

Information sheet: Land sales

What land are you selling?

We currently plan to sell about 36 hectares of land that is no longer needed for either new social housing projects or for urban development work. That includes:

- 4.5 hectares of land in Alfriston, which the New Zealand Transport Agency is going to acquire for a roading project.
- Larger sites that were acquired with the intention of delivering a mix of both market and social housing, including:
 - 80 Don McKinnon Drive, Albany, Auckland
 - East Street, Drury, Auckland
 - 98-100 New North Road, Auckland
 - 46 Mangere Road, Auckland
 - 18 Totara Avenue, Auckland
- 132 Adelaide Road, Wellington. Note, this site is separate from the site at 28 Adelaide Road purchased under the Land Programme.
- Smaller vacant sites across the country which are not needed for social housing projects.

The remainder of the vacant land we own, we'll hold onto for future development and renewal of our housing stock. It makes sense to do this, rather than selling it and needing to buy land again in the future.

Can you provide a list of the smaller sites that you intend to sell?

To ensure fairness and a level playing field in an open market selling process, we won't usually share information about specific sites until the property is ready for sale. It is possible some sites currently earmarked for sale may need to be reconsidered so the list of sites we're selling could evolve.

When will you start listing the sites on the market?

About 4.5 hectares of Kāinga Ora owned land is already on the market or in the process of being put on the market. We'll begin listing other sites for sale over the next 12 to 18 months. We want to get the best price possible for the land so the exact timing of when we will list sites for sale will depend on market conditions and other variables that could impact on price. For example, with some larger sites we may look to subdivide before we sell to maximise their value.

How will the land be sold?

Generally, as sites are confirmed for sale, they will be listed and sold on the open market by an appointed real estate agent. Larger development sites may require different sale approaches.

As sites are put on the market, we will share details on our website.

How much of the land being listed for sale is zoned for housing?

Most of the land earmarked for sale is zoned for housing. Where land isn't already zoned for housing, we might look to get it rezoned before putting it on the market.

How much do you expect to earn through land sales?

The land currently earmarked for sale has a book value of about \$132 million, but the price we get for it will depend on market conditions and what buyers are willing to pay for it.

Will you offer any of the land to Community Housing Providers?

The land will generally be sold through open market processes. Community Housing Providers are welcome to express interest through this process.

Is it possible that other land will be sold in the future?

Like any developer, we are continually reviewing the land we own to see if it still fit for purpose and as such, it is expected that the divestment of sites will be an ongoing process. It is likely that further sites will be added to our divestment programme in the future.

It is also important to note that while we have finished our review of vacant land, in reality this work doesn't stop. Market conditions are continually evolving, demand for new housing can change, and more detailed due diligence may mean sites intended for redevelopment no longer work for us, or conversely, sites earmarked for sale may need to be reconsidered.

The four large sites we purchased when Kāinga Ora had an urban development mandate that included increasing the supply of build-ready land for all types of housing, may also be divested, following the Government's decision to wind down the Land Programme.

Why does Kainga Ora own so much land?

It is important we have a strong supply of land available for future social housing developments because one of the biggest challenges with predictably delivering additional housing is securing land.

Under the previous government, Kāinga Ora was tasked with delivering a large volume of new social housing. Additionally, we had an urban development mandate that included enabling broader housing supply. We acquired land to meet the priorities of the government's housing programme at the time. The agency delivered housing on most of the land it purchased. Some of the larger sites we acquired were intended for comprehensive residential development with a mix of social, market and affordable housing.