

# ORA RESALE & INTERMEDIARY POLICY

*Ensuring permanent affordability through structured resale pathways*

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## 1. Purpose

The purpose of this policy is to set out how ORA manages the resale of homes to ensure they remain **permanently affordable, accessible to eligible households, and protected from market speculation**, while giving homeowners a fair, transparent, and supportive process when they choose to sell.

This policy describes:

- How resale prices are set
- How ORA facilitates resales
- Eligibility rules for buyers
- Responsibilities of sellers
- ORA's intermediary role
- Optional Right of First Refusal provisions

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## 2. Principles

### 2.1 Perpetual Affordability

Resale rules ensure homes remain affordable across generations, avoiding escalating market prices.

### 2.2 Fairness to Sellers

Sellers receive a stable, transparent return via a resale formula that balances fairness with affordability.

### 2.3 Fair Access for Eligible Buyers

Homes are resold only to households meeting ORA's eligibility criteria, ensuring community benefit and preventing speculation.

### 2.4 Stewardship Over Speculation

ORA's role is to protect affordability and community wellbeing—not maximise profit.

### 2.5 Low-Cost, Supportive Resale Process

ORA acts as an intermediary to simplify resale and reduce costs for sellers.

### 2.6 Supported Resale

ORA is committed to supporting homeowners to resell their homes through a structured, intermediated process that promotes orderly and fair outcomes consistent with this policy.

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## 3. When This Policy Applies

This policy applies to:

- All ORA homes purchased under ORA's limited-profit affordable homeownership model
- All sales and transfers of ORA homes, including where an owner wishes to sell voluntarily or is required to sell under their Sale & Purchase Agreement

This policy does **not** apply to:

- Market-rate homes outside ORA's affordability system
- Rental or community housing tenancies
- Transfers of interest within a family trust (subject to eligibility conditions)

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## 4. Resale Price Setting — The Resale Formula

The resale price of an ORA home is determined using the project's **Resale Formula**, selected when the project is established and stated in the Sale & Purchase Agreement<sup>1</sup>.

### 4.1 Indexed Uplift Model

Resale price = Original purchase price + CPI-indexed uplift (subject to project caps).

### 4.2 Capped Equity Model

Resale price = Original purchase price + agreed annual capital gain (e.g., 1–3% per year).

### 4.3 Affordability-Based Valuation Model

Resale price = Independent valuation capped to meet maximum affordability thresholds.

### 4.4 Hybrid Models

ORA may adopt a combination of models where appropriate.

### 4.5 Maximum Price Rule

In all cases, the resale price **must not exceed** the maximum determined using the applicable Resale Formula.

### 4.6 Formula Certainty

The resale formula applicable to an ORA home is **fixed at the time of purchase** and recorded in the Sale & Purchase Agreement.

Once a home has been purchased, the applicable resale formula cannot be changed retrospectively.

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## 5. Intermediated Resale Process

When a homeowner wishes to sell an ORA home, resale occurs through ORA's intermediated resale process. This process is designed to provide clarity, fairness, and consistency, while ensuring compliance with ORA's affordability and eligibility requirements.

### 5.1 Notification of Intent to Sell

The seller must notify ORA in writing of their intention to sell. ORA will provide a short-form resale notice to confirm:

- seller details;
- preferred timeframe for resale;
- condition of the home; and
- any other relevant information required to commence the resale process.

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### 5.2 Resale Price Confirmation

Upon receipt of a completed resale notice, ORA will calculate the maximum permitted resale price in accordance with the applicable Resale Formula and issue a **Resale Price Certificate**.

The Resale Price Certificate will confirm:

- the maximum resale price;
- the applicable resale formula;
- any CPI or indexed adjustments applied; and
- the expected resale pathway and indicative process steps.

ORA's role at this stage is to **apply the pre-set resale formula**, not to determine resale prices at discretion.

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### 5.3 Marketing and Buyer Outreach

ORA acts as a mission-aligned intermediary to facilitate resale and does not act as a commercial real estate agent.

ORA may:

- prepare a simple property listing;
- promote the home to eligible buyers through ORA's buyer registry;
- manage enquiries and expressions of interest; and
- undertake targeted outreach to support an orderly resale.

ORA does not charge commission-based fees and will only publicly advertise a property where necessary to broaden the pool of eligible buyers.

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## 5.4 Buyer Eligibility Screening

All prospective purchasers must:

- meet ORA's Home Eligibility Policy;
- commit to owner-occupancy;
- demonstrate mortgage readiness; and
- complete any required orientation or information session.

Where more than one eligible buyer is available, ORA may apply a structured prioritisation approach in accordance with its eligibility and allocation policies.

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## 5.5 Buyer Selection and Sale Completion

Once an eligible purchaser is identified, ORA will:

- introduce the buyer and seller;
- provide the required resale documentation;
- support due diligence by both parties; and
- work with legal advisers to ensure the Sale and Purchase Agreement complies with this policy.

Completion of the sale is conditional on compliance with all applicable resale, eligibility, and stewardship requirements.

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## 5.6 Facilitation Fee

To cover resale-related administration and stewardship costs, ORA charges a **Facilitation Fee**, typically:

- between **1.0% and 1.5% of the resale price**, or
- a capped fixed amount, where applicable.

The Facilitation Fee is payable only upon successful completion of the resale.

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# 6. Lease Surrender, Reissue & 125-Year Term Reset

## 6.1 Overview

ORA homes are held on long-term residential leases issued by the **ORA Whenua Trust**. To maintain perpetual affordability and ensure that every household receives full long-term security, each resale of an ORA home involves a mandatory surrender and reissue of the residential lease.

On resale:

- the outgoing homeowner's lease is surrendered;
- a new residential lease is issued to the incoming eligible purchaser; and
- the lease term is reset in full to **125 years**.

This process applies to all ORA homes and is automatic on resale. It does **not** involve renegotiation of lease economics, ground rent methodology, or lease terms beyond the standard reset.

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## 6.2 Surrender of Existing Lease

Upon completion of an approved resale:

- a. the outgoing lessee must execute a **Deed of Surrender of Lease**;
- b. the surrender takes effect on the settlement date;
- c. any mortgage registered against the outgoing leasehold interest must be discharged or otherwise satisfied; and
- d. no portion of the outgoing lessee's remaining lease term is transferred, credited, or preserved.

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## 6.3 Grant of New Lease to Incoming Purchaser

Following surrender of the outgoing lease:

- a. the ORA Whenua Trust will grant the incoming purchaser a new **Residential Lease**;
- b. the lease will be issued in the Trust's standard form applicable to the project;
- c. the lease term will be **125 years**, commencing on the settlement date;
- d. the lease term does not accumulate, roll forward, or carry over from any previous lease; and
- e. execution of the new lease is a condition of settlement and a requirement for ORA approval of the resale.

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## 6.4 Alignment with Resale Formula & Eligibility Requirements

A new residential lease may only be granted where ORA has confirmed that:

- the sale price complies with the applicable **Resale Formula**;
- the incoming purchaser meets all **Eligibility Criteria**;
- all required facilitation and administrative fees have been paid; and
- the transaction complies with ORA's stewardship and long-term affordability obligations.

ORA may decline to approve any transfer that does not meet these requirements. The ORA Whenua Trust's role is limited to confirming compliance with the ground lease.

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## 6.5 Mortgagee Requirements

Where the incoming purchaser obtains mortgage finance:

- the new lease must be in a form acceptable to the mortgagee;
- ORA will work with lenders to provide reasonable supporting documentation; and
- mortgagee consent or requirements must not override affordability protections, resale restrictions, or stewardship obligations.

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## 6.6 No Speculation or Windfall Gains

The lease surrender and reissue mechanism ensures that:

- no homeowner benefits from land value uplift, which is retained by the Trust;
- affordability is protected across successive generations of homeowners; and
- all purchasers receive equivalent long-term lease security on resale.

This mechanism is central to ORA's limited-profit, perpetual-affordability model.

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## 7. Eligibility of Purchasers

Purchasers must meet:

- ORA's Home Eligibility Policy
- Project-specific criteria
- Owner-occupancy rules
- Mortgage-readiness requirements

Where demand exceeds supply, ORA may use:

- Points-based prioritisation
- Local connection weighting
- Priority for Key Workers
- A maintained waiting list

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## 8. Right of First Refusal (Optional)

In some projects, ORA or the ORA Whenua Trust may hold a **Right of First Refusal** (RFR)<sup>3</sup>.

If exercised:

- ORA may purchase the home at the formula price
- RFR must be exercised within the timeframe stated in the S&P Agreement
- If declined, resale proceeds via the Intermediated Resale Process

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## 9. Prohibited Transfers

The following are **not permitted**:

- Sales above the formula cap
- Sales to ineligible buyers
- Private or off-market sales that bypass ORA
- “Top-up” payments or side arrangements
- Short-term flipping
- Assignments without ORA approval

Any such transfer is **void** and may trigger corrective action under the S&P Agreement.

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## 10. Seller Responsibilities

Sellers must:

- Notify ORA before marketing the home
- Maintain the home in reasonable condition<sup>4</sup>
- Provide access for viewings
- Participate in ORA's resale process
- Agree to the capped resale price
- Pay the Facilitation Fee upon sale

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## 11. ORA Responsibilities

ORA must:

- Process resale notifications promptly
- Apply the applicable resale formula transparently when confirming resale prices
- Maintain records of eligible buyers
- Market fairly to eligible households
- Support both parties through the process
- Uphold affordability and stewardship obligations
- Protect privacy and personal information.

ORA does not set resale prices at discretion and may not alter the applicable resale formula after purchase.

ORA's operational role under this policy is distinct from the ORA Whenua Trust's stewardship role, which is limited to land holding, lease administration, and long-term affordability protections.

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## 12. Data, Reporting & Transparency

ORA will publish anonymised annual statistics on:

- Number of resales
- Resale pricing and affordability outcomes
- Buyer eligibility trends
- Resale processing times

This provides transparency for community members, funders, and partners.

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## 13. Review Cycle

This policy is reviewed:

- Every 2 years, or
- Earlier if regulatory, financial, or stewardship requirements change

Updates must be approved by the Board of ORA Ltd and the Trustees of the ORA Whenua Trust.

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## 14. Related Documents

- ORA Home Eligibility Policy
- ORA Homeowner Guide
- Ground Lease
- Sale & Purchase Agreement (Model Form)
- ORA Pricing & Affordability Framework

## Footnotes

1. *Resale Formula methods may differ by project depending on philanthropic contributions, land cost, and affordability targets. The applicable formula must be disclosed before purchase.*
2. *ORA may publicly advertise only to broaden the eligible buyer pool when needed, but all buyers must still meet eligibility criteria.*
3. *ROFR is optional and may be included only where appropriate to the project's funding structure or long-term stewardship strategy.*
4. *Reasonable condition includes fair wear and tear; however, significant deferred maintenance may require adjustment through the resale process.*