

Concurrent 6: Boosting home ownership through shared equity

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Hope Housing





HOME OWNERS PARTNERING EQUITY

Home Sooner



AHURI Conference

C6: Boosting home ownership through shared equity

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Why HOPE exists

Homeownership is no longer in reach for most essential workers in our capital cities

The *Problem* (in Sydney)

Employing > 400k essential workers with a median house price now \$1.33mil, this means....

- More than 100k essential workers are travelling >60 mins for work each day
- The number of essential workers in private rentals has doubled in the last 10 years
- Medium to Low incomes means most essential workers are in financial stress with the rising costs of living

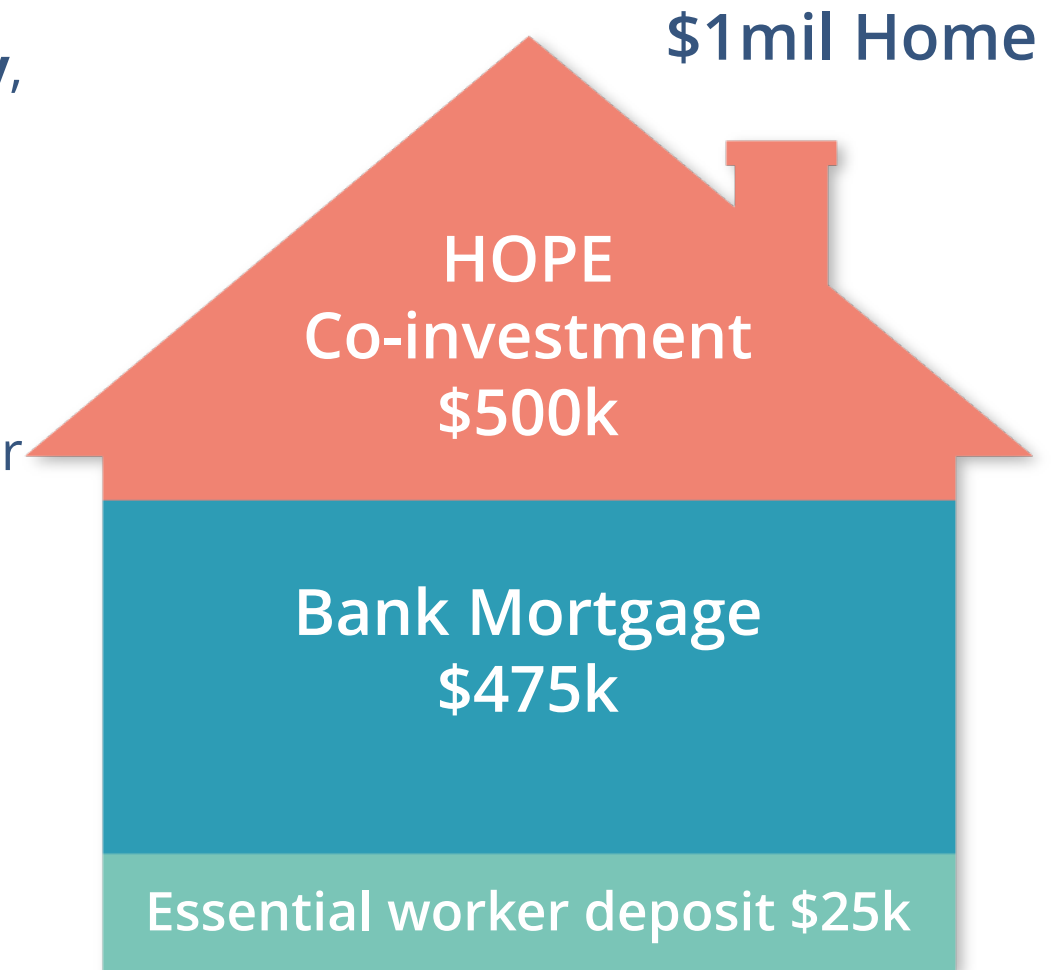
Our *Solution*

HOPE's unique homeownership solution....

- Ensures essential workers travel no more than 30 minutes to work
- Operates like the Bank of Mum and Dad, helping to buy up to half the house
- Caps Debt to Income ratio at 30%, borrowing less reduces cost of living pressures

How HOPE works

- 1 The **essential worker decides** where to **buy**, when to **sell** and when to **payout** HOPE
- 2 HOPE provides co-investment as a silent partner, there is **no ongoing fees** on the HOPE share
- 3 The **worker is on title** and is **responsible** for property maintenance, insurance and taxes
- 4 The **mortgage is minimised** by a limiting servicing to 30% of gross income and setting the payoff period to 20 years resulting in faster paydown
- 5 The **Bank and HOPE are pari passu** (equal) in the structure in the event of default



The deployment process

Simple customer journey with easy integration into the Bank's current Home Lending process



Results so far



Helped 22 essential workers buy a home close to their work



30 properties assessed through HOPE's Buy Well asset evaluation process
14 properties purchased
6 properties declined



\$9.4m deployed in co-investments to date
Helping to purchase a total asset pool worth \$20mil



Homebase[®] technology and Lender Portal active, streamlining communications and positioning for scale



\$15 million of investment commitments received, \$100M close

Unlocking affordable housing

Helping the people our communities need most



“HOPE’s given us financial certainty - knowing our housing expenses are being invested in a great asset instead of rent.

Eliza (Emergency Nurse), Todd & Family
Cromer, Sydney



“HOPE’s given us a foot on the property ladder, plus I can stay working in a job I love.

Adam (Police Officer), Elif & Family
Blacktown, Sydney



“Buying our own home with HOPE has been a dream come true – without financial strain or having to forgo aspirations to grow our family.

Ashley (School Teacher), Charles & Family
Mascot, Sydney

