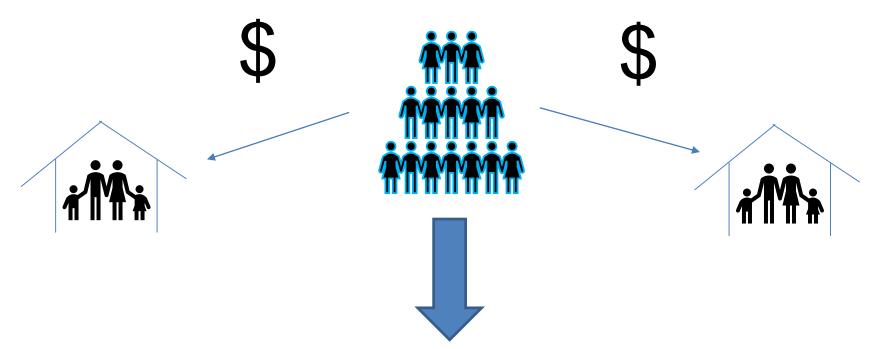
TE AHO TĀHUHU

the Progressive Home Ownership Webinar Series

Te Autaketake Pathway and Provider Pathway Alan Thorp, Habitat for Humanity







You need to demonstrate to funders that your organisation and your proposed product is sustainable (for your org and your families) in the long term





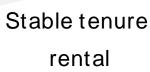




Five components of Progressive Home Ownership









Subsidy



A well-priced house











A proven PHO product

- Tenancy Stage

 Habitat = Landlord

 Family = Tenant
 - •Tenancy Agreement signed prior to occupation.
 - Price confirmation letter sent by Habitat within 90 days of occupation.
 - Regular rent reviews and house inspections are conducted by Habitat during tenancy stage.
 - •Sweat equity education hours completed by Family prior to LTSPA.
 - Maintenance is the responsibility of Habitat as the Landlord.

 Habitat determines on or before the end of year 5 of occupancy whether the Family has satisfactorily completed its Umbrella Agreement and Tenancy Agreement obligations.

Years 1-5

- •If Yes, the conditions of the Umbrella Agreement are declared satisfied and a binding LTSPA Agreement is signed and the Family becomes a "Purchaser in Possession".
- If No, then the partnership and all agreements are cancelled by Habitat to free the house and property for furtherance of Habitats

Partner Family Qualification

LTSPA Stage

Habitat = Vendor

Family = Purchaser in Possession

- Once LTSPA is signed, net qualifying rental is applied to the settlement figure.
- •Option to settle early is available.
- Maintenance responsibility passes to the Family. A maintenance fund is held by Habitat.

•At conclusion of 10 years

Year 10

from date of occupancy, the Family is required to settle in full all funds owing to Habitat. This may be via a commercial loan or other funding means.

Settlement

Disclaimer: This Timeline is a visual guide only; other legal documents take precedence.

Pre Housing Stage

Construction completed.

Habitat selects Family.

Umbrella Agreement is

signed by both parties.

completed by Family.

Property & house type

chosen by Habitat.

Sweat Equity work hours

Start

Year 5









KEY TAKEAWAYS

- Consider using a proven product that other PHO providers are using
- Family selection and partnering over the long term is critical to success
- You need to demonstrate that your organisation and the product is sustainable in the long term (ie for at least 15 years)







CONTACT DETAILS

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