

Mortgages

These Questions & Answers address some of the most common questions asked by persons with mortgages or thinking of applying for a mortgage from the Board. Please contact the Board if your query is not answered here.

Please note except for the Mortgage Administrator the staff of The New Zealand Anglican Church Pension Board are not permitted under the Financial Advisers regime to provide financial advice. They can only provide you with factual information about mortgages and give procedural advice, eg how to apply for a mortgage with the Board, how to make mortgage repayments, how to discharge your mortgage, etc.

These Questions & Answers are grouped together under the following headings:

- Application
- Repayments
- General.

QUESTION	ANSWER
APPLICATION	
Who can apply for an ACPB mortgage?	Applicants must be licensed clergy, retired clergy, parishioners or lay workers from the Anglican or other Christian Churches, or Retire Fund or Koinonia KiwiSaver Scheme members. All mortgage applications are assessed on a case by case basis.
Will the ACPB lend to a family trust?	Yes, the Pension Board will consider lending to the family trust of an eligible person (see above) as long as all of the trustees of the trust sign the term loan documents.
Are there any application fees?	There is no application fee. However the lawyers' fees for both the applicant and the Pension Board plus any costs associated with valuations must be covered by the applicant.
How much can I borrow?	The Pension Board will consider lending up to the lower of: <ul style="list-style-type: none"> ▪ 80% of the valuation of the property (excluding chattels) provided by a registered valuer; or ▪ 80% of the purchase price; or 50% of the Rating Valuation if no current registered valuation is supplied. The rules are different for bare land as summarised in the following Question & Answer.
Will the ACPB lend over bare land?	Yes. The Pension Board will lend up to 70% of either the valuation of the property provided by a registered valuer or the purchase price (whichever is the lesser) for the purchase of land that is fully developed and serviced. The Pension Board will only lend up to 50% of the valuation or purchase price (whichever is the lesser) for the purchase of land that has no services (i.e. no electricity, water, sewage etc).

QUESTION	ANSWER
Will the ACPB approve leasehold mortgages?	The Pension Board will lend up to 50% of either the valuation of the property provided by a registered valuer or the purchase price (whichever is the lesser) for the purchase of a property for which the land is under a perpetually renewable lease.
How much deposit is required?	<p>The Pension Board requires the applicant to pay a minimum 20% deposit on the purchase of a property (this may be more depending on the type of mortgage – see above) or a minimum deposit of:</p> <ul style="list-style-type: none"> ▪ 30% for bare land ▪ 50% for unserviced bare land. <p>If the applicant already owns a property, the Pension Board requires the applicant to have sufficient equity in the owned property to meet the minimum deposit level applicable to the new property.</p>
Who is responsible for a valuer's fee?	The applicant is in each case responsible for the payment of any valuer's fee.
What type of loans does the ACPB offer?	The Pension Board offers both Table and Interest Only loans.
Does the ACPB offer revolving mortgages/credit facilities?	No, the Pension Board will not offer a revolving mortgage/revolving credit facility.
Will the Pension Board offer bridging finance?	Yes, on a case by case by basis. Any bridging finance requires sufficient security to cover the lending amount and once the bridging finance is finished the resulting mortgage must meet the Board's lending requirements.
What type of mortgage should I apply for?	It would be best to consult your financial adviser to determine which type of mortgage would best suit your financial position.
REPAYMENTS	
Can lump sum payments be made?	Lump sum payments of \$1,000 or more may be made on ANY interest payment date, but the Pension Board has the right to apply loss adjustment charges where a payment occurs on a date that is not on an interest renewal date.
Can higher monthly repayments be made?	Regular payments made monthly in excess of the required mortgage payments (while technically lump sum payments) will be accepted with no loss adjustment charges applied. The excess can be no more than \$1,000 a month above the required monthly payment.
GENERAL	
Are there any fees for further advances?	Yes, there is a \$75 (including GST) fee charged for further advances.
What length of fixed interest rates does the ACPB offer?	The Pension Board offers floating, 1 year, 2 year and 3 year fixed rates.
Which interest rate should I choose?	You should consult your financial adviser to determine which interest rate would be the best for you.
Does the ACPB offer further advances?	Yes, but these are subject to our reassessing your financial circumstances (this involves the same checks as if you were applying for a new mortgage).