



ATTACHMENTS MINUTES

Council Meeting

Wednesday, 3 February 2021

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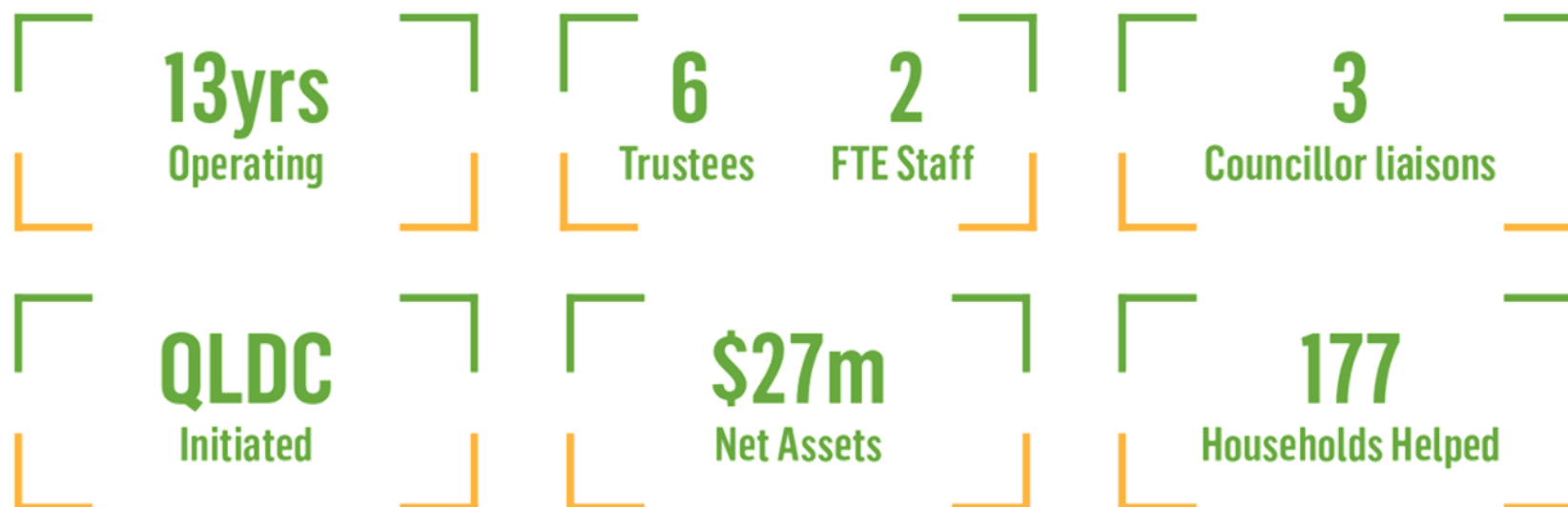




OUR WHY

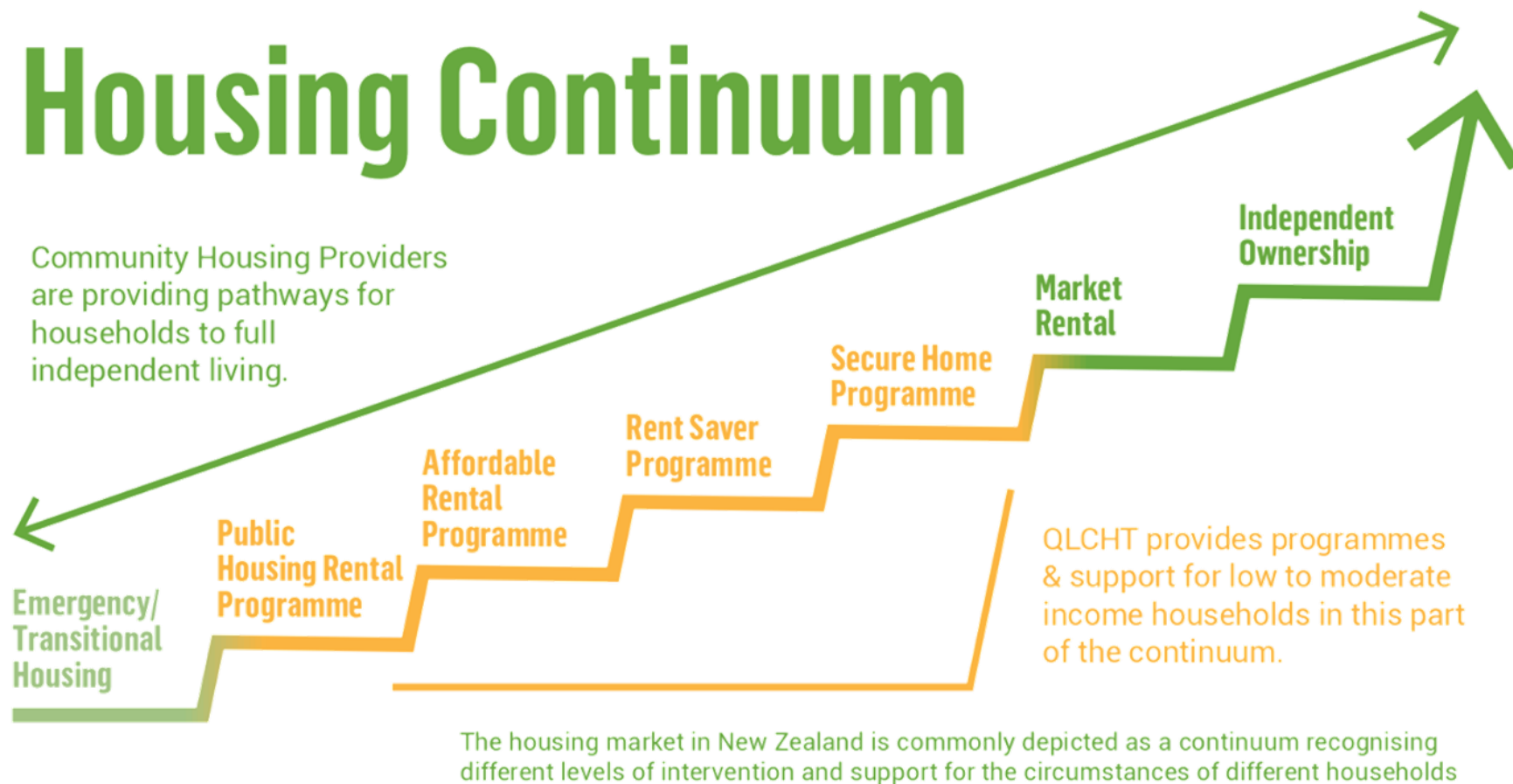
Helping **committed residents** of the Queenstown Lakes District into decent affordable housing with secure tenure.

Fast Facts



Housing Continuum

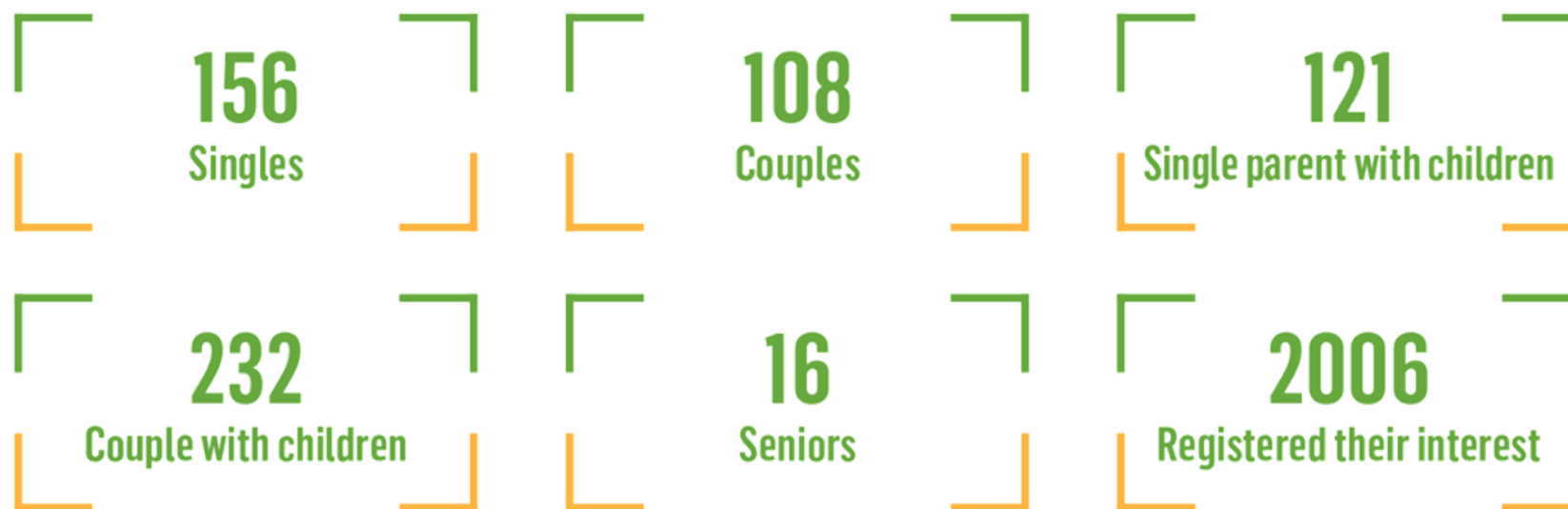
Community Housing Providers are providing pathways for households to full independent living.

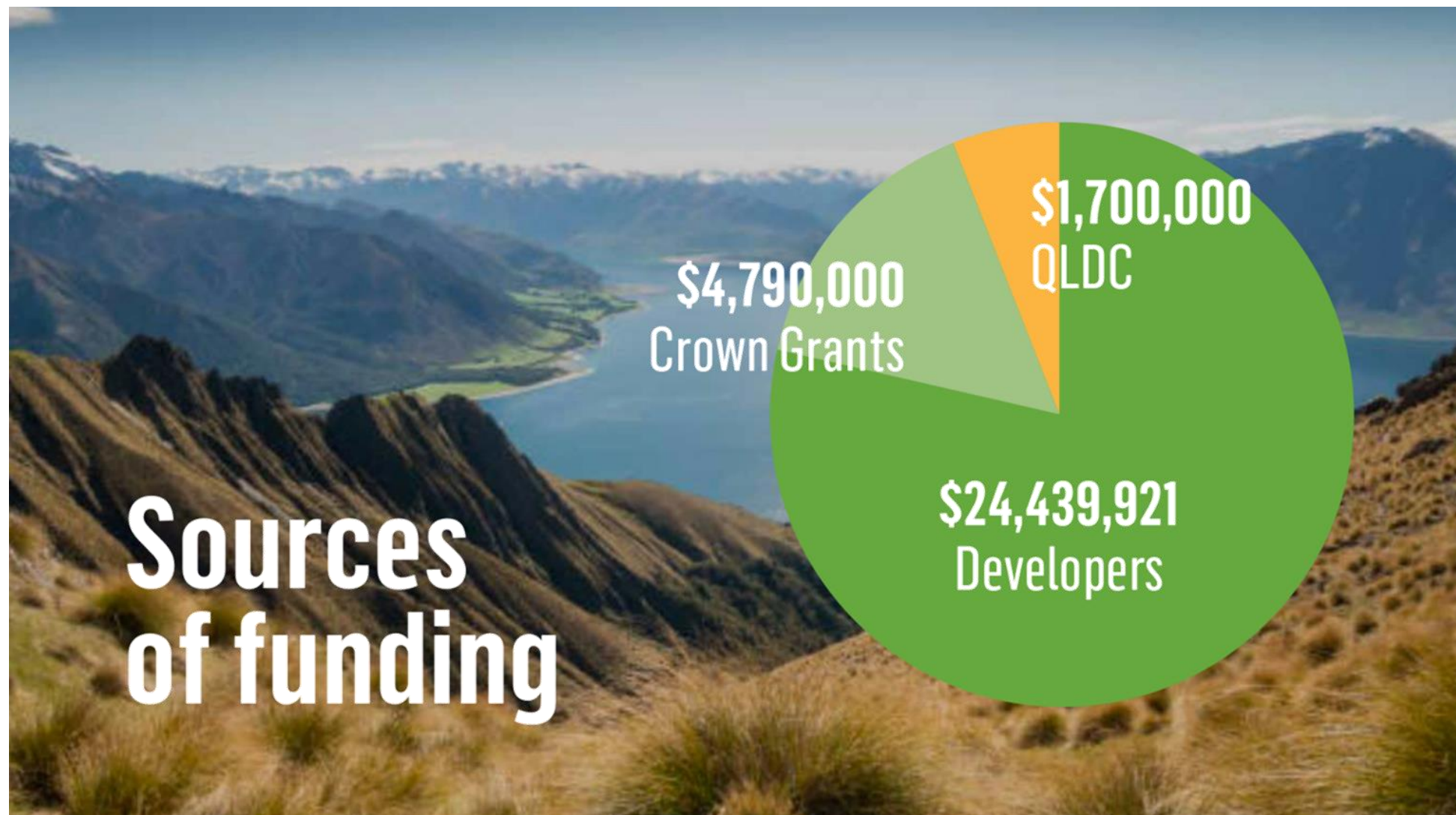


Fast Facts



Waiting List Household Stats

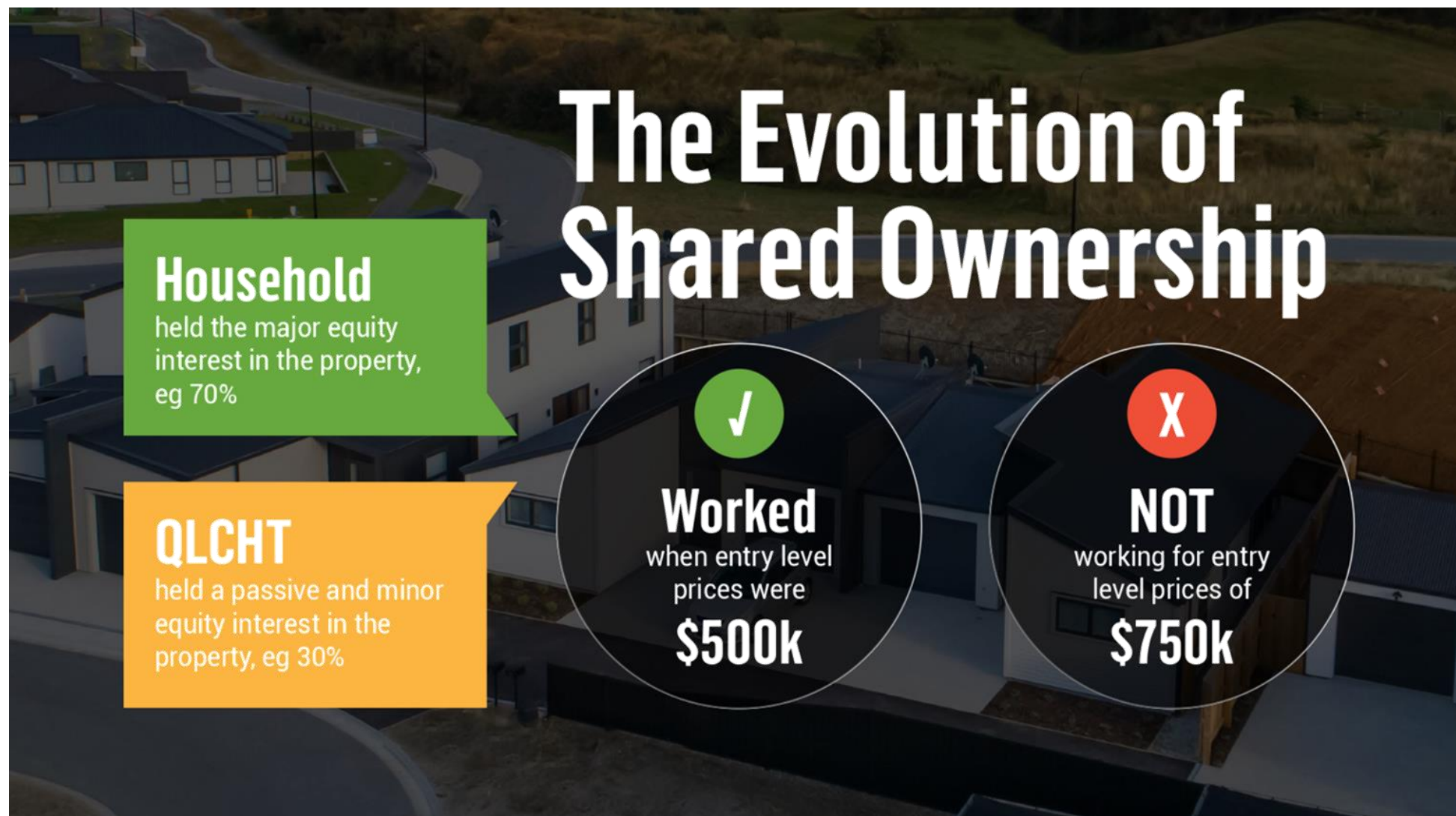






Established Community Housing Leader

- Recognised leader and innovator in NZ community housing sector.
- Registered Community Housing Provider with the Community Housing Regulatory Authority.
- Active member of peak body Community Housing Aotearoa.
- Partners with local social services agencies to provide wraparound services for clients.
- Partners with Ministry of Social Development to deliver Public Housing where appropriate.





The Evolution of Shared Ownership

- Negative stakeholder reaction to households making large windfalls.
- No interest return, or ability to borrow against, QLCHT's passive investment.
- Great programme for employers or parents. QLCHT actively seeking to share IP for wider community benefit.



Secure Home Programme



- The Trust owns the land.
- The household buys the lease to the property with bank mortgage and deposit.
- Purchase price = cost to construct (no margin).
- Household pays ground rent to QLCHT of 1.5% pa of land value, e.g. \$86 pw on \$300k section.
- QLCHT retains freehold title on behalf of the community in perpetuity.
- Bank has security against leasehold title for purchaser's mortgage to be registered against.

Secure Home Programme



- 100 year lease with ground rent increasing annually with CPI.
- Resale price of house capped to CPI and can only be sold back to QLCHT.
- New household buys in at same price QLCHT bought back at.
- Improvements to property must be approved by QLCHT, and can be added to resale price.
- Bank requires 20% deposit, or 5% with First Home Loan. KiwiSaver and HomeStart grant can be applied.

Secure Home Example

3 bedroom pilot house at Shotover Country which cost \$350k to build:

			Annual	Weekly
Mortgage	\$ 280,000	Mortgage repayments*	\$ 19,642	\$ 378
Deposit (20%)	\$ 70,000	Rates, insurance & maintenance	\$ 5,200	\$ 100
Upfront purchase price	\$ 350,000	Ground rent (1.5% on \$300k section)	\$ 4,500	\$ 86
		TOTAL	\$29,342	\$ 564

\$564 weekly compared to median rent of \$750 for 3 bed
Secure Home VS. Rent = No Brainer!

*Repayments on a \$280k mortgage over a 25 year term @ 5.0%, and repayments include principal so mortgage getting paid off.

Secure Home Programme

Household has all the benefits of home ownership except the ability to make large capital gains.

House remains in community in perpetuity.

**It's a nest –
not a nest egg!**

QLCHT Eligibility



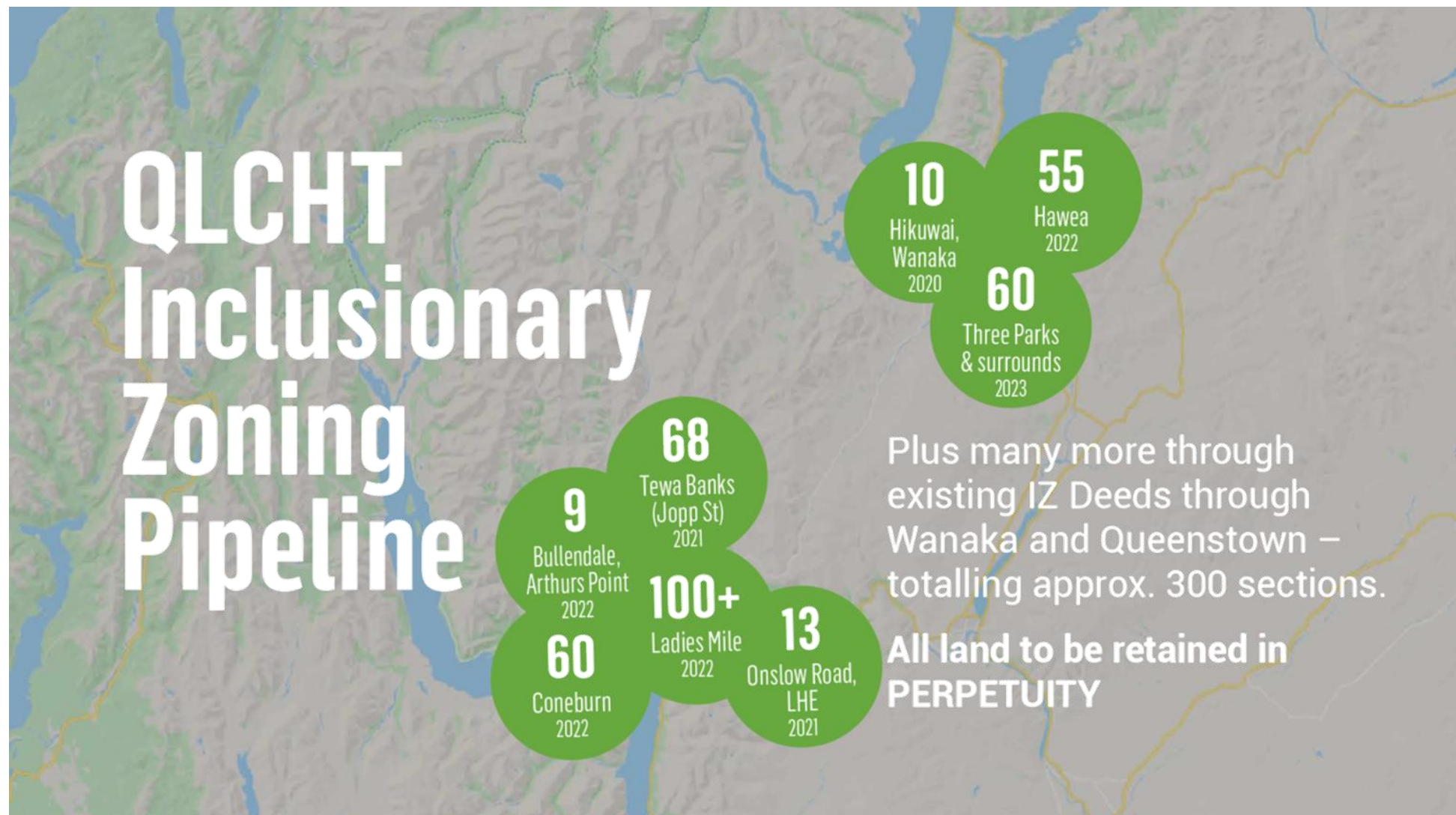
- ✓ Hold permanent NZ residency or citizenship.
- ✓ Be in full time employment.
- ✓ Lived in the District for at least 6 months.
- ✓ Meet income cap* and asset test.
- ✓ Can't own other property.

*Income caps in line with the rest of the sector, HomeStart grants, and IRD's requirements for a CHP to qualify for income-tax exemption.

QLCHT Future

- ✓ Goal of 1000 homes by 2028.
- ✓ Approx. 60% Secure Home and 40% rentals.
- ✓ Increased Senior Rental Housing as demand grows.





Nerin Square, Lake Hayes Estate

2013
COMPLETED

Mixed tenure
Land purchased from IZ contributions
Crown contributed \$1m



Suffolk Street, Arrowtown

2015
COMPLETED

Crown contributed \$1m
Council contributed land
Long term rentals
2 units in Senior Housing

Shotover Country

2016
COMPLETED

Developer contributed land
3 building firms built 44 homes
75% = 3 bedrooms and 25% = 2 bedrooms
Mixed tenures including 11 rentals





