



**SOUTHERN PEAK LAW**

— helping people achieve their dreams —

## Ways to Climb onto the Property Ladder

Seminar [October 2023] notes

- **Co-purchasing with family and friends**
  - ✦ *Good option for building equity to achieve final goal of personal ownership*
- **Property Sharing Agreements**
  - ✦ *Always required in co-purchase situation*
  - ✦ *Should include: personal contributions, responsibility for outgoings, agreed procedure for selling, agreed rights in respect of property, anything else particular to the property (ie compliance with body corporate rules or land covenants)*
- **Shared ownership schemes**
  - ✦ *Kainga Ora First Home Partner*
  - ✦ *Housing Trusts (including leasehold, rental arrangements etc)*
- **Grants and Kiwisaver**
  - ✦ *Consider whether using KiwiSaver for deposit or at settlement*
  - ✦ *Switch to a conservative investment type so you know the balance available*
  - ✦ *If you and the property meet the criteria, the Kainga Ora First Home Grant is 'free' money, unlike Kiwisaver which is your own money*
- **Lending, guarantors and gifts**
  - ✦ *Is it a loan or a gift? It should be documented correctly*
  - ✦ *Personal guarantees from family. These should be limited in liability (not unlimited)*
  - ✦ *Structuring is important and will the lenders be taking security (a mortgage)*
- **Trusts**
  - ✦ *If you are in business or will be in business in the future, owning your house in a trust is recommended for asset protection*