



Progressive Home Ownership

As house prices have increased, families that would once have bought a home have been priced out of home ownership. The Government's \$400 million Progressive Home Ownership Fund will help between 1,500 and 4,000 New Zealand families to buy their own home.

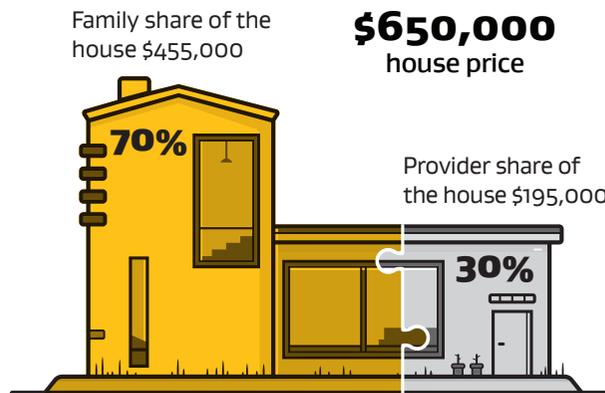
What is progressive home ownership?

Progressive home ownership enables a family to partner with a provider to help them become homeowners. Types of progressive home ownership products already available in New Zealand, and available through the Fund, are shared ownership, rent to buy and leasehold.

Shared ownership: an example of progressive home ownership

This is an example of shared ownership based on a 30% shared equity contribution from a provider and a house price of \$650,000.

As households buy out the share of the equity over time, the provider's funding could be recycled to assist more households into the scheme.



Who is the Fund going to help?

The Fund will help households that are otherwise not able to buy their own home. These might be families that can afford mortgage payments but are constantly 'chasing the market' in terms of saving a deposit, or that can get a small deposit together but are not able to afford the ongoing costs of a mortgage at current house prices.

The Fund has a specific aim to address housing affordability issues for three priority groups: Māori, Pacific peoples, and families with children.

The Fund will also work with providers who have a specific focus on better outcomes for iwi and Māori.

How can eligible families access the Fund?

Eligible households will be able to access the Fund through one of two ways:

- Low to median income families can access the Fund through progressive home ownership providers, who will support these families into home ownership. Under this approach, there will also be a dedicated iwi and Māori pathway, with a specific focus on better outcomes for Māori. Further support through this approach will be available later this year.
- Households at or above median incomes will be able to access progressive home ownership arrangements directly from government. This approach will be available in early 2021.

Find out more information at

<https://www.hud.govt.nz/residential-housing/progressive-home-ownership>

