

Media Release

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Banks support move to help leaky home owners

The New Zealand Bankers' Association (NZBA) today welcomed the government's financial assistance package (FAP) for leaky homes which will provide a further option for affected home owners.

The package will offer a government contribution of 25% of the cost of approved repairs to eligible home owners to repair their homes, and home owners may be eligible for a further contribution of 25% of the cost of approved repairs from their local authority. Home owners will then need to fund the balance of the repair costs. It is expected that many home owners who are eligible for the package will do so by way of borrowing from their bank.

"Eligibility and affordability are key elements of the package," said NZBA chief executive Sarah Mehrtens. The package announced today will go a long way towards helping in this area. Banks will work closely with affected home owners to see how they can assist. It is important to note that lending criteria conditions will still need to be met.

"Banks have for a long time been working to assist customers who own leaky homes, and what is pleasing about this package is that it does provide some property owners with a further option," said Mehrtens. Other options that already exist include the Weathertight Homes Resolution Service.

"Customers will need to carefully consider which option best suits their needs. We encourage them to take independent legal advice because the FAP may not be appropriate for everyone," said Mehrtens.

Member banks that have agreed to work with the government are:

- ANZ National Bank Limited
- ASB Bank Limited
- Bank of New Zealand
- The Hongkong and Shanghai Banking Corporation Limited
- Kiwibank Limited
- SBS Bank
- TSB Bank Limited
- Westpac New Zealand Limited.

Customers of other banks can also seek assistance from the Department of Building and Housing under the package.

Affected home owners are encouraged to contact the Department of Building and Housing for more information on the FAP and to determine whether they are eligible for assistance under the scheme.

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For further information please contact Philip van Dyk on 04 802 3354 or 021 242 0428.