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THE TRADITIONAL INSTITUTION IN A NEW ROLE: USUFRUCT AND CONTEMPORARY CHALLENGES OF THE REAL ESTATE MARKET

The legal nature of usufruct is based on its characteristic as a limited real right over another person's property, whereby the holder is granted the right to use the property and collect its fruits, while simultaneously being obliged to preserve its substance. Although it is a classical legal institution deeply rooted in the Roman legal tradition, current challenges in the real estate market have renewed interest in its application, particularly in the context of growing housing unaffordability and the need for more flexible forms of housing.

At the level of the European Union, the real estate market is facing a continuous increase in housing prices and rents, limited access to housing finance for young people, changes in the labour market, and similar challenges. Comparable, and perhaps even more pronounced, challenges are present in Bosnia and Herzegovina, where young people, faced with insecure forms of employment, low incomes, and insufficient institutional support, are largely unable to resolve their housing needs through ownership. Nevertheless, existing housing policies remain predominantly focused on ownership-based models, while alternative forms of long-term and secure housing remain insufficiently developed. In such circumstances, usufruct may be viewed as a legal instrument of investment, social, and housing planning. This paper examines usufruct as a possible response to current challenges, highlighting its potential in connecting social needs with the rational management of real estate.

Keywords: usufruct, Roman legal tradition, youth housing, investment planning, Bosnia and Herzegovina.