



First Home Partner

Affordable Home Ownership

Delivered by the Bridge Housing Charitable Trust



Building resilient and empowered communities,
through quality, affordable housing.

FIRST HOME PARTNER

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With support from the New Zealand Housing Foundation, Bridge Housing introduced its First Home Partner Programme in late 2024.

The programme supports families who just can't quite afford to purchase their first home. By partnering with Bridge, the initial purchase price is reduced.

This means more Kiwi families can finally live in their own home.

An overview



The First Home Partner Programme is a shared equity model, where you buy a portion of a home

You buy a minimum of 80% of the home, and Bridge Housing owns the remaining share

Over time, you buy out Bridge Housing's share until you own 100% of the home

Our goal is for you to own 100% of your home after 5 years

If you haven't already done so before then, you must purchase Bridge's share of your home after 10 years

Eligibility criteria



- ✓ First time home buyers (or potential for 'second chance' buyers).
- ✓ The home must be the resident's only property.
- ✓ The combined household income must not exceed \$130,000 p.a. (before tax).
- ✓ At least one person from the household entering into the Agreement must be a New Zealand resident or citizen.
- ✓ Once the above eligibility criteria have been met, you must then show that you can meet the specific financial requirements of the Programme, which includes bank approval for a home loan.

Your obligations



- ✓ The property must be used exclusively as the household's primary residence.
- ✓ It must be your permanent home; you cannot sublet the property for more than 4 weeks per annum.
- ✓ You cannot purchase any other property while you are in the programme.
- ✓ Allow Bridge Housing to carry out annual property inspections, to ensure integrity of the building is maintained.
- ✓ The financial commitments of the programme must always be met, which includes home loan repayments, house insurance premiums, Council rates and maintenance costs.

The cost of a First Home Partner Home



Below is a full list of the costs involved for First Home Partner*.

One-off costs

- Lawyers fees
- Bank home loan fees
- Valuation fee
- Application Fees
There will be a fee of \$750 +GST when Homeowner applies to sell their share/s, or purchase the Bridge share/s. This will cover the valuation and related administration costs. There is no application fee at initial purchase.
- Transfer Fee
This will be charged if Homeowner chooses to sell their share of the property to the Trust, and is set at 2.5% of the value of the share being sold.

Ongoing costs

- Council property rates
- Regional rates to the Waikato Regional Council
- Body corporate levies (house insurance premiums included in this)
- House maintenance costs
- Annual Management Fee
Set at \$350 + GST this will cover an annual inspection of the property and associated administration costs.

Raising a deposit



The illustration below shows the variety of ways you can pull together a deposit for a home, including the two Government initiatives designed to support first home buyers (more on these next).

Banks usually require a 20% deposit, but if you qualify for **Kāinga Ora's First Home Loan the deposit requirement is reduced to as low as 5%.**

This means you may have enough now for a deposit on a home!



KiwiSaver First Home Withdrawal

The First Home Withdrawal allows you to access the funds in your KiwiSaver, to use towards a deposit on your first home.

The following eligibility criteria must be met:

- ✓ Available for first home buyers (and previous home owners should their financial position be similar to that of a first home buyer, as determined by Kāinga Ora).
- ✓ You must have been a member of KiwiSaver for at least three years.
- ✓ Eligible members can withdraw their KiwiSaver savings (including government contributions and tax credits), however, at least \$1,000 must remain in their KiwiSaver account.
- ✓ As approved by your KiwiSaver provider (not all KiwiSaver providers allow a withdrawal for this purpose).

10 How to apply: Contact your KiwiSaver provider. If you are a previous home owner, you will also need to contact Kāinga Ora.

Kāinga Ora First Home Loan



The First Home Loan helps eligible first home buyers secure a home loan, by reducing the deposit requirement to as little as 5%.

The following eligibility criteria must be met:

- ✓ Available for first home buyers (and previous home owners should their financial position be similar to that of a first home buyer, as determined by Kāinga Ora).
- ✓ Income before tax must not exceed \$95k p.a. for single purchaser, or \$150k p.a. for couple.
- ✓ You must have a minimum deposit of at least 5% of the purchase price.
- ✓ The house you are buying must be within the regional house price cap (for the Waipā District, the house price cap is \$755k for new properties or \$650k for existing properties).

Buying the Bridge Housing share



- At any time, Bridge may require you to provide a statement of financial position setting out your income, assets and liabilities.
- If we believe you are in a financially stable position, we may require you to buy part or all of our Share
- On the tenth anniversary of the date of purchase, you shall be deemed to have issued a notice offering to buy all of Bridge's Share.
- If you decide not to buy our Share, then we may decide to either buy your share at the price set by the valuation, or require that the Property be sold on the open market

FIRST HOME PARTNER Benefits



First Home Partner means you are no longer a tenant and impacted by the decisions of a landlord. This is a home ownership opportunity that provides:

Affordability

a home ownership model with a reduced initial purchase price.

Financial Security

No longer paying rents as determined by private landlords.

Housing Stability

No longer at risk of eviction

Comfort

New, well-constructed homes that are healthy, warm and dry

Asset Ownership

You will eventually own your own freehold home

Getting your finances in order

A key part of qualifying for First Home Partner, is obtaining a home loan from a partnering bank. The bank will look closely at your current financial position, as they want to be confident that if they provide you with a home loan, you are not overcommitting yourself and that you can continue to meet all your financial obligations.

The bank will want to see at least 3 months history of the following:

- Your income (if self-employed, your financial accounts).
- Your expenses and spending habits.
- Your debt servicing commitments.

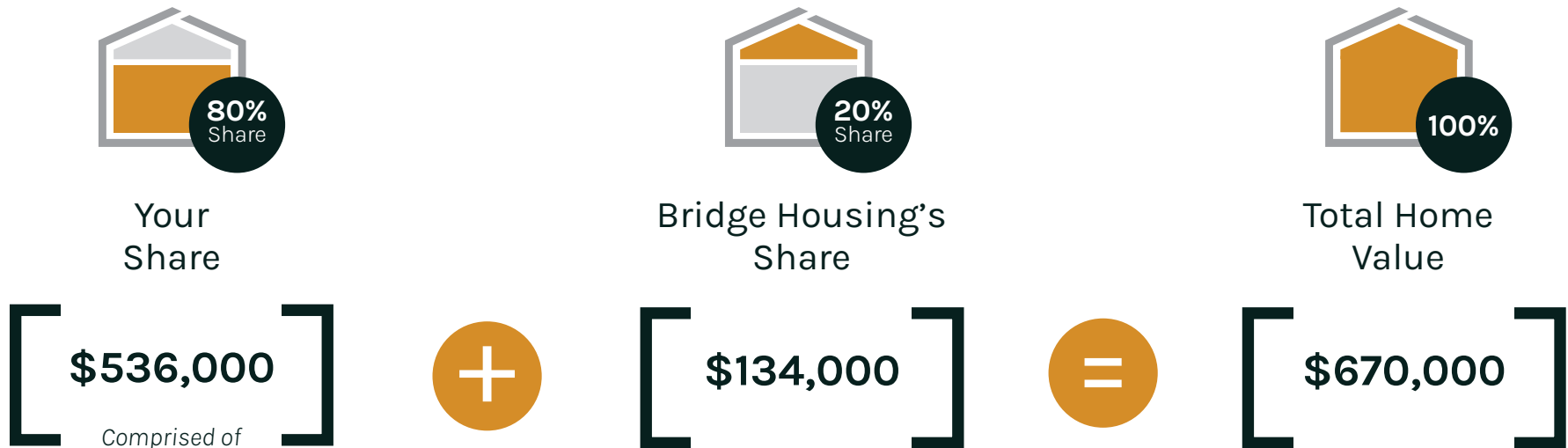
Here are some tips so that you get in the best possible position:

- Remove small expenses like AfterPay and Layby, as these greatly impact your ability to borrow.
- Manage your day-to-day spending and consider removing any unnecessary outgoings.
- Be aware of your bank account conduct. Make sure there are no unarranged overdrafts or dishonours.
- Where you can, reduce or cancel lines of credit such as credit cards, store cards, overdrafts, personal loans etc.

An example



Brand new 2-bedroom Bridge Housing house, on day one of purchase:



- Comprised of
- 5% YOUR DEPOSIT
\$33,500
 - 75% YOUR MORTGAGE
\$502,500

Your mortgage repayments*	\$ 695
Rates, insurance, body corporate & maintenance**	\$ 150
TOTAL WEEKLY EXPENSES	\$845

*Repayments on mortgage over a 30-year term @ 6.00%
 ** Estimated

Where to next

To begin your journey towards assisted home ownership with Bridge Housing, all you need to do is visit our website and click 'register interest'.

bridgehousing.co.nz/register-interest

One of our team will then assess your eligibility and be in contact with you.

If eligible, we will refer you to a partnering bank to assess your eligibility for a mortgage. Once your finance is approved and you have met the First Home Partner eligibility criteria, we will reserve a home for you until all finance conditions are met and we can hand over the keys at the time of settlement!



Quick facts about Bridge Housing



Bridge Housing is an initiative of the Brian Perry Charitable Trust, established in 2021 to tackle the housing challenges faced in the Waikato District.

We are working on offering additional housing programmes, carefully designed to ensure all eligible households can access affordable and secure housing, regardless of their current financial position.

Bridge Housing is governed by a board of six Trustees, all of whom live in our community and have extensive professional experience in areas relevant to our work.

We place the wellbeing of our clients at the heart of our work.

Bridge Housing Charitable Trust



Bridge Housing is committed to providing secure and long-term access to healthy homes at an affordable rate for kiwi families. Low maintenance homes designed to create a sense of community, encouraging interaction and combating isolation.

Thanks to

Our partners and stakeholders

