



Secure Home

Affordable Home Ownership

Delivered by the Bridge Housing Charitable Trust



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

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Secure Home was introduced in the Waikato by the Bridge Housing Charitable Trust in 2022, based on Queenstown Lakes Charitable Housing Trust's model.

Designed to provide an alternative pathway to home ownership that is affordable and stable, Secure Home enables committed residents of the Waipā/Waikato/Hamilton City District to settle and thrive in our region.

The ownership structure of Secure Home allows for Bridge Housing to hold these homes in perpetuity, so that the community can continue to benefit from the programme into the future.

An overview



Secure Home is a leasehold model of ownership, where you buy the house, but not the land.

You pay a monthly Ground Rent to Bridge Housing for use of the land, currently set at 1.5-2% per annum per annum of the Trust's share in the property.

When you no longer require the house, Bridge Housing purchases it back from you at the same price you originally paid, plus an adjustment for inflation and improvements (where applicable).

Bridge Housing retains ownership of the land and registers a 100-year lease over the land, in your name.

The Ground Rent is reviewed annually, and only adjusted to match inflation.

Eligibility criteria



- ✓ At least one adult member of your household must have NZ residency or citizenship.
- ✓ You cannot own in part or full, property or land anywhere in the world.
- ✓ An income cap is applied based on the number of people in your household, generally no more than \$150,000 per annum before tax.
- ✓ You need to have a minimum of 5% deposit of the purchase price.
- ✓ You will need approval for a home loan from a partnering bank, sufficient to meet the purchase price, when added with your deposit.

Your obligations



- ✓ You must commit to a minimum of three years in the home.
- ✓ 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 Secure Home.
- ✓ Allow Bridge Housing to carry out annual property inspections, to ensure integrity of the building is maintained.
- ✓ The financial commitments of Secure Home must always be met, which includes home loan repayments, house insurance premiums, Council rates and maintenance costs.

The cost of a Secure Home



Below is a full list of the costs involved for Secure Home*.
All these costs (except Ground Rent) are standard for anyone who owns a home.

Initial purchase costs

- Lawyers fees
- Bank home loan fees
- Valuation fee

Ongoing costs

- Ground Rent to Bridge Housing
- Property rates to the Waipā District Council
- Regional rates to the Waikato Regional Council
- Body corporate levies (house insurance premiums included in this)
- House maintenance 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).

Exiting Secure Home



The minimum commitment to Secure Home is three years, but beyond that you can stay for as long, or short as you like.

When you no longer require the property, Bridge Housing will purchase it back from you.

The price paid back to you (reversion price) is calculated as follows:

- the** original purchase price
- plus** inflation adjustment for the period the home was owned by you
- plus** any previously agreed costs for home improvements
- plus** inflation adjustment for the agreed home improvement costs
- less** any monies owed to Bridge Housing

You cannot pass the home on to next of kin automatically, but we may be able to work with your whānau to enable them to stay if they meet eligibility criteria and have the financial capacity to enter into the programme themselves.

SECURE HOME Benefits



Secure Home 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 far more affordable than purchasing in the market.

Financial Security

No longer paying rents as determined by private landlords.

Housing Stability

No longer at risk of the home being taken back.

Comfort

Well-constructed homes that are healthy, warm and dry.

Asset Ownership

You are purchasing an asset, that is sold back to Bridge Housing when you're ready.

Freehold Pathway

Your leasehold property can be a stepping stone to owning a freehold property.

Getting your finances in order

A key part of qualifying for Secure Home, 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, of which the Trust's share is \$335k:

Home Loan	\$318,250	
Deposit (5%)	\$16,750	
UPFRONT PURCHASE PRICE	\$335,000	
Mortgage repayments*		Weekly \$ 400
Rates, insurance & maintenance		\$ 100
Ground rent (1.5% on \$335k)		\$100
TOTAL		\$600

\$600 weekly Secure Home costs compared to an average of \$500 per week for a 2-bedroom rental property.

Secure Home vs. Rent = similar price range but with security of tenure and buildup of equity.

*Repayments on mortgage over a 30-year term @ 5.19%, interest rate and repayments include principal so mortgage getting paid off.



Secure Home

For some it's an affordable and secure home for life.
For others it's a great alternative to renting, and
stepping stone to independent ownership.

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 Secure Home 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 Secure Home partners and stakeholders

