System of Integrated Funds (SIF)

Submitted By: Fondazione Housing Sociale



Organization Profile

Organization Name: Cassa Depositi e Prestiti (CDP)

Organization Type: Financial institution

Website: https://www.cdp.it/sitointernet/it/cdp_realasset_fia.page

Practice Details

Country(ies): Italy

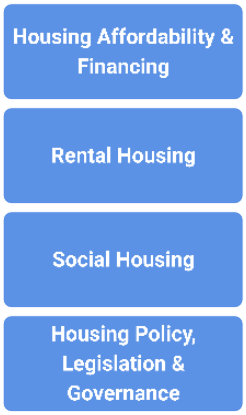
City(ies): Multiple cities

Start Year: 2009 **Ongoing:** Yes **End Year:** N/A

Main Adequate Housing Components:



Housing Thematic Areas:



Relevant SDGs:



UN-HABITAT

Problem & Context

The System of Integrated Ethical Real Estate Funds (SIF) was created with the goal to increase the available stock of affordable housing in Italy, in a national context characterized by a stark lack of publicly provided affordable housing. Due to a long season of low public investment that began in the 90s, the affordable housing stock owned by the public sector (municipalities or regions) is below 3% of the total homes available in the country, growing to a maximum of 10% in cities like Milan. Additionally, the existing stock is in critical condition, due to lack of maintenance - as of today, around 10% of the homes are empty, waiting for renovation.

In parallel, an increase in housing and living costs resulted the emergence of a “gray area” of the population - those who cannot afford adequate housing options in the private market, and at the same time cannot be accommodated in public housing.

The SIF was thus created as an answer to such conditions.

Solution Developed

The SIF was created in 2009 to provide high-quality affordable housing, complementary to the public offer, with a focus on low- and middle-income groups (the “gray area” of the population). The goal was creating 18.000 affordable units in the country by 2030.

The solution was innovative at the time for numerous reasons. Firstly, it was developed through a PPP involving the main national investment bank, philanthropic foundations, local institutions and private actors, a form of collaboration that was not common in the sector in Italy. Additionally, it opened space for experimentation in design, development and management of affordable housing, and it promoted a model of collaborative living.

This resulted in numerous innovative features: from the adoption of an integrated approach to planning, to the introduction of different housing typologies, with options dedicated to specific targets, such as the elderly or youth; from the provision of common and shared spaces, and the design of a community start-up path designed to foster collaboration among residents, to the creation of an integrated social management model.

Implementation

In 2009, after an experimentation at regional level in Lombardy in 2007, the SIF was established as an innovative fund-of-funds platform dedicated to affordable housing in Italy.

At the top of the structure, institutional investors—including CDP and other private investors—have committed roughly €2 billion to the national fund FIA (Fondo Investimenti per l’abitare), managed by CDPI SGR.

The FIA operates as a fund of funds, investing in Local Funds with a share ranging from 40% to 80% of each Local Fund's total assets. Each Local Fund raises complementary capital from banking foundations, local authorities, housing agencies, and private or social private providers.

Every Local Fund focuses on a specific geographical area and is managed by a local asset management company (SGR). They are responsible for implementing the individual social housing projects on the ground.

Fondazione Housing Sociale plays a threefold role within the SIF framework: it supports CDP SGR in the selection and due diligence of Local Funds, it provides social and technical advisory services to SGRs, and it promotes social activation, community building and participation within individual projects.

At project level, a key role is that of the social manager, which ensures the long-term sustainability of the project, focusing on building, tenant, trade, and community management.

The first projects were completed in 2012, and 18.000 units should be delivered nationwide by 2030.

Enablers & Obstacles

One key driver was the alignment in intentions between the different stakeholders – CDP, banking foundations, local administrations, home agencies - involved in the PPP. The reliability of the partnership was attractive for other investors.

The activation of the SIF was also supported by the National Housing Plan (2010), which introduced the System of integrated real estate funds as a tool to finance affordable housing.

Other enabling elements are to be found in the integrated approach to planning promoted by Fondazione Housing Sociale, which entails: the design of shared multifunctional spaces, the activation of a Community Start-Up Path to promote collaborative living among the residents, and the presence of a social manager, allowing for long-term sustainability.

One current challenge relates to replicability: while being highly replicable (as proven by the scaling up from regional to national level), due to changing conditions in the sector, future replicability is not ensured.

Results & Impact

The SIF has delivered results in affordability, quality of life, and community cohesion. Residents report reduced rent expenditure, greater economic sustainability, and higher satisfaction with housing quality and size. Perceptions of safety and neighborhood quality have improved, while social interaction indicators show a 15–22% increase in contact among neighbors and a doubled likelihood of expanding personal support networks.

For low-income and marginalized groups, 76 of 99 initiatives offer rents at least 30% below market levels, with an average affordability gain of 38%. Lower housing costs enable households to redirect savings toward food, travel, and cultural activities. Most initiatives include targeted support—95% offer personalized monitoring and assistance, 69% rent support guidance, and others provide education, job-search help, or microcredit. Dedicated services such as temporary housing, senior co-housing, and co-living further promote inclusion.

Broader impacts are visible in terms of stronger communities, local economies, and sustainability. Residents rate social relations 3.05/5, community well-being 3.3, and perceived safety 3.2. Most projects include social management plans (89%), pre-entry meetings (76%), and resident committees (87%). Environmentally, 62% of developments avoid land consumption and 77% achieve energy class A or A+.

More data and the relative sources are available in the shared folder.

Replication & Scale Up

The SIF was created through a first experimentation at regional level in Lombardy in 2007, which was then replicated and scaled up at national level in 2009. Key factors that enabled the replication were: a need for a similar offer, focused on the gray area of the population, in urbanized areas with high real estate values in different regions; the strong collaboration between public and private stakeholders; the involvement of cooperatives as social managers in the interventions.

The tool was already replicated and scaled up, from regional to national level. Due to changing conditions in the sector, further studies are underway, to reflect on the possibility to replicate the model in today's economy, and in parallel to design complementary tools, such as guarantee funds for banks and revolving funds.

Policy Uptake

This housing practice has been fully adopted into formal policy frameworks and legislation, and is being implemented at scale with institutional support.

The practice is already embedded in policy frameworks: in the National Housing Plan of 2010, the System of Integrated Fund was introduced as an instrument to finance the creation of affordable housing, after the approval of the management regulation from the Bank of Italy (Delibera n. 167 del 11 marzo 2010).

Lessons & Takeaways

Due to changing conditions in the sector, further studies are underway, to reflect on the possibility to replicate the model in today's economy, and in parallel to design complementary tools, such as guarantee funds for banks and revolving funds.