



Habitat
for Humanity®
Central Region

Progressive Home Ownership

Guide for applicants



About Habitat for Humanity

Habitat for Humanity Central Region is a Community Housing Provider and charity who build strength, stability and self-reliance, through shelter.

Progressive Home Ownership (PHO) is a rent-to-buy system, with a strong emphasis on partnership between Habitat and the future homeowners.

This is for whānau who otherwise wouldn't be able to achieve home ownership without some support.

Whānau are selected because of their clear and obvious housing need, a strong demonstration of a willingness to partner with Habitat, and their potential to successfully make a shift to home ownership.

PHO is a hand up, not a hand-out, and whānau involved invest 350 hours of 'sweat equity' in voluntary service, contributing towards their own learning or the housing aspirations of others.

Progressive Home Ownership | How it works

01

PHO selection process - assessment of your application information and in-home interviews.

02

House construction is completed. House valuation identified.

03

Enter into a Partnership Agreement with **Habitat for Humanity**

04

0-5 years. Affordable rent. Sweat equity 350 hours, includes financial education. Habitat pays for insurance, rates and maintenance (expenses). You provide info about household income (this continues through the partnership).

05

5 years. Provided partnership obligations have been met, a Long Term Sale and Purchase Agreement is signed. You become a Purchaser in Occupation and are closer to independent home ownership.

06

5-10 years. When you're ready, you can ask for a settlement price. This is the original house valuation less the rent you've paid so far, minus Habitat's expenses. You secure a mortgage with a lending institution (i.e., a bank) and purchase your home from Habitat.

07

The money Habitat receives from your house sale contributes to building more homes for whānau.

Is this opportunity right for me?

- I don't own a home.
- Our current living situation doesn't suit our needs.
- I'm ready to step up and make a long-term commitment towards my future, and that of my whānau.
- I'm willing to put in the work to succeed in home ownership.
- We have insufficient or no home deposit savings.

PHO selection criteria - three essential factors

Habitat for Humanity recognises and assesses a number of factors when deciding who might benefit the most from our Progressive Home Ownership Programme.

Willingness

Families must be willing to:

- engage in a 10 year partnership
- perform a minimum of 350 sweat equity hours
- participate in education workshops
- work with a budgeter
- be honest and open in communication with Habitat
- provide income information annually

Potential

Families must:

- have a stable income that will enable them to meet payments
- have New Zealand citizenship or permanent residency
- have no serious criminal convictions or charges pending
- be able to show evidence of a good tenancy and credit history

Demonstrated need

Families considered for the Progressive Home Ownership Programme are living in a where or other housing situation that doesn't suit their needs. For example:

- Overcrowded
- Cold, damp, uninsulated
- Unaffordable rent
- Insecure tenure
- Home unsuitable for family circumstances
- Inability to secure accommodation because of discrimination

In addition, whānau may:

- experience problems with health, have a disability, or other psychosocial needs that are challenging
- have little to no savings for a home deposit

Give and take - our responsibilities

Habitat for Humanity

Build a simple decent home for partner families to rent, with a view to own.

Help to maintain the property.

Treat you with respect. This includes respect for your culture, values and beliefs, as well as your right to personal privacy.

Ensure fair treatment, free from discrimination, harassment or coercion.

Provide a service of an appropriate (high) standard in a way that supports your dignity and independence.

Communicate effectively with you and keep you informed.

Make sure you have reasonable access to information about your tenancy and decisions that are made about it.

Provide you with ongoing support.

Future homeowner

Comply with the conditions outlined in your agreement(s).

Complete a minimum of 350 sweat equity voluntary hours.

Pay your house payments in full and on time (includes bond).

Ensure your home, including grounds and gardens, are clean and tidy at all times.

Advise Habitat staff of any changes in circumstances, financial or living situation.

Participate in education workshops.

Role model great behaviour and be a good neighbour.

Be available for house inspections.

The application and selection process

Habitat for Humanity's PHO programme is delivered through partnerships with like-minded organisations, iwi and construction companies. This is supported by generous community funders and New Zealand Government loan funding.

Habitat ReStore and other income-generating initiatives further help to support PHO, and other Habitat for Humanity housing solutions.

1. Habitat advertises Progressive Home Ownership opportunity in your community.

2. Complete a Progressive Home Ownership Programme Application Form.

3. In-home interview. For families who have been shortlisted. Two representatives will visit you at home.

4. Further information. For families who have been shortlisted. Habitat may require more information to help the Selection Committee make its final decision.

5. Successful family is selected and notified. All families are notified via phone and letter. Unsuccessful families' info is held with a view to possible future opportunities.

The decision on where we choose to offer houses each year is based on various factors, including need for home ownership within a particular community, availability and the cost of construction.

6. Partnership Agreement. The successful family is invited to discuss and sign an umbrella agreement.

7. Residential Tenancy Agreement and bond. Residential Tenancy Agreement and Bond Lodgment Form are signed prior to moving in.

8. Dedication. A dedication event is held prior to moving in.

9. Sweat Equity. The family begins and continues to work towards completing 350 hours of Sweat Equity.

10. Long Term Sale and Purchase Agreement (LTSPA). After a five-year rental period, and if obligations have been met, the family may be invited to sign an LTSPA.



Sweat equity

All families who are part of the Progressive Home Ownership Programme invest a minimum of 350 sweat equity hours. This includes participating in a range of workshops and completing sweat equity hours by volunteering at our Habitat ReStores or contributing in another way towards housing need.