

From: [Redacted] Withhold OIA s9(2)(a)

Sent: Thursday, 28 July 2016 9:24 p.m.

To: RBNZ Info; macroprudential

Subject: Submission on Adjustments to restrictions on high-LVR residential mortgage lending

To whom it may concern

I would really appreciate if this email could be read now, if there is anything that can be done to help us with our situation now it would be really appreciated.

I am responding as an individual. Actually I am responding as a mother of a young family who has already been significantly impacted by the 'draft' adjusted LVR restrictions.

What has impacted us is the definition of 'property investor' and our bank not considering our special borrower circumstances worthy of warranting their 'speed limit' allowance.

Our special borrower circumstances are as follows:

We own a 'leaky building' [Redacted] Withhold OIA s9(2)(a)

[Redacted] When works start on our unit [Redacted] Withhold OIA s9(2)(a) we have to move out for 6 months. We have tried to sell our property, in fact it is still on the market, not surprising given the leaky building issues and the substantial remediation costs that go with it, no one has bought it. We have also discussed with the bank the possibility of using the equity in the unit to purchase a home (not an investment property) and were offered a home loan pre-approval of \$700k as we met the 80/20 LVR requirements.

Last week we saw a property we believe we can afford, in fact the offer we had in mind was less than the pre-approval limit we previously had. We approached the bank but have unfortunately been declined. We were aware of the LVR changes but didn't think they applied to us, we are purchasing a home to move into, not an investment property. We would sell our current property if we could and we will be selling it as soon as the remediation works are complete, if we are not successful before then. It is not our intention or desire to be property investors, the property we would like to put in a tender for is a family home that we would like to move into [Redacted] Withhold OIA s9(2)(a)

Are these not special borrower circumstances? And if so, can you please speak to our bank [Redacted] Withhold OIA s9(2)(a) on our behalf?

I believe the spirit of the LVR restrictions is to restrict property investors who are buying multiple properties and then renting them out for the capital gain and tax benefits they provide. This is not us.

Please appreciate the real effect these changes are having on our family, [Redacted]

[Redacted] Withhold OIA s9(2)(a)

[Redacted] It is not

fair on them, we need a real home for them. We have saved hard, we both work and we thought that home was within our grasp. We are devastated with this news from the bank, [Redacted] [Redacted] Withhold OIA s9(2)(a) . Is this the intent of the LVR restrictions?

[Redacted] Withhold OIA s9(2)(a) when remediation works are scheduled to commence on our property and we don't have anywhere to live, [Redacted] Withhold OIA s9(2)(a) it is important for us to find somewhere to live before this time - not a situation a typical 'property investor' would face.

[Redacted] Withhold OIA s9(2)(a) [Redacted] [Redacted] Who we understand is selling because they don't want to have to do the insulation work etc that will soon be a requirement (we are not those people!).

Please clarify in the rules to the banks what is meant by investors, it isn't people like us in situations such as ours and please highlight to banks that situations such as ours are special borrower circumstances. We have already been severely affected by the leaky building crisis and now by these restrictions, all we want is a 3 bedroom home with some grass to call home.

As this submission contains personal information, I do not want it published.

Regards

[Redacted] Withhold OIA s9(2)(a) [Redacted]