

# Tenants buy back state house

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**The first purchase of a state house by its tenants in over a decade was marked by Housing Minister Phil Heatley today when he visited the new owners of a three bedroom bungalow in Hastings.**

The couple had been Housing New Zealand Corporation tenants at the address since 2005, and had been waiting for the opportunity to buy the house. They were the first state house tenants to have purchased the house they live in of the 1445 families who have expressed an interest since a new government policy was launched in mid-September.

Under the policy, eligible state houses are available for sale to tenants at market prices. Those tenants most likely to be able to afford to buy are those who earn enough to have moved from state-subsidised rental to paying full market rent.

Mr Heatley said the Government knew when Labour removed the opportunity for tenants to buy state houses in 1999 that numerous tenants were on the verge of buying and were left disappointed. Mr Heatley described the policy as a

"win - win - win"

All the money Housing New Zealand earns from the sale of homes to tenants will be reinvested in new state houses in areas where they are needed most.

"Each sale means another Kiwi family become home owners, local builders get work building a replacement house, and a worthy recipient of that house moves off the waiting list."

Of the 1445 tenants who had expressed interest to date, 976 had made formal applications to Housing New Zealand to purchase. Their next step was to provide Housing New Zealand with pre-approved finance confirmation.

Another 31 applicants had approved mortgage finance and were talking to Housing New Zealand, and eight more tenants were on the verge of becoming home owners, with sale and purchase agreements under way.



The state house in viewed by Minister of Housing Phil Heatley following the announcement of Jobs and Growth package in February 2009, Porirua, New Zealand, Monday, April 20, 2009.  
Photo: NZPA/ Andrew Labett.

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