

28 January 2021

Amelia Mahoney-Marsh
fyi-request-14283-292930aa@requests.fyi.org.nz

Dear Ms Mahoney-Marsh

Thank you for your request to Kāinga Ora – Homes and Communities, dated 11 December 2020, for the following information under the Official Information Act 1982 (the Act):

I would like to know how much funding each region has received from funds allocated for KiwiBuild since its inception. As well as how many KiwiBuild homes in each region were sold on the private market and what the total cost of building the homes sold on the private market were.

Please note that KiwiBuild does not allocate funds directly to developers or to regions. KiwiBuild funds are required to be recycled back into the programme in order to provide an ongoing cycle of residential development.

The KiwiBuild Buying off the Plans programme works with developers to expedite residential development and increase the pace that new homes come on to the market. KiwiBuild provides an underwrite to enable private development to progress, ensuring that a proportion of homes in these developments are available to KiwiBuild buyers and affordable under a price cap set by the Government.

Crown funds are only expended if a developer is unable to sell homes to eligible KiwiBuild buyers in an agreed timeframe or, in the case of some contracts, the Crown agrees to purchase outright the KiwiBuild homes built in a development. In these situations, a developer is entitled to exercise the underwrite and the Crown is contractually obliged to purchase those homes from the developer at an agreed price. Homes purchased by the Crown are then on-sold, with the proceeds returned to the Crown and recycled into the KiwiBuild programme.

In response to the first part of your request relating to funding by region, the table below shows:

- the number of KiwiBuild homes the Crown has acquired by region as a result of developers exercising their underwrite and the programme the development was underwritten by (Underwrite, or through Outright Purchase)
- how many of those homes have been on-sold by the Crown to eligible KiwiBuild buyers
- the value from those sales.

This data is as at 30 November 2020.

Region	Programme	Crown Acquired	\$ Crown Acquired	Crown Owned Sold	\$ Crown Owned Sold
Northland	Outright Purchase	19	\$8,065,350	19	\$8,065,350
Auckland	Outright Purchase	40	\$19,939,388	22	\$11,195,388
Auckland	Underwrite	73	\$36,391,525	33	\$16,141,350
Bay of Plenty	Outright Purchase	27	\$11,435,146	27	\$11,435,146
Canterbury	Underwrite	4	\$1,568,740	4	\$1,568,740
Otago	Underwrite	3	\$1,665,218	3	\$1,665,218
Total		166	\$79,065,367	108	\$50,071,192

You ask how many KiwiBuild homes were sold on the private market, and the regional locations of these sales. All KiwiBuild homes are sold on the private market by the developers that built them, mostly by direct sale, or through the developers' sales agents. KiwiBuild homes target first home buyers or "second-chancers", that is, those who may have owned a home in the past, but no longer own one. All buyers must be eligible KiwiBuild buyers. You can find more information at <https://www.kiwibuild.govt.nz/kiwibuild-eligibility/check-your-eligibility/>.

The following table shows the total number of KiwiBuild homes sold, by region, as at 30 November 2020.

Region	Homes Sold by KiwiBuild
Northland	19
Auckland	971
Waikato	18
Bay of Plenty	27
Hawke's Bay	10
Taranaki	1
Wellington	60
Canterbury	11
Otago	9
Total	1126

You ask about the cost of building the homes sold on the private market.

KiwiBuild, despite its name, does not construct homes. Most of the homes for the KiwiBuild programme are built by developers, and others are contracted by Kāinga Ora to be built within Kāinga Ora redevelopments.

Where Kāinga Ora has contracted KiwiBuild homes to be built within its redevelopments, the cost of building is commercially sensitive. Kāinga Ora is not party to the developers' costs of building. I am refusing your request for this information under sections 9(2)(j) and 18(g) of the Act, as the information is commercially sensitive or is not held by Kāinga Ora.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Yours sincerely

A handwritten signature in blue ink that reads "Rachel Kelly". The signature is written in a cursive, flowing style.

Rachel Kelly
Manager Government Relations