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# Marlborough Housing Needs

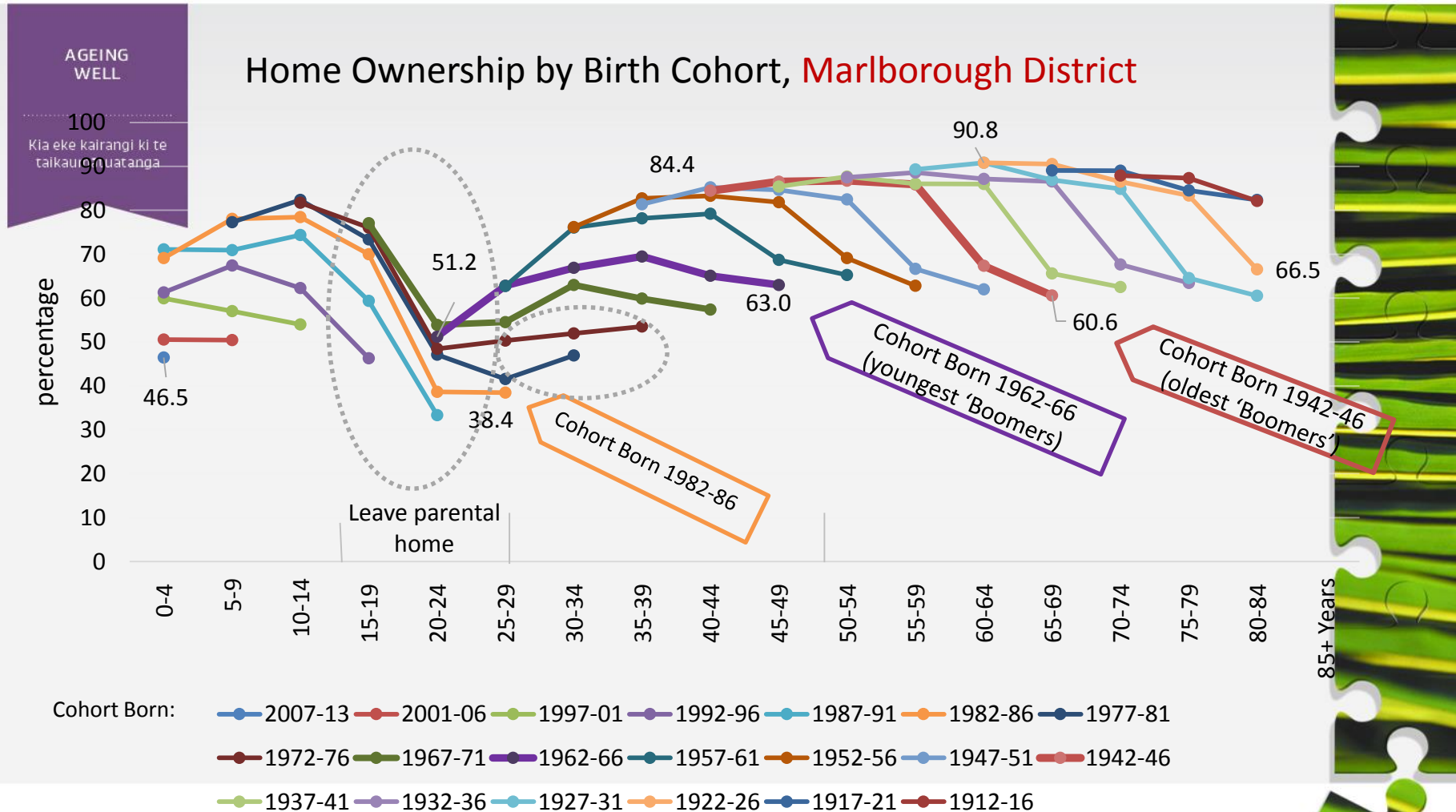
**Bev James**

**4 December 2017**

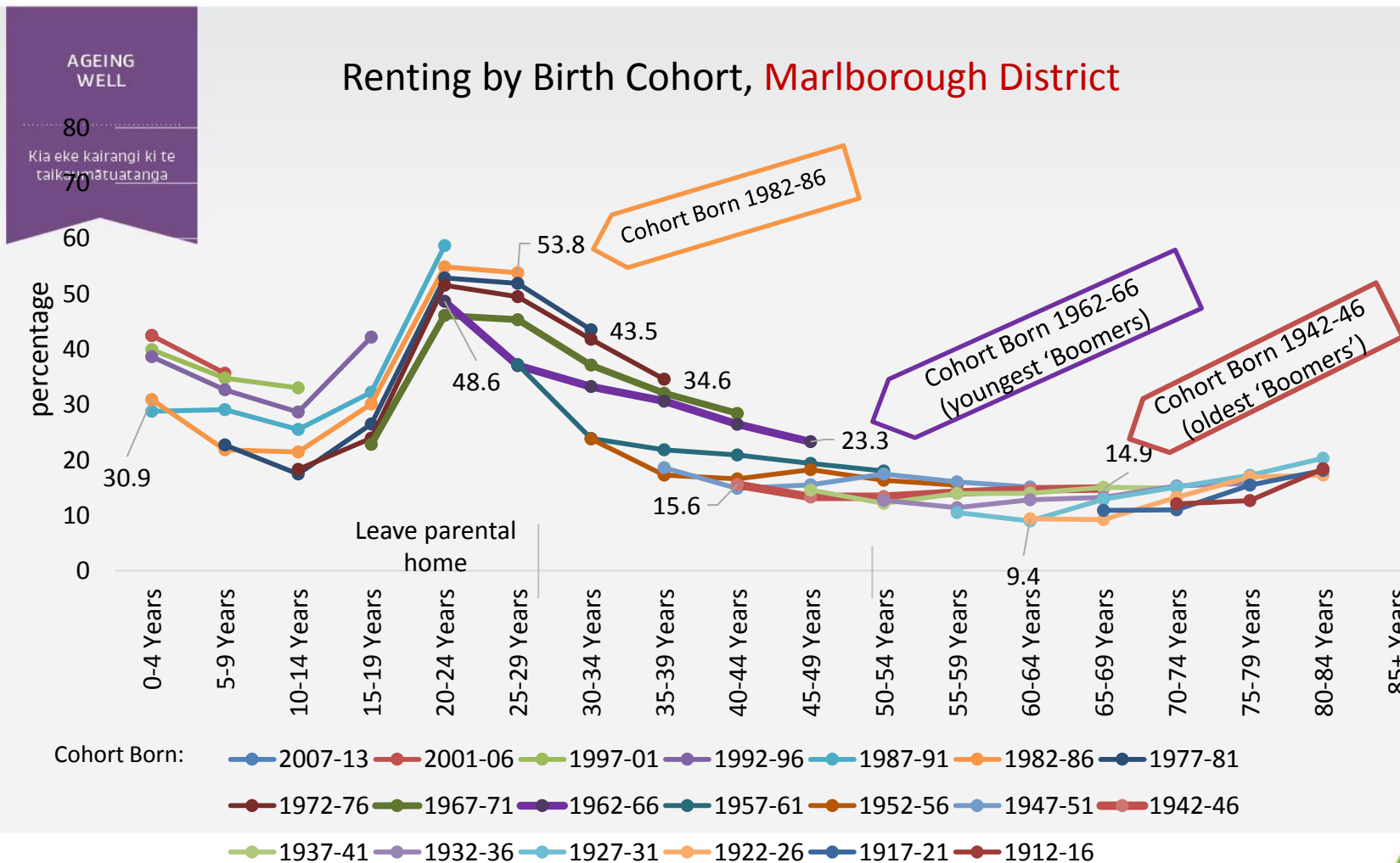
**Marlborough Housing Group**



# Home Ownership is Dropping



# Renting is Increasing



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## All Ages in Marlborough are Affected by Unaffordable Housing

- Renting has steadily increased across all age groups since 2001
- Rents and house prices have increased at a faster rate than household incomes
- 67.9% of renters are in unaffordable housing
- 79.7% of potential first home buyers can't afford to buy

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## Accommodation Supplement – a measure of rental unaffordability among older people

	Number aged 65+ Renting with AS	Number aged 65+ Owner-occupier with AS	Number aged 65+ Boarding with AS	Total	Renters receiving AS as % of all renters 65+
Nelson City	293	75	34	402	38%
Tasman District	268	58	24	350	44%
Marlborough District	361	73	25	459	45%
NZ	26295	6744	3752	37446	40%



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## Lower End of the Market Not Well Served

- 1,760 households (52%) cannot affordably pay the lower quartile market rent
- 2,190 households (65%) cannot affordably pay the median market rent
- Marlborough is the worst off region for social housing supply

(Ian Mitchell, 2017, *Marlborough Residential Housing Market*; Salvation Army, 2017, *Taking Stock*)

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## Housing Need is Increasing

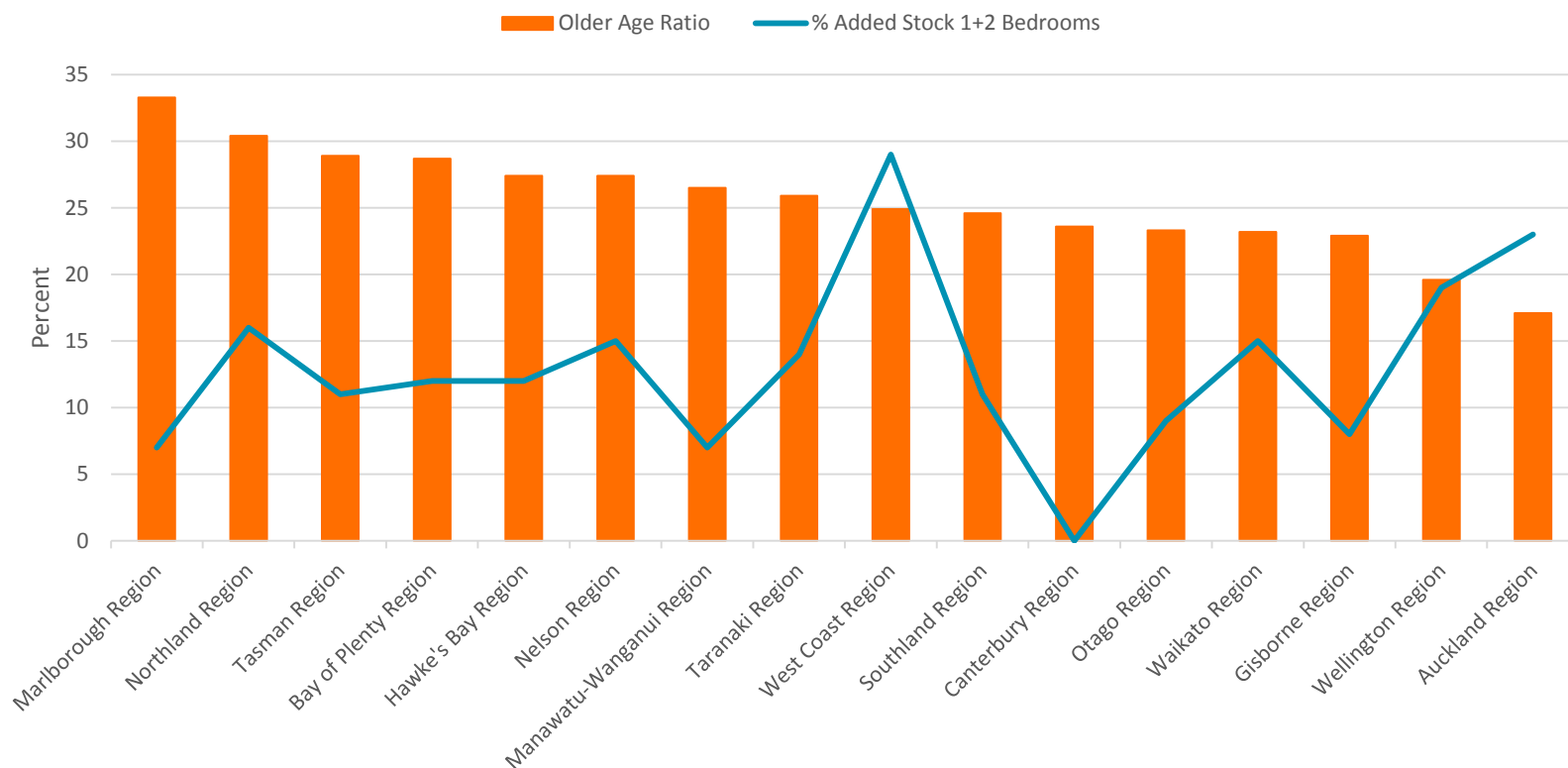
- The housing need ratio is 60.5% of Blenheim renters and 61.6% of renters in surrounding areas
- The percentage in housing need will rise
- Most of those in housing need will be in older households

(Ian Mitchell, 2017, *Marlborough Residential Housing Market*)

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# Housing Stock does not Accommodate Downsizing

Regional Older Age Population Ratios and % New Stock 1+2 bedrooms since 2001





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# Why Provide Homes?

- Housing as the platform for people's well-being
  - Life chances
  - Productivity
  - Health
- Housing as a pathway to building communities
- Housing as a revenue stream – rental or development surplus

	Social Housing	Affordable Housing	Market Housing
Goal	Well-being Community building	Well-being Community building	Profitable business
Financial Characteristics	<ul style="list-style-type: none"> <li>Subsidised capital</li> <li>Land contributions</li> <li>IRR or AS-subsidised revenue (rents)</li> <li>Leveraged, asset-based lending</li> <li>Service contracts</li> </ul> Break-even, limited surplus	<ul style="list-style-type: none"> <li>Subsidised capital</li> <li>Land contributions</li> <li>Leveraged, asset-based borrowing</li> <li>Householders: Co-payment, Rent for buy, AS rents</li> </ul> Revenue surplus, revolving fund	<ul style="list-style-type: none"> <li>Development capital</li> <li>Leveraged, asset-based borrowing</li> </ul> Profit
Users	<ul style="list-style-type: none"> <li>Lowest income</li> <li>Multiple needs</li> <li>Limited resources</li> </ul>	<ul style="list-style-type: none"> <li>Low and middle income</li> <li>LVR affected</li> <li>Prudential issues</li> <li>Housing stress</li> </ul>	<ul style="list-style-type: none"> <li>Income/Asset endowed</li> <li>Able to meet <ul style="list-style-type: none"> <li>Median rents</li> <li>Finance requirements</li> </ul> </li> </ul>
Services	Wraparound	<ul style="list-style-type: none"> <li>Housing management</li> <li>Strengths development</li> <li>Budget management</li> </ul>	House delivery
Tenure	<ul style="list-style-type: none"> <li>Primarily rental</li> <li>Limited intermediate tenures</li> </ul>	<ul style="list-style-type: none"> <li>Intermediate tenures</li> <li>Home ownership</li> </ul>	<ul style="list-style-type: none"> <li>Home owners</li> <li>Property investors</li> <li>Retirement Village</li> </ul>
Building	Lower quartile value	Lower quartile value	Upper quartiles of value