

2 4 FEB 2020



Thank you for your email of 11 February 2020 in which you make the following request:

In the past month, I have made two OIA requests for information on the number of KiwiBuild houses built and sold. Both have received prompt responses, thank you. In the first letter, dated 14 January 2020, you state that just 11 houses have been built and sold in Canterbury and that there is only 1 currently under construction. In the second letter, dated 29 January 2020, you state that of the 75 houses underwritten in Canterbury, 73 have been built. Further, that 11 have been sold via KiwiBuild and 15 have been sold on the open market. This leaves 47 houses (of those built). What has happened to these? According to your first letter, there are currently no homes available to buy in Canterbury.

The 47 homes are being sold on the open market without restriction and are no longer counted as KiwiBuild homes.

It may be helpful to further explain the effects of the Reset of the Government Build Programme. Cabinet made the decision to divest the Crown of certain KiwiBuild homes that had, or could, be acquired by the Crown under the terms of contractual underwrites. One area which was impacted by this decision was Canterbury.

To quote from the Cabinet paper (as announced on 4 September 2019):

119.3. Canterbury – KiwiBuild has underwritten 75 homes in various locations. Only seven homes have been sold, with a further 68 available on the market. The Crown owns, or will soon own, 13 of these.

The paper goes on to say:

121. I am proposing that we decide now that the completed and future homes, in the developments noted in para 119 above, be sold on the open market **and no longer be called KiwiBuild homes.** To ensure these homes can be sold without loss, I am proposing that the current restrictions on buyers are removed.

Therefore we only count a KiwiBuild sale if the home is sold to an eligible KiwiBuild buyer. At the time of the reset announcement seven KiwiBuild homes had sold in Canterbury to eligible KiwiBuild buyers. A further four KiwiBuild homes were sold to KiwiBuild buyers – these homes were going through the sales process at the time of the Reset.

The balance of homes developed through a KiwiBuild underwrite in Canterbury are being marketed and sold on the open market, without restriction to buyers – and therefore are not counted as KiwiBuild homes. These are the 47 homes you have asked about in your latest request.

Yours sincerely

Rachel Kelly

**Manager Government Relations**