

Submission to the Reserve Bank of New Zealand

**Consultation Paper:
Adjustments to restrictions on high-LVR
residential mortgage lending**

“Definition of Owner-Occupied Property”

Withheld OIA s9(2)(a)

Individual Responder

1. The RBNZ Consultation Paper proposes that
 - a. *Apply a single speed limit for all investor lending in New Zealand, permitting no more than 5 percent of lending at an LVR greater than 60.*
 - b. *Apply a single speed limit for all owner-occupier lending, permitting no more than 10 percent of commitments with an LVR of greater than 80.*
2. It is my sincere request that the RBNZ considers defining Owner-Occupied Lending in detail, so that it would be equitable to the New Zealand population.

Description of personal circumstance which is common among [REDACTED]

3. I consider myself a 'reluctant property investor'. **Withheld OIA s9(2)(a)** [REDACTED]
[REDACTED]
[REDACTED]
4. [REDACTED]
[REDACTED]
[REDACTED] my wife and I are maintaining 2 principal places of residence. (CONFIDENTIAL: personal details)
5. I am also aware of some of my colleagues, due to their work/training requirements, would be spending, for example, 1 month in Location A; and 1 month in Location B, the distance between A and B taking more than 3 hours one-way.
6. I would consider myself highly unlikely to be able to afford the 2nd property were the new rules be in place.

Suggestion for Definition

7. I would suggest that the RBNZ allows
 - a. A joint-owner to have maximum 2 owner-occupied property (therefore subject to the <80% LVR), subject to:
 - i. The 2 property being >250km apart
 - ii. And there is evidence that the 2 properties are intended to be used as a owner-occupied property.
 - b. A single-owner to have maximum 2 owner-occupied property (therefore subject to the <80% LVR), subject to:
 - i. The 2 property being >250km apart
 - ii. And there is evidence that the 2 properties are intended to be used as owner-occupied property.