



5 October 2016

LGOIMA No. 8140000356
(Please quote this in any correspondence)

Local Government Official Information And Meetings Act 1987

SHA - Affordability criteria statutory declarations

I refer to your email, which we received on 19 August 2016, concerning Special Housing Area - Affordability criteria statutory declarations.

The number of statutory declarations received from developers attesting the eligibility of purchasers under the affordability criteria for their special housing area and the number of houses those declarations related to for each special housing area and in total.

As at 16 September, 1029 affordable units had been consented as a result of Qualifying Development consents in SHAs comprising:

- Relative Affordable 700
- Retained Affordable 329

This includes sections in subdivisions that will have affordable homes built on them.

Developers have three options of ways to meet the affordability requirements of Special Housing Areas. For developments of 15 or more dwellings, developments must adhere to either:

- Criteria A, where 10 per cent of the development is relative affordable; or
- Criteria B, where 5 per cent of the development is retained affordable; or
- A combination of criteria A and B.

A dwelling is classed as relative affordable if it will be sold for no more than 75 per cent of the Auckland region median house price. The median house price is that published by the Real Estate Institute of New Zealand for the most recent full month of September, in relation to the relevant date.

To meet criteria A, 10 per cent of dwellings in a development of 15 or more dwellings must be relatively affordable.

A dwelling is classed as retained affordable if it will be sold at a price where the monthly mortgage payments (given the below assumptions) do not exceed 30 per cent of the Auckland median household income. To meet criteria B, 5 per cent of dwellings in a development of 15 or more dwellings must be retained affordable. Purchasers in respect of criteria B must be a registered community housing provider or be Housing New Zealand Corporation.

To be eligible to purchase a relative affordable house i.e. meeting criteria A, the purchaser must complete a statutory declaration to the effect that they:

- have a gross household income, as at the date of the declaration, that does not exceed 120 per cent of the Auckland median household income as set at the relevant date
- have paid a price for the affordable dwelling, which is not more than that defined in the Order in Council
- intend to own and occupy the affordable dwelling exclusively as their residence for no less than three years after gaining title to the dwelling
- be a first home buyer and never have owned any other real property
- be a natural person purchasing the affordable dwelling in their own name and not in the name of any other person.

The statutory declaration is required to be provided to Auckland Council on or about the date of settlement or transfer of title for an affordable dwelling OR prior to occupancy of the affordable dwelling. This can differ dependant on the type of dwelling, but they are provided prior to the purchaser legally owning the dwelling.

Statutory declarations have been received in respect of eighteen single dwellings to date. They are:

Special Housing Area Title	Specific Development	No. Statutory Declarations Received
Great North Road - Strategic Area	367-375 Great North Road, Grey Lynn	3
	189 and 193-197 Great North Road, and 1 Turakina Street, Grey Lynn	4
Enfield Street, Mt Eden	30-40 Enfield Street	7
Hobsonville Point (Catalina Precinct) and Marine Industry Precinct Special Housing Area	Bomb Point Drive	4
		18

A copy of the wording of the statutory declaration required attesting the eligibility of purchasers under the affordability criteria for their special housing area.

Please find attached copy of template which is circulated to developers to assist them in provision of statutory declarations.

Each resource consent granted for a qualifying development (those developments which meet the criteria to be considered under the Housing Accords and Special Housing Areas Act) within Special Housing Areas stipulates the specific affordability criteria as a condition of that resource consent. This, in turn, is derived from the criteria set out in the Order in council when a Special Housing Area is established. The details of the specific Orders in Council can be accessed either on the [Auckland Council](#) website or on the [New Zealand Legislation](#) website.

If you have any further queries please contact me on 09 301 0101, quoting LGOIMA No. 8140000356. Should you believe Auckland Council has not responded appropriately to your request you have the right to seek a review of the decision from the Ombudsman.

Yours sincerely



Jenny Hua
Privacy & LGOIMA Business Partner
Democracy Services

