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The development of the ‚generation rent’ phenomenon in Hungary



ABSTRACT

„Generation rent” is a relatively new phenomenon in terms of sociological interest. The expression first came to relevance in the United Kingdom in the 2010s, and it refers to the fact that the younger generation lives in rented accommodation to a much greater extent and for much longer than members of the previous generations. In this study I present the origin and the short history of the the scientific term „generation rent”. In addition, I will attempt to review and provide an interpretation of how and why „generation rent” as a phenomenon originally appeared in the United Kingdom, where it first became the focus of academic interest, and how does it relate to Hungary, where a very similar phenomenon started to appear in the recent years. In this paper I’m attempting to show the main mechanisms that can lead to the formation of ‚generation rent’ and how they differed from the United Kingdom in Hungary while still led to a very simmilar outcome.

KEYWORDS

generation rent, housing, housing problems, youth, home ownership private rental sector

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1. INTRODUCTION

In this study, I attempt to present how the phenomenon called ‚generation rent‘ developed in Hungary. First I briefly present the history of the appearance of ‚generation rent‘ in the scientific discourse, pointing out the uncertainties and questions related to the use of the term. Next, I will present the situation in the United Kingdom by outlining the short history of the appearance of the ‚generation rent‘ phenomenon, and then I will compare it to the history of the housing situation in Hungary after the regime change, in addition to examining the antecedents of the emergence of ‚generation rent‘ in Hungary.

In the second half of the study, within the framework of a short international comparison, I will point out the most important mechanisms for the development of the ‚generation rent‘ phenomenon. After that, I will try to show how a very similar situation could develop in Hungary to the situation in the United Kingdom, where the investigation of the topic originates. Although the housing situation and the history of housing differ to a large extent in the two countries, I argue that the conditions necessary for the formation of ‚generation rent‘ were also present in our country by the end of the 2010s, despite the fact that the change was much more sudden and rapid.

2. APPEARANCE OF THE TERM ‚GENERATION RENT‘

Before we begin to examine a phenomenon more thoroughly, it is always worth to briefly review when, and in what way the phenomenon first appeared in scientific discourse, and where the term itself – that we use to describe the phenomenon – comes from. The term ‚generation rent‘ first appeared in May 2011, in a report detailing a survey, commissioned by the Halifax Building Society. The survey was conducted by the UK’s National Center for Social Research with 8,000 people between the age of 20 to 45. The results showed that more than three-quarters of respondents had not yet owned their own property. Almost two-thirds of respondents who did not own a home thought they would never own one, and only five percent of respondents, who did not own a home were trying to save for a future property purchase (MAXWELL 2011).

The term quickly became popular in the UK and was adopted into the mainstream media. Maybe because of its relative novelty and popularity outside the scientific discourse, the way the term is used is still somewhat ambiguous, and its definition is not entirely clear. What is consistent in the use of the term, is that it refers to the fact that a large part of the young generation lives in rental apartments, but to what exactly this proportion is and to what exactly it should be compared to (e.g.: ratios of previous years, overall social ratios, or the older generation living today), there are no uniform and clear definitions (CSIZMADY – KŐSZEGHY 2022).

The term ‚generation rent‘ tries to capture a complex phenomenon with a simple, easy-to-remember term, but for this reason, it is important to review what researchers and professionals mean by it more precisely. It is questionable whether it is worth investigating ‚generation rent‘ as a static or as a dynamic phenomenon? Some of the research focuses on the current actual housing situation of young people (KEMP 2015), while others look at the problem as a dynamic phenomenon and examines the housing trajectories of young people (BLACKWELL – PARK 2011;

MCKEE 2015; MCKEE – HOOLACHAN, 2015). The dynamic approach treats 'generation rent' as a group of people who are currently young, and who will enter later phases of their lives without home ownership, thereby experiencing life situations that were previously generally thought to be typical, to experience in one's own house, like raising children. (CSIZMADY – KŐSZEGHY 2022).

It is also questionable who can be considered young. Which group is worth investigating? In the sociology of youth, the 15-29-year-old age group is traditionally considered to be young people, however, in the case of the 'generation rent', it is better to examine the 18-35-year-old age group (MCKEE – HOOLACHAN 2015). The boundaries of youth are expanding more and more these days. This seems to be particularly evident in this specific topic: during the first researches related to it, the researchers pushed the typical age of the examined group up to 45 years.

3. GENERATION RENT IN THE UK

The reasons for the emergence of 'generation rent' in Great Britain goes back to the 1980s. During this period, half of the households, where the head of the household was of retirement age had their own property. While those households whose head of household was under 35 years old, 60 percent owned their own real estate.

By comparison, in 2019, 80 percent of households with a head of household over the age of 55 owned a property, while just under 30 percent of households with a head of household under the age of 35 owned their own home in the UK. The reason for this can be explained most simply by the fact that the generation, of which became property owners in the 1980s, still holds the majority of real estate assets. This is also proven by the fact, that the proportion of people with mortgages shows a continuous downward trend, as those who became owners in the '80s have already paid off their mortgages, and the number of new entrants is decreasing (RONALD 2018). The decrease in the number of mortgage loans may also be due to the fact that members of the younger generation are either afraid or unable to take out such loans, as financial institutions offer much less favorable loans to those who are buying their first property (BLACKWELL – PARK 2011).

Another observable trend is the increase in the proportion of people with multiple housing properties. These people also typically belong to the older generation (RONALD 2018). Another reason why the older generation began to accumulate real estate, was the neoliberal turn that occurred in the '70s, as people could count on less and less public assistance, so they began to invest their money into real estate, which later they could rent out to tenants, when they could no longer engage in income-generating activities (MCKEE 2012).

Another factor that helped this generation to accumulate real estate was, that the deregulation of the real estate market began in the 90s, as a result of which those who already owned a property began to receive more favorable mortgage loans from the banks than new entrants to the housing market. This meant that the generation that was born in the '50s and '60s, and became property owners at a young age in the '80s had already paid off the loan on their first property, so they could easily take out loans due to deregulation, for another property, which they felt they needed, because of the weakening of the state social sphere.

The results of this process were already visible in the 2000s: property prices began to rise sharply, due to apartments purchased for investment purposes, and the proportion of first-time owners began to decrease. The fact that buying a home became increasingly unaffordable also led to the rapid saturation of the narrow social rental sector, and as a result of these factors, demand for the private rental sector began to increase (FORREST – YIP 2012; KENNETT – FORREST – Marsh 2013). Although the private rental sector has been present in the UK for a long time, it really became dominant during this period. Between 1998 and 2015, both the number of principal tenants with multiple properties and the number of tenants using the private rental sector doubled – based on government data –, the members of principal tenants were predominantly born in the 1950s and 1960s, while the tenants are typically young people, under the age of 35 (RONALD 2018). The growth of the private rental sector became even stronger as a result of the 2008 economic crisis (KEMP 2015), which probably explains why research on the 'generation rent' began in the 2010s. In the United Kingdom, the topic has been on the agenda ever since, both in social sciences, in the media and in public discourse.

4. HOUSING SITUATION IN HUNGARY, ANTECEDENTS OF THE EMERGENCE OF THE 'GENERATION RENT'

Unlike the United Kingdom, Hungary is not a Western European country, evidently the formation of the 'generation rent' took place in a different way. In our country, as in other Eastern European countries, until the regime change, a completely different housing system was typical, compared to the Western world. In these housing systems, three basic housing spheres could be distinguished: the state sphere (state and municipal rental flats), the self-build sphere (typically in smaller settlements, the construction of owned flats, often built with the help of friends and family) and the market sphere (from the 1980s, entrepreneurs built city, family and apartment houses for sale). In addition to the much more significant presence of the state sphere, this housing system was also distinguished from Western systems by the fact that in socialist countries, housing forms outside the state sphere were also under political control (HEGEDÜS – TOSICS 1994). Among other things, this meant that the acquisition of privately owned real estate was also financed by state owned financial institutions.

The regime change and privatization that took place in the 1990s brought significant changes to the operation of the Hungarian housing system. Basically, two main changes took place: on the one hand, the number of privately owned properties increased as a result of the beginning of housing privatization; the proportion of properties owned by municipalities began to rapidly decrease, which continues to this day. In addition, the small stock of apartments still in municipal hands were and still are in a terrible condition (contributed to the fact that in the years to come, municipalities often tried to get rid of their poor-quality apartments, since they did not have the resources to renovate them, so they were often down-priced and sold to investors). On the other hand, the financing of housing loans through state owned financial institutions ceased, and their place was taken over by market based financial institutions from the beginning of the 2000s (CSIZMADY – HEGEDÜS – VONNÁK 2019).

Similarly to other ex-socialist countries, the housing privatization took place for a fraction of the real market value in our country. The legal conditions of the rental housing market also began to change: the previous legal framework was gradually expanded, giving the opportunity for the private rental sector to develop (HEGEDÜS 2018). The collapse of the previous housing financing system in Hungary and also in most post-socialist countries resulted in the development of a distorted housing regime, where private ownership clearly had the dominant role. In Hungary, the need for correction of this model was formulated in the 2000s, one part of which was the development of the market housing financing system, and the other part was the expansion of the social housing sector. Unfortunately political and economic interests were only really interested in building a financing system for private ownership, and the expansion of the social housing sector was generally pushed into the background and left behind (CSIZMADY – HEGEDÜS – VONNÁK 2019).

The current state government at this time saw the solution to the development of the housing financing system in the purchase of housing, financed with market loans. With this they tried to expand private ownership and believed that this could also be the solution to the problems of the lower social classes. During this period, low-interest, but high-risk foreign currency loans became common, and they stimulated the growth of private property. This trend was broken by the 2008 economic crisis, as a result of which foreign currency loans became unprofitable. In the post-crisis period, the same strategy for stabilization efforts as before began to be followed again: the encouragement of market-financed private property (HEGEDÜS – SOMOGYI – TELLER 2018).

In the period, following the 2008 crisis, until approximately 2013, the number of approved housing loans and the number of new and used homes sold, were far below the previous period. While nearly 150,000 home loans were approved in 2008, this figure hovered around 50,000 on average between 2010 and 2013.¹ The number of apartments sold also showed a similar trend: the number of apartment transactions between private individuals was 154,097 in 2008, but between 2009 and 2013 this number hovered around 90,000 on average². Thanks to European Union subsidies and the use of economic reserves (private pension fund, centralization of public service companies and investment delays), the economy began to stabilize again after 2013. The state economy (in no small part as a result of European Union subsidies) was consolidated by 2015: unemployment fell, incomes rose, and housing investments moved off their lows, also the number of loans issued at relatively low housing prices and low interest rates began to increase again.

The fact that serious changes took place in the housing policy, family policy and the system of housing subsidies also contributed to the trend (Szikra 2018): the home building allowance for families (CSOK) and the National Home Building Community (NOK) program were introduced in 2015 (CZIRFUSZ – JELENIK 2021), in addition, the housing savings fund scheme was extended. However, these social policy measures only started to make their impact felt in 2016-2017, when construction and housing loans started to rise again. Raising the CSOK started to encourage upper- and middle-class families with (many) children to

¹ Source: Hungarian National Bank (MNB) Housing Market Report 2018 May. <https://www.mnb.hu/letoltes/lakaspici-jelentes-2018-majus-hu.pdf>

² Source: https://www.ksh.hu/stadat_files/lak/hu/lak0015.html

invest their savings in housing (HEGEDÜS – SOMOGYI – TELLER 2018). All of this resulted in the real estate market becoming one of the important areas for securing the capital surplus, and house prices began to rise sharply (PÓSFAL 2020).

Between 2015 and 2020, both new and used housing prices almost doubled, the rate of increase being the most drastic in the county seats and especially in the capital. In 2015, the average price of second-hand apartments was 11.6 million HUF nationally, and this figure had risen to 18 million HUF by 2020. The difference is even greater in the county seats: from 10.4 million HUF to 20.1 million HUF. In Budapest, the average price of used apartments increased from 17.4 million HUF to 35 million HUF (between the last quarter of 2017 and the last quarter of 2018, real estate prices in Budapest increased at the highest rate in the world)³. The price changes of newly built apartments also have a similar ratio: nationally it increased from 18.3 million to 31.5 million HUF; in the county seats, the price of newly built apartments increased from 15.1 million to 26.4 million HUF, and in Budapest from 21.1 million to 41.4 million HUF in 5 years.⁴

Perhaps the most striking figure is that since 2016, housing prices in Hungary have grown at the fastest rate in the entire European Union⁵. The nuances of the picture outlined here include the fact that during this period the average salary also rose significantly: in 2015, the average salary of full-time employees was 162.391 HUF, while in 2020 it was 260.144 HUF.⁶ However, this increase does not sufficiently compensate for the large increase in housing prices, especially in the county seats and Budapest. In addition, the comparison must be treated with reservations, as the methodology for calculating the real salary has changed since 2019, which limits the comparability with previous data. Furthermore, it is worth highlighting that these data do not reveal how much the average salary of people under 35 have changed.

5. HOUSING SITUATION - INTERNATIONAL COMPARISON, MECHANISMS OF THE FORMATION OF THE 'GENERATION RENT'

As I mentioned before, the housing problems of young people and the issue of the 'generation rent' are basically a function of the affordability of housing. Young people become renters primarily because it's not affordable to buy housing property due to high real estate prices, especially when entering as a first-time buyer. In the United Kingdom, where the examination of the 'generation rent' phenomenon goes back more than ten years, the roots of affordability problems can be traced back much further. Housing prices began to rise very quickly in the 2000s, but average wages, instead of the previous, very high rise, only rose at a much slower pace. It is illustrative that between 1983 and 1993 the price of an average

³ Source: Global Residential Cities Index 2018: <https://content.knightfrank.com/research/1026/documents/en/global-residential-cities-index-q4-2018-6289.pdf>

⁴ Source: Central Bureau for Statistics (KSH): Table 18.1.2.8. The Average Price of an Apartment by Region and Settlement Type [million forints] https://www.ksh.hu/stadat_files/lak/hu/lak0024.html

⁵ Source : <https://ec.europa.eu/eurostat/databrowser/view/tipsho40/default/table?lang=en>

⁶ Source: Central Bureau for Statistics (KSH): Table 20.1.1.63.: Real Income (1992-2022) https://www.ksh.hu/stadat_files/mun/hu/mun0191.html

house rose from £26,000 to £56,000 (115%); in the same period, the average (annual) wage also increased very significantly, from £8,528 to £17,784 (108%), but while the average house price rose to £12,500 (123%) by 2003, the average wage was only £21,124 (19 %)⁷.

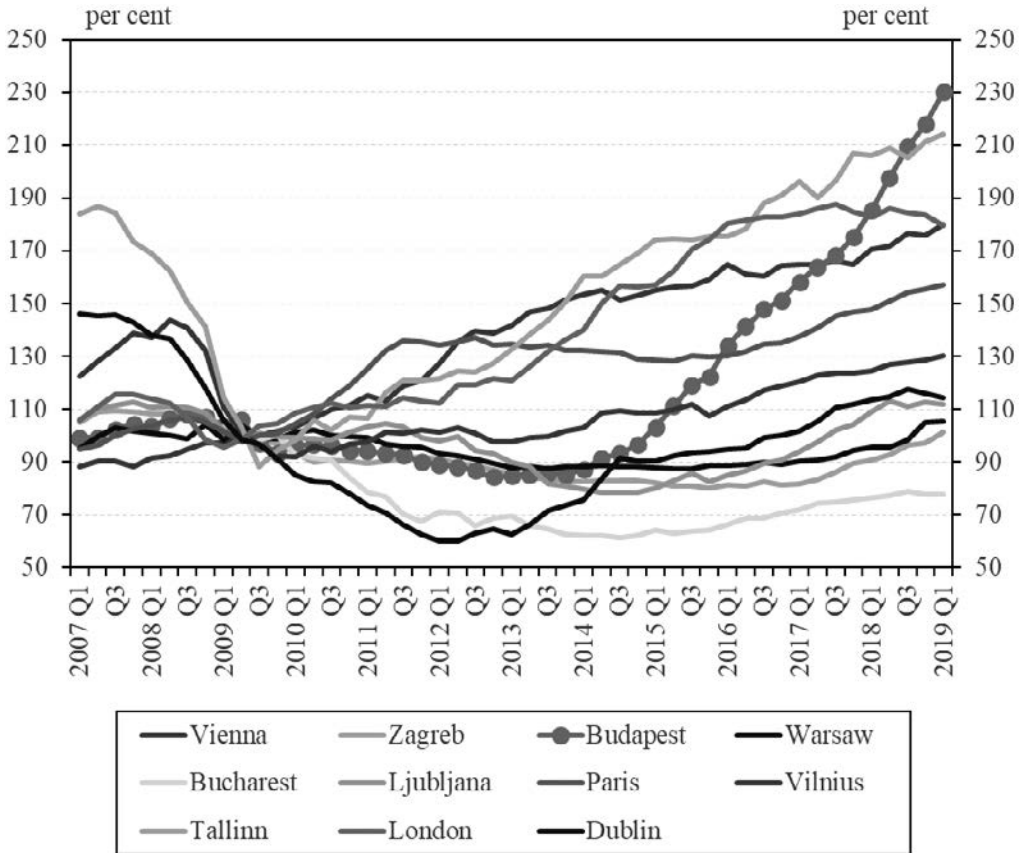
Since the tipping point in the 2000s – with the exception of a short period following the economic crisis in 2008 –, the average price of properties in the UK has been steadily rising. Although the rate of increase has decreased somewhat, compared to average wages, the increase in real estate prices is consistently higher. Discovering this trend is key to understanding the emergence of the 'generation rent', since the key to the problem lies in the problem of affordability, and when real estate prices rise significantly, without average wages being able to follow, a kind of 'affordability gap' develops, which prevents the expansion of the range of real estate owners. First-time buyers thus naturally find themselves in a problematic situation, due to which many of them have to look for other alternatives (BYRNE 2019; DEWILDE 2018).

In Hungary and the surrounding Central and Eastern European countries, 'generation rent' is a topic that has hardly been researched so far, and although it is a phenomenon that has only been researched for a little more than ten years in the United Kingdom, its history in these countries is much shorter than that. However, this is probably not primarily the result of lagging behind in scientific discourse, but rather the possible emergence of the phenomenon itself is much more recent. Therefore, I consider it important to present the evolution of housing affordability in Hungary in the period following the 2008 economic crisis, pointing out the critical points when the 'affordability gap' (BYRNE 2019) emerged. I consider it important to review all of this in a larger, European context (focusing on housing affordability in European capital cities), thus better understanding and illustrating the domestic changes, and showing to what extent they can be said to be unique or specific. To this end, in this section, based on the data contained in the Hungarian National Bank's *Housing Market Report* published in November, 2019. I will prepare a short European-level overview of the affordability of housing in Hungary and its changes.

Looking at the changes in nominal housing prices in European capitals, it can be seen that the growth of prices in Hungary can be considered outstanding. On the one hand, the average price of housing increased the most in the decade between 2009 and 2019 in Budapest (230%); on the other hand, in the period after 2014, the rate of increase became much steeper than in any other European capital (*Figure 1*). In this respect, Budapest differs from the capital of other countries geographically and economically close to our country; the increase in prices in Zagreb or Warsaw does not even come close to those in Budapest. It is worth pointing out that the prices in Budapest rose more than the prices in London (190%) in this decade. After Budapest, the second largest increase was in Tallinn, but this case cannot be compared to the situation in Budapest either. Since the price change took place quite differently, after a particularly high and sudden drop in prices, a less steep rise over a much longer period can be observed: the prices typical of the period before the economic crisis were exceeded by house prices only after 2016, and in 2019, compared to the prices in 2007, the increase is only about 27 percent.

⁷ Source: <https://www.avtrinity.com/news/house-prices-vs-income-how-affordable-are-uk-homes>

1. Figure⁸: Development of Nominal Housing Prices in European Capitals
(Average of 2009 = 100%)



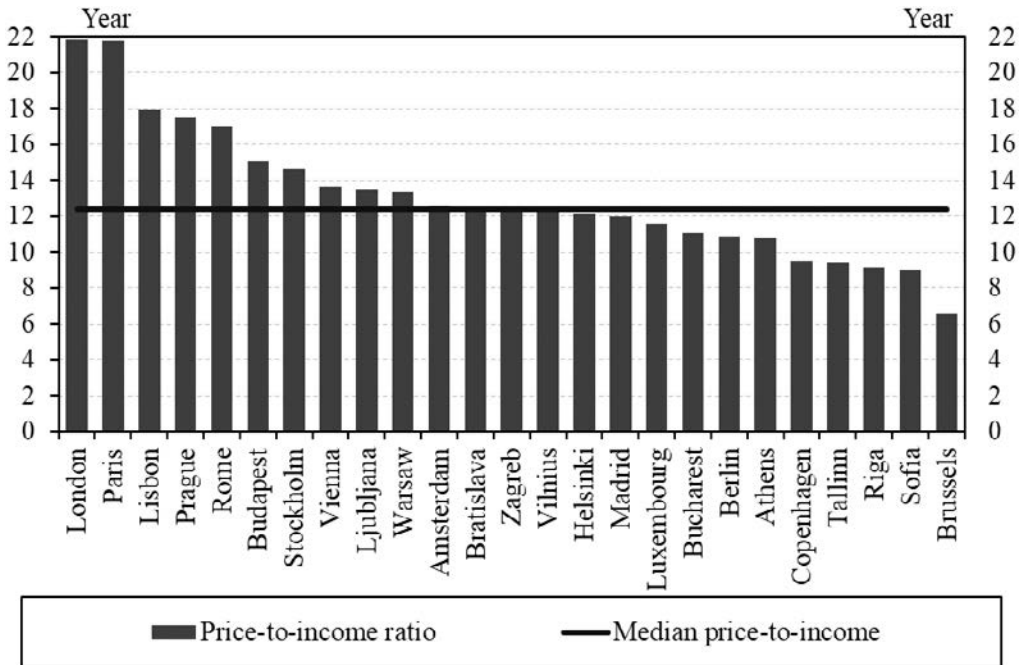
After the relative movements of house prices, it is worth examining the ratio of real estate prices to wages, since the affordability of housing can really be compared on an international level based on these kinds of statistics. It should be noted that it is impossible to make a perfect comparison even at the international level, since the various compared statistics are not calculated in a completely uniform way everywhere. The house price/income index refers to how many years of income, an average household can use to buy a property with a median price (Hungarian National Bank 2019)⁹. In Budapest, this was 15.1 years in 2019, making Budapest one of the European capitals with greater affordability problems, from the point of view of purchasing real estate (Figure 2). Compared to the Visegrád countries, it can be seen that the situation is the worst in Prague, where an average household needs 17.5 years of income to be able to buy a median-priced apartment. The affordability of real estate is better in Warsaw (13.4 years) and Bratislava (12.5 years) than in Budapest. The ratio of property prices to household income is the

⁸ Source: Hungarian National Bank (MNB). Housing Market Report 2019. November – Set of Figures. <https://www.mnb.hu/letoltes/laka-spiaci-jelente-s-2019-november-hu.pdf>

⁹ The ratio of income to real estate prices is the quotient of median real estate prices and one and a half times the average salary

worst in London (21.9 years) and Paris (21.8 years), however, in the majority of Western European capitals (including Vienna [13.7 years], which is worth highlighting due to its geographical proximity) the affordability of real estate is better than in Budapest.

2. Figure¹⁰: Housing Price/Income Index in European Capitals



6. THE MAIN MECHANISMS OF THE FORMATION OF 'GENERATION RENT'

An alternative to privately owned real estate is renting an apartment, so another important aspect of housing affordability in European cities is the examination of rental fees (DEWILDE 2018). The reason for the formation of the 'generation rent' is primarily related to the increase in real estate prices, however, from the point of view of the topic, the affordability of rental fees is equally important, since it is primarily related to the extent to which the phenomenon is problematic in the given society. Budapest apartment prices are also among the more expensive European capitals in terms of net income: in 2019, the rent for an average one-room apartment in Budapest was 46 percent of the average Hungarian income, and the rent for an average three-room apartment was 79 percent of the average salary (Table 1). Among the capitals of the Visegrád countries, housing affordability in relation to the average net income is slightly worse in Warsaw, and slightly better in Prague and Bratislava than in Budapest.

¹⁰ Source: Hungarian National Bank (MNB). Housing Market Report 2019. November – Set of Figures. <https://www.mnb.hu/letoltes/laka-spiaci-jelente-s-2019-november-hu.pdf>

In addition to all of this, there is another telling indicator that measures how much money is left over from the average salary after paying the rent for an average three-room apartment. This data shows that the situation in Budapest is worse than in the capitals of the Visegrád countries. After paying the rent for a three-room apartment in Budapest, €290 remained from the average wage in 2019, the same figure was €351 in Warsaw, €406 in Bratislava, and €452 in Prague. The worst situation is in the Portuguese capital, this possibility may be related to tourism and short-term apartments rented out to foreigners.

When examining the topic of the 'generation rent', it is illuminating that London is one of the least affordable capital cities in terms of buying and renting an apartment. Unlike other Western European countries, prices are not only increasing and getting higher, but are also considered high compared to wages. Paris is the other Western European city where the situation seems to be similar, but in terms of the amount of money left after paying the rent, the situation in London is apparently worse: instead of €299, after paying the sublet in Paris, €403 remain from the average wage. In addition, an important difference is that in France, like in Germany, the state applies regulation in the private rental sector, which maximizes rents in certain areas, including Paris, based on the regional median rent (KHOLODILIN et.al.2022).

These figures seem to be a convincing explanation for why the topic of the 'generation rent' first appeared in the sociological discourse in the United Kingdom. Looking at the Hungarian data, especially the Budapest data, it can be seen that in a European comparison, the country is also among the countries with the worst affordability, both in terms of buying a home and renting a home, although in both cases the affordability of housing in Budapest is slightly better than in London. If we examine the remaining amount after paying the rent for the average three-room apartment, in terms of purchasing power parity, the amount in Budapest is closest to the amount in London. In Budapest and London, respectively, €290 and €299 of disposable income remains after paying the rent (Hungarian National Bank 2019). So, in this respect, in 2019, Budapest's affordability problems in the private rental sector were already comparable to the situation in London.

1. Table¹¹: Rent/Income Ratio in European Capitals

| | Rent-to-income (1 bedroom) | Rent-to-income (3 bedrooms) | Salary remaining after renting a 3 bedroom apartment (right-hand scale) |
|---------------|---------------------------------------|--|--|
| Lisbon | 65,81 | 117,18 | -186 |
| London | 51,57 | 86,52 | 299 |
| Rome | 47,84 | 82,91 | 243 |
| Paris | 37,65 | 80,41 | 403 |

¹¹ : Edited by the Author, based on: Hungarian National Bank (MNB). Housing Market Report 2019. November – Set of Figures. <https://www.mnb.hu/letoltes/laka-spiaci-jelente-s-2019-november-hu.pdf>

| | | | |
|-------------------|-------|-------|-------|
| Warsaw | 49,30 | 80,08 | 351 |
| Budapest | 46,03 | 78,72 | 290 |
| Athens | 42,00 | 76,10 | 228 |
| Prague | 47,63 | 74,92 | 452 |
| Amsterdam | 47,57 | 74,21 | 553 |
| Bratislava | 46,23 | 73,44 | 406 |
| Bucharest | 41,61 | 68,77 | 420 |
| Sofia | 38,79 | 68,46 | 469 |
| Ljubljana | 36,41 | 66,65 | 448 |
| Madrid | 41,13 | 65,96 | 606 |
| Luxembourg | 36,19 | 63,34 | 858 |
| Vilnius | 37,54 | 59,98 | 561 |
| Vienna | 33,13 | 59,88 | 664 |
| Zagreb | 37,24 | 58,76 | 573 |
| Riga | 34,27 | 58,18 | 482 |
| Copenhagen | 32,13 | 57,48 | 865 |
| Helsinki | 31,66 | 53,26 | 898 |
| Berlin | 28,90 | 52,65 | 1 009 |
| Tallinn | 30,71 | 51,82 | 730 |
| Brussels | 31,12 | 51,19 | 960 |
| Stockholm | 33,52 | 51,03 | 949 |

In conclusion, it can be said that domestic housing prices have risen at a uniquely high rate since the start of growth in 2014, making the situation exceptional even among the Visegrád countries. The 230% increase that can be measured in the decade between 2009 and 2019, can be said to be quite unique. Such a sudden and steep rise in house prices cannot usually be compensated by the rise in wages, so the affordability of buying a house deteriorates. In addition to the rise in prices, it is also important to emphasize how quickly the change took place, as the general forms of housing can not change in such a short time. The dominant form of housing in our country is still living in privately owned property, the majority of the population lives in their own apartments, the problem primarily affects only new entrants: first-time home buyers. In such countries, the rental sector is usually narrow, unregulated and difficult to afford, these are also typical of the Hungarian rental sector (CSIZMADY – KŐSZEGHY 2022). These problems primarily affect young people, since they are in a situation where they have to somehow solve their own housing, leaving their parents' house (KOC SIS 2023) and becoming either first-time buyers or renters.

The key to the emergence of the UK 'generation rent' was that wages could not keep up with the rise in property prices, so first-time buyers were pushed out of the home buying circle (Byrne 2019) and became renters. After that, the situation became problematic due to affordability problems in the private rental sector. It can be seen that the changes that have taken place in our country in the last short decade have created a very similar situation, with the difference that the change started much later and is taking place at a much faster pace. In addition to the poor affordability of home buying and the rental sector, there is another very important factor that is necessary for the creation of 'generation rent', and this is that the given country is characterized by a 'property owner society', which means that the dominant form of housing is living in privately owned real estate (RONALD 2007). This is important because, on the one hand, the private rental sector in such countries usually suffers from affordability problems, and on the other hand, because 'generation rent' can appear as a generation in a unique situation, a group separated from the previous generations. In countries where large groups of people live in rented property for a long time, the deterioration of housing affordability does not cause generational separation, the problem becomes more general and affects larger in this sense, more heterogeneous groups of the population than in countries where it is typical to live in one's own property.

SUMMARY

In the study, I tried to present the history of the development of the Hungarian 'generation rent' phenomenon. When examining the 'generation rent' phenomenon, it is essential to review the history of the phenomenon in the United Kingdom and the main moments necessary for its development. In this study, I argue that a situation similar to the one observed in the United Kingdom has recently developed in our country. The investigation of the 'generation rent' phenomenon is relatively new, even in the United Kingdom it appeared only about a decade ago, and in Hungary it has a much shorter history. However, this is not because the Hungarian scientific discourse is lagging behind in terms of the topic, rather it is related to the fact that the 'generation rent' phenomenon itself appeared much later. Despite the time difference, the phenomenon of 'generation rent' in Hungary developed much faster and the most important conditions were still able to develop similarly.

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