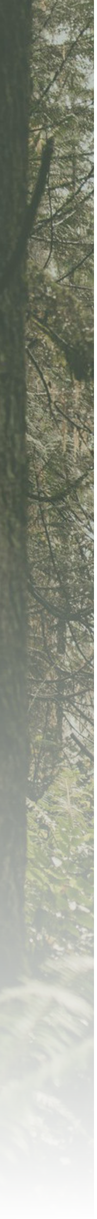
ORA

Housing-Led Regeneration

Why ORA Exists



Why ORA Exists

New Zealand's housing system has been shaped by forces that commodify land, financialise homes, prioritise private profit, entrench state inefficiencies, and constrain community-led delivery. Together, these forces have produced a system that is unaffordable and increasingly incapable of creating connected, resilient, and meaningful communities.

Over time, housing has shifted from a foundation of wellbeing into a mechanism of extraction — where value is taken out of land, people, and place faster than it is returned. This extractive dynamic drains vitality from the systems that sustain us, eroding the economic, social, and environmental fabric that once held communities together.

What we face is not simply a housing shortage. It is a system structurally misaligned with long-term human and planetary wellbeing.

Land: The Root of the Crisis

At the heart of today's housing crisis lies the treatment of land.

Across history — from the enclosure of common land in Europe to the colonisation of Aotearoa — land ownership has been a source of conflict, dispossession, and inequality. Land that was once held in common for the wellbeing of communities has too often been privatised, commodified, and treated as a vehicle for extraction.

This shift has caused more than economic harm. It has driven disconnection: from nature, from place, and from one another. That disconnection deprives people of belonging, cooperation, and community — all of which are as essential to human wellbeing as shelter itself.

Today, land is widely treated as a speculative asset rather than the foundation of life. Speculation drives land values ever higher, pushing housing costs beyond reach, reinforcing inequality, and transferring the burden to future generations. How land is treated ultimately determines who housing serves — and under current settings, it increasingly serves capital rather than people.

The Financialisation of Housing

Housing was once about shelter, security, and community. Today, it is primarily an investment class.

Financialisation — the growing dominance of financial markets and speculative capital — has transformed housing into a tool for wealth accumulation rather than an essential social good. Since the mid-20th century, finance has shifted from supporting productive enterprise to rewarding speculation and asset trading. Capital increasingly circulates within closed loops of real estate, stocks, and debt, rather than flowing into value-creating activity.

Housing has sat at the centre of this transformation. Homes are traded like financial instruments, prices spiral beyond incomes, and communities are destabilised by transience and speculation. The result is a system that inflates land values, weakens productivity, degrades environmental outcomes, and entrenches inequality — while delivering housing that is often poor in quality, character, and connection.

Capital Rules & Private Sector Dominance

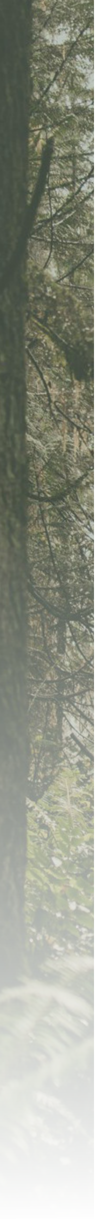
The development system is shaped by conventional finance rules that prioritise scale, speed, and short-term return. Mainstream bank requirements for high equity contributions and development margins of 15–20% effectively exclude most mission-led, community-based, and smaller-scale actors.

This is not necessarily a failure of individual developers. It is a structural outcome of capital rules that reward extraction and concentrate delivery power in a narrow cohort of large, well-capitalised firms. Under these conditions, profit becomes embedded at every stage of development, while social outcomes, environmental performance, and enduring quality are treated as optional — particularly where they do not enhance short-term financial returns.

These settings drive several systemic consequences:

- Affordability erosion, as stacked margins, finance costs, and inflated land values compound prices.
- Homogeneous urban form, as standardisation and greenfield expansion are favoured to reduce risk.
- Place dilution, with developments treated as isolated projects rather than integrated neighbourhoods.
- Insecure housing, particularly in investor-driven rental models that prioritise capital gain over long-term care and stability.

The issue is not necessarily who builds housing, but how capital determines who is allowed to participate, what gets built, and whose interests are ultimately served.



Lived Impacts: Stress, Isolation, and Inequality

The consequences of this system are deeply human.

Unaffordable housing, long commutes, and weak community connection generate chronic stress for individuals and households. That stress does not remain private. It contributes to poor health outcomes, increased demand on public services, family breakdown, antisocial behaviour, and crime.

When housing consumes too much income, families are forced to compromise on food, healthcare, and education. For some, this pressure leads to homelessness and entrenched poverty — cycles that are difficult and costly to reverse.

At the same time, the way we now build our towns and suburbs has intensified loneliness and isolation. Car-dependent layouts, transient rental markets, and developments designed around private property lines rather than shared spaces mean many people no longer know their neighbours. The informal support networks that once defined village life have quietly disappeared.

Disconnection undermines resilience. People without local support struggle more in times of illness, financial stress, or crisis. Communities without trust and belonging experience lower civic participation and weaker social cohesion.

Institutional Responses: State & Community Housing

The state has long played a central role in housing delivery. At its best, government-led housing has provided stability, affordability, and a vital safety net for generations of whānau. Its ability to access land and deliver at scale remains essential.

However, state delivery also faces persistent challenges: complex bureaucracy, rising costs, long delivery timeframes, and inconsistent policy settings that undermine confidence and continuity. Design quality and placemaking are often secondary to throughput, and housing is frequently delivered in isolation from wider neighbourhood regeneration.

Community Housing Providers (CHPs) play an equally vital role. They are often place-based, trusted, and deeply connected to the communities they serve. Many deliver outstanding outcomes and should be supported to grow their impact.

Yet under current settings, most CHPs remain structurally dependent on government funding and constrained by legal, tax, and capability limitations. Development funding is difficult to access, commercial flexibility is restricted, and many lack the specialist expertise needed to deliver complex, mixed-tenure projects at scale. As a result, the sector remains largely focused on social housing and struggles to address the broader affordability gap.

Both state and community housing are necessary — but neither, on their own, can meet the full spectrum of housing need.

Many existing affordability interventions focus on reducing the cost of individual homes at a point in time. As a result, they often rely on repeated or ongoing public subsidy to remain viable, rather than embedding affordability structurally into land and ownership arrangements. This limits durability and leaves affordability exposed to funding cycles rather than secured across generations.

The Missing Middle

Between social housing and the private market sits a growing gap — the missing middle.

Rising construction costs, higher finance costs, and stagnant incomes mean that modest, well-located homes for everyday households are increasingly unviable under the conventional development model. Only two forms of housing are consistently delivered: high-end homes that can absorb today’s costs, and heavily subsidised social housing.

This is not necessarily a failure of developers or intent, but a structural reality driven by the returns demanded by speculative capital. The system builds for the top and the bottom — while leaving essential workers, families, and retirees without viable pathways to stable, affordable homes.

Other jurisdictions have responded by creating a third sector: resident-led, community-focused, limited-profit models that sit between the state and the market. These approaches deliver housing that is neither luxury nor subsidised, but permanently more affordable, high-quality, and rooted in place.

ORA is Aotearoa’s response to this missing sector.

We are not a speculative private developer, nor a Community Housing Provider (CHP) reliant on ongoing government subsidy. ORA exists because the current system cannot, under existing land and capital rules, deliver the homes and communities New Zealand needs. If we want housing that serves people, place, and long-term wellbeing — rather than extraction — a new pathway is essential.

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James Goodhue

T: +64 21 311 478
E: james@oraregeneration.nz
W: oraregeneration.nz