became relevant, the picture changed. The group was met by a new advisor – with no experience of community-based housing forms. The process was marked by ambiguity and conflicting messages, including about whether the case belonged to the private or business department, and which requirements applied for credit assessment.

After three months of dialogue, it became clear that the bank could only offer a loan for 40–50% of the property value, on condition of joint and several liability and that the group itself provided the remaining 50–60% in equity. External loans were discouraged – the project should preferably not include loans from, for example, family members, as this could risk complicating their case. All future residents had to be individually credit-approved. This stood in contrast to a similar project in the same bank, which a few months earlier had obtained significantly better financing without joint liability and using external capital from 15 mission-aligned investors.

In December 2025, the group contacted Bank 2. Here, they were from the outset connected to an advisor with 15 years of experience with community-based housing forms. The process was markedly different: clear, fast and predictable. Three months later, the project was approved with a loan of DKK 4.4 million – the rest was financed by the group itself. New residents still have to be credit-approved.

Learning: Access to financing depends heavily on the individual bank advisor's experience – not on the project's actual quality or risk profile. This makes the process unpredictable and dependent on individuals, and constitutes an important structural barrier for community-based housing forms.

Case: The housing community 'Kløverdalen'

A group wanted to buy a large plot of land and establish a housing community with approx. 28 homes. Financial sustainability was a central principle from the start. The group first tried to organise the project as a cooperative housing association, but was rejected on the grounds that the project was located too far from Copenhagen. As a building community, the bank required up to 40% equity financing, and the bridge financing during the construction period thus became a major barrier. The requirements proved insurmountable for an ordinary group of citizens, and several had to withdraw. In the end, the landowner agreed to be paid for most of the land at the end, after the homes were built (but not everyone has such an accommodating landowner).

Learning: Today, establishing housing communities often requires a capital-strong group or an external actor who can take on the risk that banks are unwilling or unable to take on. Many projects are therefore abandoned along the way or are only realised in collaboration with a developer.

About the recommendations

The following recommendations point to concrete steps that interest organisations can jointly take to work politically to improve the framework conditions for community-based housing forms, and to contribute to a systemic shift where these housing forms are met with support rather than barriers. The purpose is to identify solutions that can make it easier to establish new communities and thereby expand the opportunities. The recommendations point to concrete political and organisational benchmarks that the organisations can incorporate into their strategies and joint efforts going forward – as a shared mandate for the organisations' next 2–3 years.

Recommendation 1: Support all the way

Establish a joint advisory and mentoring scheme for start-up groups

One of the most effective ways to increase the realisation rate for new community-based housing forms is to offer qualified support throughout the entire start-up process. Establishment is a complex process with many different phases, ranging from concept development and organisation to financing, contact with authorities, and social processes. Without access to experienced advisors, the learning curve is steep, and many projects risk stalling along the way.

The interest organisations can jointly establish an experience-based mentoring and advisory scheme that gathers the necessary expertise and makes it accessible to start-up groups. The scheme should be able to offer advice within, among other things:

- Concept development
- Organisation
- Law, articles of association and formalities
- Budgets, financing maturation, and access to financing
- Access to land and buildings
- Dialogue with banks, municipalities and authorities
- Purchasing and estate agent contact
- Municipal contact
- Local plan development and other permits
- Social processes and decision-making models
- Networking with other communities

Experience from similar schemes in Europe points to three central principles that the organisations should work by:

1. A unified “one-stop” structure

The advisory service should be organised as a single point of entry for knowledge and support throughout the start-up process. Today, several specialised consultants exist in Denmark, but they work separately. The organisations could instead establish a joint umbrella structure that pools competencies and gives groups access to advice across all phases.

2. Needs-based advice

Start-up groups have different needs and develop at different paces. Some take five years, others one. It is therefore important that the group gets the help it needs at any given moment – and can reach out to consultants when they get stuck or are in doubt about how to move forward. The scheme should therefore offer flexible one-on-one advice that groups can use when concrete challenges arise. Courses and organised workshops can supplement this, but access to advice at the right time is often decisive for whether projects succeed.

3. Partnerships with key actors

The scheme should also function as a bridge-builder to key actors such as banks, municipalities, foundations, actors with access to land and buildings, as well as associations and networks for community-based housing forms. By maturing start-up groups and establishing collaboration agreements, the scheme can in time result in easier access to financing, further advice and development opportunities. Busy bankers, lawyers and municipalities appreciate a group being sufficiently matured before requesting assistance.

There is good experience from organisations such as La Dinamo (Spain), Cooplink (the Netherlands), and Les Pas-Sages and Cooperative Oasis (France). This shows that such structures can significantly increase the success rate for new projects. When start-up groups gain access to advice, networks and concrete partners, the path from idea to realised project becomes significantly shorter. Access to these services thus gives start-up groups a considerable head start in their establishment.

Does the advisory service require certification?

One option in connection with establishing a joint advisory and mentoring scheme is to develop a certification scheme for advisors within community-based housing projects. The purpose would be to ensure that start-up groups receive qualified advice, while also building greater trust in the projects among banks, municipalities and other partners.

Advantages of certification:

- Greater trust among financial actors – can function as a quality mark signalling that the advisor has documented experience and competencies, which can increase banks' trust in the projects and thereby make financing easier
- Better quality of advice – a shared standard can ensure competencies across the social, organisational, legal and financial aspects of the start-up process
- Professionalisation of the field – can strengthen the advisor role and create a clearer professional profile for consultants
- Greater transparency for start-up groups – it becomes easier to identify advisors with relevant experience and a certain documented quality

Disadvantages of certification:

- Requires shared training and organisation – the scheme requires the development of training programmes, certification criteria, and an organisation to administer the scheme
- Resource-intensive to establish and run – it requires time, funding and organisational capacity to develop and maintain a certification scheme

- Can hamper flexibility and innovation – too strong standardisation can make the field less open to new methods and approaches
- Risk of barriers in a small field – can exclude experienced practitioners who have valuable experience but not necessarily formal documentation

So far, consultancy schemes and certification have not been something the sector has organisationally taken up. LØS and Bofællesskab.dk have tried a joint consultancy scheme but did not follow it up. Through this project, dialogue has been initiated with ABF and Kooperationen, both of which provide advice and have the administrative set-up for such a scheme. As an appendix to the recommendations, a model developed on the basis of this dialogue is included.

A middle way: An advisor network

If there is resistance to actual certification, an alternative is to establish a joint advisor network. Here, advisors are admitted on the basis of documented experience with establishing community-based housing forms and relevant competencies in, for example, law, financing, organisation and process facilitation. Such a model can create a certain quality guarantee without requiring a certification structure. At the same time, it gives banks, municipalities and start-up groups alike a clear point of entry to advisors with experience of this housing form. Over time, the network can be developed with shared learning processes, experience exchange, and possibly a lighter competency programme. If the need arises, this could in the longer term form the basis for an actual certification scheme.

What can the organisations concretely do?

To realise a scheme, the interest organisations can jointly take the following steps:

- Map existing competencies in the field – jointly identify advisors, consultants and practitioners already working with the start-up of community-oriented housing forms, and gather them in a joint advisor network
- Establish a joint point of entry for start-up groups – create a unified platform, digital and/or organisational, where start-up groups can turn for access to advice, tools and relevant contacts
- Develop a mentoring scheme – experienced residents and project leaders from existing cohousing communities can act as mentors for new groups and share practical experience from their own establishment process
- Enter into collaboration agreements with key actors – establish partnerships with banks, municipalities, foundations and actors with access to land and buildings, so that start-up groups can more easily navigate these parts of the establishment process
- Test the model in a pilot phase – the scheme can be tested as a pilot project with a limited number of start-up groups to test the model and adjust it before it is potentially scaled up

Example: La Dinamo (Spain) – integrated advice and access to financing

La Dinamo functions as a “one-stop” service, where start-up groups receive combined support throughout the establishment process. The model consists of two steps: a membership that provides access to knowledge, tools and networks, and a consultancy scheme, where groups are accompanied through the establishment process, from land purchase to construction, law and financing.

A central strength of the model is its institutional partnerships. La Dinamo collaborates with the ethical financial institution Coop57, which can offer loans to the projects, and also has a close collaboration with Barcelona City Council, which makes municipal land and buildings available on favourable terms. In addition, projects can access public support schemes for social housing. La Dinamo has so far supported more than 60 start-up groups.

Example: Cooplink (the Netherlands) – national knowledge platform and process model

Cooplink functions as a national knowledge and network centre for community-based housing forms in the Netherlands. Its primary role is to connect citizens, municipalities, researchers and housing organisations and make the establishment process easier. A central part is a structured seven-phase process model that guides groups from idea to realisation. Each phase is linked to concrete tools, guides and working documents on the organisation's knowledge platform.

Rather than providing extensive advice itself, Cooplink primarily functions as a knowledge hub and networking platform that makes projects visible and connects actors in the housing sector. The network today comprises more than 70 projects, either in development or realised.

Example: Les Pas-Sages (France) – standardised tools and needs-based advice

Functions as a “one-stop” consultancy organisation for cooperative and non-speculative communities. The organisation has developed a range of plug-and-play tools for new communities, including standardised articles of association, contracts and financing models. The advisory service is organised as a needs-based accompaniment scheme, where start-up groups get access to guidance for typically two years, while they themselves work on adapting and implementing the documents. The goal is to give groups ownership of their own establishment process, rather than having the consultants drive the project. Start-up groups can also gain access to partial financing through the organisation's parallel financing structure, CoopMutAtrice, which can contribute up to 10% of the project's establishment budget.

Les Pas-Sages has so far supported around 60 communities.

Example: Cooperative Oasis (France) – financing combined with advice

In the model built around Cooperative Oasis, financing is directly linked to advice. When a housing project obtains financing through the scheme, four years of consultancy support automatically follows – which is paid for. The model thus ensures that projects that receive financing also have access to the necessary organisational and legal support to carry out their project. It has supported around 50 communities.

Example: Projektlods (Sweden) – training and certification of advisors

In Sweden, an Erasmus+-supported project developed a training programme for ‘project pilots’, who can support start-up groups in their establishment. The training consists of eight modules and concludes with a certificate. The purpose was to build up a group of advisors with shared competencies in, among other things, organisation, financing and process facilitation. The project was carried out in collaboration with several partners, including Bofællesskab.dk from Denmark.

RECOMMENDATION 2: Close the financing gap in the establishment phase

– establish an investment fund for community-based housing projects

Establishing new community-based housing forms requires access to financing in the phases where projects have not yet been realised. This applies both to the purchase of land or existing buildings and to new construction, and typically covers start-up, bridge and completion financing. The establishment phase in particular is often the greatest barrier for new projects.

The recommendation is therefore to work towards establishing a joint financing construction, where capital from existing cohousing communities and/or investments from other investors can be pooled. From here, loans can be provided to new community-based housing projects and possibly to existing communities with temporary financing needs.

International experience shows that such constructions can be organised in several ways, for example as an investment fund, a limited company, or another legal structure, depending on the objective and the partners involved.

If the initiative is primarily driven by interest organisations, a company construction, for example a limited company, can be relatively simple to establish legally. If banks, foundations or other financial institutions are involved as partners, an actual investment fund can be established, although this is subject to complex and resource-intensive financial legislation.

The financing construction will generally be strongest if developed in partnership with established financial actors such as banks, foundations or pension funds. But it can also be established as a separate investment unit or 'sub-fund' within an existing financial institution, for example in collaboration with Merkur Andelskasse, where the bank's customers would be able to invest in new cohousing communities – with a limited financial return, but a high social and value-based return.

The model itself can be designed in various ways depending on which capital one wishes to mobilise, and which terms should apply for loans and investments. The mapping shows examples of constructions that work with capital from existing communities, with values-based or so-called 'mission investors', or in a few cases with donations and crowdfunding. The latter, as in, for example, the Danish Andelsgårde model (monthly member contributions) or Christiania's People's Share (donations as support), has not yet been attempted scaled to housing projects.

The strength of a joint financing construction – as opposed to individual loan agreements – is that it is a scalable model, where capital and risk can be distributed across several projects and investors. Many people can contribute financing, and there can be several projects being invested in or lent to simultaneously. This makes it possible to offer a broad portfolio, where a mission investor can choose to invest in a single project or spread their investment across the entire portfolio. Ekopia in Scotland (see example) is an investment fund with a portfolio of typically 6–8 community-based housing projects, where investors can choose to invest either in one of the projects or in the whole portfolio. This can both mobilise capital and reduce the risk for the individual investor.

But – is it risky to invest in cohousing communities?

As the Danish Housing and Social Agency points out in its analysis of sale prices for owner-occupied homes in cohousing communities (2023), homes in community-based housing forms constitute a stable investment. Like other homes and land in Denmark, they follow the general appreciation of the housing market. The analysis also shows that the social value created in cohousing communities also translates into economic value: owner-occupied homes in cohousing communities generally achieve higher sale prices than comparable homes in the surrounding areas. But it still requires an active effort to make this (desired) stability visible to financial actors. Many banks and investors lack experience with community-based housing projects and often assess the projects as riskier than the data suggests. Documenting and communicating the economic robustness of cohousing communities is therefore an important part of the interest organisations' work to improve access to financing.

Where should the financing come from?

A joint financing construction can be built up in various ways depending on which types of capital one wishes to mobilise. Experience from other European countries shows that financing typically comes from three main sources: existing communities, values-based investors, and more traditional investors.

Liquidity from existing CBHs

Many established community-based housing forms have a certain amount of liquidity sitting in their bank accounts that is not, in practice, actively used. This is called ‘dormant money’. This capital has the potential to be channelled into a joint financing construction and thereby support the establishment of new communities. However, there can be certain cultural challenges with lending money out on a solidarity basis in Denmark, where we are more financially independent than in many other countries. A community that has finally succeeded and has reserve capital may hesitate to risk it on building up other communities. A board of an association will naturally be cautious with the association's funds, which are ‘other people's money’.

A working example is the French financing construction CoopMutAtrice, which is organised as a limited company. Here, existing communities can invest surplus liquidity in the fund as shareholders. In return, they gain access to take out loans themselves through the construction if the need arises. The capital is used to provide loans to start-up groups – typically as bridge financing, at a low interest rate of up to 0.8%, with terms of repayment as soon as the projects obtain more permanent financing.

A Danish example is the ecovillage Hallingelille, where the landowners' association Hallingelille lent DKK 300,000 out of its equity (interest-free) to support a new association's purchase of an ‘olle kolle’ (elder cottage), internally within the ecovillage.

Home equity from existing CBHs

In addition to liquidity, many existing communities have built up home equity in their properties, which could potentially be used as security or capital in a joint financing model. This way, established communities can help finance new projects, in a CBH-to-CBH financing model.

One example is ‘Fonden for flere kollektiver’ (Foundation for More Collectives). Here, existing collectives make home equity in their properties available to the foundation, which can then use the capital to provide loans or investments for the establishment of new collectives. The model makes it possible to convert value already built up in existing communities into capital that can help new communities get started. The model exists as a vision with an example, but lacks scaling.

Individual mission investors

Another option is to mobilise capital from so-called mission investors (impact investors). They make capital available for projects that create social, environmental or societal value, and often accept a very limited – or no – financial return. In CoopMutAtrice, private individuals can also invest in this way. Investors can withdraw their capital again over time and can choose to have the investment inflation-adjusted by up to 2% annually. Some interest is normally paid.

Traditional investors

A financing construction can also be designed to attract more traditional, ‘normative’ investors who expect a financial return. In such models, a moderate rate of return is offered, often differentiated according to the projects' risk level.

In the example of Ekopia in Scotland, investors invest in a portfolio of community-based housing projects. Here the return typically varies between approximately 2% and 4.5%, depending on the project's profile and risk. In several cases, interest is only paid out if the project has the surplus to do so.

Terms for loans and investments

Besides the question of where the capital should come from, establishing a financing construction requires clear criteria for how projects can gain access to financing, and on what terms loans or investments should be given. A central choice is whether the financing should cover the entire establishment phase or only part of it.

Full financing can ensure that a project can be realised, since the entire establishment capital is made available. Partial financing can act as a lever to obtain other financing, for example by making it easier for the project to obtain a mortgage-credit loan.

International experience shows both models. The French financing construction CoopMutAtrice typically provides partial financing to start-up groups, while Ekopia in Scotland in some cases finances entire projects. In Denmark, Fonden for Flere Kollektiver works with a third model, where home equity from existing collectives can be used as a guarantee, so that new communities can more easily obtain loans in the ordinary financial sector. However, this remains mostly a vision, for which a legal structure has been created, but which must now be tested and prove its worth.

Bridge financing or long-term investments

A central choice is whether financing should be given as short-term bridge loans or as long-term investments. Bridge financing is temporary and enables projects to get started, but must be repaid as quickly as possible, typically once permanent financing is in place. The advantage of this model is that the capital can be reused and continue to circulate to new projects. Long-term investments tie up capital in projects for longer periods but can provide greater stability in financing. In the international examples analysed, loans are typically given as bridge financing, while investments usually have a longer time horizon.

Interest or not?

Working with mission investors or normal investors necessitates a reflection on interest terms. How much should one take in ‘payment’ for supporting new CBHs?

If the capital comes from traditional investors, there will usually be an expectation of some form of return, while mission investors may have a more altruistic motive.

The interest on loans can either reflect the investor's expected return directly, or be set in a way that simultaneously builds capital within the financing construction itself or supports operations. For example, an investment could be paid 2% interest, while the CBH borrower pays 3% interest. The difference could be used to build the financing construction's capital and thereby increase the ability to finance more projects over time, but also to cover operations.

Which types of CBHs can receive financing?

A central question is which types of community-based projects should be able to access this form of community-oriented financing. This may require projects to meet certain criteria – for example, that they work with non-speculative ownership forms or long-term shared ownership. Financing terms can be differentiated according to the nature of the project. Projects with clear social purposes and non-speculative structures can be offered more favourable loans, while projects with market-based models can receive financing on more market-oriented terms.

At the same time, it is important to be clear about expectations: projects that do not limit the possibility of future capital gains cannot expect to receive capital from mission investors, who specifically make their funds available for projects with a clear social or societal purpose.

Example: CoopMutAtrice (France) – community-based capital pool

CoopMutAtrice (CMA), a cooperative limited company, pools capital from existing non-speculative cohousing communities and mission investors. The capital is used to provide loans to new and existing non-speculative cohousing communities. The model makes it possible for communities to support the establishment of new communities through joint financing. In 2025, CMA had received capital from 55 mission investors, invested in 15 projects, and built up total capital of around EUR 2 million.

Example: Ekopia (Scotland) – investment fund with a portfolio of projects

The fund mobilises capital from individual investors and invests in a portfolio of community-based projects, including the development of ecovillages. Each project is presented as an investment product with information on risk level, minimum investment, investment period and expected interest rate. Returns typically range between 3–5%, depending on the project's risk, and the minimum investment is usually £500. In 2025, Ekopia had 340 members, managed assets of approximately £2.4 million, and invested in seven projects.

Example: Fonden for Flere Kollektiver (Denmark) – using home equity as a guarantee

Here, a model is used where existing collectives make home equity in their properties available as security, i.e. a guarantee. This security can be used to help new collectives obtain loans in the ordinary financial sector. The model makes it possible to convert values built up in existing communities into financial support for new communities – but lacks scaling beyond the first project.

Recommendation 3: Dialogue work targeted at the public sector

– build understanding and capacity for action in engaging with the political system

The preceding recommendations could well be realised through strengthened collaboration between interest organisations. But creating a better foundation for CBHs also requires ongoing political goodwill and action, as well as close collaboration with decision-makers.

The recommendation is to identify the housing policy spokespeople currently sitting in the Danish Parliament (Folketinget) at any given time. Reach out to them, initiate dialogue and build mutual familiarity, draw attention to the interest organisations' positions and recommendations, and propose CBH in housing policy proposals. Stay alert to housing policy proposals and participate in conferences, hearings, etc. Make this an integrated part of the organisations' work.

Recommendation 4: A bill for legal and economic recognition of CBH

– from grey zone to recognised organisational form

The goal is to work towards legal recognition of community-based housing forms (CBH) as an independent organisational form in Danish law. With growing interest, it is becoming increasingly relevant to define what a CBH is – legally as well. Formal recognition could create clearer frameworks for organisation, planning and financing.

The background is that CBHs today fit poorly into existing legal categories. Most projects combine several functions and sectors – housing, shared areas and, in some cases, also agriculture or small-scale business. To function in practice, many therefore end up having to organise themselves through several parallel legal constructions, for example an association, a cooperative housing association, a cooperative company (AMBA) or similar. This creates unnecessary complexity and can lead to conflicting rules.

The recommendation is based on an Italian example, where a group of interest organisations have joined forces to draft a bill to recognise and regulate CBHs as a distinct organisational form on a par with associations, cooperative companies, etc.

With CBHs constituting a growing share of the Danish housing sector, it is becoming increasingly relevant to define what a CBH is, legally as well, in order to be able to create appropriate regulation of them. With legal recognition, various rights could be gained, such as rights to settlement in rural zones, as an example from East Cambridgeshire in England shows – or rights to the proposed state loan guarantee.

In drafting a bill establishing community-based housing forms as a distinct organisational form, a number of necessary considerations must be made. Drawing on inspiration from the Italian bill, regulation of CBHs should at a minimum include:

- Regulation of relations between members, their rights and responsibilities. This offers a particular opportunity to define co-residents in an official relationship
- What is taxable and what is not within the community: property value tax, shared labour, internal services, etc.
- Regulation of CBHs' relationship to other societal actors, for example by defining CBHs as neither private nor commercial, but a third, mixed type. This would affect how they are viewed in relation to the Planning Act, the Mortgage-Credit Act, and tax legislation
- Should CBHs be regarded as one or several dwelling units? This would affect how they are viewed in relation to the Planning Act
- What the articles of association should include for the organisation to be defined as a CBH
- Can both the more speculative and the non-speculative CBHs be included, and how is the framework set? The question of speculation is difficult, since a systemic problem cannot be solved on an individual basis – and the intention is not always to make money

Example: Recognition and regulation of intentional communities (Italy)

A bill to recognise 'intentional communities' as part of the third sector in Italian law, shaping how they are regulated and what rights they have. The proposal was drafted across Italian interest organisations and is due to be re-evaluated in 2026.

Example: Community-Led Development, Supplementary Planning Document, East Cambridgeshire

The supplementary local plan in East Cambridgeshire District in England is an example of what rights can be gained if one is defined as a CBH. A supplementary local plan gives CBHs the opportunity to be exempted from ordinary planning law, particularly for building outside urban zones “where homes would not normally be permitted”, while at the same time regulating under what conditions this is possible.

Recommendation 5: A new community-based housing model with access to mortgage credit

In light of the challenges the current cooperative housing model faces in practice, it is recommended that the potential for a new CBH legal and financial housing form be examined. The purpose is to develop a model that creates a genuine third alternative between owner-occupied housing and the current cooperative housing form, and which better matches today's needs for shared ownership, long-term stability and access to collective financing.

Proposed main principles of the model

1. Cooperative-like organisation

The housing form is organised as a democratic, jointly owned construction, where residents own and manage the property together through an independent legal entity.

2. Mortgage-credit financing up to 80% as a joint loan

The project is financed with a joint mortgage-credit loan on a par with owner-occupied homes, which can significantly reduce financing costs compared with bank loans.

Strategic potential

Such a model could:

- reduce dependency on developer-driven cohousing communities
- create easier access for young people and less capital-strong groups
- give banks and mortgage-credit institutions a more standardisable “off-the-shelf product”
- support non-speculative and long-term affordable housing forms
- position Denmark strongly in relation to the EU's focus on ‘cooperative and community-led housing’ in the Affordable Housing Plan

Requires further clarification

The proposal requires closer analysis of:

- changes to the Mortgage-Credit Act, so that CBHs can more easily gain access
- adjustments to tax legislation, to ensure clarity regarding interest deductions and property value tax (currently inconsistent) for non-speculative projects. If clarity were achieved on this point, it would be of great help in establishing more association-based CBHs and in securing existing ones, since non-speculative homes as a general rule do not pay property value tax. However, the handling of cases is inconsistent and arbitrary
- legal construction regarding liability, transfer and default
- the relationship to existing rules for cooperative housing and owners' associations

The model should be developed as a legal policy track together with lawyers and financial actors, with a view to testing its feasibility in a Danish context, as a Danish response to the European Affordable Housing Plan.

Conclusion

Taken together, the analysis points to a clear structural mismatch: community-based housing forms hold great societal potential, but continue to be met by a system that is not designed for them. The barriers are not isolated but systemic and interconnected: financing, law, planning and lack of knowledge reinforce each other and make realisation unnecessarily difficult.

The consequence is that many projects never come to fruition, despite both demand and documented positive effects. At the same time, both European experience and existing analyses show that these housing forms can be stable and long-term investments – and thus not the high risk they are often assumed to be.

There is therefore a need for a genuine systemic shift: from an approach characterised by standardisation and caution, to one that actively enables and supports diversity in housing forms. This requires coordinated action across actors – interest organisations, the financial sector and the public sector – as well as the development of new models and proposals that can better match the reality of community-based projects.

Only by addressing these structural barriers can we move from isolated pioneer projects to a broader, sustainable development of the community-based housing forms of the future. This is what should constitute a significant part of the interest organisations' work and collaboration.

If we as organisations do not pool our experience, political voices and advisory capacity now, we risk that the community-based housing forms of the future will be shaped solely by the logic of the market. If, on the other hand, we act together, we can create a new institutional foundation for housing forms built on democracy, community and long-term sustainability.

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