



## (New, rural) business models, their mechanisms and impacts

BM name	Cooperative housing
<b>Type</b>	Cooperative housing for multi-local living in rural areas
<b>Sector</b>	Housing
<b>Organisational scale</b>	Cooperative business
<b>Short description</b>	Many urban dwellers are interested in spending part of the year in the countryside, but don't own a place, or are maybe not interested or able to buy one, and might like to try it on a temporary basis. Those living in the rural area may have vacant places to live in – it may be a community owning a bigger house or several buildings. The related business model aims at organising and offering multi-local housing on a cooperative basis.
<b>Mechanism</b>	Those who own a place form a cooperative and invite new members from urban areas. The coop can choose their members, and members have to comply with the rules of the coop. As a member, you have the right to rent a room, an apartment house on a reasonable price, and you also become a member of a community. Being a member in a coop implies commitment to the place and to the community.
<b>Innovativeness</b>	Housing coops are not novel as such, but as a means of bringing together rural and urban people they are. The business model can also be a new solution for those who seek ways to realise rural-urban synergy in their own practical life.
<b>Value creation</b>	Mixed
<b>Societal impact</b>	<p>Beneficial</p> <ul style="list-style-type: none"> <li>• Lowers the threshold for urban people to move to rural areas</li> <li>• Enables less wealthy urban residents to live multi-local lives</li> <li>• New business opportunities in rural areas and for rural communities</li> <li>• Increases cooperation among rural and urban people</li> <li>• Strengthens the sense of community</li> </ul> <p>Negative</p> <ul style="list-style-type: none"> <li>• Urban multi-local dwellers in rural areas may cause cultural clashes with the local people</li> </ul>
<b>Rural-urban synergies</b>	Cooperative rural housing represents a new opportunity for urban people to have a second home in rural areas. In rural areas, it offers communities an opportunity to diversify the scope of their activities and multi-functional role in society. It can also provide rural communities with new sources of income.
<b>Connections with labour market and employment effects</b>	This concept has mainly indirect employment effects. It may increase distance working from rural areas and offer seasonal workers for rural industries.
<b>Enabling factors</b>	<ul style="list-style-type: none"> <li>• Rural communities which own residential buildings</li> <li>• Demand for inexpensive rural housing among the urban population</li> <li>• Interest in communal living</li> </ul>
<b>Limiting factors</b>	<ul style="list-style-type: none"> <li>• Knowledge on the possibility of such arrangements both among the rural communities and urban residents</li> </ul>



	<ul style="list-style-type: none"> <li>• Travelling distance for potential urban residents</li> </ul>
<b>Actors directly involved</b>	Rural communities owning suitable housing (such as ecovillages). Individuals in urban areas. Possibly also rural and urban NGOs to organise the arrangement jointly.
<b>Role of (local) government</b>	Regulator
<b>Connections with the institutional / policy environment</b>	Cooperatives have to follow appropriate laws, both the co-op law and laws on renting
<b>Internal/network governance arrangements</b>	Cooperatives have to follow the national laws on coops, but they also have to set their own rules on how to run the coop. They may be members in wider networks (rural-urban and/ or international collaboration)
<b>A typical example</b>	<i>Keuruun ekokylä <b>Keuruu Ecovillage</b></i> is politically and religiously unattached community with over 30 inhabitants and 53 hectares of land. It is situated near to the small town of Keuruu in the middle of Finland. The aim of Keuruu Ecovillage is to promote an ecologically and socially sustainable lifestyle in all areas of life. The Ecovillage is mainly sustained by voluntary work, and there are several volunteers, both national and international ones, during the year. <a href="https://www.keuruunekokyla.fi/en/">https://www.keuruunekokyla.fi/en/</a>
<b>BM references</b>	
<b>Name</b>	Hilkka Vihinen
<b>Date</b>	25-04-2020



ROBUST receives funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 727988.

The content of this publication does not reflect the official opinion of the European Union. Responsibility for the information and views expressed therein lies entirely with the author(s).