

Housing cooperatives for Belval South

Building accessible & affordable housing together



INTRODUCTION

Housing is one of the most pressing challenges in Luxembourg. Affordable housing is scarce, yet urgently needed. Housing cooperatives offer an alternative solution: they enable their members to create affordable housing for themselves and thus make an important contribution to solving the housing crisis - today and tomorrow.

Thanks to AGORA, this idea can now become a reality: This call for projects marks the first time in Luxembourg that a plot of land will be allocated exclusively to housing cooperatives.

The location for this pilot project could not be more fitting: Belval South - a new, innovative neighborhood in the south of Luxembourg, next to the large park and the Lycée Bel-Val. The plan is to create a diverse, lively neighborhood with family housing, green spaces, playgrounds, quiet streets and its own urban dynamic.

CONTENTS

Chapter 1: What is a cooperative?

What does a cooperative offer?

How is a cooperative financed?

Subsidized apartment

Privately financed apartments

Leasehold

Chapter 2: The call for projects

What is up for tender?

Who can apply?

What must be submitted?

Information on the procedure

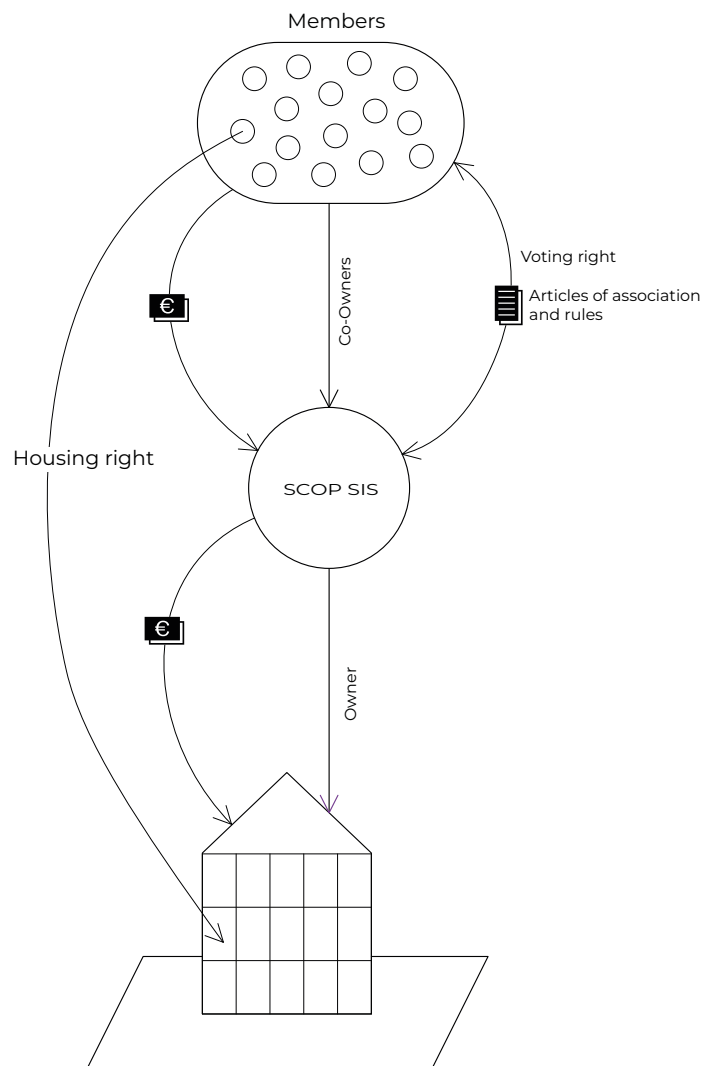
Procedure and dates

Evaluation criteria

Helpful links

Chapter 1: What is a cooperative?

A housing cooperative is a company whose purpose is to provide its members with affordable and good housing. Unlike on the free housing market, the apartments do not belong to individual owners, but to the cooperative as a company. This company is the common property of the individual members. Anyone who lives in a housing cooperative is always a member of the cooperative. It can therefore be said that living in a cooperative means being a “tenant” in your own home.



What does the cooperative offer?

Accessible rents

Rents in the cooperative are not profit-oriented but cover costs. This means that it only covers the actual costs of the apartment (loan, administration and maintenance costs).

Long-term housing security

In the cooperative, every member has a lifelong right of residence, which (depending on the articles of association) can also be inherited.

Democratic participation

All members of the cooperative have a say in important decisions - from the articles of association to planning and administration.

Community living

Cooperatives promote solidarity and offer the opportunity to plan together - with open spaces, communal rooms or shared gardens.

Long-term perspective

The apartments remain in the ownership of the cooperative. Speculation or sale are therefore ruled out and rents remain affordable in the long term.

Adaptable apartments

Cooperatives often plan flexible floor plans that can adapt to the needs of their residents as they change.

Sustainable development

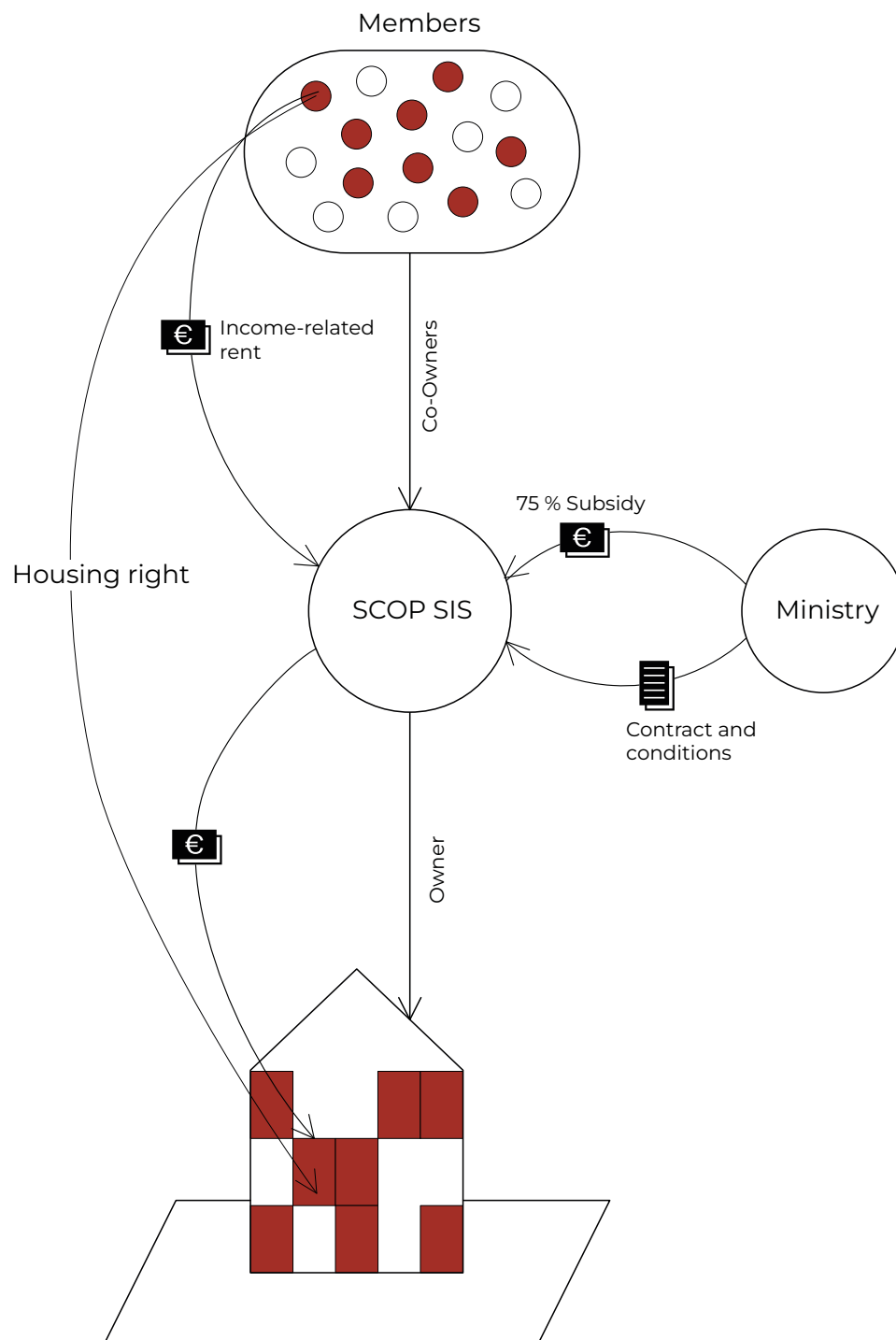
Surpluses are reinvested - in new projects, renovations or social services.

How is a cooperative financed?

There are two ways to finance a cooperative housing project: via privately financed and subsidized apartments. Both models can be combined within a building - a project can therefore include both privately financed and subsidized units. Such a combination not only strengthens the economic viability of the project, but also promotes a social mix that benefits all residents.

The application dossier must indicate how many subsidized and how many privately financed apartments are planned in the cooperative.

Subsidized apartments



In Luxembourg, non-profit cooperatives (SCOP SIS) are entitled to the state subsidy “Aides à la pierre” as so-called “promoteurs sociaux”. This means that up to 75% of the construction costs of the project (building and planning costs, etc.) are covered by the public sector.

The rents for these apartments are set by the Ministry of Housing as part of the so-called “location abordable” (“affordable rent”). They amount to between 10% and a maximum of 35% of the monthly domestic community income. Members can stay in the apartment indefinitely; however, the rent is adjusted annually in line with any changes in income.

These apartments can only be occupied by households/members who meet the public authority’s criteria for “location abordable”. These are as follows ([Law on Affordable Housing](#)):

1. Be of legal age
2. Not be a property owner (in Luxembourg or abroad)
3. Have a net monthly income that does not exceed the specified income ceilings
4. The applicant-tenant and the members of their domestic community have a right of residence of more than three months at the time of the application.

The income ceiling varies depending on the household constellation:

Household: Monthly income ceiling (net)

1 adult: € 3,727

2 adults: € 5,591

1 or 2 adults + 1 child: € 7,082

1 or 2 adults + 2 children: € 8,573

1 or 2 adults + 3 children: € 10,064

Per additional child: +1,118 €

Per additional adult: +1,491 €

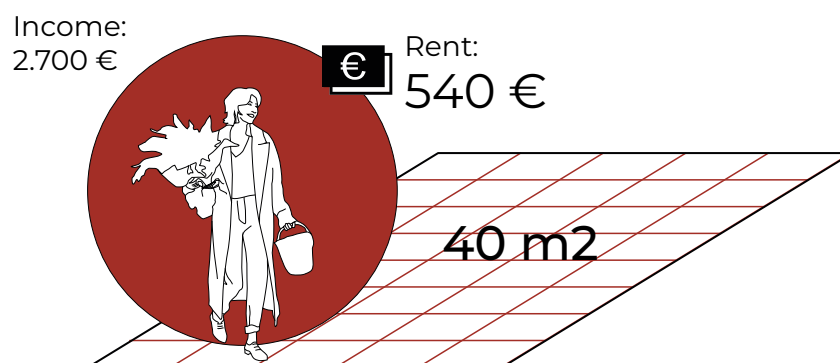
For a subsidized apartment, a member does not have to contribute any equity capital to the cooperative. Only the following contributions are due:

1. A one-off payment of at least one share certificate in the cooperative (amount to be determined jointly by the founding members)
2. An annual membership fee (also determined jointly)
3. Monthly charges (heating, electricity, internet, etc.)
4. Monthly income-related rent (between 10% and 35% of household income)

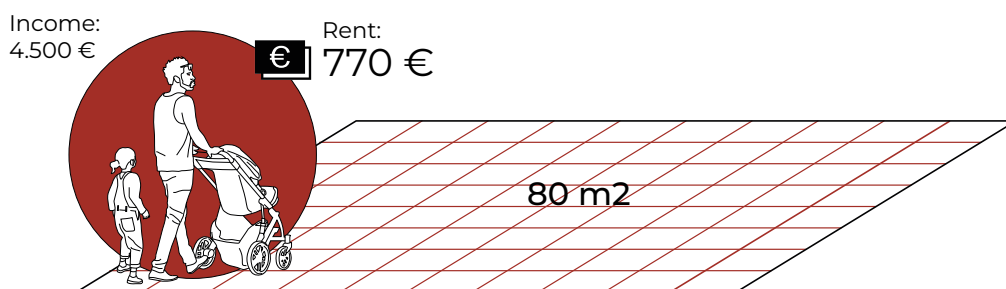
A calculator for calculating the income-related rent is available for download on the website of the Ministry of Housing (see [Helpful links](#)).

Two examples:

A single person who lives alone in an apartment of around 45 m² and has a monthly net income of € 2,700 pays a basic rent of around € 540.



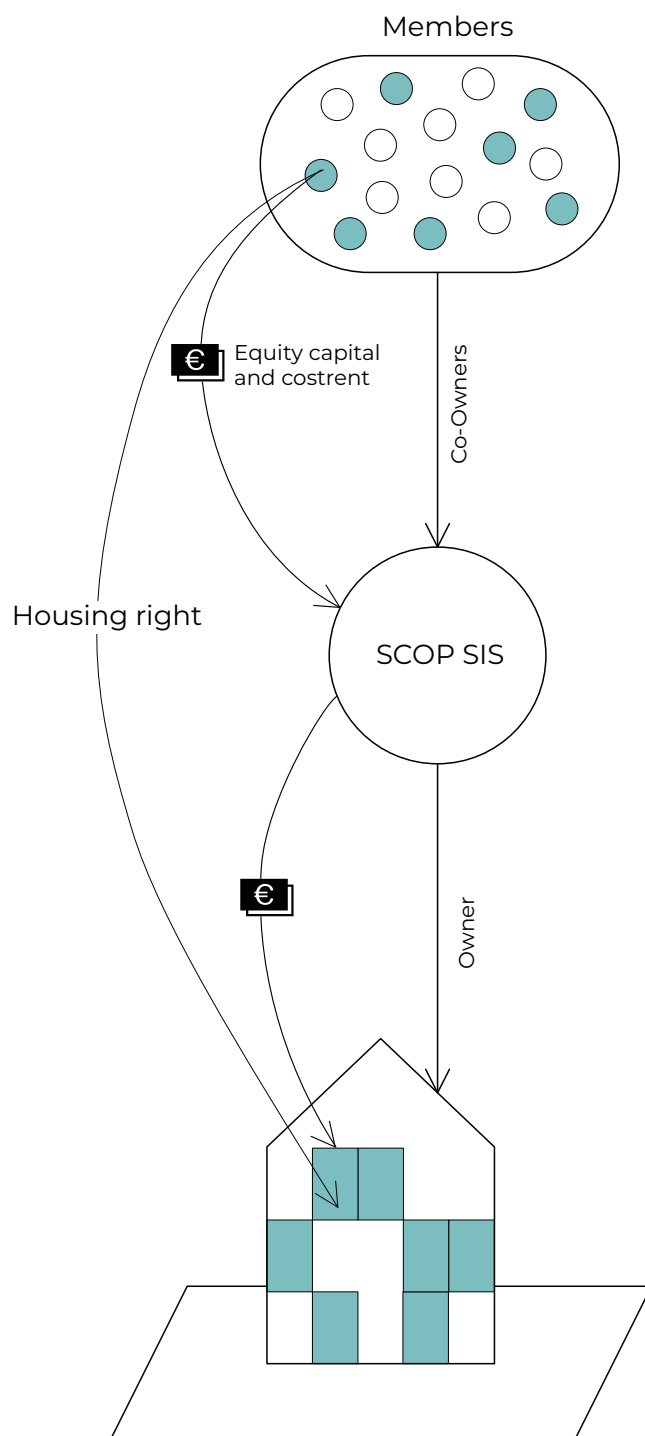
A single parent with two children who lives in an apartment of around 80 m² and has a monthly net income of €4,500 pays a basic rent of around €770.



In the case of subsidized apartments, the public sector imposes specifications regarding size, furnishings, etc., which must be taken into account during planning. Overall, the cooperative has less decision-making leeway with these apartments than with privately financed apartments.

For more information, please find the specifications for affordable housing [here](#).

Privately financed apartments



The cooperative bears the entire planning and construction costs for the privately financed apartments itself. To do so, it can take out bank loans or draw on private loans, for example. As a non-profit cooperative, it can also apply for funding from foundations.

In most cases, members contribute equity to the cooperative at the beginning so that it can apply for a bank loan. If members later move out of the cooperative, the equity they have contributed is repaid to them. The remaining costs of the building (loan repayments, administration, insurance, etc.) are covered by the so-called “cost rents” for the apartments. These are so called because they only reflect the actual costs for the living space - no additional profits are factored in.

The following contributions are due for a privately financed apartment:

1. Equity in the form of share certificates or personal loans (amount depends on the size of the apartment)
2. A one-off payment of at least one share certificate in the cooperative (amount to be determined by the founding members)
3. An annual membership fee (also determined jointly)
4. Monthly charges (heating, electricity, internet, etc.)
5. Monthly cost rent (calculated according to apartment size)

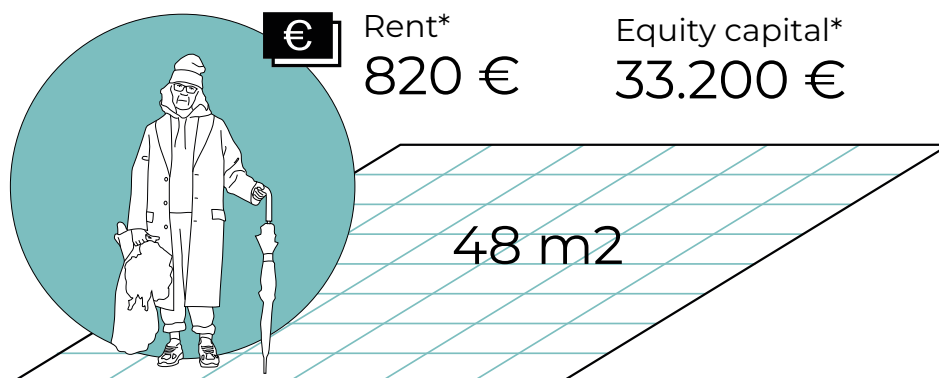
The amount of the cost rent and the required equity capital depends heavily on the construction costs. As cooperatives build for their own members - and are usually also planned by them - they often create very cost-effective, yet high-quality housing projects. Attention is also often paid to high energy standards, as the energy costs are not borne by external tenants, but by the members themselves.

Another decisive factor for the affordability of cooperative apartments is the cost of the land. Leaseholds on favorable terms can significantly reduce both the equity required and the cost rent. This call for projects therefore represents a great opportunity for cooperatives.

Two examples of monthly rent based on the costs calculated under the assumption of a long-term lease (emphyteutic lease) on the land¹:
Depending on the construction costs, the cost rent and the equity required for the cooperative apartments in Belval South could be as follows:

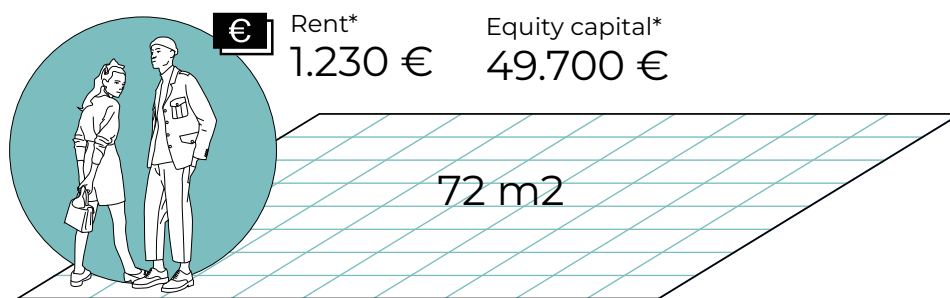
For a 48 m² apartment, the monthly rent would be around €820* and the required equity would be around €33,200*.

¹ Depending on the proportion of subsidized housing within the SCOP SIS, a direct purchase of the land by the SCOP SIS could also be considered. Indeed, the latter would also benefit from the housing subsidy ("aide à la pierre") on the land related to the subsidized housing.



For a 72 m² apartment, the monthly rent would be around €1,230* and the required equity would around €49,700*.

*The amounts stated are estimates and may vary depending on the actual construction costs.

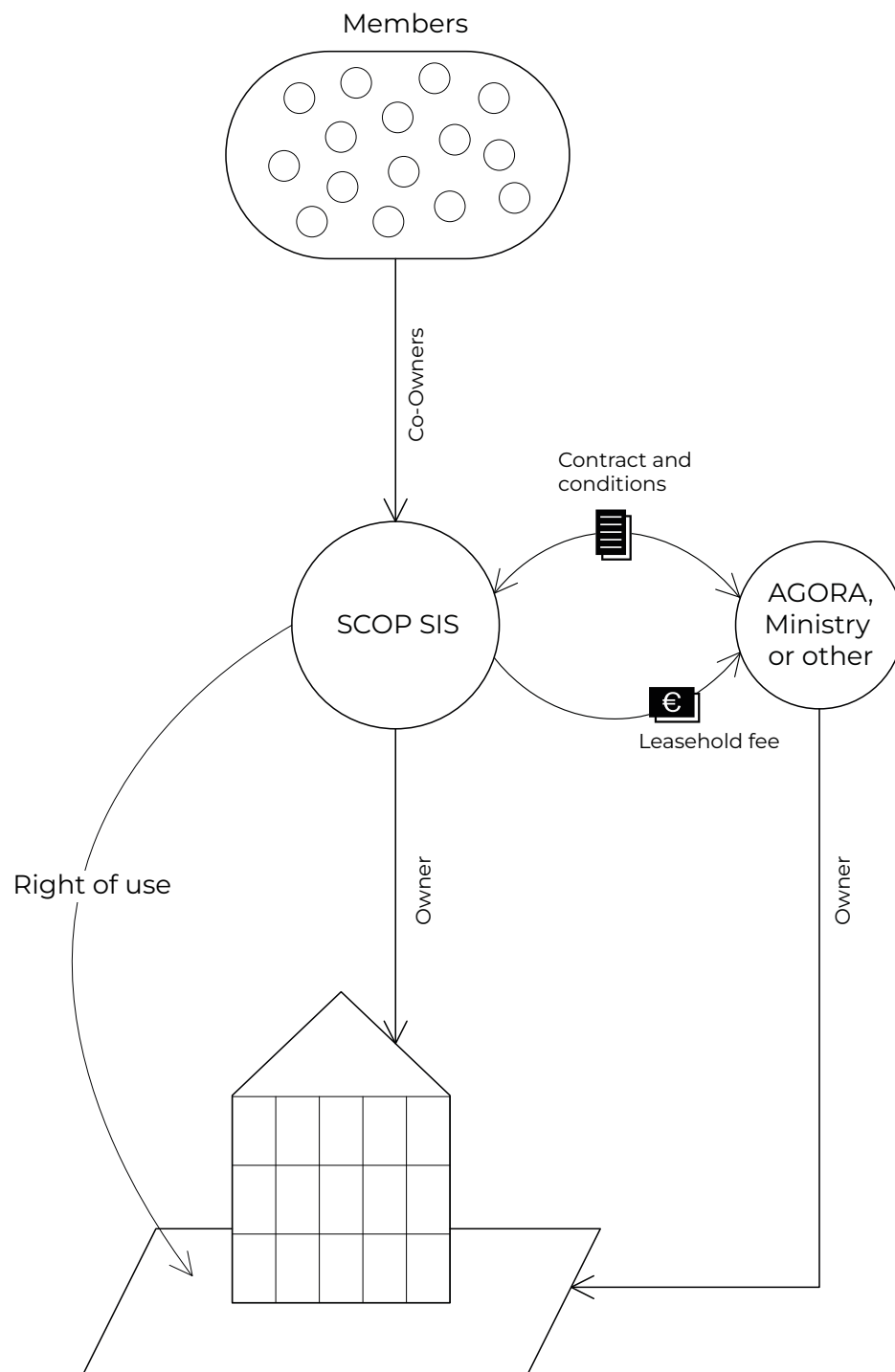


The cost rent in privately financed apartments is fixed and does not depend on income. As it does not increase - in contrast to market rents - cooperative apartments become increasingly cheaper over time compared to market apartments.

There are no public occupancy requirements for privately financed apartments. Theoretically, a single person could also live in a 100 m² apartment. However, many cooperatives develop their own rules to avoid under-occupancy - for example, by means of a staggered cost rent that increases per square meter above a certain housing surface per person.

In principle, the cooperative economy of a cooperative allows more leeway in terms of financing. For example, the necessary equity capital of lower-income members can be cross-financed by higher-income members. Alternative financing models - such as "use-credit obligations" - can also be easily implemented within a cooperative.

Leasehold



The leasehold is a two-part ownership model: the land remains the property of one person, while the building on it belongs to another.

A leasehold contract stipulates that the owner of the (future) building may use the land for a fixed period - usually 99 years. For this right of use, they pay an annual leasehold fee to the owner of the property. The contract also stipulates other conditions, such as a right of first refusal. The separation of land and building ownership counteracts speculation and at the same time significantly reduces project costs.

In this project, AGORA, the Ministry of Housing, or another stakeholder may, where applicable, be the owner of the land; SCOP SIS is the project developer and owner of the future building.

Chapter 2: The call for projects

What is up for tender?

As part of this call for projects, AGORA provides building land and technical support for housing cooperatives.

- **Affordable land**

This call for projects offers cooperatives the opportunity to acquire a plot of land in the Belval South neighborhood. It is aimed at both existing cooperatives and groups wishing to set up a cooperative.

Depending on the size and needs of the group, up to two cooperatives can be selected. The groups do not apply for a specific plot of land, but rather the appropriate area in the Belval South neighborhood is made available after selection.

The plots are allocated on a leasehold basis, which means that the cooperatives can use them and build on them without having to buy the land. This eliminates high land costs, which lowers the overall costs of the project and thus contributes to affordable rent in the long term.

- **Support for founding**

AGORA provides the selected group(s) with expert advice and actively supports them in founding their cooperative. This includes guiding them through all the necessary steps, such as preparing the founding documents, communicating with banks, ministries and notaries and providing support with legal and financial issues. In this way, the future cooperatives receive the support they need to get their project off to a successful start and to master all the administrative steps involved in founding a cooperative.

Who can apply?

Requirements for participating groups:

- **Size**
The size of the groups or already established cooperatives should be between 10 and 20 households.
- **Open to new creations**
The call is also aimed at groups that have not yet founded a cooperative but intend to do so. These groups will receive support from AGORA, to ensure that all the necessary steps are taken to successfully implement the project (see Support for founding).
- **Legal form**
To apply for the project, the group must intend to set up a cooperative in the legal form SCOP SIS (société coopérative + société d'impact sociétal). In order to be recognized as a SIS, the articles of association of the cooperative must be reviewed and approved by the responsible ministry. Important: The group must have founded the SCOP SIS before signing the leasehold contract.
- **Orientation towards the common good**
SCOP SIS is a non-profit organization and must have a clear focus on the common good. This means that the goal is not profit for individuals, but the creation of permanently affordable housing for its members and society.

What must be submitted?

The application dossiers must be received by the secretariat of AGORA (AGORA s.à r.l. & Cie, 3, Avenue du Rock'n'Roll, L-4361 Esch-sur-Alzette, Luxembourg) by **15.07.2025 at 12 p.m.** at the latest. They must be submitted in **digital (USB stick) and printed form**. Our offices are open from 8 a.m. to 5 p.m. For postal items, the postmark shall be taken as proof of delivery.

The application dossiers can be written in **German, French or English.**

Groups must submit the following*:

* The collection and processing of personal data provided as part of the application files will be carried out in accordance with the regulations in force, in particular the General Data Protection Regulation (GDPR).

1. Concept of the cooperative

(max. 1 DIN A4 page of text, additional sketchy illustrations possible)

- What is the name of the cooperative?
- How do the members imagine everyday life in their cooperative?
- Which rooms are to be shared (e.g. kitchen, workshop, common room, garden, ...)?
- What principles and values guide the concept?

2. Motivation for living in Belval South

(max. 1 DIN A4 page of text, additional sketchy illustrations possible)

- Why is the group interested in realizing its project in Belval South?
- What contribution would the cooperative make to the district and the neighborhood?
- Are there specific ideas or visions for how the cooperative would like to actively contribute to the development of the local community?

3. **Presentation of the households**

(max. 1/2 DIN A4 page per household)

- Brief presentation of the households, including the number of residents (children and adults) per household.
- First names and surnames of members and their motivation for becoming part of a cooperative.
- Special expertise or professional backgrounds of the members that are relevant for the realization of a housing cooperative, such as architects, civil engineers, project managers, financial experts, lawyers or experts in sustainable building.

4. **Preliminary financing plan**

- How does the group plan to finance the project?
- How will the proportion of privately financed and subsidized apartments be distributed? (See: Privately financed apartments and Subsidized apartments)
- How are the privately financed apartments to be financed (e.g. bank loans, private loans, membership fees, etc.)?
- What sources of funding are being sought to make the project sustainable in the long term?

5. **Provisional schedule**

- When does the group plan to establish the cooperative (for groups that have not yet been established)?
- When should the planning of the building begin?
- What other milestones are planned on the way to realizing the project (e.g. construction phase, move-in dates)?

6. Overview form

- Available for [download](#)

7. Checklist of application documents

- Available for [download](#)

Information on the procedure

Procedure and dates

Publication of the procedure and documents: **15.05.2025**

Information enquiries: **until 30.06.2025**

Please send any queries to the following e-mail address:

info@agora.lu

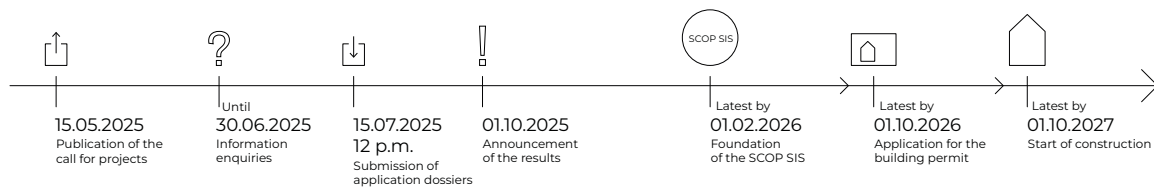
Submission of application dossiers: by **15.07.2025 at 12 p.m.** at the latest. For postal items, the postmark shall be taken as proof of delivery. The application dossiers must be submitted in **digital form (USB stick) and in printed form** to the secretariat of
AGORA s.à r.l. & Cie, 3, Avenue du Rock'n' Roll,
L-4361 Esch-sur-Alzette, Luxembourg.
Our offices are open from 8 a.m. to 5 p.m.

Announcement of the selected group(s): **01.10.2025**

Foundation of SCOP SIS: **by 01.02.2026 at the latest**

Submission of the application for the building permit: **by 01.10.2026 at the latest**

Start of construction: **by 01.10.2027 at the latest**



Evaluation criteria

If several groups apply, the selection will be based on the following criteria. A total of up to **100 points** can be awarded.

- **Conceptual quality of the project**
(max. 20 points)
 - Clarity, coherence and originality of the concept
 - Quality of the collaborative approaches
- **Sustainability of the concept**
(max. 15 points)
 - Consideration of ecological, social and economic sustainability aspects
- **Contribution to the neighborhood**
(max. 15 points)
 - Contribution to the local community, ideas for neighborhood design
- **Diversity of the future residents**
(max. 15 points)
 - Social, demographic and cultural diversity within the group
- **Motivation of the individual households**
(max. 10 points)
 - Quality and comprehensibility of the personal reasons for living in a cooperative
- **Experience and expertise within the group**
(max. 10 points)
 - Project-related skills (e.. architecture, construction, financing, social work)
- **Timetable and feasibility**
(max. 10 points)
 - Realistic and structured planning of the next steps
- **Completeness of the application dossier**
(max. 5 points)

Helpful links

If you have any questions, please contact : info@agora.lu

[Download: Overview form](#)

[Download: Checklist of application documents](#)

[Find members for your cooperative](#)

[Exhibition on housing cooperatives](#)

“Our New Housing - An Invitation to Cooperate” “ **(until June 2025)**

[Rent calculator for subsidized housing](#)

[Further information on the SIS company supplement](#)

Inspiration from abroad:

[La Borda](#)

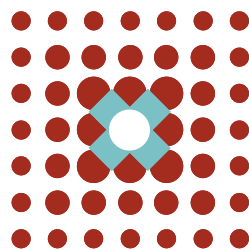
[Projet San Riemo \(Coopérative : KOOOPERATIVE GROSSSTADT\)](#)

[Mehr als Wohnen](#)

[De Warren](#)

[Zwicky Süd \(Coopérative : Kraftwerk 1\)](#)

[Abakus \(Coopérative : Mietshäuser Syndikat Basel\)](#)



AGORA

Agora s.à r.l. et Cie | 3, avenue du Rock'n'Roll
L-4361 Esch-sur-Alzette | Luxembourg

www.agora.lu