

Rental Housing in Ukraine: Current State and Challenges

Research Report



Authors: Anastasiia Bobrova,
Yaroslav Onyshchuk, Yuliia
Kabanets, Sviatoslav Zembitskyi

Research manager:
Yaroslav Onyshchuk

Reviewer: Alina Khelashvili

Translator: Roksolana Mashkova

Layout: Oleksandr Pryma

Also worked on the field stage
of the study: Alina Khelashvili,
Olha Satsuk

We thank Anastasiia Nekrasova
and members of the Tenants Union
of Ukraine for their advice on
formulating recommendations and
systemizing knowledge about the
key challenges in the rental housing
sector in Ukraine.

The report has been implemented
with the financial support of the
Foreign, Commonwealth &
Development Office (FCDO) of
the United Kingdom.

IMPACT Initiatives is an applied
research center founded in 2010
in Geneva. IMPACT is a member
of the ACTED group. IMPACT
teams implement evaluation,
monitoring, and assessment
programs, as well as organizational
capacity development programs
in direct partnerships with
humanitarian actors or through their
inter-agency initiatives, REACH and
Agora. REACH facilitates the
development of information tools
and products
that enhance the capacity of
humanitarian actors to make data-
driven decisions in contexts of
emergency, recovery, and
development. The methodologies
used by REACH include primary
data collection and in-depth
analysis, and all activities are

carried out through interagency
humanitarian coordination
mechanisms. REACH is a joint
initiative of IMPACT Initiatives,
ACTED, and the United Nations
Institute for Training and Research
— United Nations Satellite Centre
(UNITAR-UNOSAT).

For more information, please visit
the REACH website.

You can contact REACH directly
at: geneva@reach-initiative.org,
and follow them on Twitter:
@REACH_info.

Cedos is an independent think tank,
an urban bureau, and a community
that has been working on social
and spatial development issues
since 2010. We believe that every
person is entitled to a dignified
standard of living. Therefore,
Cedos's goal is to identify the
systemic causes of social problems
and develop strategies to solve
them. Our approach is research-
based. We study social processes
and public policies, spread critical
knowledge, promote and implement
progressive changes, and educate
and empower a community of
supporters for these changes.
In our work, we are guided by the
values of dignity, equality,
solidarity, participation, quality,
and empathy.

Cedos website:

<https://cedos.org.ua/en/>

Citation: Bobrova, Anastasiia,
Yaroslav Onyshchuk, Yuliia
Kabanets, and Sviatoslav
Zembitskyi. 2025. Rental Housing in
Ukraine: Current State and
Challenges. Cedos.

[https://cedos.org.ua/en/researches/
/rental-housing-in-ukraine-current-
state-and-challenges/](https://cedos.org.ua/en/researches/rental-housing-in-ukraine-current-state-and-challenges/)

Contents

● Introduction	4
● Methodology	6
Part 1 ● Private Rental Housing Sector in Ukraine: Current State and Challenges	9
Part 2 ● Internally Displaced People and Their Experience with Rental Housing	20
2.1 ● Experience with rental housing	21
2.2 ● Housing stories since evacuation until today	27
2.3 ● Residential conditions	36
2.4 ● Housing plans for the future	39
Part 3 ● Rental Housing Subsidy for Internally Displaced People: Program Overview, Results, and Difficulties with Implementation	44
Part 4 ● International Policy Experience to Improve the Accessibility and Security of Rental Housing	53
4.1 ● Regulating rent prices	55
4.2 ● Regulating lease duration, eviction procedures, and other terms of residence	57
4.3 ● Establishing and monitoring proper housing standards	58
4.4 ● Tenant organizing and their participation in housing management	60
4.5 ● Housing Ombudsman as an institution	61
4.6 ● Social housing	62
4.7 ● Rent compensation	64
● Conclusions	66
● Recommendations	71

● Introduction

Renting a home in Ukraine is mostly unpredictable and insecure today. Russia's full-scale invasion has only exacerbated this problem and made the need for affordable and proper-quality housing more urgent. About 4.6 million people have been forced to leave their homes and are internally displaced. For a significant portion of them, rental housing has become their home. However, this type of housing cannot always guarantee comfort and confidence. As demand for rental housing spikes, its prices rise as well, and therefore it becomes less affordable, especially for internally displaced people.

There is a need for a complex and human-centric housing policy to address the existing challenges. In order to develop and implement these solutions, we need to collect and analyse data on what the rental sector is like in Ukraine and what the experiences of tenants are like. In the past three years, in response to the housing crisis exacerbated by the war, a number of programs and projects have been launched to assist with housing provision. It is important to analyze and evaluate these programs and projects, collect data on their results, and systemize the experience gained from them.

This report presents information on the Ukrainian rental housing sector, the experience of renting among internally displaced people, and data on the implementation of the experimental rental housing financial assistance program for internally displaced people, launched in late January 2025. The key purpose of this research is to promote evidence-based solutions in housing policy.

The report continues Cedos's years-long work on researching the housing sector in Ukraine. Earlier, we published the [survey findings](#) on housing and the residential conditions of Ukrainians, which considered, in particular, access to housing, tenure structures, and the population's vulnerability to the loss of housing. In addition, the report reviewed the current state, challenges, and new housing policy principles in Ukraine, and considered ways to create affordable, high-quality, and secure housing for everyone who needed it. The Cedos team researched the existing [social, temporary, and crisis housing](#) in Ukraine and considered the prospects of developing such housing in the [Kalush Hromada](#). We analyzed housing needs in specific regions, particularly in [rural hromadas near the frontline](#). In addition, in 2022, Cedos published the first [Legal Guide to Renting Housing](#) in Ukraine. This study continues our previous work and focuses on the private rental housing sector

as well as attempts to improve its accessibility using a housing rent subsidy for IDPs.

The report consists of four thematic parts. First, we review the current state and challenges in the private rental housing sector in Ukraine, particularly by analyzing the problems and causes that have led to these challenges. Then we focus on the renting experience of internally displaced people, describing the experience based on focus group discussions. In the third part, we analyze the rent subsidy program for internally displaced people, particularly by providing an overview of the program, its results, and the difficulties that have emerged in the process of its implementation. Finally, we analyze secondary data related to the international experience of policies that aim to improve the access to and security of rental housing. At the end of the report, we summarize the findings and provide recommendations for state government bodies, international and non-governmental organizations that work with the housing sector in Ukraine.

● Methodology

The aim of this study was to analyze the housing rent subsidy program for internally displaced people, as well as to examine the state of the private rental housing sector.

The study has the following goals:

1. To analyze the rent subsidy program for internally displaced people and to clarify the obstacles to participation in it, as well as the problems which tenants and landlords may face while using the program.
2. To examine the current state and challenges in the private rental housing sector in Ukraine.
3. To capture the experience of internally displaced people with rental housing.
4. To analyze the international experience of policies aimed at improving the access to and security of rental housing.
5. To clarify which steps can be taken by central and local government bodies, as well as by international and Ukrainian non-governmental organizations, to ensure that the population can realize their right to housing.

In order to fulfill these goals, we chose a qualitative methodology for data collection and analysis. The data collection involved conducting focus-group discussions, semi-structured in-depth interviews, and expert interviews.

The field stage of the study was conducted in June–July 2025.

Within the study, we conducted 6 focus group discussions with internally displaced people living in three regions. The recruitment of participants was provided by our partner non-governmental organization, IMPACT. Each discussion included 6 participants. Of these focus-group discussions, three were with people living in collective sites in the Northern, Central, and Western Macroregions of Ukraine. These conversations were held in person at the places where the internally displaced people resided. The remaining 3 focus-group discussions were conducted with internally displaced people who rent housing in Kyiv, Kirovohrad Oblast, and oblasts in the Western Region (Ivano-Frankivsk Oblast, Khmelnytskyi Oblast, and Lviv Oblast). These discussions were held online using Zoom.

We also conducted 16 interviews as part of the study. These included 10 interviews with housing experts (representatives of civil society organizations, IDP Councils, and state government bodies; researchers; and real estate agents), and 6 interviews with landlords.¹ The interviews were held online using Zoom or by phone. 14 informants were recruited by the Cedos Think Tank, and another 2 were recruited with the help of our partner international NGO, IMPACT.

When they were being invited for an interview or discussion, the participants received information about the purpose and goals of the study, the use of its findings, privacy protection, and the topics which the conversation was going to revolve around. They were informed once again at the beginning of each interview and focus-group discussion.

To protect the privacy of the study participants, the obtained data was only accessible by the research team. The quotes used in the report have been anonymized and do not contain information which can be used to identify the speaker.

¹ One informant had two professional identities: she was both a landlady and a real estate agent.

The study has a number of limitations:

1. We chose a qualitative strategy to implement the study, so the conclusions drawn here do not represent the experience of all internally displaced people. In addition, due to the lack of a quantitative component, the ability to draw conclusions about how widespread the reported problems are among internally displaced people in Ukraine is also limited.
2. The aim of the study was to collect and describe various experiences related to rental housing, residential conditions, and living in rental housing and collective sites among internally displaced people. Due to the limited number of interviews, we may not have been able to cover the whole range of problems faced by people in Ukraine.
3. The study is also not representative with regard to landlords in Ukraine, and the ability to draw conclusions about how widespread the reported problems are among landlords in Ukraine is limited.
4. The study helps reveal the key obstacles to landlords' participation in the housing rent subsidy program for IDPs, and understand the considerations of landlords regarding the private rental housing sector. At the same time, due to the small number of conducted interviews, some of the problems faced by landlords may not be reflected in this report.
5. We were unable to engage any people who have used the housing rent subsidy program or who have applied to participate in the program, particularly due to the low number of people who have used the program in Ukraine. Their experience and the difficulties they may have faced are not covered within this report.
6. The study does not contain comparisons between the rental experiences of internally displaced people and the experiences of people who have not been displaced within Ukraine. Thus, some of the problems described in the report may not be exclusive to internally displaced people.
7. The study describes the experiences of internally displaced people living in the Western, Northern, and Central Macroregions of Ukraine. Internally displaced people living in the Southern or Eastern Macroregions, particularly in settlements near the frontline, may encounter other difficulties which may not be represented in the findings of this study.

Part 1 ● Private Rental Housing Sector in Ukraine: Current State and Challenges

This part offers a brief overview of what the private rental sector is like in Ukraine. We are starting with this overview because it is essential for understanding why the housing rent subsidy program for internally displaced persons has not achieved its intended results. First, we briefly describe the official data available on the rental sector. Then, we focus on how the rental sector is regulated and outline the key trends and challenges of the private rental sector.

The private rental housing sector in Ukraine remains under-researched. Until 2021, the State Statistics Service of Ukraine [published](#) data on the share of people living in rented housing in rural and urban areas. In addition, the State Statistics Service annually [publishes](#) information on the average cost of renting a one-bedroom apartment in Ukraine overall, as well as by oblasts and in the city of Kyiv. Despite this, no official data are collected in Ukraine regarding the number of rental dwellings and their territorial distribution, the share of vacant housing, or the actual rental prices; nor is there information on the number of landlords. This lack of information hinders the implementation of any regulations in the rental sector, the protection of tenants' rights, and makes it impossible to monitor and control the quality of rented housing.

The existing regulations in the rental housing sector do not guarantee comprehensive protection for either tenants or landlords. Ukraine does not have specific legislation regulating rental housing relations.² Housing rent in Ukraine is governed by the Civil Code (CC)—for instance, Chapters 58 and 59,³ which cover rental relations in general and rental housing in particular. Article 311, which enshrines a person's right to the inviolability of their home, may also apply to rental housing relations. Other articles of the CC, including those related to general contract regulations, may likewise apply to leases. The CC sets out general requirements for leases—for example, it states that contracts in written form do not require mandatory notarization. Most issues related to rental conditions are regulated directly by the leases themselves, and their content must not contradict the provisions of the CC. As for eviction, Ukrainian legislation regulates it under Article 825 of the CC, which stipulates that a landlord may initiate eviction if the tenant fails to pay rent for six months, or, in the case of short-

² At the same time, there are laws in Ukraine which regulate specific rental relations—for instance, the Law "On renting public and municipal property," or the Law "On leasing land."

³ A detailed overview of legal regulations in the rental housing sector in Ukraine is provided in the Legal Guide to Renting Housing, published by Cedos in 2022: https://cedos2.utest.site/tips_category/zahalni-zapytannya/.

term rentals (up to one year), more than twice. Article 47 of the Constitution of Ukraine states that “no one may be forcibly deprived of housing except on the basis of law and pursuant to a court decision.” However, some important issues related to rental housing, such as the minimum duration of a lease or rent increases,⁴ remain unaddressed in legislation.

Lack of security is a key challenge in the private rental sector in Ukraine. It is linked both to the lack of information about the rental sector and to limited regulation at the legislative level. Most landlords in Ukraine operate informally: they may rent out housing without signing leases at all, and there is virtually no oversight or control of their activities. According to experts we interviewed for this study, one of the most common violations of tenants’ rights in Ukraine is the **non-return of the security deposit**.⁵ In addition, tenants face **rent increases within the term of an active lease, unilateral termination of the contract by the landlord without notice, forced eviction, prejudice and discrimination**, and other violations described in more detail in the following sections.

“There are regions in Ukraine where leases are not signed at all. They don’t have them. People just move into an apartment and live there based on a ‘word of honor’ [...]. That’s how I understood it myself, of course, I didn’t keep statistics or conduct any research, but in those small towns where more or less everyone knows each other, no leases are signed.”

Legal expert

“[...] The non-return of the deposit. This is a recurring issue in Ukraine: landlords evict tenants or tenants move out on their own, and the deposit is not returned. This is often what tenants come to us about, they had paid for the previous months, the landlord had no complaints about the condition of the apartment, the condition of furnishings. And yet the deposit was not returned, simply because they could do so. And most often, there’s quite a serious issue with, let’s say, timing. Because in Ukraine, tenants usually pay for utilities separately from the base rent. And so, when a person moves out, it’s usually by the end of the month. And when they move out, landlords say: ‘Okay, we’ll wait for the utility bills to come, that’ll be around the middle of the next month, and then we’ll deduct the amount from the deposit and return the rest.’ And, well... It’s kind of a trap. Because you’ve already moved out, the

⁴ For example, in Germany, the Civil Code provides for rent increase caps (Mietpreisbremse) of no more than 10% in areas with increased demand for housing. We focus on the overview of this and other tools for the private rental sector in the last part of this report.

⁵ By the security deposit, we mean a payment provided by tenants to landlords at the beginning of the rental relations. In Ukraine, it typically equals the monthly rent. The deposit is aimed to guarantee that the tenant fulfills their rental obligations, such as timely payment of rent or keeping the furnishings and the dwelling in a proper condition. However, Ukrainian legislation, particularly the Civil Code, does not define the concept of a security deposit and does not regulate its size.

landlord disappears, and so does your deposit. That's what happened most often."

Researcher

The lack of security in the rental sector became especially evident at the beginning of the full-scale war. During the first months of the full-scale invasion, rents rose significantly, particularly in the western regions of the country.⁶ The sudden increase in rent affected not only people who were looking for new housing at the time but also existing tenants.

"A girl reached out [for legal assistance] with questions regarding renting. But she reached out only when she was already in court [...]. Her question had to do with a sudden spike in rent prices in Lviv during the war. Previously, the rent was, say, 5,000 hryvnias, and then when the war began and everyone started... Well, you probably know the story, when everyone rushed to western Ukraine, and the cost of rental housing increased sharply. And it increased not only for those who 'rushed' to western Ukraine but also for those who had lived there for most of their lives, you see."

Legal expert

The limited use of long-term leases⁷ and the absence of leases with indefinite duration⁸ further deepen the insecurity and unpredictability of the private rental sector. The Civil Code of Ukraine does not set any requirements for the minimum duration of leases, and regulation is carried out through the general provisions of the CC related to contracts. Leases lasting from 6 to 12 months are common, while long-term leases are rare. Legislation does distinguish between short-term and long-term rentals. For example, a rental period of up to one year is considered short-term. Despite the fact that daily or monthly rentals and long-term rentals are fundamentally different types of commercial activity that generate different profits, they are taxed the same way.

Fixed-term leases create the possibility for significant changes in living conditions over a relatively short period of time. Accordingly, landlords can freely sign three- or six-month leases and raise the rent after each term ends. Tenants are left

⁶ In the first months of the full-scale invasion, rent hikes were especially sharp in Western oblasts. However, this changed over time as some people returned to their hometowns or moved to other oblasts in the rear. At the same time, new internally displaced people kept arriving. As a result, rents began to increase in other Ukrainian regions as well.

⁷ In EU countries (particularly in Germany, Austria, the Netherlands), it is typical to sign leases for indefinite periods. In Germany, landlords are only allowed to sign short-term leases under certain conditions—for example, if they prove that they need the apartment for personal use after the lease expires.

⁸ Article 821 of the CC indicates that a lease which does not specify a period is considered to have been signed for 5 years.

with the choice of either accepting the new conditions or looking for new housing. In the absence of regulations, such as requirements to stabilize rent prices,⁹ this creates the conditions for speculation and rapid rent increases. The lack of regulation also means that decisions about rent changes are left to landlords, who may make them based on their own beliefs of what is reasonable or fair.

"We lock in [the rent price] for at least six months. After six months, it can be reviewed, and even then, unless the dollar exchange rate or the inflation market jumps by more than 15% from the [price] that was fixed at the time the lease was signed, [we may decide not to change the rent price]."

Landlord, real estate agent

"So we do have the Civil Code, which means, essentially, that these leases must be followed. But if there's no regulation on how long or short these leases should be, then even if everything is done legally, it's still possible to literally turn every apartment in Kyiv into a short-term rental, because 3 months is basically like Airbnb, and for landlords, there's nothing stopping them, even if this market were to be brought out of the shadows, from making leases for 2–3 months and raising the rent by 500 hryvnias every 3 months."

Researcher

Without additional regulations that would guarantee tenants' rights at the legislative level, a lease alone cannot ensure sufficiently secure rental housing. As noted above, most issues related to rental relations are left for the parties to resolve through the lease. Article 6 of the CC governs certain matters related to civil legislation acts and contracts. Article 627 introduces the concept of "freedom of contract," which means that the parties are free to define the detailed terms of the agreement. Implicitly, "freedom of contract" assumes that the parties are equal in defining and agreeing on the contract terms. However, in matters related to rental housing, landlords are the more protected and influential party compared to tenants. As a rule, it is landlords who have greater capacity to set the terms of contracts. This creates the need to **balance the relationship between tenants and landlords by strengthening the protection of tenants' rights**, a need also highlighted by recommendations from international organizations.¹⁰

⁹ Rent stabilization is an instrument of rent regulation that sets a cap for the maximum possible rent increase within a certain period of time—say, no more than 10% of the rent recorded in the lease, or no more than the Consumer Price Index.

¹⁰ We are referring to recommendations by the Organisation for Economic Co-operation and Development (OECD), which systematically explore housing issues

"Because we have this great provision called 'freedom of contract'. When you sign a contract, you can make it however you like. But if... Again, going back to what we started with. The monopoly of landlords in all these relations [...], the landlord gives you their lease with their terms, which they don't want to change, and you just turn around and leave. So, to prevent that, [we need] to introduce some changes to the legislation. Not just 'some,' but specifically changes that would establish mandatory terms in leases which would protect tenants' rights."

Legal expert

Court practice in protecting tenants' rights in Ukraine is limited. As a result, most violations, whether by landlords or tenants, go unnoticed. Tenants rarely defend their right to housing through the courts. This may be due to several factors. First and foremost is the lack of awareness about rights and obligations in the rental sphere. A lack of knowledge about how court proceedings work also plays a role. The relative ease¹¹ of finding new housing may discourage tenants from going to court when their rights are violated. Tenants in Ukraine have virtually no opportunity to engage in collective bargaining with landlords. Organizations¹² that represent and protect tenants' rights¹³ are only beginning to emerge in Ukraine.

Finally, according to experts, in cases of typical violations, such as the non-return of a security deposit, the costs of legal proceedings may exceed the potential compensation in the event of a win, and this can also discourage tenants from taking legal action on their own. At present, there are ways to cover the costs of legal proceedings—for example, internally displaced people can [apply](#) for free legal aid. At the same time, the ability to engage in collective bargaining and to cover legal

in OECD member countries. In its reports, OECD notes that the key goals of rental housing policies is to improve the access to and security of such housing by balancing out the relations between tenants and landlords. See more in: OECD. 2020. Housing and Inclusive Growth. OECD. <https://doi.org/10.1787/6ef36f4b-en>.

¹¹ The renting process for housing is somewhat simpler in Ukraine than in other countries; for example, tenants normally do not have to provide official proof of income or availability of sufficient funds on their bank accounts. Therefore, sometimes in cases of violations, such as evictions, tenants may opt to change their place of residence instead of going to court. This decision can also be linked to other factors, such as the tenant's general financial situation, availability of social contacts or other kinds of support.

¹² One example of such organizations is the International Union of Tenants (hereafter referred to as the IUT), founded back in 1926 to defend tenants' rights. Today, the organization is also working on the advocacy of changes to EU housing policies. Read more about the IUT in a Mistosite interview: https://mistosite.org.ua/uk/articles/peredbachuvanist-stabilnist-i-zbalansovani-systemy-uroky-mizhnarodnoho-ta-shvedskoho-rukhu-orendar_ok.

¹³ In 2024, the Tenants Union of Ukraine was established in Ukraine as a civil society organization that aims to defend tenants' rights. At the time of writing, the organization is working to develop an exemplary lease and to spread information about the rights and obligations of parties in the rental housing sector, as well as to draw attention to tenants' rights violations in Ukraine.

costs through, for instance, membership fees of a tenants' union could serve as an incentive for defending rights through the courts.

The informality of the sector and the limited court practice in protecting tenants' rights also constrain the implementation of existing regulations. For example, Ukrainian legislation, specifically Article 822 of the CC,¹⁴ establishes the tenant's preemptive right. This means that the current tenant has priority when signing a new contract. If the landlord refuses to sign a new contract and then, within a year, signs one with another person, the tenant may go to court and claim compensation for damages. Thus, certain regulations that could help balance rental relations already exist in Ukraine. However, due to the lack of formalization in the private rental sector, their implementation is hindered.

The tax burden on property owners in Ukraine is relatively low. For example, property tax is calculated based on the area rather than the value of the property. There is also a tax exemption for apartments up to 60 m² and houses up to 120 m². In addition, property tax in Ukraine is not progressive: each new property owned is taxed at the same rate, regardless of how many properties a person already owns.¹⁵ This tax regime means that for property owners, the costs associated with ownership after purchase are minimal. If they wish, they can choose not to rent out the property without incurring additional expenses. As for landlords, while they are obligated to pay personal income tax, real estate experts estimate that most do not. Limited oversight of landlords' activities encourages them to operate informally and avoid fulfilling their tax obligations. **Together, these factors may contribute to the financialization of housing – that is, the transformation of housing into a profitable financial investment** – which can

¹⁴ "If the term of the housing lease contract expires, the tenant has a preemptive right to conclude a housing lease contract for a new term. No later than three months before the expiration of the lease term, the landlord may offer the tenant to conclude a contract on the same or different terms or notify the tenant of their refusal to conclude a contract for a new term. If the landlord does not notify the tenant, and the tenant does not vacate the dwelling, the contract is considered concluded under the same terms and for the same period. If the landlord refused to conclude a contract for a new term, but within one year entered into a housing lease contract with another person, the tenant has the right to demand the transfer of the tenant's rights to them and/or compensation for damages caused by the refusal to conclude a contract with them for a new term." See more: <https://zakon.rada.gov.ua/laws/show/435-15#Text>.

¹⁵ Read more on real estate taxation in Ukraine on the State Tax Service website: <https://tax.gov.ua/nk/rozdil-xii--mistsevi-podatki-i/>.

have negative consequences for housing affordability in general and rental housing in particular.¹⁶

"Well, look, if earlier you used to buy, let's take Lviv as an example, you bought an apartment in Lviv, in a new building, or not in a new building, well, it doesn't really matter, you bought an apartment, did some renovations, I mean, we calculate the total investment volume, and with the rental payments, you would fully recoup the cost within 10 years [...]. So we're talking about a minimum return rate of 10% annually on an apartment, no less. If it dropped below ten [percent] annually, that apartment simply wasn't considered for purchase. Whereas for Europeans, that was just near impossible! There, you're lucky to get three to five percent, I mean, with taxes and all. Well, but here, first of all, no one calculated taxes or even factored in that they had to be paid."

Landlord, real estate agent

The lack of formalization of intermediary activities is another challenge in Ukraine's private rental sector.

According to the experts, current legislation does not establish requirements for real estate agents, including their responsibilities or accountability. There is no regulation of the cost of a real estate agent's services either. As a result, prices for such services vary by locality and region. For example, in Kyiv, the fee is usually half the cost of one month's rent. In contrast, in Lviv, agent services typically equal a full month's rent. The absence of formal regulation leads to abuse: in some cases, the commission for a real estate agent's services can significantly exceed the monthly cost of rent.

"Yes, another very, very serious issue is with real estate agents. Especially since we're based in Lviv, and here real estate agents charge the most compared to any other part of the country. Here, it's always 100%. And I've heard in interviews a few times that they've asked for 150%. It's just complete madness. And by the way, they ask for 150% particularly in the cheapest rental segments. For example, I was recently looking at some super cheap place in Kyiv, like 4,000 for a rundown place, and there the agent was asking for 150%."

Researcher

¹⁶ The negative consequences of the global trend of housing financialization have also been discussed by geographer Raquel Rolnik, who served as the Special Rapporteur on the right to adequate housing between 2008 and 2014. In her book *Urban Warfare: Housing under the Empire of Finance*, she describes how the financialization of housing affects urban development, the quality and affordability of housing. In her recent article *The empire strikes back: the financialization of rental housing – a new frontier of accumulation and precarity*, she also considers the impact of financialization on rental housing. The consequences of housing financialization are not as striking in Ukraine as in other countries, such as the US or EU countries. However, the increasing unaffordability of housing in Ukrainian cities can be partially linked to the attractiveness of real estate as a financial investment.

"There is no consensus within the real estate agent community itself, so the first option is either full self-regulation, like the example of the lawyers' association [the National Bar Association of Ukraine], or it could be partially shared [regulation] with the state. There definitely needs to be a law, there needs to be licensing. I mean, people should undergo training, pass exams, purchase a license, only business entities that pay taxes and bear responsibility should operate on the market."

Landlord, real estate agent

The informality of intermediary activities complicates the collection of information on the rental sector. Real estate agencies and agents are required to submit quarterly reports on concluded deals to the Tax Service.¹⁷ To do this, they must complete a **form** approved by the Ministry of Finance. However, according to experts, intermediaries are largely unaware of their obligation to report to the Tax Service. In addition, there are ways to avoid such reporting. For instance, intermediaries who work informally, without registering as business entities,¹⁸ typically do not report to the Tax Service. Real estate agencies and agents are only required to report deals that took place with their involvement. Accordingly, to avoid reporting, contracts are sometimes documented as if they were concluded directly between the tenant and the landlord, with no mention of the real estate agent. Finally, according to expert estimates, most payments for the services of real estate agents are made in cash, which is another reason why intermediaries do not report them to the Tax Service.

Formalization and oversight of the activity of real estate agents could help improve monitoring of the rental sector and support its move out of the shadows.

"As a real estate agency, we have to report to the Tax Service, there's already a reporting form developed, [we're required to report] how many leases we've concluded. But this is also ineffective because leases are made in secret. And the real estate agency doesn't want to expose its clients, because they don't pay taxes."

Landlord, real estate agent

¹⁷ According to paragraph 170.1.6 of point 170.1 of Article 170 of the Ukrainian Tax Code, economic entities that perform intermediary activities associated with real estate rental services must send information about the civil legal contracts on real estate rent signed with them as intermediaries to the control organ at their place of registration. Read more on the Ukrainian Tax Service website: <https://tax.gov.ua/nove-pro-podatki--novini-/678503.html>.

¹⁸ That is, they are not registered individual entrepreneurs (IEs) or do not operate as legal entities.

Thus, the private rental sector in Ukraine has a number of shortcomings, the main ones being its informality and lack of security. Most of the experts and researchers we interviewed for this study highlighted these issues. According to a significant share of experts, it is precisely the lack of regulation in the private rental sector that has been one of the obstacles preventing the successful implementation of the rent subsidy for internally displaced people. Moreover, due to the sector's informality, difficulties arise in enforcing existing regulations. Overall, the informality and lack of security in the private rental sector have negative consequences for various stakeholders, including landlords and real estate agents. Nevertheless, the most vulnerable are still tenants, especially those in vulnerable situations, such as young people, low-income people, elderly people, and internally displaced people.

Accordingly, one of the key tasks of housing policy at both the national and local levels should be to **balance rental relations by strengthening the protection of tenants' rights**. This balance can be achieved in various ways—for example, by adopting special legislation on rental housing, setting requirements for the minimum duration of leases, introducing and normalizing indefinite leases, implementing rent stabilization mechanisms, and tightening requirements and oversight of landlords' activities, including through tax control. In addition, it remains important to develop a sustainable system of social housing with affordable rents, which could serve as a counterbalance to the private sector. Through a system of social housing managed by responsible provider companies,¹⁹ it is possible to set and enforce standards for the quality and cost of housing. With such a system in place, rent subsidies could be directed straight to the housing provider companies rather than to private landlords. Unlike the activities of private landlords, the work of provider companies can be transparent and accountable, enabling the effective use of state aid.

In the following sections, we will focus on analyzing the challenges internally displaced people face in the rental sector. We will also examine the implementation of the housing rent

¹⁹ We are referring to companies that are providers (or operators) of social housing. Currently, Ukraine has no examples of such housing companies, but their development is already provided for in the new legislation that is currently being developed as part of the housing policy reform in Ukraine. The Bill "On the foundations of housing policies" proposes to introduce the concept of "affordable housing operators," which can be companies with various forms of ownership which must follow a number of rules in their operations and whose main task is to build and/or manage affordable housing.

subsidy program for internally displaced people. The final section will provide a brief overview of international practices in regulating the private rental sector. Based on the findings of this study and international experience, we will formulate recommendations relevant to Ukraine.

Part 2 ● Internally Displaced People and Their Experience with Rental Housing

According to the International Organization for Migration, the majority of internally displaced people in Ukraine (59%) rent housing. The problems they face are largely not unique. However, due to the vulnerable position in which internally displaced people find themselves, these problems might affect them more than other tenants.

In this section, we focus on the home renting experience of internally displaced people. First, we examine this experience in general and describe the key challenges internally displaced people face. Next, we outline their housing stories since evacuation to the time of the study. We focus on relocations, changes in housing, and the search for new homes. Then, we analyze the housing situation of internally displaced people, particularly their current living conditions, including interactions with landlords. In the final section, we describe people's plans to change housing and the related opportunities and obstacles.

2.1 ● Experience with rental housing

Renting a dwelling in Ukraine often takes place informally. People agree on living conditions verbally, and even a signed lease does not always guarantee the protection of tenants' rights. Tenant–landlord relations in Ukraine frequently rely on personal agreements, which makes tenants vulnerable in conflict situations. During focus group discussions, we asked internally displaced people whether they had signed a lease with their landlords. Most tenants said they did not have a housing lease contract. Informants explained the absence of a lease by **landlords' unwillingness to take on official obligations**, the urgency of relocating to a new home, and the fact that some landlords were abroad. Tenants often did not insist on documents if they had a trusting relationship with the landlord. Frequently, the rental arrangement could be based on verbal agreements accompanied by photo documentation of utility meter readings.

"Nobody wants to have these obligations to anyone. Because today the person lives [there], tomorrow they've decided to leave, the issue of a lease can affect it in a certain way. [...] if they offer it, I'm all for it. I have nothing to hide. But what the landlords decide, that's a different matter."

Woman, IDP, lives in rental housing, Kirovohrad Oblast

"We have no lease. The landlady is abroad, there's no way to sign it. We pay whatever they've told us [to pay]."

Man, IDP, lives in rental housing, Lviv Oblast

The pressing need for housing and **the urgency of relocation intensify the vulnerable position of internally displaced people**. In situations where housing needs to be found quickly, tenants often cannot insist on a written lease, fearing that doing so may lead landlords to refuse to rent to them. The vulnerability of internally displaced people creates additional opportunities for abuse by landlords—for instance, unjustified increases in rent.

However, in the absence of broader legislative regulations, having a lease does not always guarantee security or stability of residence, as the experience of internally displaced people shows. Despite the formal signing of a lease, landlords often violate its terms: they raise the rent without notice or terminate the lease early. Landlords also frequently refuse to renew leases after their expiration, viewing internally displaced people as "unreliable tenants." In such cases, tenants remain dependent on the decisions of landlords—for example, regarding rent increases.

There are also misconceptions about the legal force of leases. Participants in the study noted that they viewed leases as lacking legal force, referring to them as just "paper." However, leases concluded in written form do have legal force, and violations of their terms are unlawful. Nonetheless, as noted in the previous section, judicial practice in protecting tenants' rights in Ukraine is limited.

"It [a lease] is just unnecessary, this question wasn't even raised. [...] It's all as usual, based simply on trust. There's no situation that you need some kind of 'paper,' [...] it's just some formality, not worth bothering with, it has no legal force."

Man, IDP, lives in rental housing, Kyiv

The limited court practice, along with the lack of oversight and regulation of landlords' activities, leads to significant **inequality in the relationship between the parties**. As a result, rental housing in Ukraine remains an unprotected field in which tenants are often forced to rely on the good faith of landlords.

"She let us in with a dog. Because, like, the apartment is in such a state that, like, there's not much to be concerned about. Although

our dog is very neat, small and so on. I mean, it hasn't done anything at all here, the dog, in all these years. But if, back then, we... We didn't feel it at the time. The neighborhood is nice, here [name of neighborhood], close to the subway. My daughter went to school right away here nearby. I mean, in this sense, there's a good transit connection, basically, I'm fine with everything. The apartment gets more expensive by about 1,000 every year. I mean, it was 8, then 9, 10. About a month, two... Well, she warns us probably a month in advance. She says every time that she feels very sorry for us. She really understands us, but the times are very hard. There's no official lease. The landlord is not OK with it [signing a lease], she's not gonna register as an individual entrepreneur for it. Although she rents out another apartment, too. [...] I mean, she has income from two apartments."

Woman, IDP, lives in rental housing, Kyiv

"I have a lease. [...] the only important aspect here is what kind of a relationship you have with the landlords. [...] Whether you have a lease or not, it's very easy to ignore, because [...] they can kick you out of the house, or raise the rent, or say that you must leave in an unreasonable time frame [...]. This is not regulated by these leases in any way, and even if it is articulated, nobody pays attention to it."

Man, IDP, lives in rental housing, Khmelnytskyi Oblast

"The most important thing is what kind of relationship you have with the landlords. As for negative consequences, it's raising prices, it's unwillingness to rewrite the lease in terms of duration when it's expired. [...] They mostly like to write half a year for the internally displaced. Not a year, but half a year. Because, like, they're considered crisis clients, because they're not tied to anything, they can leave at any moment. But then they don't like to rewrite the leases, this is a very typical story. It really depends on the personality."

Woman, IDP, lives at a collective site, Ivano-Frankivsk Oblast

Overall, the housing situation of internally displaced people remains unpredictable and is primarily defined by the nature of their interaction with landlords. As mentioned above, rental relations are often based on personal verbal agreements rather than written leases. On the one hand, study participants recalled situations in which landlords showed flexibility and support: they did not raise the rent, respected privacy, agreed to repairs and covered them at the expense of the rent. On the other hand, some tenants faced **unjustified rent increases, had to resolve household issues at their own expense, or experienced intrusions into their personal space**, when landlords came without warning or when real estate agents brought other people to view the property. Some participants also noted that the absence of a lease limited their access to social support.

"I have a direct lease, but not with the owner of the apartment, because [she] is in Germany, but with her mother. [...] The main difficulty is that I can't receive any aid from any foundation or anything, because I have no lease with the owner of the apartment."

Woman, IDP, lives in rental housing, Kyiv

"They're reasonable people, we reached an agreement about the situation right away. Everything they could offer us at the time in terms of household issues, they offered it. [...] It's good that the landlords have never increased rent. In terms of renovations, we coordinate with them. If they say we can basically solve the issue on our own, we solve it."

Woman, IDP, lives in rental housing, Kirovohrad Oblast

"Our landlords are very nice, I can't say anything, but they're not going to sign a lease with us."

Woman, IDP, lives in rental housing, Ivano-Frankivsk Oblast

"And we've started doing a renovation there on our own. Good thing my husband knows how to do it all. The landlord sent us money for the materials. I mean, we were doing [a renovation] free of charge, but you understand that it's very expensive work. We did the heating completely, installed the boiler, all the pipes."

Woman, IDP, lives in rental housing, Kyiv

"The landlady, she's an elderly woman, she's in Germany. So we have to do everything on our own. I mean, we do the plumbing, water, gas. There have been problems, and we solved those problems on our own."

Man, IDP, lives in rental housing, Kirovohrad Oblast

Tenants' comfort and access to housing often directly depend on informal agreements and the personal attitude of landlords. For example, study participants repeatedly mentioned that despite increases in rent, landlords refused to cover the costs of repairs in their properties. Unjustified rent hikes were sometimes accompanied by **threats of eviction** if the new amount was not paid. For one informant, the rent doubled since she started renting the apartment. She explained that she had not signed a lease because she was renting from an acquaintance, and the housing search had been complicated by the fact that landlords might refuse to rent to a family with a child and three cats. Initially, the agreement with the landlord included a stable rent, but later the property owner began increasing it, violating the verbal agreement.

"[...] we don't have a lease as such, because we're renting an apartment from acquaintances. [...] And we had it verbally that nobody was going to raise [the rent] during the war: 'You look after the apartment, we were happy to provide it to you so that you have

a place to live.' [...] We renovated the apartment as much as we could. Because everything was in a horrible state there. [...] The first year, the landlord, like, didn't bother us much, she didn't touch us. And then she started raising the rent sharply. Literally every month, 2–3 weeks before the moment we were supposed to pay, she raised it literally by a thousand. [...] But when it started reaching 12, 13, we realized it was difficult. We understood that our child is studying here, and the landlord understands it, too. That's one thing. Secondly, three cats, you understand, not everyone will allow us with pets and a kid into their apartment. So we tried to find something nearby, because it was difficult for the kid to switch schools. [...] They raised it to 15. I hope they'll stop there."

Woman, IDP, lives in rental housing, Kyiv

"The landlord said he's not going to raise rent during the war. We paid 10,000 hryvnias. A year later, he said 13,000 hryvnias. And now it's 16,000 hryvnias. And with all that, he doesn't invest anything into this apartment. As soon as we moved in, the washing machine broke, the iron. [...] The fridge broke, too. We repair everything at our own expense."

Man, IDP, lives in rental housing, Khmelnytskyi Oblast

During focus group discussions, we asked informants whether they considered renting a home a suitable option for long-term living. Internally displaced people, particularly those living in collective sites, generally did not view this option as acceptable for themselves. The main reasons participants cited were the high cost of rental housing, the risk of sudden rent increases or eviction, and the need to adapt to someone else's rules and conditions. At the same time, long-term renting is **acceptable for internally displaced people under conditions of stable pricing and well-established relationships with landlords**. As noted in the previous section, the key issue is the lack of security and the unpredictability of rental housing in Ukraine.

"With utility fees, it's money I can't afford."

Woman, IDP, lives at a collective site, Ivano-Frankivsk Oblast

"[Renting a place] is generally a normal idea, the whole of Europe lives like that. I mean, it's a normal relationship. In Europe [...] a lot of people rent housing. But the level of wages there... [...] it's about the percentage, how much a person has to pay for the housing."

Woman, IDP, lives at a collective site, Kyiv Oblast

"And then they'll say: 'I'm gonna be selling it, move out to wherever you want. I'm my own boss, my own director. If you want it, buy it from me for a million. If you don't want to, move out.' And once again one is put in a dependent state. Once again I have to think where I should rent a place next."

Woman, IDP, lives at a collective site, Kirovohrad Oblast

"For now, there's no way out. [...] I'm left alone here in a strange city, so for me it's just... Only dead ends."

Woman, IDP, lives at a collective site, Kirovohrad Oblast

Internally displaced people who are already renting housing described it as more of a forced step. They noted that renting offers greater comfort than dormitories or collective sites, but does not guarantee a sense of security, as it creates dependency on landlords. The risk of sudden rent increases or eviction leaves internally displaced people in a state of constant uncertainty. **Under current conditions, informants mostly view long-term renting as unacceptable,** as it does not provide the sense of stability that owning a home would.

"We have no choice, we have to rent. Although I've never lived in a rented apartment in my life, we've made a nest for ourselves for old age to live well when we retire, with everything provided for us. [...] Now we're left with nothing. So the only way out is renting."

Woman, IDP, lives in rental housing, Ivano-Frankivsk Oblast

"Short-term, yes, but not long-term, [...] because I also don't have this feeling of security. I don't want to depend on the wishes or mood of the landlords from whom I rent an apartment. I want to be the owner myself and live based on my own mood, my own wishes in my own home. And for my children to know that they have a corner where they can return at any time."

Woman, IDP, lives in rental housing, Ivano-Frankivsk Oblast

"I'm not considering it long-term and I'm not satisfied because I don't feel secure. I realize that they can evict me at any moment. And it can be with a month's notice, when I have enough time, or it can be 'move out right now,' and that's it, goodbye."

Woman, IDP, lives in rental housing, Ivano-Frankivsk Oblast

"Renting housing is the only way for us to live, we don't have the money to buy our own home."

Man, IDP, lives in rental housing, Lviv Oblast

"It's all about stability, again. [...] We have a checkered bag always in the annex, ready."

Man, IDP, lives in rental housing, Khmelnytskyi Oblast

2.2 ● Housing stories since evacuation until today²⁰

The vast majority of internally displaced people we spoke with during the study had relocated from Donetsk and Luhansk Oblasts. At the time of the study, most of them owned homes located in temporarily occupied territories, in areas where hostilities were ongoing or close to active combat zones. A few people had moved from Kharkiv Oblast.

Among the informants were also those who had been forced to leave their homes due to the occupation of their settlements back in 2014, after which some of them lived in Donetsk or Luhansk Oblasts. As a result, several people had experienced forced displacement for a second time. One informant shared that in 2022, shortly before the full-scale war, she had purchased a home in a city, which Russia occupied later that same year.

"I'm an internally displaced person from the city of Luhansk. I haven't lived in Luhansk since 2014. I was a displaced person in [name of a city under occupation] between 2014 and 2022. There, we got... We bought our own home. In February. And in February, we were forced to leave the city [name of a city under occupation] once again and move to Dnipro. Then Kyiv. Since 2022, August, I've been an internally displaced person in Kyiv."

Woman, IDP, lives in rental housing, Kyiv

The deterioration of housing conditions after forced displacement was one of the key issues raised by informants.

Most study participants had lived in their own homes, apartments or private houses, before relocating. Some reported that by the time of the study, their homes had already been destroyed or damaged. Several informants did not know the current condition of their homes. Only those who had been forced to leave their homes after the start of the war in 2014 had prior experience with renting. During focus group discussions, people compared their situation before and after displacement and noted **a significant decline in both their financial circumstances and housing conditions.**

"I also had my own home, a detached house... Yes. Everything burned up after the invasion. There's nothing left."

Woman, IDP, lives at a collective site, Ivano-Frankivsk Oblast

"We lived separately in Luhansk Oblast, and separately I'd, if we were only able to pay. I lived in Luhansk Oblast, I had my own

²⁰ By "today," we mean the time when the field stage of the study was conducted, namely June–July 2025.

apartment, my daughter had her own apartment. We all paid, we left 97 square meters and left. And left. And now we're living, now we're living in a small room because we can't pay more."

Woman, IDP, lives at a collective site, Kyiv

The study participants did not arrive at their current place of residence immediately: before they settled there, **many of them had to move several times, including moves between different settlements**. Most of the people we spoke with had moved to the settlement where they were living at the time of the study in 2022. Some moved later, in 2023 or 2024, due to later evacuation or relocations within Ukraine.

After evacuating from their home settlements, some people temporarily stayed in repurposed non-residential buildings provided by the host community—for example, in schools, kindergartens, or gyms. Such housing was usually temporary, and once the term ended, people either looked for other housing or accepted options offered by volunteer initiatives. In some cases, people were forced to move to another settlement within the oblast or to a different oblast where housing options were available.

The availability of affordable and quality housing was a factor that influenced the decision to relocate. Some study participants received help with housing during the first weeks or months from relatives and acquaintances who invited them to stay in their homes or in dwellings that were vacant at the time. After a certain period, people had to vacate this housing due to the return of the owners from abroad or for other reasons. Some people changed housing multiple times and moved to different parts of Ukraine, as they were unable to find housing that was both proper quality and affordable for them.

People who had been forced to relocate back in 2014 had an even longer history of moves and housing changes. They shared that they had previously gone through the experience of making repairs, purchasing necessary appliances, and furnishing rental apartments at their own expense. In 2022, this experience repeated itself.

"In 2014, we left, we were allowed to live in a temporarily vacant office of a private firm [...]. Then we were asked to move out of there because they were going to use the office. [...] Then we moved here, to Kyiv, there was temporary housing from acquaintances. We lived in an apartment... apartment after a fire. With the landlords' belongings [...]. We paid the minimum, paid utility fees. Then they pushed us out of there... asked us to leave. We rented an apartment. Yes, well, it was difficult financially. But

we lived in that apartment until the full-scale invasion. I had a job, and we were able to make ends meet somehow. After the full-scale invasion, paying was very difficult because there were no side gigs. And we moved, our friends allowed us to live temporarily in their summer house. We lived there for about half a year, before the cold weather began in 2022. It was no longer possible to live there because we were freezing. We moved, and I found this address online."

Man, IDP

"My husband didn't want to leave at all, he put me and the kids on an evacuation train towards [name of the city]... we reached Khmelnytskyi Oblast. This was in March 2022. And we just went somewhere with backpacks. I was told there was a shelter. And that's it. [...] On April 2, everything burned up. Everything at all, the house, the business, everything. Belongings. We just didn't move anything out of there. [...] And we lived there for three weeks, the kids and I. [...] And we were invited by an acquaintance to the city of [name of a city in the Northern Macroregion of Ukraine]. Because there was, like, a place to live free of charge. [...] But the place we were offered [...]. I mean, you enter and just... I mean, you understand that you're just not going to survive here. It's a barn, not a house. And, well, then we rented a house short-term, paying day by day. It wasn't very expensive, but it cost some money. We gave about 4,000 for it in about 3 weeks. [...] And we just sat there and realized that we had no jobs, the housing was also temporary. It doesn't suit us at all. And then we moved."

Woman, IDP

The living conditions in the first places of residence were often unacceptable, but people had no opportunity to quickly find better options. Additionally, some hoped that their displacement would be short-term, so they agreed to poor conditions. This led some people to search for housing near their hometowns in the eastern region of Ukraine. When it became clear that returning would not be possible in the near future, and as the security situation worsened, they began looking for more suitable housing options and relocated to settlements further away from their previous place of residence.

"In [name of a city on the frontline], there was this housing, you know... When we left the basements, it felt like our acquaintances found us such a great place. But we didn't pay rent, we only paid for utilities. Although there was just the roof. No furniture, no conditions for living. [...] Just the roof and the floor, and that's it. We lived there for a bit in these conditions. But it felt like a palace for us."

Woman, IDP, lives in rental housing, Kirovohrad Oblast

"I didn't want to go far. Why? Well, there was a hope that it would all be over. Right? I mean, as it did in 2014. There was this hope, so

I went to Dnipro. It's 300 kilometers from [name of a city from the frontline]."

Woman, IDP, lives at a collective site, Ivano-Frankivsk Oblast

Some study participants initially rented apartments on a short-term basis, which was financially difficult for them. A few people living in collective sites shared that they had first rented apartments, but due to the high cost of rent, they were forced to seek a place in a collective site after several months.²¹ This indicates that due to the lack of affordable housing, collective sites may become places of long-term residence.

"As soon as we arrived, we rented an apartment right away [...]. The conditions were harsh in the apartment. [...] The advertisement claimed there was internet, a boiler... When we arrived, we saw that there wasn't even a mirror in the room, no light bulbs even. No dishes, nothing. We held on for up to a month until we learned about this shelter, we paid 400 hryvnias for three people back there. [...] At the end of the week, every Friday, a person came and insisted that we continue paying or he's going to let new people in tomorrow. [...] Housing was unaffordable for us."

Woman, IDP, lives at a collective site, Ivano-Frankivsk Oblast

The most common reasons why study participants had to change housing were the high cost of housing and poor living conditions. This applied to both those renting in the private sector and those living in collective site or dormitories. Other reasons mentioned by participants included the end of funding for a program that hosted displaced people, unsatisfactory relationships with landlords, inadequate infrastructure or location, and changes in employment. We examine the impact of these factors in more detail later in this section.

For most people, **the cost of rent was the main criterion they focused on when searching for housing.** Some also mentioned considering location, transport and other infrastructure, including the availability of shops, hospitals, schools, or kindergartens nearby. However, participants noted that they often had to overlook other criteria in favor of lower rent.

"Well, first of all, it's the cost. The cost of housing. I mean, it's the 5th floor, and the location is not very convenient, but it's all in the background by now. It was an OK cost, so that was the most important for us."

Man, IDP, lives in rental housing, Kirovohrad Oblast

"We have this small apartment, this very cheap option, but we're OK with everything for now. Because I looked for housing based

²¹ Accommodation in some collective sites was free of charge, while other collective sites or dormitories charged a fee for accommodation.

on factors like having a school, a children's hospital, infrastructure, everything nearby. So now I'm fine with everything."

Woman, IDP, lives in rental housing, Ivano-Frankivsk Oblast

The criteria considered by study participants included the number of rooms, household conditions in the apartment, and which floor it is located on. One informant spoke about the difficulty of finding ground-floor apartments for people with limited mobility. When describing the factors they took into account, informants mentioned basic living conditions necessary for long-term residence. However, such criteria were not always feasible due to the high cost of rent.

"You first check how much the rent costs and if you can afford it. And only then do you pay attention to basic living conditions, more or less. So that you have a place to wash, to cook something, criteria like that."

Man, IDP, lives in rental housing, Kirovohrad Oblast

During the search for housing, the agency of tenants was limited: **they were forced to accept options that were unsuitable for them due to the lack of affordable housing.** This also illustrates the imbalance in landlord-tenant relations, which we mentioned earlier. This imbalance became especially evident in the context of war and the heightened vulnerability of internally displaced people.

In addition, we asked informants how they searched for housing. Most said they looked online using OLX or other websites dedicated to housing searches. Some used the services of real estate agents. A few found housing through volunteer initiatives or acquaintances. **For most people, the housing search was an exhausting process that could last quite a long time.**

Most of the people we spoke with **experienced difficulties in finding housing.** The primary issue reported was **discrimination based on region of origin.** In particular, study participants described distrust from landlords, as well as cases where they were refused rental apartments after revealing where they had arrived from. Landlords also expressed doubts about the financial solvency of internally displaced people and denied them housing for that reason. One case of discrimination even involved a refusal to sell property to family members of internally displaced people.

"We arrived, there was a mandatory evacuation of families with children, it was on August 21, 2024. At first we tried to rent an apartment, but we were told that we were very bad people

because we had come from there, and they just didn't let us into the apartment we arranged beforehand. Well, we're grateful to the people who helped us, they helped us find this dormitory, and we moved in here right away."

Woman, IDP, lives at a collective site, Kirovohrad Oblast

"My brother also came here from [name of a city under occupation]. He has his own car. They don't want to accommodate us here, the cost is high. So he says, 'Maybe we should buy a house in a village so we could all live there together.' Alright. So he went there with his wife to check it out. Someone there said they could buy a small house. They went there. The owner came out, looked at their license plate like this, 'Ah, from Donetsk Oblast, we're not selling to you.'"

Woman, IDP, lives at a collective site, Kirovohrad Oblast

Having children or pets in the family also made it more difficult to find housing: landlords often refused to rent to people with children or pets. As a result, tenants agreed to housing that did not meet their criteria. One male participant also faced gender bias during his housing search. He shared a story about a landlord expressing doubt over whether a man would be able to keep the home properly clean. These examples further illustrate the lack of protection in rental relations in Ukraine, where tenants face discrimination, prejudice, and other difficulties when looking for housing.

"Yes, I'm outraged by these phrases you read in all advertisements: no kids and no pets. For some reason, they've equated kids and pets to some kind of harmful factor."

Man, IDP, lives in rental housing, Kyiv

"We were thankful to the person at that moment that he gave us housing with pets and with a kid. That's key. Because finding an apartment in Kyiv with pets and a kid is very difficult."

Woman, IDP, lives in rental housing, Kyiv

"For some reason, there are probably some objective reasons, but it's more difficult for a single man to find an apartment. People look for girls more often. Because they believe, I mean, like my landlady today, she was like, who's gonna clean your apartment? They think there's going to be debauchery, alcoholism, probably, and other things."

Man, IDP, lives in rental housing, Kyiv

A recurring issue mentioned by study participants was the high cost of rent and related expenses. In some cases, the monthly cost of housing exceeded the household's total monthly income. This points to the unaffordability of housing, particularly for internally displaced people.

In addition, some informants encountered fraud and other dishonest practices. For example, they reported that the actual rental price turned out to be higher than the amount listed in the advertisement. Some participants shared that landlords demanded payment exclusively in US dollars and in cash, which violates Ukraine's currency legislation.²² A few study participants also came across rental scams, such as being asked to pay a deposit before viewing the apartment.

"Yes, and the condition we encountered was that we had to pay... In the first apartment, we paid a fixed amount in hryvnias, it was later increased from the New Year, but it was in hryvnias. Now, when we were looking, rent was mostly—including in the apartment we eventually rented—it was in dollars. That means we either have to pay in dollars or exchange the equivalent, but it has to be in dollars and in new bills."

Woman, IDP, lives in rental housing, Ivano-Frankivsk Oblast

Some people encountered situations where listings disappeared quickly, making it impossible for them to rent an apartment in time. As a result, they were forced to rent on a short-term basis, which required even greater expenses. All of these factors significantly complicated the housing search for internally displaced people.

In addition, the cost of intermediary services was at times unaffordable for tenants. During focus group discussions, study participants mentioned being required to pay real estate agents a commission ranging from half to the full amount of one month's rent. Some experts also noted cases where the commission could be one and a half times the cost of the rent.

As a result, the amount that had to be paid upfront sometimes reached the equivalent of three months' rent: payment for the first month, a security deposit, and the real estate agent's commission. At the same time, informants did not understand what services they were paying agents for, as the agents acted on behalf of the property owner, did not represent the tenant's interests, and could not provide any real guarantee of the tenant's rights being upheld. Thus, moving into a new rental required substantial savings. Given the circumstances of forced relocation, such an amount was unaffordable for most of the people we spoke with. This affected their housing choices: people often had to settle for worse conditions and

²² According to Ukrainian Law "On currency and currency operations," all transactions in the Ukrainian territory are carried out solely in Ukrainian hryvnia, with some exceptions which do not include rent payments. In addition, the demand to pay rent in a currency other than hryvnia is inconsistent with the Civil Code of Ukraine, namely Articles 192 and 524.

lower prices or chose properties rented out without intermediaries.

"As always, in the beginning, the biggest problem is the lack of money. There's this extra layer of services, real estate agents, and I don't even know what they do. First of all, it was inconvenient because you had to come up with a three-month sum, roughly speaking—that's the security deposit, one month's rent in advance, and the agent's fee. It's a fairly standard situation. The only thing I can say, compared to everyone I work with and the stories I know, is that we were sort of lucky in terms of the price and the landlords."

Man, IDP, lives in rental housing, Khmelnytskyi Oblast

The combination of the factors listed above and their intersection meant that some people were unable to find housing that met their needs. In conversations, many mentioned that they had been "lucky" to find their current home.

"We tried to find something for two months, I was constantly looking for options that would be convenient for our mothers, because they are elderly. But I didn't find any options. Because wherever I call, even for a lot of money, I was told either that there were too many of us, or that they wanted locals, or that they didn't want people from Donetsk at all. I mean, something like that."

Woman, IDP, lives at a collective site, Kirovohrad Oblast

During focus group discussions, participants shared that they had tried to take part in various housing programs for internally displaced people. Some informants noted that they had applied for different types of housing assistance: housing programs from non-governmental organizations, access to modular housing for internally displaced people, utility bill compensation, etc. However, participants generally described this experience in negative terms. They said that **when trying to access housing programs, they encountered red tape and long queues, a lack of tangible results (actual access to housing), a mismatch between the size of the compensation and their real needs, and financial barriers**; they expressed distrust toward state institutions. Informants also pointed out the short-term nature of housing assistance and voiced doubts about their ability to afford housing independently after the end of such programs.

"I applied to [name of a charity foundation], but... I was afraid that six months would pass very quickly, and then I wouldn't be able to afford to pay for that apartment."

Woman, IDP, lives at a collective site, Ivano-Frankivsk Oblast

"As soon as I arrived [...], I went [to an Administrative Service Center] regarding housing. And to this day, nobody... I was given a document that I was put in a queue. [...] the government isn't working."

Woman, IDP, lives at a collective site, Kyiv Oblast

"Everyone was told they were going to build modular houses. But they don't exist... [...] now they don't even answer calls."

Woman, IDP, lives at a collective site, Kyiv Oblast

Thus, although each internally displaced person's story is unique, a few common elements can be identified:

1. Most informants had to relocate several times before finding the housing they were living in at the time of the study.
2. A significant share of study participants had to rely on informal support networks (relatives, friends, acquaintances) to find housing, particularly during the first days and months after evacuation.
3. Many people encountered the private rental sector for the first time, as they had previously lived in homes which they owned.
4. In the near future, most of the people we spoke with will not be able to return to their own homes, and for some, their homes have been destroyed, meaning that they will continue to rent.
5. For the majority of study participants, displacement was accompanied by a significant deterioration in housing conditions (including increased insecurity, lower quality housing, reduced living space, forced multigenerational cohabitation in a single dwelling, and so on).

2.3 ● Residential conditions

We asked informants about their current housing conditions. Internally displaced people living in **collective sites** noted that they were **satisfied with the low cost of housing** and the availability of basic amenities, such as household appliances and furniture, as well as adequate heating during the winter months. However, their responses also highlighted challenges associated with living in collective sites. Study participants spoke of a **lack of privacy, the need to live with strangers, limited space in rooms, difficulties using shared kitchens and bathrooms, queues for the washing machine, disrupted sleep due to noise**. Some informants pointed out that conditions within the same collective site can vary. For example, certain buildings may have a separate bathroom or kitchen on the floor, while others do not. Beyond everyday challenges, people emphasized that living in a collective site is perceived as **temporary and emotionally draining**.

"We have hot water, we have cold water, we have stoves to cook, there are great fridges in the dining room, new ones, and there's a washing room, they wash our clothes. It's only that in this room, the room there is, of course, not huge, and there are 8 people, 4 here, 4 there. We don't have, I, for example, have no place to change, I can't, I sit in the middle like I don't know what."

Woman, IDP, lives at a collective site, Kirovohrad Oblast

"First of all, it's temporary, second, it's very small. And it's really inconvenient [...] to live in this room, there's no place to store your stuff."

Man, IDP, lives at a collective site, Kyiv Oblast

"It's just that we don't have a kitchen [on the floor]. Otherwise, I have to walk with a cane, climb stairs."

Woman, IDP, lives at a collective site, Kyiv Oblast

Internally displaced people living in rented housing generally described their living conditions as "satisfactory." At the same time, they mentioned issues such as outdated utilities, worn-out furniture and appliances, mold, and high costs for rent and utilities during the winter. This list of difficulties rather indicates an unsatisfactory condition of the housing they lived in.

Some study participants also noted several advantages of rented housing: the presence of autonomous heating and necessary furniture upon move-in, sufficient living space,

proper condition of the unit, convenient infrastructure, and good transport accessibility.

Unlike collective sites, renting housing in the private sector offers greater autonomy, but often places more responsibility on tenants for its upkeep. Most frequently, study participants noted the need to carry out repairs and fix problems at their own expense. Several tenants mentioned that they were unable to improve their living conditions due to financial difficulties. In some cases, the housing lacked essential appliances, such as a washing machine, or the premises required renovation. At the same time, landlords provided little to no maintenance of the property, leaving the costs of upkeep entirely on the tenants.

"We rented the apartment for utility fees, it was so rundown that I scrubbed that dirty floor with a brush. Well, we got the apartment back in shape, as they say. It's all nice, normal."

Woman, IDP, lives in rental housing, Kyiv Oblast

"We moved into an apartment, the apartment was rundown. We got it into shape. Fixed as much as we could. [...] Yes, at our own expense. [...] We didn't even record our costs. Because at that moment we were thankful to the person that they gave us housing with pets and with a kid. That's key."

Woman, IDP, lives in rental housing, Kyiv Oblast

"Utility bills hit the wallet. [...] as for the cost of housing, we're fine with what we have. [...] Considering the overall situation in the country, well, it's basically not that bad. [...] There are two rooms, which is enough space for 4 people. More or less, the infrastructure is within reach, there's public transport. Of course, we'd like to go back home, where there was more space and more opportunities. There was a kind of sense of being needed. Well, for now the main thing is that the family is warm, we have the essentials."

Man, IDP, lives in rental housing, Kirovohrad Oblast

As mentioned above, informants shared that renting was more of a **forced step** for them. Some tenants noted that the conditions in their own homes had been better, and their current housing felt **foreign and temporary**. Study participants emphasized that rented housing rarely meets their previous standards, but it is seen as a **necessary compromise** that allows them to meet their basic living needs.

"We lived in our own house, so now, in comparison, the conditions we currently live in, in an apartment, those are, of course, just incomparable things. [...] utilities plus rent... It eats up a significant share of income. Plus you're not living in your own house, it's not your furniture, not your renovation, not your furnishings."

Man, IDP, lives in rental housing, Kirovohrad Oblast

"How can we be satisfied when we used to have everything, a home, furniture, things? We're just living, waiting for the victory. We're trying to get ourselves into a normal mindset, with the kids."

Woman, IDP, lives in rental housing, Kirovohrad Oblast

"The things in the apartment are from back when they were installed. So we encounter situations when occasionally we have to renovate something. [...] it's a kind of discomfort. If you lived in your own place, you'd understand what is really worth spending money on, what needs to be repaired."

Woman, IDP, lives in rental housing, Kirovohrad Oblast

"I can also say that at the moment, I'm satisfied with housing. In winter, of course, it's harder, in summer it's a bit easier, all those services cost less. You understand, we... Our bags are always packed. We still have things that haven't been unpacked. The bags lie there packed. Because you don't know what'll happen tomorrow. [...] Not our furniture, not our pots, everything is not ours. Of course, the conditions were completely different at home. Here, it's not like that. God willing, we'll hang on, and even if it's a bit different, I only wish that everything is OK."

Man, IDP, lives in rental housing, Kirovohrad Oblast

In both rented housing and collective sites, households typically recreate their previous family living arrangements: children, parents, spouses. In some cases, as a result of displacement, several generations live together in one household. According to informants, the lack of space and the forced cohabitation of multiple families in a small apartment become a source of discomfort, especially considering that before relocation they were able to live separately.

"We are three sisters, we live together in the same shelter. Each has their own room. We have four families."

Woman, IDP, lives at a collective site, Ivano-Frankivsk Oblast

"A family, we live together. So we have one room, and how are we supposed to change clothes, we share. Because, even though there are boys and girls, I mean, mom, me, and I have two sons. I mean, we're a family, it's easier for us. It's usually harder for people."

Woman, IDP, lives at a collective site, Kirovohrad Oblast

The lack of personal space and privacy was felt especially acutely by people living in collective sites. Some study participants who had moved into collective sites noted that they were **sharing a single room with strangers**. Such living conditions make daily life more difficult and increase the need for personal space.

The limitations of a shared space also create additional challenges for organizing daily routines and complicates interactions between residents. One informant shared that workers from a nearby factory also live in her collective site. According to her, this causes difficulties—for example, when using the shared washing machine. Several tenants mentioned that their teenage children lack a separate room in their current housing. Some informants also mentioned that they were able to live with their pets in a rented apartment.

"I live with strangers. There are three of us, but now our roommate has moved to a different dorm, and there's two of us left."

Woman, IDP, lives at a collective site, Kyiv Oblast

"Our room is divided into two parts. Four people in one part and four in the other. We don't have 6 square meters per person."

Woman, IDP, lives at a collective site, Kirovohrad Oblast

"[...] the dorm is not for everyone... Not all people can find a common ground."

Woman, IDP, lives at a collective site, Ivano-Frankivsk Oblast

"We live according to the dorm rules. All together. All 30 people. [...] One kitchen for everyone, one bathroom, shared showers... Washing machine. Queues. Queues everywhere."

Woman, IDP, lives at a collective site, Ivano-Frankivsk Oblast

2.4 ● Housing plans for the future

In this study, we focused on the situation of internally displaced people and aimed to understand their needs, plans, and perspectives regarding future housing trajectories. We sought to capture whether people were considering changing their housing, how they assessed the opportunities and obstacles for such a step, and whether they associated it with an improvement in their living conditions. Study participants generally expressed a desire to move into their own housing, as

they wanted to have personal space that would provide the conditions they were once accustomed to. Housing also holds symbolic meaning for them: stability, the restoration of control over their lives, and the possibility of returning to a sense of “normalcy.” Informants repeatedly mentioned that before their forced displacement, they had their own homes, and now they were forced to live in rented housing.

“In general, we’d like to have our own [housing]. Our own bathroom. Our own bath. Our own kitchen. Our own everything. When you’re your own boss, and that’s also mentally easier. [...] I think everyone would like to have something, their own corner.”

Woman, IDP, lives at a collective site, Kirovohrad Oblast

“We all tried hard, everyone had their own home, we had it! [...] and we come, and it’s as if there was never anything. We thought we lived in poverty, but now we’re homeless.”

Woman, IDP, lives at a collective site, Kyiv Oblast

“The only thing I’ll be satisfied with is having my own housing listed in the real estate registry. Then I’ll be satisfied. If it’s equivalent to what I’ve lost.”

Man, IDP, lives in rental housing, Kirovohrad Oblast

“I want to have my own apartment. I’m tired of living in rentals since 2014 and not being an owner. I want to nail this painting right here, for it to hang right here, not like when you think that you’ll hammer that nail in and the landlord will say, ‘minus 1,000 hryvnias.’”

Woman, IDP, lives in rental housing, Kyiv Oblast

The temporary nature of living in collective sites and the lack of personal space create a sense of vulnerability and discomfort. For collective site residents, moving into rented housing is accompanied by the fear of **losing their place in the collective site** and the risk of being left without a roof over their heads. The instability of rental housing limits people’s ability to plan ahead and compels them to hold on to their current place of residence.

“We’ll leave here, but not back... They’ll take our place right away, right away.”

Woman, IDP, lives at a collective site, Kyiv Oblast

Among internally displaced people living in rented housing, the key motivation for relocating remains the **pursuit of stability** and improved living conditions. Among the obstacles tenants mentioned when considering a move were the **high cost of rent, attachment to local infrastructure (such as schools and**

kindergartens), exhaustion from frequent relocations, and concerns about the negative impact of such changes on their children. At the same time, some tenants view their current housing only as a temporary solution and do not make long-term plans. They gradually adapt to their existing conditions and are willing to move only in the case of urgent need and sufficient financial resources. This reflects the broader reality in which forced relocations and temporary solutions have become part of everyday life for internally displaced people.

"Everyone chose the housing they have now based on what they could afford. [...] It's all someone else's place, you understand, we're like guests here. We've stayed here, but as I said, our bags are still packed. Changing one place for another if there's no reason? If it's genuinely cheaper, more convenient, then yes. But in other cases, I don't think anyone will change anything."

Man, IDP, lives in rental housing, Kirovohrad Oblast

"[...] My child goes to the lyceum, to school. And the little one is in kindergarten. I don't want to traumatize them anymore with move after move after move. How much more can we take? I've settled in there. [...] The option that suits us costs twenty thousand. [...] Well, I think that's just crazy money. It's not worth it."

Woman, IDP, lives in rental housing, Kyiv Oblast

"We don't make plans like that. Not when it comes to renting either. Well, we live here. If something doesn't suit us, we'll reassess the situation, either move somewhere else or look for new options. That is, we... most IDPs are already used to this. Unfortunately, we're already adapting to the reality that exists in the country now."

Man, IDP, lives in rental housing, Kirovohrad Oblast

Financial difficulties play a significant role in internally displaced people's housing plans: the costs of purchasing or even renting housing are often unaffordable. Study participants noted that improving their living conditions is out of reach for them due to a lack of funds.

"Three of us live together, we have a small room, so a volunteer tells us, 'You have a small room, let me give you a bigger one!' But we say: 'We're unable to pay for it!'"

Woman, IDP, lives at a collective site, Kyiv Oblast

"I really want to own my own place, but I understand that it's just not going to happen anytime soon. [...] I'd like an extra room for me and my child. [...] But for now, we simply don't have the means."

Woman, IDP, lives in rental housing, Kirovohrad Oblast

"Of course, I'd like to own my own place. After all, it gives you serious confidence. But given the current situation, in my case I just hope that I have enough money to pay rent and provide for the children's basic needs, not anything fancy."

Woman, IDP, lives in rental housing, Kirovohrad Oblast

We asked study participants what they would do if their landlord significantly raised the rent. Most responded that they would **look for new housing**, as they would not be able to afford the higher cost. However, some informants noted that moving would be difficult due to their child attending a nearby school or the presence of pets in the household, which complicates the housing search. Overall, participants described **moving as a difficult process that requires significant financial resources and is emotionally hard**.

"Most likely, I'll look for different housing. Because [paying] more is just not possible. Our salary only covers rent, utilities, and food. As for clothes, no one's even thinking about that."

Woman, IDP, lives in rental housing, Kirovohrad Oblast

"I have a daughter, [...] I'm tied to the school. And that's a huge argument for me. [...] If my budget can handle the increase, I'll stay. And if it can't, I'll keep living here while looking for another place at the same time."

Woman, IDP, lives in rental housing, Ivano-Frankivsk Oblast

"They raised my rent starting in May. Raised it by 1,500 right away. Well, I tried to negotiate, because even though they increased my pension, it's still very hard, there are also utilities, and the cost of medication is huge. More than half of what's left after rent goes to medicine. I tried to talk it over, but if the rent goes up again, I don't know what I'll do. I might have to move somewhere else."

Woman, IDP, lives in rental housing, Ivano-Frankivsk Oblast

In the context of housing plans, informants expressed expectations for compensation for lost housing and the need for long-term solutions. For some study participants, purchasing their own home remains an unattainable dream; in some cases, they saw programs for the construction of social and affordable housing, which would provide stability and protection from eviction, as a more realistic option.

"You see, it snowballed. We didn't solve all this [the housing issue] back in 2014, and then things got worse in 2022, and now we just have a pile of problems we're trying to fix with some programs that are just window dressing. But in reality, the situation is only getting worse. There's an actual war in the country, and everything — the

economy, everything — is deteriorating. What we really need are fundamental changes. Social housing, something like that."

Woman, IDP, lives in rental housing, Kyiv

"We realize that it's temporary accommodation and we have no prospects. So we place our hopes in government programs to address this issue."

Man, IDP, lives at a collective site, Kyiv Oblast

"Of course, we'd like to move into free housing. [...] we can't afford to buy our own home, but, of course, we'd like to receive compensation and buy it."

Woman, IDP, lives in rental housing, Ivano-Frankivsk Oblast

"I'd also like to move to my own place, [...] I wish they replaced these rent compensation programs with compensation for lost housing."

Woman, IDP, lives in rental housing, Ivano-Frankivsk Oblast

"It's a dream, it's unattainable, I realize it's just a fantasy. To live in a dorm, but to have my own room, even if it was small, it would be my own. That would be the perfect option."

Woman, IDP, lives at a collective site, Ivano-Frankivsk Oblast

Part 3 ● Rental Housing Subsidy for Internally Displaced People: Program Overview, Results, and Difficulties with Implementation

In late January 2025, an experimental project of financial assistance for housing rent for internally displaced people was launched.²³ The project's declared goals included: **to engage the existing private housing stock in order to provide internally displaced people with affordable housing; and to bring the private rental sector out of the shadows.**²⁴

In this section, we focus on an overview of this experimental project, its main outcomes, and implementation challenges. First, we provide a brief overview of the program's conditions. Next, we focus on the difficulties in implementing the program, particularly the barriers to participation faced by both internally displaced people and landlords.

The subsidy can be used by households of internally displaced people whose situation matches all four characteristics:

- 1) have left temporarily occupied territories or territories of active hostilities (including those who left before February 24, 2022);
- 2) have no housing in regions that are located far away from the combat zone;
- 3) do not receive living assistance for IDPs;
- 4) spend over 20% of the total household monthly income on rent,²⁵ fit certain property criteria.

The amount of this subsidy is calculated individually in each case, taking into account factors such as income level, the area of the living space, number of family members, the average consumer price per square meter of rented housing, and regional differences in rental costs.²⁶ The program also

²³ Cabinet of Ministers Decree #1225 of October 25, 2024, approved an experimental project to provide subsidies to cover the cost of rent for IDPs. Read more at: <https://zakon.rada.gov.ua/laws/show/1225-2024-%D0%BF#n276>.

²⁴ The project is implemented by the Ministry of Social Policy, Family, and Unity of Ukraine; the Pension Fund of Ukraine; and the National Social Service (hereafter referred to as the NSS). The Pension Fund is responsible for granting the subsidy and establishing the order of its provision, the Ministry of Social Policy is its coordinator. Oversight of the correctness of the subsidy's allocation and payment is performed by the NSS and its territorial branches.

²⁵ The previous editions of the Decree referred to rent costs that make up over 30% of income.

²⁶ The potential effect of inaccurate data in the calculation of regional housing rent prices requires further analysis. Meanwhile, IMPACT was commissioned by the Ministry of Social Policy to conduct a targeted analysis to calculate the average rent for a single-bedroom apartment using alternative sources other than the State Statistics Service. You can examine IMPACT's calculations based on online aggregator data (OLX, LUN, DIM.RIA) here: Impact Initiatives. September 2025. "Housing rent subsidy for IDPs: Analysing market housing rents using data from online platforms" (Субсидія на оренду житла для ВПО: аналіз ринкових цін на оренду житла за даними онлайн-платформ).

provides for partial or full compensation of individual income tax and military levy for landlords.

The rent subsidy program underwent significant changes throughout 2025. Initially, it was [available](#) only in 9 oblasts of Ukraine and only if a household spent more than 30% of its monthly income on rent. The procedure for obtaining the subsidy also [changed](#) over time. Previously, the procedure required, among other things, signing a standard lease proposed by the government decree, and legal entities renting out housing were not allowed to participate in the program.

As of September 2025, the experimental housing rent assistance project had been in operation for approximately 9 months. Despite the plans of the Ministry of Social Policy, Family and Unity of Ukraine (hereafter referred to as the Ministry of Social Policy) to increase the program's funding from 3.9 billion UAH to 5.6 billion UAH in 2025, the program showed limited results. According to information provided by the Pension Fund of Ukraine (hereafter referred to as the PFU) in response to a request from the Cedos team, as of September 3, 2025, a total of **184 applications for the subsidy had been submitted, of which 86 subsidies were granted.**²⁷ Overall, the Ministry of Social Policy [acknowledged](#) that it faced difficulties in implementing the program.

One of the key obstacles faced by the experimental project was the reluctance of landlords to participate. The program requires an active role from the landlords in processing the subsidy. To receive the assistance, the tenant and the landlord must jointly submit an application to the PFU, either online or offline. During interviews, landlords stated they had not previously heard about the program and therefore did not trust it. In addition, they mentioned being unwilling to spend time and effort on the subsidy process, including contacting the PFU, learning how the program works, and understanding the mechanism for partial or full tax reimbursement.

https://repository.impact-initiatives.org/document/impact/d6311a3c/IMPACT_Brief_Rental-subsidy-for-IDPs_Analysis-of-market-prices-for-rent_August-2025_UKR.pdf.

²⁷ The number of submitted applications and granted subsidies was the highest in Kyiv (54 applications and 25 granted subsidies) and the Dnipropetrovsk Oblast (23 applications and 14 granted subsidies), while the Pension Fund did not receive a single application in the Kirovohrad, Luhansk, Sumy, Ternopil, and Chernihiv Oblasts.

"[The application procedures] scare people away and drag it out. I mean, there isn't that much trust in the state. That's probably it. They can promise you one thing, but you get [something else]..."

Landlord, rents out housing in Zhytomyr Oblast and Kyiv

"Because I don't know it [the subsidy program for IDPs], who has to do what. And if I'm supposed to do something, I'm definitely the kind of person who's like, ooh, deal with it yourselves, I have no time for that."

Landlord, rents out housing in Volyn Oblast

Landlords noted that the possibility of receiving tax compensation was not a sufficiently convincing reason for them to rent out housing through this program. As we already mentioned in the first section, landlords mostly do not pay taxes on income received from renting out housing. **The proposed tax relief did not increase the program's appeal due to the lack of simultaneous strengthening of tax control.**

"I think it's too much... You have to go somewhere, do these leases, register them. Especially here, you have to stand in line [...]. And that [means] getting involved with the Tax Authority."

Landlord, rents out housing in Kyiv

"Because the main advantage and bonus of this program [for landlords], which this program seemingly offers, is tax compensation for the landlord, but landlords don't pay those taxes already. So if it isn't done, regulation and taxation or practice of taxation, strengthening of this practice, then, essentially, there is no motivation to participate in this program."

Representative of an IDP Council

Some experts also mentioned lowering taxes as a way to encourage landlords to rent out housing officially. At the same time, even the possibility of full tax compensation in the case of subsidy registration did not increase the demand for participation in this program.²⁸

"If they combine tax relief, plus active work by the Tax Authority and an informational explanatory campaign not only by the Ministry of Social Policy, which they do on their own, but also by the Ministry of Finance and the Tax Authority, then, purely theoretically, it could work."

Representative of the non-governmental sector

²⁸ The Ukrainian Ministry for the Development of Communities and Territories proposes to develop amendments to the Tax Code that would reduce tax rates on rental housing and aim to bring the rental housing sector out of the shadows. It is also stated that these changes will help simplify the provision of assistance to IDPs when renting housing. Read more at: <https://mindev.gov.ua/news/minrozvytku-initsiiuie-zakonprojekt-shchodo-detinizatsii-rynku-orendy-zhytla>.

In addition, the current demand for rental housing **exceeds** the supply, especially when it comes to housing with relatively affordable rent. According to real estate experts, landlords are not motivated to participate in the program, as they can easily find tenants who do not require a subsidy and often do not even demand to sign a lease.

"No, but there's no motivation for the landlord. Well, if... If they're not paying those taxes already, and nobody bothers them, they're allowed to do it, what is the reason for them to make the effort with the applications, leases, tax authorities, reports, pension funds, what is the reason? They're going to find someone for their apartment just like that, in three seconds. Especially when we're talking about social housing, within 10,000–12,000 hryvnias per month in rent. Just the students right now, August is starting, students will exhaust this segment within... I mean, within a week."

Landlord, real estate agent

"The most common question from IDPs which I'm directly asked at appointments is how they can make their landlord officially come and sign a lease. [...] Refusing to sign a lease is one of the most common reasons why the subsidy is not granted. I mean, the person renting a place out just does not want to sign a lease because they are afraid that, sooner or later, the State Fiscal Service is going to collect taxes from them."

Representative of a government institution

Among the internally displaced people we managed to speak with, one of the main barriers to participating in the program was uncertainty about the stability and duration of the payments. Some had already experienced the loss of benefits under other programs. For example, some of the IDPs who previously received living assistance lost this opportunity after the eligibility criteria were revised. In addition, people had experienced delays in payments under other programs, which could last for several months. Such delays in receiving rent subsidies would be especially risky, as people might not have enough money to pay rent on their own. The lack of guarantees for timely receipt of the subsidy and the continuation of the program in the future puts tenants in a vulnerable position.

"You see, it's also about stability, because, I'll use an example. My parents receive that 2,000 payment. And it has happened multiple times, probably 2–3 times in these 3 years, that it was delayed for 3–4 months. And what if subsidies are delayed for 4 months? I don't think the landlord is going to say, 'Alright, let's wait another month, no big deal.'"

Man, IDP, lives in rental housing, Khmelnytskyi Oblast

Compared to other programs, such as the living assistance for IDPs,²⁹ the rent subsidy was perceived as less reliable. Accordingly, the inability to receive two types of assistance simultaneously became an obstacle to participating in the rent compensation program.³⁰

"And speaking about that, the people who do continue to receive the state [living] assistance because they're eligible, it means that according to this subsidy decree, it's either the subsidy or the living assistance, those meager 2,000 or 3,000. So a bird in the hand, as they say, is worth two in the bush."

Representative of an IDP Council

Another obstacle to participating in the program was the requirement regarding the employment of the household members who are capable of working. The subsidy can only be received by households in which all people of working age are either employed or registered with the State Employment Service as unemployed.³¹ At the same time, among internally displaced people, only 56% of those of working age³² are employed or self-employed. In addition, women and internally displaced people living in rural areas have lower employment rates.³³ Some internally displaced people are engaged in

²⁹ The amount of this assistance is 2,000 UAH per month for adults and 3,000 UAH for children and persons with disabilities, and it is granted for six months with a possible extension. In 2024, new eligibility criteria were introduced, reducing the number of IDPs who received this assistance. As of March 2024, 1.2 million IDPs were receiving living assistance. More details can be found in the annual report of the Ukrainian Parliament Commissioner for Human Rights on the state of observance and protection of human and civil rights and freedoms in Ukraine in 2024: <https://ombudsman.gov.ua/uk/shchorichni-ta-specialni-dopovidi>.

³⁰ According to REACH, 19.7% of the surveyed IDPs named the inability to receive both living assistance and rent subsidy at the same time as an obstacle to their participation in the subsidy program. REACH Initiative. August 2025. Situation Overview. Population profile in temporary accommodation facilities for IDPs | Ukraine (Огляд ситуації. Профіль населення в місцях тимчасового проживання ВПО | Україна). https://repository.impact-initiatives.org/document/impact/da23d0ec/REACH_UKR-Situation-Overview_CSPP-Population-Profiling-in-Collective-Sites_August-2025_UKR.pdf.

³¹ If a person has not taken steps to facilitate their employment, or has failed to register with the State Employment Service as unemployed, or has not registered as a job seeker within two months from the date of being granted the housing rent subsidy, or if their registration as unemployed or as a job seeker is terminated or canceled by the State Employment Service, the payment of the housing rent subsidy is terminated by the Pension Fund of Ukraine starting from the month following the end of the two-month period from the date the subsidy was granted; the Pension Fund of Ukraine informs both the tenant and the landlord about this decision. Read more at: <https://zakon.rada.gov.ua/laws/show/1225-2024-%D0%BF#n276>.

³² International Organization for Migration (IOM). 2024. "Employment, Mobility and Labour Market Dynamics in Ukraine." Thematic Brief Series: Livelihoods and Economic Recovery. November 15, 2024. <https://dtm.iom.int/reports/ukraine-employment-mobility-and-labour-market-dynamics-ukraine-november-2024>.

³³ Ibid. Among IDPs, 48% of women are employed, while for men the number is 71%. In addition, employment rates are lower in rural areas than in big cities, 53%

informal employment, which excludes the possibility of participating in the program.

"There can't be two non-working people in a household who are registered as unemployed and as job seekers. Given that, in Ukraine... I think about 40% of people work unofficially. I don't know, it's just going to complicate things, it's an obstacle to applying for the subsidy."

Representative of the non-governmental sector

The insecurity and unreliability of the private rental sector are among the key obstacles to participation in the program.

Short-term contracts, excessive rent increases, and the informal nature of contractual relations between tenants and landlords create conditions in which internally displaced people do not feel secure.³⁴ These factors also influenced the reluctance of people living in collective sites to risk losing their current housing for the sake of participating in the subsidy program.

"We're afraid to leave [the collective site] because it's unreliable, you see, unreliable right now."

Woman, IDP, lives at a collective site, Kyiv

The subsidy program does not include a mechanism to prevent sudden rent increases. Landlords can raise the rent because the amount of the subsidy directly depends on the sum tenants pay to rent housing. In addition, the sample lease proposed in the decree does not contain a provision setting a cap on rent increases during the contract period; it only states that the landlord has the right to revise it no more than once every 6 months.³⁵

Representatives of the non-governmental sector emphasized the importance of taking into account previous experience from similar programs when developing rent compensation tools. Some non-governmental organizations had similar programs that provided funds to cover rent payments. These

and 76%, respectively.

³⁴ 20% of IDPs who rent housing have experienced eviction, while the number is lower at 14% among people who are not internally displaced. Read more in the report: International Organization for Migration (IOM). 2024. "Ukraine Housing Brief: Living conditions, rental costs and mobility factors". July 2024. <https://dtm.iom.int/reports/ukraine-housing-brief-living-conditions-rental-costs-and-mobility-factors-july-2024>.

³⁵ Although even this frequency of possible rent increases does not fully align with best practices in countries with well-developed rental regulations. For example, in OECD countries—particularly those with a regulated private rental sector—it is common to limit rent increases to no more than once per year. Read more: OECD Directorate of Employment, Labour and Social Affairs — Social Policy Division. 2024. "Indicator PH6.1. Rental Regulation." https://webfs.oecd.org/els-com/Affordable_Housing_Database/PH6-1-Rental-regulation.pdf.

programs faced similar challenges during implementation as the state subsidy program did. In particular, landlords were unwilling to rent housing to people who paid rent through such programs and had concerns about the Tax Authority possibly discovering their unofficial rental income. Some non-governmental organizations later redirected funds from rent compensation programs to other initiatives, as they were unable to find enough landlords willing to rent out housing officially.

"There is this program when [name of organization] considers options, they pay for half a year, pay for the apartment. [...] I know many of them have faced the problem that people who rent out apartments don't want it, because they don't want it to be visible."

Representative of an IDP Council

Finally, the informants emphasized the importance of using limited resources effectively. They pointed out the risks associated with housing subsidies implemented in countries with a poorly regulated rental sector. One of these risks is the overall increase in rental prices and the decreasing affordability of housing.³⁶ To use limited funds more efficiently, one of the informants reflected on the prospects of building social housing for affordable rent. In his opinion, subsidies could be used to cover the rent of such housing—for example, for IDPs.

"We had conversations [with partners], essentially abandoned apartments which could be renovated. [...] If there was willingness to maybe rent them out, also for a subsidy on this basis, with a more social orientation, to support the state program, to check how it works."

Representative of the non-governmental sector

Ultimately, the limited results of the experimental rental subsidy project can be attributed to several factors. First and foremost, the current state of the private rental sector in Ukraine—namely its weak regulation, insecurity, and insufficient formalization—does not create favorable conditions for the effective implementation of similar programs. Most landlords in Ukraine are private individuals who rent out housing informally without paying taxes. Therefore, without stronger tax control over their activities in general, tax compensation is not a sufficient incentive for participation in the program and the formalization of their activities. As the demand for rental housing grows, landlords

³⁶ Read more about this in *Part 4. International Policy Experience to Improve the Accessibility and Security of Rental Housing*.

prefer tenants who can pay rent independently, without subsidies. The reluctance of landlords to participate in the program became one of the key obstacles to its success. In addition, internally displaced people expressed distrust toward the program overall, particularly regarding its reliability and duration. Informants living in collective sites were afraid of losing their current place there.

Part 4 ●
International Policy
Experience to
Improve the
Accessibility and
Security of Rental
Housing

The purpose of state housing policy is to create and maintain a balance between different forms of realizing the right to housing—for example, purchasing, including subsidized purchase, and renting, including subsidized rent.³⁷ Accordingly, in this section we briefly outline possible approaches to housing policy and instruments that can make housing more accessible for internally displaced people and positively influence the security and cost of rent. We focus mainly on regulations related to the rental sector, both private and public (state or municipal). However, we also address issues related to social housing.

In the European Union, decisions regarding housing policy are typically made at the level of each individual country. As a result, different approaches to housing management and provision can be observed. However, the COVID-19 pandemic compelled even countries with relatively liberal housing legislation to introduce a series of regulations, particularly concerning rental protection, to mitigate its impact on the housing sector.³⁸ The housing crisis triggered by the pandemic, especially in EU countries, intensified discussions about the need for comprehensive approaches to ensuring access to affordable housing for the population.

Accordingly, in recent years, EU-level initiatives have emerged aimed at increasing housing affordability and addressing the housing crisis. In 2024, EU Ministers responsible for housing met in the Belgian city of Liege and adopted the *Liege Declaration Towards Affordable, Decent, and Sustainable Housing for All*. The document highlights the key challenges faced by EU countries in the housing sector, including the significant rise in rent costs, homelessness, and the unaffordability of housing. The European Commission is also currently working on the *development* of the *European Affordable Housing Action Plan*, which aims to “support EU countries, regions and cities in increasing the supply of affordable and sustainable housing, and improve access to housing for people in need.”

³⁷ Fedoriv, P., and N. Lomonosova. 2019. *Ukraine: Current State and Prospects for Reform, Housing Policy in Ukraine*. Kyiv: Cedos. <https://cedos.org.ua/researches/derzhavna-zhytlova-polityka-v-ukraini-suchasnyi-stan-ta-perspektyvy-reformuvannia/>.

³⁸ Pawson, H., C. Martin, F. Aminpour, K. Gibb, and C. Foye. 2022. *COVID-19: Housing Market Impacts and Housing Policy Responses — An International Review*. ACOSS/UNSW Sydney Poverty and Inequality Partnership Report No. 16. Sydney. <https://povertyandinequality.acoss.org.au/covid-19-housing-market-impacts-2/>.

Ukraine has also committed to improving housing affordability and developing a system of social housing. The [Ukraine Facility Plan](#) highlights the need to establish a regulatory framework and to develop a national strategy for affordable social housing.

Overall, improving access to housing involves both increasing the supply of social and affordable housing and introducing higher standards for the quality and security of existing housing, including rental housing. This may include various policies and instruments, a brief overview of which we present below: regulation of rent prices; regulation of lease duration, evictions, and other living conditions; establishment of adequate housing standards; and creating opportunities for tenants to participate in housing management. We also describe some issues related to social housing and rent compensation programs.

4.1 ● Regulating rent prices

One of the ways to influence the rental sector is through rent price regulation. Researchers³⁹ distinguish several types of rent regulation within the rental sector:

- 1) Rent freeze, or setting a maximum possible rent price. A complete rent freeze is sometimes also referred to as the so-called first-generation rent controls.
- 2) Rent control between leases—for example, setting caps on the maximum annual rent increase. These are also referred to as second-generation rent controls.
- 3) Rent control within the same lease, or setting caps on how much the rent can increase, for example, annually during the term of the current lease. Such instruments are also referred to as third-generation rent controls.

Each of these approaches has its advantages and disadvantages.⁴⁰ While complete rent freezes are rarely used today, various types of rent stabilization are considered

³⁹ Science, London School of Economics and Political. 2025. "Assessing the Evidence on Rent Control from an International Perspective." London School of Economics and Political Science.
<https://www.lse.ac.uk/business/consulting/reports/assessing-the-evidence-on-rent-control-from-an-international-perspective.aspx>.

⁴⁰ More details on them can be found, for example in the report: OECD. 2020. Housing and Inclusive Growth, OECD Publishing, Paris.
<https://doi.org/10.1787/6ef36f4b-en>.

instruments that can balance the relationship between tenants and landlords and offer guarantees and security for both parties.⁴¹

Regulations can be implemented both at the national and local levels, narrowing their scope to settlements where, for example, there is a sharp increase in rental prices. For instance, in 2016 the Irish government **introduced** “rent pressure zones” (RPZs), areas where annual rent increases are limited. In June 2025, the RPZ scheme was extended to cover the entire country, and the annual rent increase was capped at 2%.

A similar approach is used in Germany, where rent regulations (*Mietpreisbremse*) were introduced in 2015 and can be applied by federal governments in municipalities with high demand for rental housing. This instrument stipulates that the rent for new housing cannot exceed the rent for comparable housing in the same municipality by more than 10%. In addition, Germany has implemented a rent system (*Mietspiegel*) under which rent increases are tied to the reference rent for local housing of similar quality. The reference rent is usually updated every four years. Only unsubsidized, market-rate rental housing can be used to determine the reference rent.⁴² Another regulation (*Mietpreisüberhöhung*) prohibits landlords from charging rent that exceeds the local reference value by more than 20%.

In the Netherlands, a points-based system is used to balance the quality and cost of housing by assessing dwellings and determining their maximum rent. The number of points determines the maximum rent price for a house, room, or mobile home. Each part of the dwelling is assigned points based on the size of the rooms, kitchen, bathroom, energy efficiency, etc., as well as property value. Each point corresponds to a rent amount in euros (+/- 5 euros per point).⁴³ Limits on rent increases are also regulated. If necessary, a tenant can appeal to the Rent Commission (*Huurcommissie*), an independent government body that mediates rental disputes.⁴⁴

⁴¹ OECD. 2020. *Housing and Inclusive Growth*, OECD Publishing, Paris. <https://doi.org/10.1787/6ef36f4b-en>.

⁴² UNECE. 2021. *#Housing2030: Effective Policies for Affordable Housing in the UNECE Region*. Geneva: United Nations Economic Commission for Europe. <https://unece.org/housing-and-land-management/publications/housing2030-study-e>.

⁴³ Ibid.

⁴⁴ Rented housing. Government of the Netherlands. <https://www.government.nl/topics/housing/rented-housing>.

Finally, in Barcelona, a new rent-setting system based on the concept of reference rent was introduced in 2020. Under this system, the rent for leases signed after 1995 must be reduced if it exceeds the reference level. The new law also covers non-rent service charges but does not apply to housing built within the past three years or to social housing. Failure to comply with the requirements can result in fines ranging from 3,000 to 90,000 euros, depending on the severity of the violation.⁴⁵

4.2 ● Regulating lease duration, eviction procedures, and other terms of residence

The security and predictability of renting also depend on the duration of leases and protection against eviction. As noted above, in Ukraine, leases typically last between 6 and 12 months, and the Civil Code does not set any requirements for a minimum lease term. This creates opportunities for speculation and sudden rent increases between leases. At the same time, long-term or open-ended leases are rare in Ukraine.

The distinction between short-term and long-term rental housing, as well as the existence of open-ended leases, is one of the central conditions for a high-quality and secure private rental sector. For example, in Germany, any lease is considered open-ended unless stated otherwise. Landlords may conclude fixed-term leases only under certain conditions—for instance, if the dwelling will be needed for their own use after the lease expires.

As for protection against evictions, various approaches can also be applied. For example, during the COVID-19 pandemic, many countries introduced **moratoriums on tenant evictions**. These policies effectively recognized the vulnerability of people who had reduced their employment or lost their jobs altogether and, as a result, were unable to pay rent fully or on time. Despite differing state capacities, the number of evictions

⁴⁵ UNECE. 2021. *#Housing2030: Effective Policies for Affordable Housing in the UNECE Region*. Geneva: United Nations Economic Commission for Europe. <https://unece.org/housing-and-land-management/publications/housing2030-study-e>.

decreased significantly in most countries that implemented such restrictions during the pandemic.⁴⁶

In addition, regulations may concern the eviction procedure and the conditions under which it can be initiated; the minimum notice period required before eviction; the right to remain in the dwelling in cases of unlawful eviction; the provision of compensation in the event of unlawful eviction; cases of obstruction of housing use; and other unlawful actions by landlords.⁴⁷

The implementation of policies, standards, and regulations helps make the housing sector more transparent and increases the affordability of rental housing. This, in turn, can help achieve other goals, such as preventing homelessness, reducing poverty, or mitigating the effects of climate change and other crises.

4.3 ● Establishing and monitoring proper housing standards

One of the challenges of the private rental sector in Ukraine is the imbalance between the quality and cost of housing. At present, there are no defined proper standards for rental housing in Ukraine. There are also no established rules regarding the relationship between housing cost and quality, nor any defined responsibility for landlords to ensure compliance with such standards.

Housing standards, including those concerning rental housing, as well as the responsibilities and obligations of landlords, can be established in separate legislation. For example, in the United Kingdom, housing-related provisions are enshrined in the Housing Act 1988 and the Landlord and Tenant Act 1985. The latter sets minimum standards for housing conditions, particularly regarding the safety and

⁴⁶ Pawson, H., C. Martin, F. Aminpour, K. Gibb, and C. Foye. 2022. COVID-19: Housing Market Impacts and Housing Policy Responses — An International Review. ACOSS/UNSW Sydney Poverty and Inequality Partnership Report No. 16. Sydney. <https://povertyandinequality.acoss.org.au/covid-19-housing-market-impacts-2/>.

⁴⁷ Nic Shuibhne, Emma N, L Michelle Bruijn, and Michel Vols. 2023. "Deconstructing the Eviction Protections Under the Revised European Social Charter: A Systematic Content Analysis of the Interplay Between the Right to Housing and the Right to Property." Human Rights Law Review 23 (4): ngad022. <https://doi.org/10.1093/hrlr/ngad022>.

technical condition of housing. The document also defines landlords' responsibilities for the repair and maintenance of housing. A new important legislative initiative for the private rental sector is the [Renters' Rights Bill](#). It envisions the creation of a unified database of landlords, which will help increase the transparency of the rental market and simplify the verification process. Landlords will be required to register and enter information about rental properties into this database.

To improve housing quality in practice, it is also necessary to regularly monitor compliance with standards. Monitoring can reveal broader systemic shortcomings that require new approaches, policy decisions, or structural reforms. Differences in housing standards exist not only between countries but also across different segments of their housing systems. For example, England uses the Decent Homes Standard, which is monitored as part of the English Housing Survey.⁴⁸

Some countries also have dedicated bodies responsible for implementing and monitoring state housing policy.⁴⁹ These include national housing agencies, which are most often executive government bodies tasked with ensuring the right to housing in cases where market mechanisms fail to do so. The presence of such bodies reduces difficulties in aligning and coordinating efforts at the legislative and executive levels and increases the likelihood that existing housing policies will be implemented.

The Center for State-Subsidized Housing Construction (Valtion tukeman asuntorakentamisen keskus, Varke)⁵⁰ is an executive body under Finland's Ministry of the Environment and is responsible for implementing state housing policy. Varke's tasks include guaranteeing loans for the construction of social housing and monitoring the resources used for this purpose. In addition, Varke approves social housing providers and ensures compliance with established regulations and housing standards.

⁴⁸ UNECE. 2021. *#Housing2030: Effective Policies for Affordable Housing in the UNECE Region*. Geneva: United Nations Economic Commission for Europe. <https://unece.org/housing-and-land-management/publications/housing2030-study-e>.

⁴⁹ Ibid.

⁵⁰ The Center for State-Subsidized Housing Construction was established within the Finnish Ministry of the Environment in 2025. It assumed the responsibilities of the Housing Finance and Development Centre of Finland (ARA), which was dissolved on February 28, 2025. Read more about their work: <https://www.varke.fi/en>.

4.4 ● Tenant organizing and their participation in housing management

In addition to legislative regulations and state programs, various forms of self-organization and tenant participation in housing management processes can influence access to housing. Tenant associations can be formed on the platform of demands for non-discrimination, rent control, rental security, and compliance with housing standards.⁵¹ Tenant involvement may take the form of collective negotiations with landlords, consideration of their views in housing management decisions, and democratic governance of cooperative or social housing.

An example of such involvement is “tenant democracy” in Denmark, where residents of social housing elect a building council that makes key decisions in managing the building.⁵² This includes determining rent levels, managing the budget as well as repair and modernization projects. In addition, council representatives generally vote against the sale of individual apartments, which makes the privatization of social housing more difficult.

The Swedish housing market is among the most tenant-friendly in the world and is based on rent control legislation. Rent levels for apartments are typically determined through annual negotiations between landlords and tenants, who are usually represented by the Swedish Union of Tenants. The negotiations focus on two key aspects: the utility value of apartments and changes in building management costs. The utility value is assessed through surveys on the utility value of apartments (for example, using documentation and a points system) and by establishing tenant-assigned values (for example, via questionnaires). These processes are regulated by Regional Rent Tribunals, which oversee the utility value system and set limits for “reasonable rent” based on the highest rate others pay for comparable apartments plus 5%. If no agreement is reached, the dispute is referred to the [Rental Market Committee](#).

⁵¹ International Union of Tenants: <https://www.iut.nu/>

⁵² Lilius, Johanna, and Rikke Skovgaard Nielsen. 2024. “Alive and Kicking? Resident Democracy in Nordic Social Housing: The Cases of Denmark and Finland.” *Tidsskrift for Boligforskning* 7 (1): 50–63. <https://doi.org/10.18261/tfb.7.1.5>

Housing support and affordability programs in Sweden are implemented at the local level. The main instruments of such support include the provision of housing, municipal social contracts, and housing search assistance.⁵³ A municipal social contract is a system under which municipalities provide social assistance by renting apartments from property owners and then subletting them to people who cannot independently find affordable housing. These contracts, often referred to as social contracts or transfer agreements, are time-limited and aim to help people transition to regular open-ended leases with the property owner.⁵⁴

4.5 ● Housing Ombudsman as an institution

As part of measures to monitor and ensure compliance with housing rights and standards, the introduction of a Housing Ombudsman institution could be considered. The existence of such institutions can also help raise awareness of housing rights and responsibilities, particularly in the rental sector. Similar institutions already operate in Ukraine, including in the fields of [human rights](#), [education](#), and the [protection of the national language](#).

In one of [its previous reports](#), Cedos already wrote about the importance of changing the legal culture and law enforcement practices, particularly regarding rental housing in Ukraine. At that time, we also cited the example of Canada's Federal Housing Advocate, an experience that remains valuable for Ukraine.

In Canada, the [Federal Housing Advocate](#) is an independent, non-partisan oversight institution operating under the Canadian Human Rights Commission. The office of the Federal Housing Advocate was established in 2019 as part of the development of Canada's National Housing Strategy. Among the institution's main powers are receiving complaints about housing rights violations, including evictions and breaches of contract; monitoring compliance with housing legislation;

⁵³ Granth Hansson, Anna. 2021. "Housing the Vulnerable: Municipal Strategies in the Swedish Housing Regime." *European Journal of Homelessness* 15 (2): 13–36. <http://urn.kb.se/resolve?urn=urn:nbn:se:kth:diva-298337>

⁵⁴ Ibid.

developing and providing recommendations on housing policies and programs; and raising awareness of housing rights. The mandate of the Federal Housing Advocate is based on a human rights-based approach and includes participation, accountability, non-discrimination, fairness, transparency, empowerment, accessibility, respect for Indigenous peoples, and adherence to legal norms and international human rights obligations.

4.6 ● Social housing

One of the important factors that help balance the private rental sector is the existence and size of the social housing stock. There are various approaches to defining social housing. Common criteria usually include its affordability, social orientation, and some form of state subsidization.⁵⁵ Providers of such housing may include the state (through relevant institutions), municipalities, cooperatives, or other organizations.

There are different approaches to determining rent levels in social housing.⁵⁶ The choice of a particular approach may be determined by the state's overall housing strategy as well as by the availability of necessary resources and capacities for long-term planning. Different methods of rent-setting affect the affordability of housing for vulnerable population groups, particularly low-income people.

One way to calculate rent is through the cost-rent principle. According to this approach, the rent is set at a level that allows the housing provider to cover the costs of construction and maintenance. The advantage of this method is the sustainability of the funding model and, as a result, the ability to guarantee the security of such rental arrangements.

An example of a country where the cost-based approach is applied is Finland, where, according to various estimates, social housing accounts for between 11% and 20% of the total

⁵⁵ Granath Hansson, Anna, and Björn Lundgren. 2019. "Defining Social Housing: A Discussion on the Suitable Criteria." *Housing, Theory and Society* 36 (2): 149–66. <https://doi.org/10.1080/14036096.2018.1459826>.

⁵⁶ OECD. 2020. "Social housing: A key part of past and future housing policy", *Employment, Labour and Social Affairs Policy Briefs*, OECD, Paris. https://www.oecd.org/en/publications/social-housing-a-key-part-of-past-and-future-housing-policy_5b54f96b-en.html.

housing stock.⁵⁷ All citizens of the country are entitled to access social housing. However, municipalities may also prioritize certain groups of people. A distinctive feature of this system is that the funding approach is applied not to individual buildings but to the entire social housing stock owned by the housing provider company. As a result, rent costs are balanced across all housing units, and newly built dwellings are not significantly more expensive than older ones.

An important feature of social housing is the presence of responsible, socially oriented landlords, such as housing provider companies. Their activities are generally supervised and monitored at the state level. This makes it possible to implement housing quality standards, monitor compliance, and ensure adherence to rent regulations and the non-violation of tenants' rights.

Cost-rent in social housing often coexists with targeted rent subsidies provided to people who cannot afford cost-rent. These subsidies are granted through beneficiaries who pay them to the housing companies. **The combination of rent subsidies with responsible and regulated landlords, on the one hand, helps support the most vulnerable groups, and on the other hand, ensures the financial sustainability of housing companies.**

⁵⁷ Housing Europe. 2021. Cost-based social rental housing In Europe. The cases of Austria, Denmark, and Finland. <https://www.housingeurope.eu/cost-based-social-rental-housing-in-europe/>.

4.7 ● Rent compensation

To ensure households' financial capacity to exercise their right to housing as quickly as possible, different countries use instruments to stimulate housing demand.⁵⁸ Among these are housing subsidies or housing allowances, which can target renters. Such programs may compensate part of the current rent cost as well as part of the cost of other housing-related services. They are most often designed to provide targeted support to low-income households, migrants, elderly people, or those whose homes have been damaged by natural disasters or other destruction.

Overall, since the late 1990s, many countries have shown a trend of shifting from funding the construction of social housing to providing targeted housing subsidies.

One of the key advantages of housing subsidies is that they allow households to quickly reduce the share of income spent on housing. In addition, housing subsidies promote greater tenant mobility and give them a wider choice of housing, both in terms of quality and location. Such payments can also serve as support for households at risk of losing their housing, for example, due to the loss of a stable income.

At the same time, the negative consequences of introducing housing subsidies include concerns about the efficient use of funds and the limited impact of subsidies on improving access to housing and its quality.⁵⁹ For instance, housing subsidies can contribute to rising rent prices. Moreover, subsidies alone do not guarantee protection, do not safeguard tenants' rights, and do not ensure high housing quality. Finally, such payments can disperse limited resources intended to support the housing sector and, in turn, fail to contribute to the sustainable improvement of access to housing.

Even when vulnerable groups have access to subsidies, they may not always be able to find housing in the private sector.⁶⁰ Landlords may hold prejudices against people receiving housing assistance and deliberately refuse to rent to them. To prevent discrimination against tenants, including those

⁵⁸ OECD. 2024. "Indicator Ph 3.2 Key Characteristics Of Housing Allowances." OECD Affordable Housing Database. <http://oe.cd/ahd>

⁵⁹ Flambard, Véronique. 2019. "Housing Allowances: Still Struggling to Make Ends Meet." *Housing Studies* 34 (4): 688–714.

<https://doi.org/10.1080/02673037.2018.1468420>

⁶⁰ Ibid.

receiving subsidies, some countries have established Social Rental Agencies (SRAs). These agencies can provide landlords with guarantees of timely rent payments and proper maintenance of the property; they can also offer additional protection and support to tenants.⁶¹

Overall, rent subsidies and various rent compensation programs exist in many countries. For example, the [Local Housing Allowance](#) program in the United Kingdom or the [Rent Supplement](#) in Ireland. In Germany, households can also receive several types of housing subsidies depending on their income level. However, to ensure the most effective use of resources and achieve long-term positive effects on housing affordability, **subsidies should be combined with additional regulations of the private rental sector and the development of a social and affordable housing system; subsidies should also be directed to responsible and accountable landlords.**

⁶¹ Ibid.

● Conclusions

The key issues of the private rental sector in Ukraine are still its informality, unpredictability, and lack of security. Rental housing is regulated by specific articles of the Civil Code and the Constitution. However, there is no dedicated legislation governing rental housing in Ukraine. Certain matters related to renting, such as the mechanism for setting and increasing rent or the minimum duration of leases, remain unaddressed by law. These matters are left for the parties to regulate through the lease.

According to expert estimates, most landlords are private individuals who rent out housing informally, sometimes without signing a contract and usually without paying taxes. At the same time, even the presence of a written lease does not always guarantee the protection of rights. As a result, tenants often face violations such as forced eviction, non-return of security deposits, sudden rent increases, biased treatment, and discrimination. This is partly due to the limited scope of existing regulations and of their enforcement. Furthermore, court practice in protecting tenants' rights currently remains minimal. The implementation of existing regulations is also hindered by the lack of formalization in the rental sector.

Another challenge of the private rental sector is the lack of formalization of intermediary activities. This complicates oversight and control of the private rental sector, as well as the collection and analysis of information on rental housing.

Informality and the lack of adequate protection in the private rental sector negatively affect various stakeholders, including property owners and real estate agents. However, tenants remain the most vulnerable group, particularly young people, low-income people, elderly people, and internally displaced people.

In this study, we focused on the renting experiences of internally displaced people and were able to **identify several key challenges they face**: the deterioration of housing conditions after forced displacement, the lack of affordable housing, the unpredictability and insecurity of renting housing, prejudice and discrimination.

The deterioration of housing conditions and financial situations after forced displacement is one of the major issues mentioned by the informants. Most study participants had lived in their own housing, an apartment or a private house, before displacement. Accordingly, a significant portion of participants encountered rental housing for the first time

after being displaced. They emphasized that the rental housing rarely meets their previous standards, but it is perceived as a necessary compromise.

Internally displaced people said they perceived renting as a forced measure. This is linked to a sense of insecurity and dependence on the unilateral decisions of the landlord. In addition, frequent relocations caused by sudden rent increases or evictions made life more difficult for families of internally displaced people, particularly due to the need to change their children's schools, the lack of transit access, or the lack of adequate infrastructure in their new place of residence.

The inaccessibility of rental housing was a persistent problem for internally displaced people. It made finding housing more difficult and led to situations where people rented lower-quality housing or where several generations of the same family were forced to live together.

Another issue with renting housing from private individuals, noted by nearly all informants, was its unpredictability. The study participants described a number of common difficulties they faced due to the lack of control over the rental sector and the absence of accessible ways to protect their rights. These included landlords' reluctance to rent to internally displaced people or offers to sign rental contracts for no longer than 6 months, as well as unilateral sharp rent increases that could be accompanied by threats of eviction.

The experiences of internally displaced people confirm the existence of inequality in the relationships between tenants and landlords. The housing situation of internally displaced people often depends on the nature of their interaction with landlords. Rental relations are sometimes based on verbal, non-formalized agreements rather than written leases. On the one hand, some study participants reported cases of support and flexibility from landlords: they did not raise the rent, respected privacy, approved renovations, and covered their costs through rent. On the other hand, some tenants faced negative practices: unjustified rent increases, the need to resolve maintenance issues at their own expense, and so on.

The study participants who lived in collective sites spoke about both the positive and negative aspects of living there. On the one hand, informants noted the accessibility of collective sites, the absence of discrimination based on IDP status or on the presence of children or pets, as well as the availability of functional household appliances and adequate heating in

winter. On the other hand, internally displaced people mentioned the lack of space, the need to live with strangers, and to share kitchens, bathrooms, and access to washing machines with them. **Although informants described living in such conditions as emotionally exhausting, the reliability and security of this option compared to rental housing motivated IDPs to remain in the collective sites.**

Some informants said that moving into their own housing was their most desired option. According to them, it would allow them to improve their living conditions and regain control over their lives and a sense of “normalcy.” A few study participants also expressed hope for compensation programs for damaged and destroyed housing, as well as mentioned social housing as a possible long-term solution.

In this study, we also analyzed the implementation of the experimental housing rent financial assistance project for internally displaced people, which was launched in late January 2025.

The experimental project providing rental housing subsidies showed limited results. As of early September, according to the Pension Fund, 184 applications for the subsidy had been submitted, resulting in 86 subsidies granted. These outcomes of the experimental housing project can be attributed to several factors. First of all, the current state of the private rental sector in Ukraine does not support the effective implementation of such programs.

One of the main challenges faced by those who implemented the program was landlords’ reluctance to participate.

Primarily, given the growing demand for rental housing, landlords could prefer tenants who are able to pay for housing without assistance programs. In addition, as mentioned above, in most cases landlords in Ukraine are private individuals who rent out housing informally, without formal leases or tax payments. Under these conditions, tax compensation alone is not an effective incentive to participate in the program. The landlords whom we talked to as part of this study did not mention tax compensation as a factor that could motivate them to take part in the program. Thus, the proposed tax relief largely failed to increase the program’s appeal due to the lack of simultaneous strengthening of tax control.

Internally displaced persons expressed distrust toward the program; their concerns related both to its stability and its duration. A few informants living in collective sites said they

feared losing their current place of residence due to participation in the new project.

Internally displaced people voiced concerns about the program's future duration and possible payment delays. They referred to negative experiences with previous housing programs. They also expressed doubts about their ability to convince landlords to rent housing to people paying for it through a subsidy.

The design of the experimental project at times made it difficult for internally displaced people to participate. For instance, to take part in the subsidy program, IDPs had to give up or forgo receiving living assistance. Accordingly, some informants stated that they opted for living assistance instead, as they considered it a more reliable program. The requirement that all household members capable of working be employed or registered with the State Employment Service was another obstacle mentioned by informants.

Finally, representatives of the non-governmental sector noted that introducing a subsidy in an unregulated rental market could lead to an increase in rent prices. Some housing experts pointed out that it would be more reasonable to invest limited financial resources in expanding the social housing stock and only then implement subsidy programs for those unable to pay the full rent.

Rental housing, particularly strengthening its security and predictability, should become one of the priority directions of housing policy development in Ukraine. There is currently a need to balance the relationship between tenants and landlords by strengthening the protection of tenants' rights. Only under such conditions can renting from private individuals serve as a reliable means of ensuring the right to housing.

● Recommendations ⁶²

⁶² In these recommendations, we focus on the private rental sector.

1. Develop and adopt a State Housing Policy Strategy.⁶³
2. Develop and adopt a section on rental housing and protecting tenants' and landlords' rights as part of the State Housing Policy Strategy.
3. Develop and adopt dedicated legislation on rental housing.⁶⁴
4. Amend tax legislation to introduce differentiated tax rates for short-term and long-term rental housing.⁶⁵
5. Establish caps on annual rent increases within one lease at no more than, for example, 10% of the rent specified in the lease at the moment of its signing.
6. Establish the minimum duration of long-term leases—for example, 3 years.⁶⁶
7. Introduce registration of housing leases. Registration of leases can be done through digital instruments, such as the Diia platform. The registration procedure and the obtained data may become part of the future Unified Housing Information and Analysis System, whose establishment is already envisioned by the Bill "On the foundations of housing policy."⁶⁷
8. Introduce the institution of a Housing Ombudsman, whose powers may include: reviewing and verifying complaints; monitoring, documenting, and publicizing violations of the right to housing; obtaining information from government bodies, including information with restricted access; submitting requests to government bodies and law enforcement agencies regarding identified violations of legislation regulating access to housing; unrestricted access to government bodies and

⁶³ At the time of writing this report, the Ministry for the Development of Communities and Territories of Ukraine had already established an Interagency Working Group on the development of the State Housing Policy Strategy, with its first meeting held in September 2025. Through this recommendation, we wish to express our support for this work and emphasize the importance of adopting the State Housing Strategy.

⁶⁴ The need for specific legislation on rental housing is also voiced by members of the Tenants Union of Ukraine. As noted in the first section of this report, Ukrainian legislation already includes examples of documents regulating certain aspects of renting, such as the "On renting public and municipal property," or the Law "On leasing land."

⁶⁵ A differentiated tax rate means that the rate should be higher for short-term rental contracts and lower for long-term rental contracts. This would encourage landlords to conclude long-term rental contracts, which would provide greater protection for tenants.

⁶⁶ The specific duration of three years is based on the current provisions of the Civil Code of Ukraine, which stipulates that lease contracts for buildings with a duration of three years or more are subject to mandatory state registration.

⁶⁷ Bill "On the foundations of housing policy" (registered under #12377 of January 6, 2025).

social housing operators, participation in meetings on the implementation of the right to housing; providing consultations on the protection of housing rights; analyzing compliance with housing legislation and making proposals for its improvement; representing interests in court.

9. Strengthen tax control over private rental housing transactions.
10. Regulate the activities of intermediaries in the private rental sector, including by developing and adopting dedicated legislation on intermediary activities.
11. Promote awareness of rights and responsibilities in the private rental sector through information campaigns.
12. Conduct regular monitoring studies on housing conditions in the private rental sector, particularly regarding the quality of and access to such housing.