

# [Austria: EIB and RLB NÖ-Wien promote affordable housing](#)

- **European Investment Bank and RLB NÖ-Wien provide EUR 300m for public housing**
- **Initiative supports the construction of some 1 800 new housing units in Greater Vienna and Lower Austria**

The European Investment Bank (EIB) and Raiffeisenlandesbank Niederösterreich-Wien AG (RLB NÖ-Wien) are together providing EUR 300m to fund affordable housing in Austria. The EU bank is contributing half and RLB NÖ-Wien will match this with the same amount. The total of EUR 300m will be channelled through RLB NÖ-Wien into the construction of social and non-profit housing over the next four years.

This will take the form of investment finance with interest rates fixed for up to 28 years. The EIB financing will enable non-profit housing associations and social and municipal housing developers in eastern Austria to secure the current historically low interest rates for the construction of subsidised housing over almost three decades. Tenants in affordable housing and developments built by social housing associations in Lower Austria and Vienna stand to benefit. The loans will be granted over the next four years.

The funds are intended to be used in regions where demand for affordable housing is particularly high. An initial EUR 75m tranche has been signed now, a second tranche worth a further EUR 75m is planned to be made available in 2020.

EIB Vice President Andrew McDowell, who is in charge of EIB's operations in Austria, commented: "The Greater Vienna area is very attractive and boasts a high quality of life. But increasing numbers of people are drawn to the capital, making housing prohibitively expensive for many residents. The EU bank is seeking to buck this trend by working with strong partners in Austria, but also in other Member States, to promote affordable housing by providing long-term financing on favourable terms for the benefit of European citizens. So we very much appreciate having a highly experienced and reliable partner here in RLB NÖ-Wien, with which we have had an excellent working relationship for many years."

RLB NÖ-Wien's Deputy Chairman Reinhard Karl said: "Creating sustainable value through responsible business management stems from Raiffeisen's founding principles. The first Raiffeisen bank in Austria was founded in Lower Austria over 130 years ago. It took local people under its wing, promoting their prosperity and quality of life. With this agreement, RLB NÖ-Wien is today making an important contribution to the creation of affordable housing for the community – fully in line with its founding principles. In partnership with the EIB, around 1 800 affordable housing units for families are being financed – not only in Greater Vienna but also in less developed parts of Lower Austria. Only in this way can we help these regions to remain

attractive to people and encourage businesses to set up there – because they will then also be able to find skilled workers and an attractive living environment in more remote areas.”

**Note to editors:**

**Raiffeisenlandesbank NÖ-Wien AG:**

Raiffeisenlandesbank NÖ-Wien AG is a modern, regional, cooperative and commercial bank in eastern Austria with a customer base of around 266 000. As the top-level institution of the Raiffeisen network in Lower Austria it supports its members in all aspects of banking business. Between them, the 56 independent Raiffeisen banks in Lower Austria have a market share of 42% and 974 000 customers.