Finding affordable home options for invisible women

HOME OWNERSHIP MODELS FOR MODEST-INCOME EARNING 'MIDDLE AGED' WOMEN

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Executive Summary

"Older women have experienced lifetimes of lower wages, longer periods without paid employment, less superannuation, and lower rates of homeownership than their male counterparts. These women are being failed by a retirement system predicated on home ownership." Dr K. Raynor (2021)

Single, 'middle aged' (between 45 and 55 years) women in Australia are the fastest-growing group of people at risk of housing insecurity and homelessness in the country.[1] In a nation obsessed with home ownership, these women must overcome tremendous hurdles to find acceptable, affordable housing. All while navigating societal pressures and inequalities that threaten to derail this search.

This report has been commissioned by Lord Mayor's Charitable Foundation (LMCF) to explore housing models that align with the needs of this target group. The aim is to establish which potential housing models have the best chance of preventing this 'invisible' group from falling into homelessness.

For the purposes of this report, we've established a cohort of women with the typical characteristics of a single, Victorian woman aged 45-64 and earning between $64,000-$104,000.

These women face the same barriers as many other Australians, including:

- Housing costs outpacing wage increases
- Too many properties purchased for investment purposes
- Government policy that doesn't support moderate-income buyers.

But this cohort also must navigate other major obstacles in their search for affordable, secure housing:

- Gender pay gap
- Gender financial illiteracy
- Difficulty accessing lending
- Domestic and family violence (DFV).

In this report we take a cohort first, financing model second approach, prioritising an understanding of:

1. The cohort's experience – in this case, investigating barriers to housing security for low- to middle-income, middle-aged women.
2. The cohort's wants and needs.
3. How professional, societal and political context impacts these women's housing journey.
4. International approaches to solving this issue and lessons that can be applied here in Australia.
5. How to build out financing models conscious of the tensions between the various parties involved in any property development – factoring in scale, risk, return, planning constraints, replicability, duration, liquidity and more.

Finding models that potentially fit Australia

The experience of increasing housing vulnerability among ageing women is universal. Using findings from Canada, Finland, the UK and US, we developed some key insights to help determine potential ways forward. These include realising there's no one-size-fits-all answer to this issue; knowing we can't count on the market to solve this problem; and understanding the importance of keeping women at the centre of any proposed solution.

Keeping women at the centre means respecting what these women want in a 'home'.

[1] Boucher, D., 2021, 'Female and Homeless: Australia's Growing Housing Crisis', The Urban Developer

What does the literature say? A summary of what women over 45 want.

A PLACE TO CALL HOME

Fundamentally, this cohort of women wants a place to call home. A home is a secure and stable residence that provides a sense of belonging and connection to family, friends and community. This potentially includes:

- A space which is conducive to independent living and which offers privacy
  - access to some shared spaces, for example gardens or a communal gathering area
  - some space to accommodate pets and visits from family and friends
- A physical space that fosters a sense of wellbeing, and good emotional, physical and spiritual health
  - social connectedness and a sense of community
- Autonomy to direct physical, financial and emotional wellbeing for as long as possible, with access to assistance if required
- A suitably sized dwelling
  - women were willing to compromise on home size if that meant they could have a private, secure space in an appropriate area.

Four key housing models

Using the insights gained from the target cohort analysis and our international research, and considering baseline market conditions, we identified the four most suitable housing models:

1. **Shared equity**
2. **Build to rent**
3. **Built to rent to own**
4. **Staircase housing – proportional ownership**

There are strengths and weaknesses associated with each of these models which reflect a spectrum of opportunity. Each model caters differently to the various circumstances of the cohort and the range of parties involved in property development. These key criteria are summarised in Table 1 and compared against each of the four models.

Table 1 Comparison of the models

Key Criteria	Shared equity	Build to rent	Build to rent to own	Staircasing
Tackles property market entry barriers	✓		✓	✓
Addresses retirement horizon / lender exit strategy issue		✓		✓
Provides a pathway to home ownership	✓		✓	✓
Ease of replication and scale	✓	✓	✓	✓
Flexible repayment	✓		✓	✓
Track record in Australia	✓	✓		

But what Table 1 doesn't show is *how* the women will experience the housing journey – whether as a long-term renter in a build-to-rent development, or through the pathways to ownership through shared equity, build-to-rent-to-own and / or staircasing. And that is the value of this research. It highlights, all things being equal, the relative affordability (for the women) of each option, as well as the conditions for feasibility. It puts the women at the core – where they belong – rather than focusing too much on the financing.

Despite targeting those of modest incomes (i.e. not focusing on very low- or low-income earners), we have highlighted that **there are 'gaps' in each of the financing models** – i.e. a subsidy is required for all of them to 'stack up'. Ecosystem participants, including philanthropy, will need to decide how best to fill the gaps. However, **without intentionally designing solutions tailored specifcially to this cohort, they will continue to fall through the cracks**.

What is clear is that:

- **women need to be actively pursuing housing pathways by 45.** Delaying action diminishes choices. Women need more support to undergo and then act on financial healthchecks that highlight a precarious future.
- **there is no precedent, internationally or locally, for solutions for this cohort that is 'at scale'.** This is despite the fact it is normal to see older women becoming increasingly vulnerable to housing precariousness in each country we investigated. What we found was that successful developments are usually very bespoke. They are location based. They involve women from the outset of the conception and design phase. Each development solves for the needs of relatively small numbers of women. In Australia, where larger commercial developers dominate new housing supply, we need to find ways to support smaller / bespoke players in the market to develop affordable and fit-for-purpose options. These bespoke initiatives may not be large enough to leverage interest from insitutional investors / access favourable lending terms from mainstream finance.
- **solutions need to be framed around the desired end state.** Secure tenure; connection to community; the right balance between privacy and shared space; fit-for-purpose design (footprint, accessibility); and affordability are all must-haves.
- **there are no universal solutions, but there are benefits in aggregating lessons learned across the ecosystem.** Despite numerous organisation-level attempts to realise solutions for this cohort, there is limited evidence of traction. Change requires active stewardship of the agenda and will benefit from the pooling of resources, collective advocacy, sharing of risks and rewards.
- **philanthopy can play a key role as a connector, catalyser, risk taker and direct funder.** International experience highlights the vital role philanthropic funding has played in unlocking housing opportunities for the target cohort. Especially for new models, philanthropic dollars can be highly impactful by contributing to an overall attractive financial proposition for all investors – then, upon successful execution, validating the model's acceptable risk profile. But philanthropic dollars are precious. And using them in their purest form can cement investor expectations regarding realistic financial returns for affordable housing models.
- Here are three important considerations for implementing philanthropic resources into the fight for affordable housing for our cohort:
  - If we want to maintain replicable, scalable momentum, we must embrace the tension between social outcomes / financial returns and identify a new equilibrium. Unlike other investors, foundations have much greater flexibility in the financial limitations for both their granting and corpus arm. Similar to the housing continuum, the return continuum does not have to be zero = grant and maximised = corpus.
  - We see opportunity to extend the philanthropic investment toolkit to fit-for-purpose options such as revolving (i.e. repayable) funds as part of shared equity solutions; patient capital that can bear

long-term investment horizons to allow cohorts to achieve homeownership; and discounted return loans that support affordability.

- Such progressive stewardship for sustained change can motivate institutional investors, especially super funds, to consider alignment of investment thesis / parameters with their social license to operate and the needs of the community members they serve. It can also help create the evidence base for Government that demonstrates the significant cost savings and positive impact for all of us from supporting housing solutions which keep these cohorts at the centre.

Younger and older Australians are often considered the most vulnerable members of our society. But we must not forget about other ‘invisible’ cohorts such as middle-aged women who are struggling with essential issues – where they can live safely, stay connected to friends and family and age as part of a welcoming community.

Factors largely out of their control have worked to prevent these women from obtaining the secure, affordable home everyone deserves. But the collaboration of key stakeholders in various sectors associated with housing can help control what happens going forward. By heeding lessons from other countries and implementing that learning in Australia, we can help build a brighter future – and make sure these women aren’t left behind.

1. Context

1.1 BACKGROUND

In the last 10 years, Australian house prices have significantly increased, especially in our most densely populated areas. For example, prices in Melbourne have increased 90% since 2011 (CoreLogic, 2021). Some of this growth is because of domestic and international investment. But, unlike other assets, housing provides much more than portfolio diversification. It provides shelter and acts as a stable foundation for people and their families. By treating it as an investment, the gap between owners and non-owners has widened. And many people, particularly those with low and modest incomes, have been locked out of secure, affordable homes.[2]

Amongst those who don't own their home, a handful of groups are at particular risk. In recent years, younger generations have garnered a lot of attention, especially those who don't benefit from the 'bank of mum and dad' (inter-generational wealth). But there is another cohort that is perhaps at an even greater risk of housing insecurity.

Single 'middle aged' (between 45 and 55 years) women are the fastest-growing group of people at risk of housing insecurity and homelessness in Australia.[3] These women find themselves in precarious housing situations for many reasons. They might experience adverse life experiences (such as the death of a spouse, separation or divorce); have less accumulated savings and retirement funds as a result of taking time out of the workforce to care for children and others; or simply face systemic, gender-related macroeconomic barriers.[4] This group may even face housing insecurity for the first time, with some previously owning property before a significant change in their life circumstances (Sharam, 2015). This report shines a spotlight on this cohort, putting the needs and desires of these women at the core and exploring the feasibility of affordable housing models that fit their circumstances.

1.2 A CULTURE OF OWNERSHIP IN AUSTRALIA VERSUS A DESIRE FOR PERMENANCY

We start by acknowledging that this research has been undertaken in a country that prioritises home ownership. This cultural 'norm' influences how Australians navigate the political, economic and social implications of various alternative affordable housing models. It is a key factor that can affect the rational consideration of 'shared' ownership or long-term rental options.

That said, the home ownership journey has become increasingly challenging. Ownership is now more concentrated in the hands of the wealthy, and fewer people have paid off their homes by retirement. Indeed, the cost of buying a home and servicing a mortgage increased by 130% over the 30 years from 1970-2000 (see Table 2). And in the 20 years since 2000, there has been a relative increase of over 60%. The proportion of homeowners aged 55 to 64 years owing money on a mortgage more than tripled from 14% in 1990 to 47% in 2015. The ratio of mortgage debt to income has also more than doubled, from 82% to 169%.[5]

Table 2 Buying a family home is consuming more of gross income

Generation (Source: Per Capita, 'Generation Stressed', July 2021)	% of Gross Income spent over life of a mortgage
Silent Generation family buying a home in 1970	11.2%
Baby Boomer family buying a home in 1985	19.5%
Generation X family buying a home in 2000	25.5%
Family purchasing a home today	**41.1%**

[2] Davidson, P. & Bradbury, B., (2022) The wealth inequality pandemic: COVID and wealth inequality ACOSS/UNSW Sydney Poverty and Inequality Partnership, Build Back Fairer Series Report No. 4, Sydney
[3] Boucher, D., 2021, 'Female and Homeless: Australia's Growing Housing Crisis', The Urban Developer
[4] Colic-Peisker, et al 2015; Power, 2020
[5] The Conversation, 12 June 2019

How culture and politics stokes Australia's obsession with home ownership

Non-Australians often comment on the cultural 'obsession' with housing ownership in this country, and for good reason. Whilst home ownership is a goal for many cultures across the globe, it takes on a unique intensity here.

Unlike other countries with more established long-term rental practices, the perception across Australia is that owning a home is highly preferable to renting. This belief has been explicitly nurtured and encouraged by both culture and politics. Beyond financial security, home ownership is seen as financially responsible as we approach retirement and older age. Successive governments have actively encouraged people approaching retirement to own a home, as it provides an asset and form of income that older populations can draw on. This makes them 'productive' citizens, and reduces potential dependency on welfare or the State; *"those outside home ownership become defined as 'failed' agers, experience greater direct government intervention in their life opportunities, and are relegated to more precarious housing contexts"* (Power, 2017).

We don't see ownership as the one-size-fits-all solution for the modest-income earning 'middle aged' women at the core of this research. But we know that, for a significant portion of them, ownership provides the long-term security and stability they desire, as well as a potential protective financial asset. Moreover, the precarious nature of the private rental market in Australia compounds the drive for ownership. Interviews and focus groups with these women consistently demonstrate an overwhelming sense of insecurity with their housing arrangements in the private rental market.

Australia's tough rental market

In Australia, about 31% of the population live in the private rental market.[6] Of that private rental market, 74% are aged over 65 and 35% aged under 65 have low incomes. 60% of these low-income earners are women.[7]

Across most income levels, the Australian private rental market is generally very insecure. The average tenancy term is 6 to 12 months, followed by a rolling month-by-month lease. Across the country, one in five rental property moves are involuntary for the tenant.

Lower income households are often then grappling with insecure tenure *and* affordability challenges. According to the Productivity Commission (2019), two-thirds of vulnerable households (those in the bottom 40% of income) in the private rental market experience rental stress. Rental stress occurs when these households spend at least 40% of their disposable household income on rent. Affordability issues are particularly pertinent for older renters, as they are more likely to be on low fixed incomes (e.g. pensions) and have less income flexibility (i.e. little likelihood their household income will increase). Already high, and the threat of increasing rents, mean tenants are less likely to report faults / maintenance requirements; more likely to be forced to make tradeoffs between rent payments and food, utilities and other household needs; and more likely to experience distress and anxiety related to housing affordability.

In the Australian private rental market, challenges go far beyond ticking boxes for balconies, bedrooms and baths.

Looking for long term solutions

Evidence suggests that, particularly for older Australians, the top priority when considering housing is a sense of permanency. There is a need for real and significant change in the housing ecosystem across the ownership / rental continuum for this to be possible for many. We need fit-for-purpose alternative housing models that respond to this desire for permanency.

This report explores some options that can make home ownership a possibility for modest-income earning, 'middle aged' women. We have focused on those living in Victoria, but believe the group is broadly representative at a national level (more on this in Section 3).

[6] ABS, 2021

[7] Women's Property Initiative, 2021

2. Barriers to Housing Security in Australia

The barriers to securing stable housing in Australia have been well-reported for many years, and include:

- rapidly accelerating housing costs that far outstrip income growth (including Government pensions and allowances)
- regulatory tax frameworks which support households to purchase and / or use property as an investment asset (creating competition in the market from wealthy investors who are less price sensitive)
- increasing percentage of an individual's income needed to cover rising rental costs outpacing Government assistance payments, forcing low-income earners out of the rental market.

Australian housing prices and incomes don't add up

Modelling from the Reserve Bank shows that housing values have gone from less than three times disposable household incomes in the mid-1990s, to more than 5.5 times incomes. Sydney's median house price of about $1.41 million is about 23 times higher than the median employee income in Greater Sydney, and Melbourne house prices are almost 18 times higher than local incomes. House prices are also at least 10 times higher than incomes in Brisbane, Adelaide, Hobart and Canberra. Increases of this magnitude, against a backdrop of low income growth, make saving for a deposit extremely challenging. In fact, saving a deposit is the biggest barrier to those aspiring to buy their own home. Figure 1 illustrates this mismatch.

Figure 1 Growth in median wage vs growth in house and apartment prices 2011-2020

source: ABS, 2021

The policies making it harder to own

The policy settings across layers of Government affect the housing market. However, treating housing as a commodity and allowing market forces to dictate who gets to own a home has resulted in the current housing crisis. Professor Hal Pawson[8] suggests that "[Governments] have put too much reliance on markets in the housing sphere and that 'housing doesn't function in the same way as other commodities." Indeed, demand-side stimulus in the form of home buyers grants mixed with tax settings have turned housing into a wealth-creation vehicle for 'mum and dad investors'.

Economist Saul Eslake says grants have done more to drive up housing demand than their stated aim of boosting housing supply. And Industry Super Australia Chief Economist Stephen Anthony says that as they are, things like capital gains tax (CGT) concessions and negative gearing are preventing the housing market from working as it should, instead creating dangerous levels of personal debt.

[8] Professor Hal Pawson, City Futures Research Centre, University of NSW

In fact, the benefits of negative gearing and the CGT discount overwhelmingly flow to high-income households – making it harder for lower income Australians to buy their own home. The proportion of housing finance going to investment properties has almost doubled, growing from 16% 30 years ago to 28% in 2021. And modelling commissioned by The Australia Institute shows that 56% of benefits derived from negative gearing and the CGT discount go to the top 10% of income households, with 67% per cent going to the top 20%. By comparison just 4% goes to the bottom 20% of households.[9]

Divergence between incomes and the cost of rentals in the private market

Between 2015-2016 there were 305,489 low-income private rental households in Victoria, with 52% of those in rental stress (the Australian Bureau of Statistics defines 'rental stress' by housing that costs more than 30% of the gross household income). Since then, the rising cost of home ownership has increased rental market demand, putting upwards pressure on the median cost of rentals. From 2011-2020, the average Victorian spent an average of 49% of their wage on rent (Table 3 and Table 4).[10]

Table 3 Median rent as a percentage of median wages: Melbourne 2011-2020 (source: ABS, 2021)

Year	Median Wage Melbourne	Median Rent Melbourne	Rent as a % of Wages
2011	$591	$300	50%
2016	$673	$350	52%
2020	$841	$390	46%
AVERAGE			**49%**

Table 4 Median rent as a percentage of median wages: Country Victoria 2011-2020 (source: ABS, 2021)

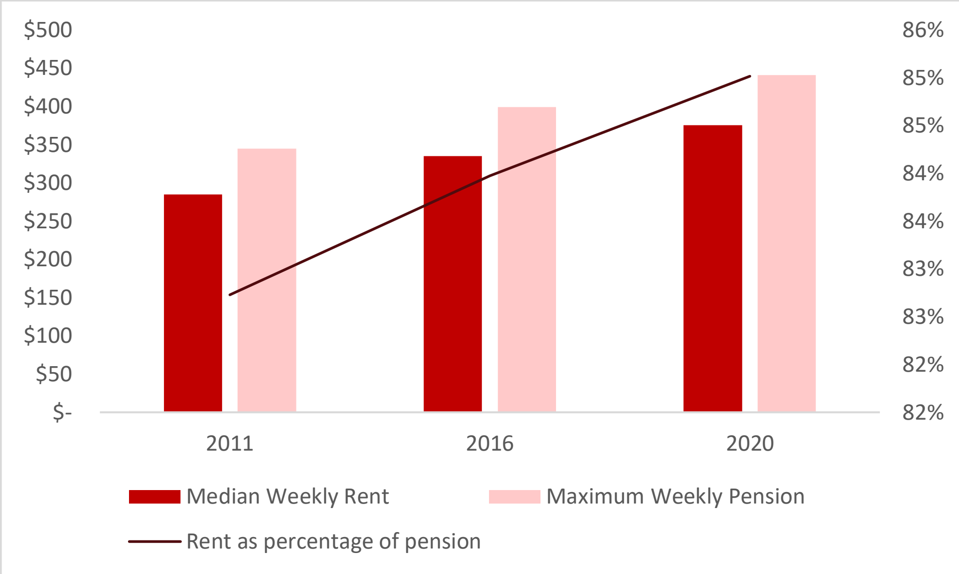
Year	Median Wage Country Victoria	Median Rent Country Victoria	Rent as a % of Wages
2011	$561	$277	49.4%
2016	$644	$325	50.5%
2020	$803	$370	46.1%
AVERAGE			**49%**

Rental stress is acute amongst very low-income earners

The Government recognises that many renters in the private rental market struggle to pay high rents with low to very low incomes. That's why the provision of Commonwealth Rent Assistance (CRA) aims to ensure that adults with limited means can afford to live in rental housing that meets adequate standards. However, current figures indicate that for a large and growing number of renters across Australia, rental costs are rising at a higher rate than CRA rates (see Figure 2).

[9] The Australian Institute, 2015
[10] ABS 2021

Figure 2 Cost of rent is increasing as a percentage of weekly pensions



source: ABS, 2021

This rising rental stress is exacerbated by the declining supply of affordable dwellings, with low-income single person households finding it hardest to access affordable rental housing. Table 5 illustrates the lack of available affordable rentals in Victoria for singles on Centrelink incomes. Across Melbourne, just 1% of one-bedroom dwellings let in the June quarter (2021) were affordable to low-income singles.

Table 5 Rental affordability of one-bedroom dwellings for low-income singles: Victoria (2021)

Weekly Income (Net of CRA)		**$310**
Affordable Weekly Rent		$165
Affordable Rentals (number)	Metropolitan	101
	Regional	43
	State Total	144
Affordable Rentals (% of total)	Metropolitan	1.0%
	Regional	9.2%
	State Total	1.4%

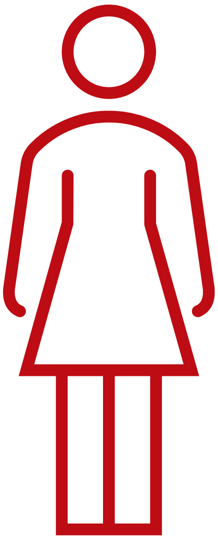
3. Shining light on an invisible group of women

3.1. DEFINING A 'TYPICAL' WOMAN IN OUR COHORT

This research has focused on understanding the experiences of women who may not be currently at risk, but who are likely to experience housing vulnerability in the future.

Our cohort is single women aged 45-64 and earning between $64,000 - $104,000 per annum. Many of these women would be employed as 'essential workers'.[11] We have focused on those living in Victoria, but believe the group is broadly representative at a national level. We are excited about shining a spotlight on this cohort because they may be eligible for 'ownership-like' housing and finance products.

By investigating potential solutions for this cohort of women, we may be able to address a small but important and growing sector of the market, and prevent them from spiralling into greater housing insecurity, or even homelessness. Considering models and policy for this cohort to support their long-term stability and financial resilience can contribute to preventing them from ageing into poverty.



Our typical woman:

- Lives in Victoria
  - 8 of 10 women in Victoria live in Melbourne
  - Women in regional Victoria are more likely to be older than women in metropolitan areas
- Is aged 45 to 64
  - 29% of this cohort is aged 45-49.
- Earns $64,000 - $104,000
  - One in three of these women earns between $64,000 and $78,000.
- Is single
- May spend up to a quarter of their time caring for children, grandchildren or others.

As at the 2016 census, there are almost 32,000 single women aged 45-64 in Victoria, which is a 47% increase from the 2011 census. If this cohort grows at the rate projected by the ABS, it is likely to reach 39,000 by 2026, and 42,000 by 2031.

Some of these women provide some form of care to others. According to the 2016 census, around 26% of women aged 45-54 provided some unpaid care to children, compared to 17% aged 55-64. Of this, 6% of those aged 45-54 provided childcare to children not their own, as did 14% of those aged 54-64.[12]

Just over 60% of the single women in Victoria have income levels between $64,000 and $104,000, with the majority of these women earning less than $91,000 (see Table 6).

[11] In Australia, the term "essential worker" is neither defined in Commonwealth legislation nor is it consistently defined within levels of Government. Informal agreement exists, namely that an essential worker's job is considered essential to the functioning of society without which public safety, health, or welfare would be endangered or detrimentally affected. Categories typically include jobs in the health, emergency, food security, infrastructure, energy, transport and security sectors.

[12] Based on Census data coded CHCAREP. This variable records whether people in the two weeks prior to Census night spent any time caring for a child/children (under 15 years) without pay, and is applicable to all persons aged 15 years and over.

Table 6 Income levels across the cohort (Source 2016 Census, Breakdown of employment status)

	Employed Full Time Salary Bracket	Number	Percentage
Total Cohort (45-64) Living in Melbourne	$65,000 - $77,999	7528	23.5%
	$78,000 - $90,999	6805	21.3%
	$91,000 - $103,999	4990	15.6%
Across our total cohort, 60% were employed full-time in Melbourne (compared to 74% overall full-time employed); 14.3% were employed full-time across the rest of Victoria; and 25% were not employed full-time.			

3.2. EXPLORING OUR COHORT'S BARRIERS TO HOUSING

Women, especially those older than 45, experience even more barriers to housing than those generally felt across the population. They are more likely than men to experience housing insecurity because of systemic barriers that contribute to this inequity, including: the gender pay gap; financial literacy; inflexible credit requirements of lenders; and exposure to domestic and family violence.

Below we dive into just how much harder these make it for our cohort to get a fair chance at home ownership.

Gender pay gap

Disparity in wealth and incomes between men and women has a relationship to gender disparity in property.

One facet of this relationship relates to the gender pay gap. The latest ABS data reports the difference in full-time average earnings between adult women and men at -13.4% (or $242 less per week) across Australia. This, of course, creates additional barriers to property ownership. For example, based on the average weekly full-time earnings for men and women in Australia, it would take women on this average income an additional 10 months to save for a 20% deposit on the median dwelling value as at January 2021.

This is compounded by the fact women are overrepresented in part-time and casual employment. At January 2021, women accounted for 67.2% of Australians in part-time employment, and 37.9% of Australians in full-time employment. Often the desire for part-time employment stems from a need to be able to fulfil care giving roles – whether children or other family members. This, along with the fact women are more likely than men to work in lower-paying industries, contributes to a disparity in total average earnings of males and females, which is closer to a gap of 30% – underpinning even greater barriers to property ownership for women. [13]

Gendered financial literacy

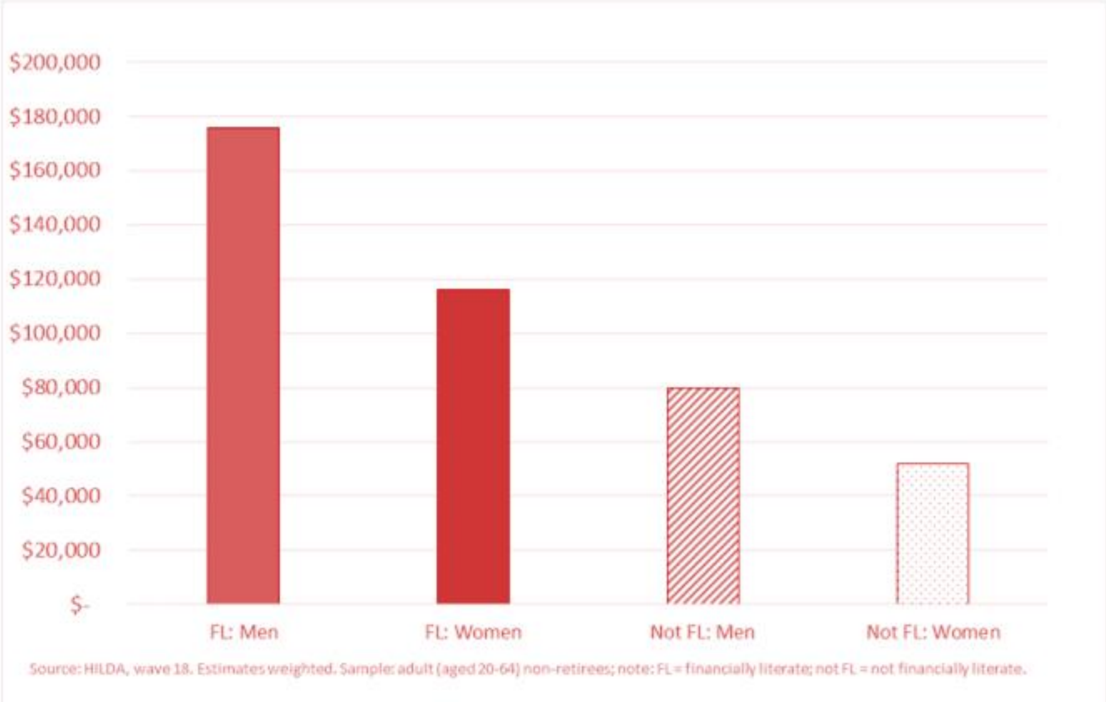
Many women in Australia have lower financial literacy than men. In fact, 48% of Australian women are considered 'financially literate' compared to 63% of men (Preston, 2020).[14] Around two-thirds of women feel inadequately prepared to make important personal financial decisions, and typically learn about financial products from family, friends and other advisors (Prudential Financial, 2009). Another study showed that 52% of women found dealing with money stressful and overwhelming (versus 43% in men).[15] Lower financial literacy is also one of the factors that contributes to women having lower levels of superannuation, as shown in Figure 3:

[13] Core Logic Women and Property 2021: State of Play report

[14] The analysis is based on responses to three questions (rates are lower again for women aged over 64 years, and those from a non-English speaking background).

[15] Australian Government Financial Literacy Foundation, 2008

Figure 3 Financial literacy and superannuation balances, 2018. Source Preston, 2020



On average, women in Australia retire with 42% less superannuation than men.[16] Given that a healthy superannuation balance is considered one potential credit criteria for lending to older mortgagees, this is yet another barrier to home ownership for women over 45.

Mismatch between lenders' credit requirements and being an 'older' borrower

Regardless of the law, age does matter when it comes to getting a mortgage.

There is technically no maximum age limit for submitting a home loan application. There are also discrimination protections in place under the Age Discrimination Act 2004 and the National Consumer Credit Protection Act 2009. So, theoretically, it is possible to take out a mortgage regardless of whether you're 18 or 80. However, lenders have a responsibility to only approve home loans to applicants who can afford the repayments. This makes it harder for older applicants to obtain home loan approval.

According to brokerage firm Home Loans Experts, many lenders have credit policies that restrict the borrowing capacity of what they call 'mature' borrowers. Banks typically have a retirement age range that varies from 65 to 75, with the loan term determined by that threshold (i.e. restricted to a 10 to 20 year term depending on the age of the borrower (45-55)).

To offer a loan term over this retirement threshold, most lenders will request a written exit strategy if the home is the sole security for the mortgage. That means borrowers need to demonstrate ability to afford their loan repayments in retirement. Downsizing to a smaller home is not an exit strategy accepted by most lenders. Rather, most accepted exit strategies are: the sale of assets (investment properties or shares); lump sum repayments from superannuation; or ongoing income from superannuation.

And that's the problem. These requirements don't align with the circumstances of middle aged and older low- and modest-income earners. This is particularly true for women with inconsistent employment history (potentially due to

[16] AustralianSuper, 2022

part-time employment status or caregiving roles as discussed above), which means they typically haven't been to accumulate assets and therefore have below average superannuation and savings balances from which to draw.

Exposure to domestic and family violence

Domestic and family violence (DFV) is the main reason women and children leave their home.[17] After fleeing a violent relationship, they're likely to be faced with several difficulties as they are left to pay for housing on their own. That includes the expenses of establishing a new household, such as obtaining furniture, appliances and household goods. Some victim-survivors may not have been recently employed or their employment history may have been negatively affected by the violence.

The number of DFV victims in Australia has increased over time, and in 2020 there was a 13% rise in this number compared to 2019.[18] There is some financial assistance, such as the Start Safely Private Rental Assistance Subsidy Policy[19] which may be available to those who have left DFV and are in the private rental market.[20] However, a long-term solution to the housing insecurity faced by many leaving these traumatic situations must be found so victims don't have to choose between continuing to live in fear for their life or the likelihood of chronic homelessness and insecurity.

3.3. A CUSTOMER JOURNEY FOR OUR COHORT: THE LONELY JOURNEY FROM INTEREST TO HOMELESSNESS

We need to tackle the system-level barriers (independently and collectively) heightening women's vulnerability to homelessness. This will take time, effort and political will.

Women in our cohort can't wait – we need to immediately address their ability to secure appropriate housing. Too often, they experience the customer journey described in Figure 4 – a journey that demonstrates just how quickly a middle-aged, low- to moderate-income earning woman can progress from being interested in home ownership to vulnerability to homelessness.

Despite some savings and a desire to buy what would be considered a very humble house, failure to secure a mortgage and a single significant negative life event trigger a spiral that is familiar to many women – and a risk to all in our cohort.

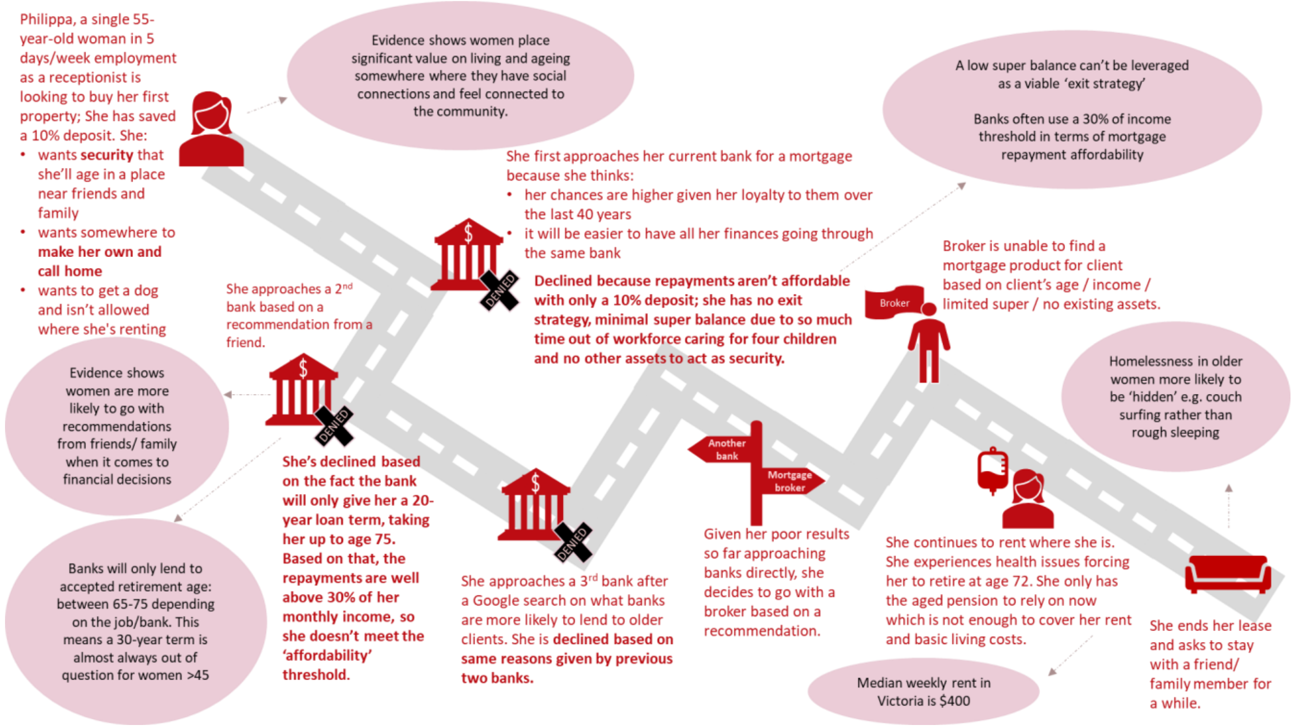
[17] AHURI Housing, homelessness and domestic and family violence 2021

[18] Australian Bureau of Statistics, media release 24 June 2021. Family and domestic violence sexual assault up 13%

[19] This subsidy provides short- to medium-term private rental financial assistance to those who are homeless, or at risk of being homeless because of DFV. Its purpose is to enable access to safe and affordable housing in the private rental market. Clients must be eligible for social housing and able to demonstrate their capacity to sustain their tenancy in private rental accommodation at the end of the subsidy period (rent should not exceed 50% of the household's gross weekly income excluding Commonwealth Rent Assistance)

[20] The Relationship between Domestic and Family Violence and Housing by Talina Drabsch NSW Parliamentary Research Service December 2019

Figure 4 Understanding the pathway to housing vulnerability - an example customer journey



It's a devastating path that far too many women are in danger of walking.

To move efficiently and effectively towards solutions for this cohort, we focus on understanding three key things:

1. what women want in housing arrangements
2. the roles, drivers and incentives of the various participants in the affordable housing ecosystem
3. whether there are lessons from overseas that can be applied in Australia.

3.4. WHAT WOMEN WANT IN HOUSING ARRANGEMENTS

Unfortunately, the literature on what single women over 45 years *want* in their housing arrangements is fairly limited, which some have argued once again highlights the 'invisibility' of this cohort in the broader economic and housing system.[21]

We do know that for this group of women, the relationship between rental insecurity and feelings of personal insecurity is significant. Psychologically, housing connects to broader feelings of safety through its ability to provide **permanency, stability and continuity, providing a sense of control**. It's not surprising that older Australians identify a home as one of the things they need to feel secure. [22]

The meaning of a 'home'

Home is much more than simply a physical environment.

It represents the identity of individuals. This sense of self plays an important role in the quality of people's lives, especially for older people who spend more time at home. A home is considered essential for human wellbeing.

Research from The Australian Centre for Social Innovation (TACSI, 2020) confirms that, particularly for older people, a home's "*greatest value is as a safe and private space from which to connect with the outside world, express identity and build social relationships.*"[23]

[21] Darab & Hartman, 2013
[22] Hulse et al, 2011; Morris et al, 2017; Power, 2020
[23] Quoted in The Conversation, 2020

Home ownership (for those who can afford it) provides people with security, choice and flexibility regarding where they live; and when they choose to move.

Unfortunately, security of tenure and choice of where to live, and when to move, are not typical of the rental experience in Australia, especially for single women on low incomes.

What does the literature say? A summary of what women over 45 want.

A PLACE TO CALL HOME

Fundamentally, this cohort of women wants a place to call home. A home is a secure and stable residence that provides a sense of belonging and connection to family, friends and community. This potentially includes:

- A space which is conducive to independent living and which offers privacy
  - access to some shared spaces, for example gardens or a communal gathering area
  - some space to accommodate pets and visits from family and friends
- A physical space that fosters a sense of wellbeing, and good emotional, physical and spiritual health
  - social connectedness and a sense of community
- Autonomy to direct physical, financial and emotional wellbeing for as long as possible, with access to assistance if required
- A suitably sized dwelling
  - women were willing to compromise on home size if that meant they could have a private, secure space in an appropriate area.

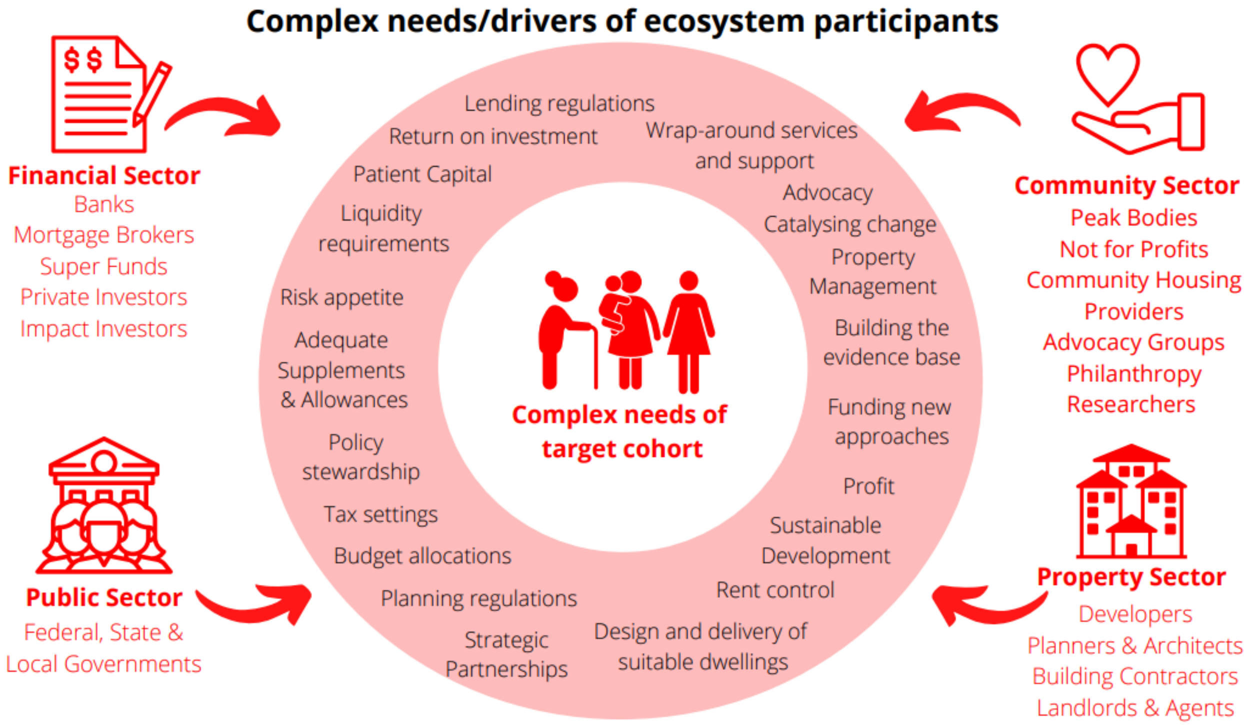
3.5. UNDERSTANDING THE COMPLEXITY OF THE AFFORDABLE HOUSING ECOSYSTEM

Affordable housing is an essential part of community infrastructure. However, increasing the stock of affordable housing is complex. Collaboration across the financial sector, all levels of Government, the community sector and the property sector is crucial to raise capital and support development of more affordable homes.

Whilst there have been several positive developments in the affordable housing ecosystem (e.g. federal and state Government commitments to shared equity, increasing investor appetite for build-to-rent developments at scale, favourable planning settings for social and affordable housing), the dynamic between the different supply-side actors and their various motivations remains complex. The misalignment of incentives often results in a fragmented ecosystem, causing delays to progress.

Figure 5 shows the key stakeholder groups that constitute the supply side of affordable housing and the various issues, incentives and responsibilities that contribute to complexity in the ecosystem.

Figure 5 Complexity in the affordable housing ecosystem



3.6. LEARNINGS FROM ACROSS THE GLOBE

A desktop review of literature found that increasing housing vulnerability among ageing women is widespread.

There is a lack of studies focused solely on the gendered nature of housing vulnerability, thus findings are based on information derived from the intersection of studies examining homelessness, gender wage gaps, housing for the aged and housing affordability. It's apparent that many countries grapple with housing for an ageing population, with a particular focus on women. Our research focused on Canada, Finland, the United Kingdom and the United States of America. These countries were selected for the following reasons:

- relative cultural similarities
- similar economic conditions
- progressive policy settings which provide lessons for application in Australia
- traditionally 'first movers' at scale when it comes to philanthropic engagement in solutions for entrenched social challenges.

Table 7 provides a summary of findings across each of these countries, with a more detailed overview in Appendix A.

Table 7 An overview of housing options for lower income women over 45 across four countries

Country	Context	Example Initiatives
Canada	■ Similar economic, health and political context to Australia. Homelessness is increasing, particularly amongst older women. This cohort is difficult to fully enumerate, as some of it is hidden (e.g. sleeping in cars, staying at friends' houses). ■ Majority of households in core need are female led. Core housing need is defined as	The Government is supporting several different models: ■ **Co-housing:** – intentionally designed and structured to encourage interaction and develop a meaningful sense of community. – costs are reduced with less private space and larger communal spaces.

	those who spend more than 30% of their income on shelter. ■ Renting traditionally seen as a transitional phase on the way to home ownership. Declining affordability of housing makes the end goal less achievable. New focus is on secure long-term rental options. ■ Government launched $40+ billion (over 10 years) National Housing Strategy in 2017. Housing as a human right is core to the strategy. Government has also undertaken gender-based analysis of housing needs, and is looking into needs of female Indigenous communities, immigrants and older women. ■ Goal to reduce homelessness by 50% by 2028. There is concern that COVID may impact this initiative as focus switches back to short-term solutions.	– may include long-term rental units as well as units that sell in perpetuity at 20% below market rates. ■ **Ageing in place:** – grants for renovations and repairs so people can stay in their community. ■ **Reaching Home strategy:** – a community based, Government initiative. ■ **Housing First model:** – prioritises getting clients into a home with no pre-requisites. – Long-term rental properties with wrap-around services. ■ **Life Lease model:** – purchase the right to be a lifelong tenant through an upfront lump sum payment. – a monthly fee covers maintenance charges. – when the person leaves or dies, the purchaser or their estate gets the money back (and depending on the terms, they may also get a portion of the property's appreciation). – From beginning to end, the ownership of the home stays with the developer, which is called a "sponsor" (usually not for profit).
Finland	■ Finland is the only country in the EU with declining homelessness. The rates have reduced from 20,000 homeless persons in the 1980s, to currently around 4,000. The political will to end homelessness and the belief that everyone has the right to safe and secure housing is key to success. ■ The Housing First model is broadly supported against this backdrop of housing being a right for all, not an individual 'reward' for overcoming other problems, such as addiction. Instead, under Housing First, housing is required before these other challenges can be tackled. ■ Long-term rental models exist as a component of the social welfare system. This can include independent rentals or co-housing in shared facilities. Support services can also be accessed if needed.	■ Recognised that **it's cheaper to fund housing than homelessness: 15,000 euros per year less is spent on each homeless person across the health, police and judicial systems once they are housed**. Once people are in housing, they can address other social challenges, become employed, etc. ■ The **focus is on long-term housing solutions, not short-term crisis accommodation**. If someone is in crisis accommodation, they are still considered homeless. Due to lack of demand, crisis accommodation is now being converted into longer-term housing options. ■ **Construction of new housing** to meet demand of Housing First models. These may be built by organisations and municipalities and supported by the Government through discounted loans. ■ **Supported by Finnish Lotto** to purchase properties.
United Kingdom	■ Older women have much lower pensions than men. ■ House prices have increased significantly in recent decades, but wages have not kept up	■ **Older People's Shared Ownership initiative (Buy):** This is a Government-backed scheme for those aged 55+ where the purchaser uses a mortgage or savings to buy shares of 25% to 75% of the home. They then pay rent on

	with this growth, so housing affordability has severely decreased. There are no regions in England where the average rental home is affordable for a woman on median earnings. The strong majority of statutory homeless people in the UK are women. ■ The loss of an assured short-hold tenancy is now the cause of homelessness for 25% of households, exacerbated by an insecure private-rental sector and lack of social housing. ■ Women need an average of 12 times their annual salary to buy a home in England. ■ While on average as many women as men enquire about mortgages, far fewer qualify for one. The criteria mortgage lenders typically apply to a prospective buyer leave most UK women unable to independently qualify for a full mortgage, so sometimes they have to opt for shared ownership. ■ Single women would benefit most from secure, affordable rental contracts.	the remaining proportion that the housing association owns. Participants can buy further shares in the property, up to 75%. From this point, rent is not paid. For eligibility, household income must be less than £80k (£90k in London). ■ **Older Women's Housing Collective (Buy / Rent):** This is the first co-housing community in the UK designed by, and exclusively for, women over the age of 50. It includes 17 leasehold flats and eight leased for social rent (**made possible by a £1.2 million donation from the Tudor Trust**). ■ **Housing for Women (Rent):** Includes 920 homes for women and gender-specific support services, such as an 'Older Residents' Officer.' ■ **Women's Pioneer Housing (Rent):** – affordable rental options for women. – owns and manages 1,000 properties. – 182 homes specifically for older women (60-plus). – prioritises homes for single women, who face particular disadvantages in the housing market. ■ **The Women's Housing Forum (Advocate):** Provides a link between women's housing needs and gender inequality.
United States of America	■ Women represent nearly two-thirds of all individuals aged 65+ living in poverty (more than 7 million people). ■ The driving causes of poverty for older women are the wage gap, low-paying work, caregiving, health care costs, domestic violence and accumulated wealth gaps. Although women make up half of the workforce, they are disproportionately represented in the minimum-wage workforce (60%) and the workforce dependent on tips (73%). ■ Women-headed families are less likely to be homeowners, and disproportionately rely on rental housing. ■ Women constitute most severely rent-burdened households, and many are experiencing homelessness for the first time as older adults. ■ In Government-provided affordable housing, women-led households account for: three quarters of all households living in public housing; 83% of those participating in Section 8 Housing Choice Voucher Programs; and almost three quarters of Section 202 (Supporting Housing for the Elderly).	■ **Supportive Housing for the Elderly program (Rent)**: Addresses affordability, as well as connecting housing and supportive services. Department of Housing and Urban Development (HUD) provides interest-free capital advances to non-profits to develop housing that offers project-based rental assistance and supportive services for very low-income elderly residents. ■ **Low-income owners and the Community Advantage Program (CAP) (Buy, but not older-woman specific):** This joint community reinvestment initiative delivered by Centre for Community Self-Help, the Ford Foundation and Fannie Mae, has funded more than 50,000 mortgages since 1998. – made possible because of a $50 million grant from the Ford Foundation to establish a loan loss reserve fund. – its core elements are 30-year fixed rate mortgages with fair terms; sensible underwriting and servicing; and access to credit. ■ **New York City Seniors First (Rent):** Aims to create or preserve 30,000 senior households by 2026 with a three-pronged approach:

	– ageing in place – making housing more accessible for seniors – developing new seniors' housing on NY City Housing. Authority Land – financed through the Senior Affordable Rental Apartments program, which provides gap financing in the form of low-interest loans to support the construction and renovation of affordable housing for seniors with low incomes - Preservation inventory of affordable senior housing stock.

At an overarching level, some highlights include:

- Women have not been involved in shaping housing policy and planning, even though they are disproportionately affected by their outcomes.
  - successful initiatives had end users' involvement from the outset (e.g. in the design of the dwelling, curation of the community, and establishment of the charter for the development).
- Solutions for older and / or minority cohorts require a collective effort from Government, the private sector, and philanthropy. **The market itself has not, and likely cannot, 'solve' for our cohort.**
- Government stewardship is required for any scaled solutions (e.g. around policy settings, cost of finance, credit requirements).
- Philanthropy has contributed to many of the successful initiatives.
- The desire to own a home is not universal – Australian culture prioritises it more than other nations. Home ownership should not be assumed to be the 'gold standard' for low-income older women and, in fact, long-term rentals are appealing when there is security of tenure, appropriate and safe shelter, community access and predictable cost growth.
- It is common for there to be a mismatch between available housing stock (whether to lease or buy) and the type of housing women desire.
- Co-housing for older people (including women) is emerging, and mixed communities (e.g. ownership and affordable rentals) can be successful when they are intentional and well managed. However, they still require subsidy funding, and currently, for the most part, the co-housing models apply to middle income seniors.

4. Exploring fit for purpose alternative housing models for our cohort

Now we know what women want, the barriers they face, their experience and what is happening overseas it's time to find the answers that will make a difference here in Australia.

While acknowledging a desire for a market-based solution, we consulted representatives across mainstream finance, superannuation funds, property developers and housing body representatives to test a variety of potential alternative affordable housing options to address housing for older women. The models identified have considered the intersection of barriers at the personal and market level and how these tensions relate to potential solutions (Figure 6).

Figure 6 Housing models need to be developed recognising that there are tensions between the customers' needs and experiences and the market's expectations

CONTRIBUTING TENSIONS

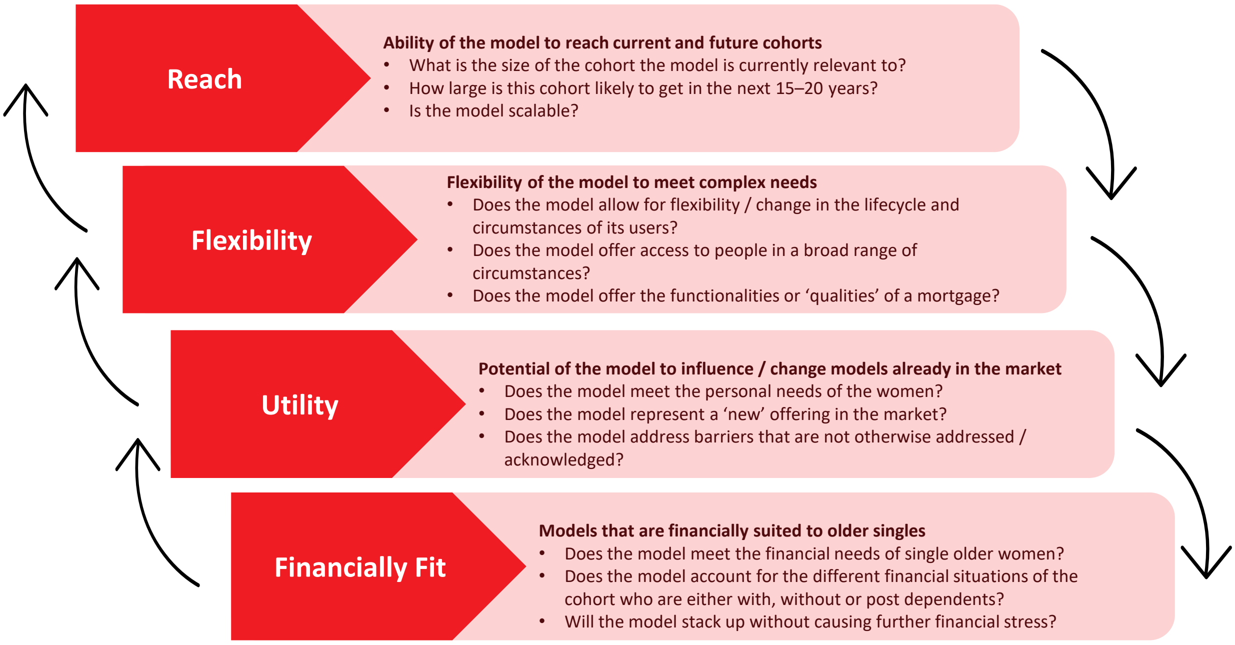
CUSTOMER	IN OPPOSITION TO / CHALLENGE	MARKET
Mortgage stress	Pension rate based on assumption of home ownership and significant super reserves	Future poverty / housing insecurity
Property as secure home	Responsible lending – reflective of ideal/historic ratio – rent also overpriced	Property as asset class
Desired housing stock	Desired stock for all older people (small), compared to typical 'family' home build	Available housing stock
Cost of housing stock	Is disproportionate to income available [everyone]	Value able to be borrowed
Specific circumstance	Variety of individual circumstance not taken into account in 'product design' or credit risk assessment	Generalised products
Age in current place	New mortgage/low cost programs	Green field development
Income horizon	Assumption that a mortgage should be fully paid off by retirement	Exit strategy must have
Assessed as an individual	Incentives penalise individuals directly and indirectly	Excluded as a partner/previous partner
Dynamic earning capacity	Assessment based on assets not on financial management behaviours	Assumes static earning capacity

The intersections of these barriers currently exclude our target cohort from experiencing housing security now and as they age. System-level challenges mean this will likely remain true for future generations whose career and life circumstances are similar to those we are currently exploring.

The task then is to identify which alternative housing models are most likely to satisfy the needs and desires of the cohort *and* which are 'relatively' viable in the ecosystem in the coming years.

To resolve the conundrum about which alternative housing models to investigate, we have considered options which provide the women with the ability to access the 'outcome' for which a mortgage is traditionally used as a tool of attainment. i.e. long-term housing at a 'relatively' stable rate, autonomy over personal space and access to an asset from which to draw or enable change through the ageing process. The framework that sits behind our decision to explore shared equity, build to rent, build to rent to own and a staircase housing model is illustrated in Figure 7.

Figure 7 A decision making framework explaining our exploration of four alternative affordable housing models for modest-income older women



There are strengths and weaknesses associated with each of these models. They reflect a spectrum of opportunity and cater differently to the various circumstances of the cohort and the parties involved in property development. We have developed financial models for each of the housing models and present our assessment of both the conditions (assumptions) required for the models to 'stack up' – this includes considering risk and return, incentives of the various parties to any transaction, relative strengths and weaknesses and scale of impact / benefit. One factor that is vitally important to our cohort when considering suitable pathways is the financial stress associated with each of the options. In each of the models we have calculated 'mortgage stress' for that option.

> Mortgage stress has no one accepted definition but is often described as paying more than 30 per cent of household income in mortgage repayments and associated housing costs[24].

4.1 MODEL 1: SHARED EQUITY – DEMAND-LED EMPHASIS

Model Description

Shared equity schemes are arrangements whereby the home buyer shares the capital cost of purchasing a home with an equity partner. They allow lower income homebuyers to buy sooner, as they need a lower initial deposit and have lower ongoing housing costs.[25]

There are various forms of shared equity models, but they essentially operate in one of two ways. In the **individual equity model**, which is most prevalent in Australia and is operated by Australian state Governments, the homebuyer takes out a loan on a portion (typically 70% or more) of the full cost of the property, while the equity partner provides the rest of the capital. During the loan period the homebuyer can buy more equity in the property (if and when they can afford it) as a steppingstone to 'normal', full ownership. At the time of sale (or refinancing), the partner recoups their equity loan plus a share of capital gains.

On the other hand, **shared equity schemes** are backed by patient, long-term capital, usually Government, which provides the equity portion of the transaction.

[24] Mortgage stress, rental stress, housing affordability stress: what's the difference? Understanding different definitions of housing related financial stress. AHURI Feb 2019
[25] AHURI, 2022 https://www.ahuri.edu.au/research/brief/what-shared-equity-scheme

There are three sources of capital used to purchase the property. The scheme provides equity for up to 40% of the purchase price of the property; the purchaser provides a 2% deposit; and the remaining capital is secured via a bank mortgage. Upon sale of the property, the mortgage and the equity contribution are repaid. Any remaining capital gain is split between the purchaser and the equity provider based on pre-agreed metrics. On the downside, any capital loss is also shared between the equity provider and the purchaser.

The Financial Modelling

The modelling assumptions reflect current market conditions and have been informed by the structures of the shared equity schemes that state and federal Governments have announced.

Key Financial Assumptions

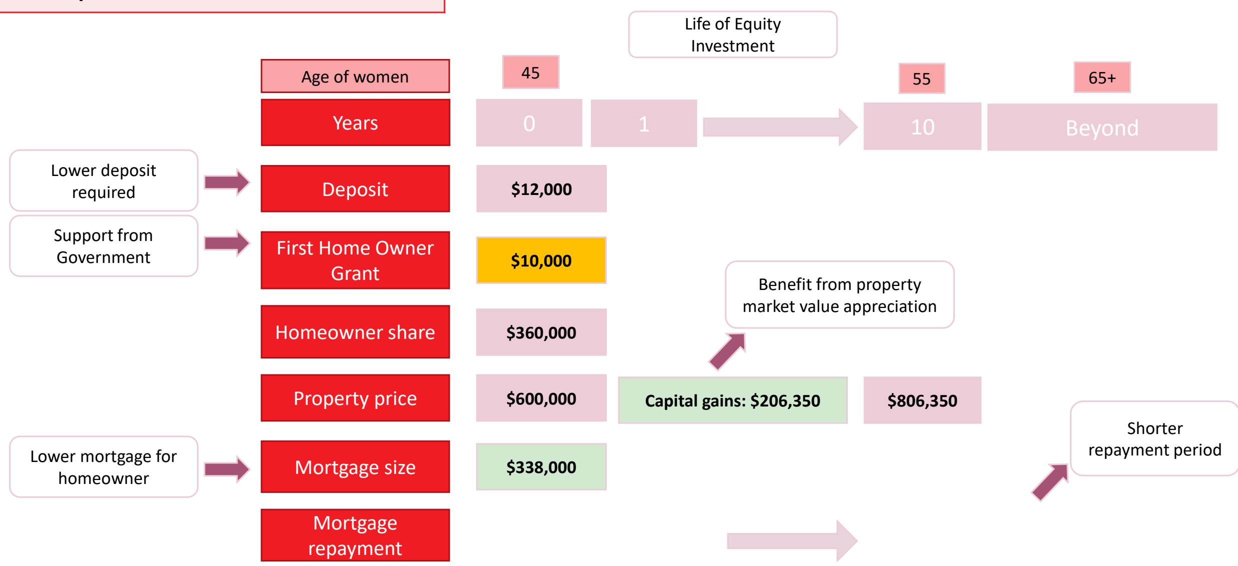
1. The purchaser earns at least $64,000 a year and their cost of living is 35%.
2. Base case: House / unit price $600,000; mortgage interest rate 3%; first homebuyers grant $10,000; goal is for mortgage repayments to be less than 30% of gross income.
3. The model assumes a sale or refinance of the property at year 10. This is the exit point for investors in the equity pool of capital. To make this viable for the purchaser, the model assumes an initial purchase price which is discounted by at least 10%; market value increases in the underlying property of 3% per annum; wage growth of at least 1% per annum provides greater repayment and borrowing capacity.
4. The homeowner is mortgage ready i.e. has savings, and is ready to make a deposit (minimum of 2%).
5. Does not include cost of living, stamp duty, bank fees or legal fees.
6. The first homebuyers grant applies only if the person has never previously owned her own home.

Model and key calculations

Figure 8 Modelling shared equity

Gross homeowner income	$64,000
Homeowner share	60%
Property annual growth	3%
Deposit required	2%

Level of Mortgage Stress **27%**



Enablers:

- The purchase price of the home is less than market value. This means a lower deposit, smaller mortgage and equity contribution required as well as kickstarting capital gain, which the model is reliant upon. The owner and equity provider / investor benefit more upon sale the greater the capital gains.
- The purchaser is in a strong financial position, having accumulated equity in their home which she can use to underwrite another property purchase.
- The model guarantees an exit for the private investor within 10 years. However, at this stage, exit means sale of the property.
- Unequivocal security of tenure for the purchaser can be achieved at scheme exit either through refinance or sale and reinvestment.
- Purchaser can sell the asset and realise any capital gain from the increasing value of the asset (note that capital gain is not guaranteed, and gains must be shared with the equity provider).

Barriers:

- Mortgage payments are higher than 30% of gross salary, which forces the homeowner into financial stress. This happens when house / unit price is more than $600,000, assuming a salary of $64,000 in the model used.
- With a new build, the developer may choose to find savings which impact the quality of the fixtures and finishes or compromise on the location of the land. This is done to make up for the loss of profit through providing the property to the market at a discount.
- If the purchaser can’t eventually meet the equity gap (the initial 40%) throughout the term of ownership to enable 100% ownership.
- If private investors expect an income return throughout the investment period. This is difficult to achieve.

Summary:

Figure 9 Shared equity: a synthesis

Most suited to (target group)	Benefits	Limitations	Key Assumptions	Most Feasible When	Least Feasible When
 Single parents	Solves for issues of low or limited deposit and rental savings. Allows for time and housing payment to contribute directly to an asset, providing the purchaser with surety of tenure and ownership. The equity contribution means that mortgage payments are significantly reduced compared to the payments required if the purchaser was buying outside of the scheme.	May require considerable time to achieve the goal of home ownership and create equity for the purchaser which they then can utilise. To assist in making the property affordable, it is preferable that the property is bought at a discount to market. Reliant upon the purchaser being able to eventually meet the equity gap.	Income increase and ability to refinance with commercial banks in the future. Homeowner is mortgage ready and has savings in order to make a deposit. Property value annual growth 3%, mortgage interest rate 3%, house/unit price $600k. Sale or refinance at year 10, with clear path for homeowner to move into another house.	Commercial banks offer a mortgage and investors provide the equity portion. Individual commits to living somewhere for 10 years; remains continuously employed during the mortgage period; the mortgage rate does not change. By year 10, the homeowner has built ~$385k of home equity, at a compound annual growth rate of 32%.	House prices are rising at a rate greater than salary or wage increases. There are changes to four key base assumptions: a) the discount to market of the initial purchase price increases b) the percentage of equity contribution increases c) the assumptions around income ranges broadens d) the term of the shared equity participation extends (buyer and investor).

4.2 MODEL 2: BUILD TO RENT (AFFORDABLE RENT) – SUPPLY-LED EMPHASIS

Model Description

Build-to-rent (BTR) developments are large scale (usually 150 + units), community focused developments held by the investor for the long-term. Often the developer (or subsidiary) is engaged to provide ongoing building and tenancy management services to the owners. The level of service and design, incorporating community amenity and focused on the needs of a particular cohort, makes this development different from other large scale residential developments.

The format provides tenants the flexibility of renting and the security of tenure, as leases are often five years with options to renew (or at least a greater likelihood of renewal provided the tenant maintains rent payments). Individual units are not strata-titled, so sale of individual units is not possible. The sale of the whole development is between institutional style investors.

Governments in Australia are piloting BTR projects and offering a targeted rental subsidy to deliver affordable rental housing alongside market rental housing. Developments are expected to provide residents with a high amenity rental experience, access to transport and employment nodes and premium service delivery.

Another reference point for the success of the BTR models in Australia is the community housing sector. The business model of some Community Housing Providers (CHPs) who own community housing outright is effectively the same as the privately owned, institutional BTR model. The CHP owns the property for the sole purpose of providing long-term, secure tenancy to a targeted cohort i.e. people who qualify for social and / or affordable housing. In many cases, the CHP is also the developer, e.g. Brisbane Housing Company (BHC) and St George Community Housing (SGCH). Buildings are designed with the target renters in mind.

Australia's BTR pipeline more than doubled in 2021 with 14,500 units and is expanding much faster than housing sectors such as retirement, aged care, student housing and co-living accommodation. The rapid increase in BTR projects has been fueled by a new class of investors. As an asset class, BTR projects offer high stability and steady yields.[26] And the inclusion of professional managers in BTR structures has opened the pathway for super funds to enter the residential market as co-investors, or through special BTR funds.[27] Leading the way in this growth are several mainstream banks and super funds.

The Financial Modelling

Key Financial Assumptions

1. An institutional investor is the sole owner of the property and owns all units in the development. There is no opportunity for tenants to purchase the units.
2. Tenancies are for a term of five-plus years. Income for the investor is tied to the lease agreements and it is expected that occupancy rates will be high.
3. It is assumed that default rate will also be low and that institutional investors can expect a steady, relatively low-yielding income return from holding BTR assets
4. Utilities are included in the rent, and the affordable rent is capped at 75% of market rent.

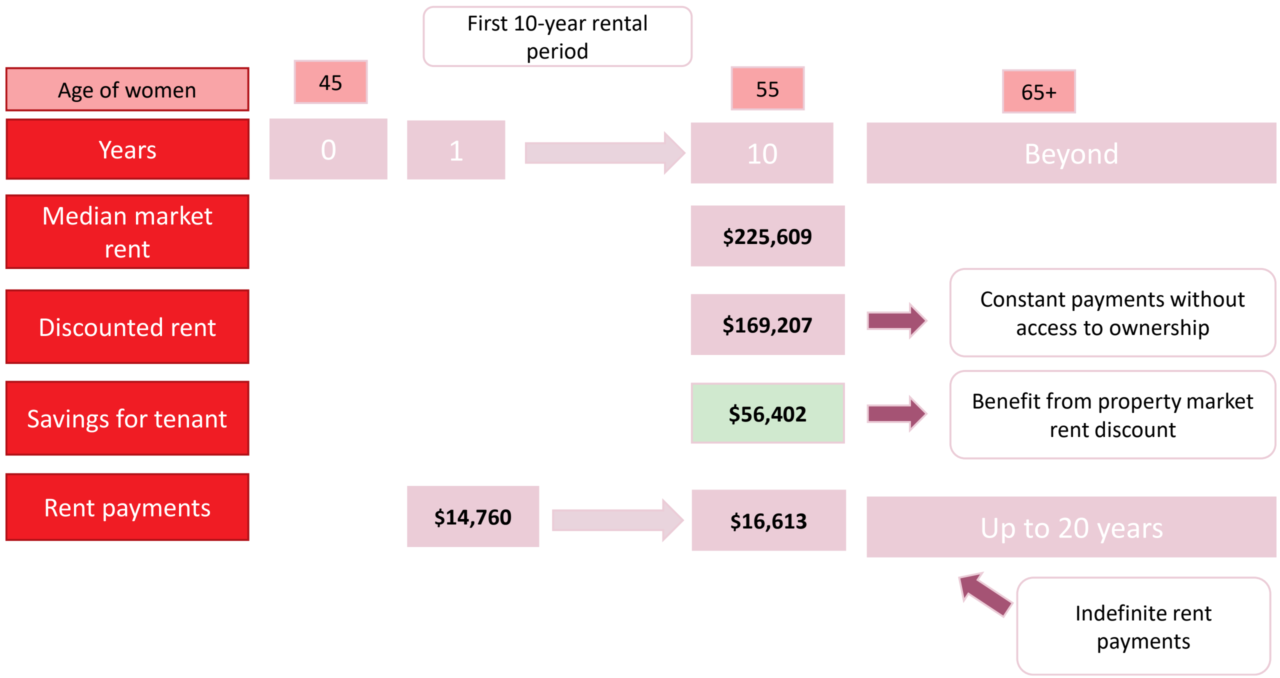
[26] Herbert Smith Freehills, 2021
[27] Chong F., 2021

Model and key calculations

Figure 10 Modelling build to rent

Gross tenant income	**$64,000**
Affordable housing discount	**25%**
Rental increase / year	**3%**
Median market rent / month	**$1,640**

Level of rental stress **23%**



Enablers:

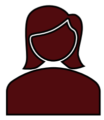
- Economies of scale are achieved through spreading management costs across many tenancies. The impact of rental default is minimised through tenancy volume.
- Depending on their circumstances, the tenants (women aged 45 years plus) may be eligible for Government rent subsidy or may find rents in the development affordable due to the scale of the overall development. To achieve this, there is likely to be some compromise on individual living space vs. community amenity and / or location to public infrastructure.

Barriers:

- A mechanism to support affordable housing renters is to peg rent to <30% of gross income. Whilst not a guarantee, this mechanism is currently used by CHPs in Australia who are providing affordable housing.

Summary:

Figure 11 Build to Rent: a synthesis

Most suited to (target group)	Benefits	Limitations	Key Assumptions	Most Feasible When	Least Feasible When
 Older women	Long term leases providing security of tenure. Suitable for women aged 45 years plus who are seeking community amenity with proximity to work and social networks. Provides for relatively stable and known costs of living. Repair and maintenance costs are the responsibility of the landlord.	Subject to market fluctuations and policy change by the 'institutional owner'. The tenant does not participate in growth of underlying asset, therefore not building up personal equity. Tenant must have a reliable source of income to maintain the tenancy, at present and as they age.	The investor buys the unit outright or off the plan and holds it in perpetuity. Tenancies are for a term of five-plus years. Investor income is tied to the lease agreements, and occupancy rates are expected to be high. Default rate will also be low, and institutional investors can expect a steady, relatively low-yielding income return.	Affordable rent units are mixed in with market rate units, because affordable rent units don't appear to be profitable. An older woman wants to rent indefinitely, and is seeking security of tenure. Government is contracted to provide a subsidy to the owner for certain tenancy types, buffering fluctuations in private rental market rates.	The investor does not have a long-term alignment of interest to provide affordable housing. Renter income grows at a slower pace than the 'market rent increases' which affordable rent is benchmarked to. Rent and other costs become less affordable each year until the renter can't afford to live in the BTR accommodation and has to move out.

4.3 MODEL 3: BUILD TO RENT TO OWN – SUPPLY-LED EMPHASIS

Model Description

This model can follow a *more* or *less* shared equity path – in a model that reflects closer alignment, the model would look at the market to drive the equity share alongside the 'rent'. In effect, a 'rent' payment which includes rent and a small component of contribution to the equity in the property, is a forced means of saving. It also serves to prove that the future buyer / borrower can service a mortgage.

In some Build-to-rent-to-own models, the house price is capped. At a fixed point, the tenant takes on finance to become the owner, securing a mortgage for the outstanding equity portion of their existing residence. This model may include other layers (such as 99-year ownership terms or elements of land trust) which ensure relative turnover and continuing affordability of housing stock and mortgage costs for potential residents.

The Financial Modelling

Key Financial Assumptions

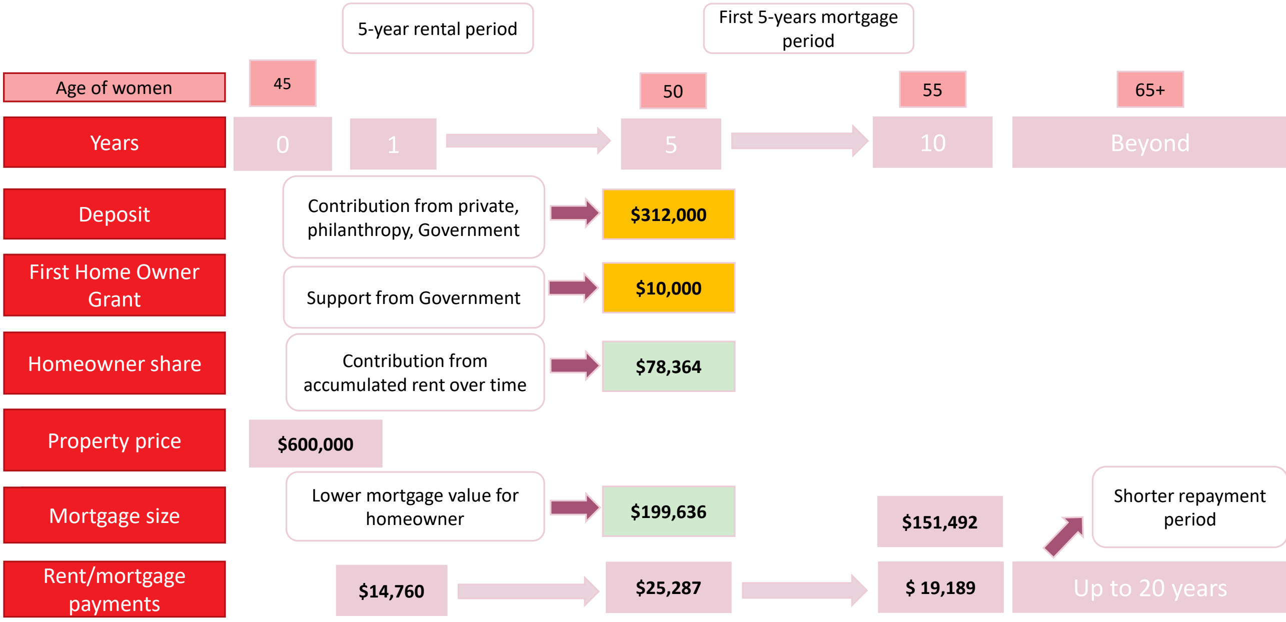
- The older woman wants to live in a unit for a period of years before having the option to buy, while potentially saving some money for a deposit during that time.
- A 3% annual increase in tenant wage.
- The first homebuyers grant applies only if the person has never previously owned her own home.

Model and key calculations

Figure 12 Modelling build to rent to own

Gross tenant income	**$64,000**
Deposit required	**40%**
Rental increase / year	**3%**
Median market rent / month	**$1,640**

Level of mortgage stress **35%**



Enablers:

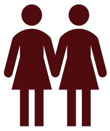
- Because of the age range and high real estate prices, paying off a mortgage before pension age would only be attainable if she received help with the deposit to substantially reduce the mortgage size.

Barriers:

- Without support for the deposit and a portion of equity, the model is essentially the same as someone buying a property on the open market in terms of the barriers this cohort of women may experience.
- Banks operating under the credit code need to assess ability to cover mortgage repayments above prevailing loan interest rate. This will be challenging if not impossible for the women in the cohort.

Summary:

Figure 13 Build to rent to own: a synthesis

Most suited to (target group)	Benefits	Limitations	Key Assumptions	Most Feasible When	Least Feasible When
 Moderate income earners (higher shared equity structure) Community housing tenants (lower shared equity structure)	Offers immediate security of tenancy and is a long-term solution. Helps solve for the saving and deposit issues. Allows runway for building financial resilience. Allows for flexibility – exit scheme before mortgage or remain a renter. Builds an asset able to be leveraged for security through ageing.	Often heavy Government or philanthropic intervention needed to make the model work. Mortgage or finance options may need to be from non-traditional lenders. The model may require other 'non-commercial terms', which could restrict asset value for owner's comparative to the market.	Tenant wants to live in a unit for a period of years before having the option to buy, while potentially saving some money for a deposit during that time. Paying off a mortgage before pension age is only attainable if they receive help with the deposit to substantially reduce the mortgage size.	An entity contributes a sizeable portion of the deposit toward housing, without seeking a financial return for the capital contribution. The required number of years to pay off a mortgage is less than the number of working years the women would have remaining, assuming she retires at age 67.	There is no support for the deposit and a portion of equity. The income of this cohort is too low to pass APRA serviceability buffer and stress testing. Savings on top of accumulated equity is required to provide for the deposit of 5-10%. Deposit is less than 20%, triggering additional cost of lender mortgage insurance.

4.4 MODEL 4: STAIRCASING – DEMAND-LED EMPHASIS

Model Description

Staircasing models do not exist in Australia. Our analysis is based on their operations in the UK.

This model is similar to shared ownership. Owners secure permanency though the use of an initial deposit. Rent is then charged either as a fixed cost based on the proportion of their ownership or relative cost as a proportion of the owner's income.

Owners can continue buying shares in their own property, thus reducing the weekly rent / maintenance payments over time. The amount an owner can purchase is capped at a maximum of 75% of the property price / value. To do this, buyers secure a specialised shared ownership mortgage to buy a stake (usually between 25% and 75%) in a property. Shares can be purchased after the buyer has been part of the scheme for at least two years. The owner of the property is usually a Housing Association (otherwise known as a Community Housing Provider (CHP) here in Australia) or the developer of the property, who maintains a long-term commitment to the property and sells their share progressively over time.

Throughout the term of the shared ownership, buyers will pay both a mortgage and rent. The buyer starts by making a yearly payment that includes paying interest on a mortgage (assume 25% ownership of the house value up front) and pays rent on the amount owned by the CHP/developer (in this case, 75%). As the buyer buys more shares, the proportion of payment split shifts towards the mortgage portion, lowering the rent requirement.

Rent is usually calculated at a rate of 2.75% of the property value per year, however there are other methods used to calculate rent. The amount of rent payable will change over time, as it does in the open market. However, the CHP will usually discount the rent compared to market rates. The determination is made by the CHP and is included in the lease agreement. In addition to rent, buyers will also be responsible for the full costs associated with property maintenance (not just the shared ownership portion), and a body corporate fee associated with the maintenance of shared or common areas in the case of units or townhouses.

Shared ownership is contracted and documented through a lease with the housing provider or developer selling the shares and a mortgage with the lender. Thus, the purchase of the home occurs over time, progressively 'staircasing' (i.e. increasing) share ownership. This can make ownership more affordable, as it is incremental. Shares can be bought in minimum 10% increments.

As more shares (equity) are purchased, the rent the CHP or developer charges decreases. From the outset, the buyer has longevity of tenure provided the rent and mortgage is paid in accordance with contract terms.

The Financial Modelling

Key Financial Assumptions

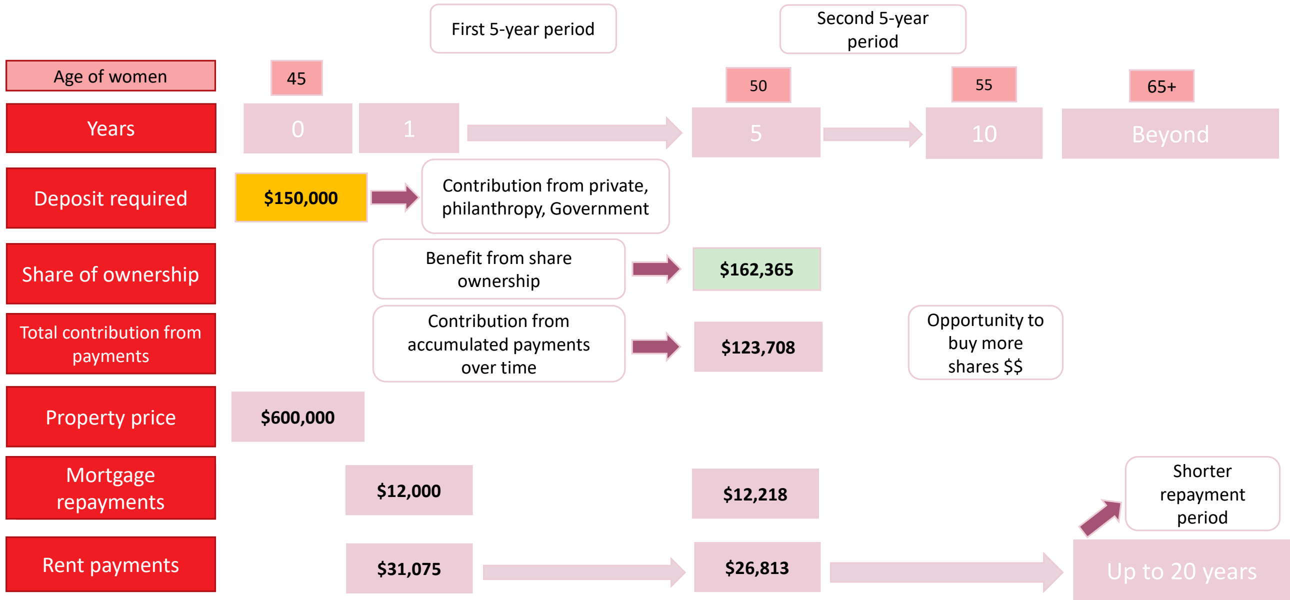
- Rate of increase in underlying property value, loan interest rates and market value of the property at the point of staircasing (as this will dramatically increase the principal amount owing).
- Under the scheme, home ownership is made more affordable because buyers can start by buying as little as a 25% share in a property, with the deposit just 5% of the price of that share. This is instead of a 5% deposit of the whole property value.

The Financial Modelling

Figure 14 Modelling staircasing

Gross tenant income	$64,000
Minimum share	25%
House payments as a % of Income	30%
Rent % of value	2.75%

Level of mortgage stress **49%**



Enablers

- The buyer must save equity equivalent to the amount of staircase while also paying the mortgage, rent and other property ownership costs. Usually, a minimum amount of shares equivalent to 10% of the total value of the property must be purchased in one lot i.e. at each staircase.

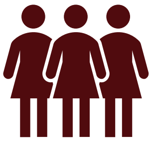
Barriers

- If the underlying property value falls, the buyers may have contributed more equity than the property is worth, creating a negative equity position.
- If property value increases at a rate greater than the buyer's income throughout the holding term, the goal of 100% ownership may become out of reach.

- Shared ownership schemes typically have ongoing administration costs associated with managing the tenancy and scheme, which are charged monthly throughout the term of the shared ownership. These are in addition to the mortgage and rent.

Summary

Figure 15 The staircasing model: a synthesis

Most suited to (target group)	Benefits	Limitations	Key Assumptions	Most Feasible When	Least Feasible When
 Single parents, older women, low- to moderate-income earners	Addresses the barrier to have paid off the mortgage by retirement i.e. the lender exit strategy. A shared interest in how the rent is calculated makes it more stable than the private rental market. Offers longevity of tenure. Offers financial flexibility in terms of asset-based saving and decreased weekly costs – especially pertinent post retirement age.	The extra legal and administration costs. Payment of an ongoing service charge and the base level of rent in full no matter the proportion of the home owned. Ownership is shared with an institution At time of sale the value of the proportion not owned by the owner-occupier is added to the sale price and paid to the CHP.	The maximum amount a tenant can purchase is 75% of the property price/value. Shares are bought in minimum 10% increments. As more shares (equity) are purchased, the rent the CHP or developer charges decreases. The value of the underlying property does not decrease.	The value of the underlying property remains flat. This may mean fixing to a different index or metric other than the open market value. The initial property purchase price is at a discount to market. There are robust partnerships between CHPs and/or developers, specialist mortgage providers, Government, philanthropists and social investors.	A buyer falls behind on mortgage or rent payments, meaning the owner evicts the tenant and the 'staircased' equity could be forfeited. Property value increases at a rate greater than wages throughout the holding term. Buyer wishes to redraw against the asset for future use.

5. Conclusion

The purpose of this research is not to identify the 'silver bullet' i.e. a single approach that will work for most of the women in the cohort *and* stack up on the supply side. We don't think that's possible.

If there was an easy, market-based solution for the target cohort, this work would be redundant. In Table 8, we show how each of the models align with important criteria for women in the cohort as they navigate housing choices.

But what it doesn't show is *how* the women will experience the housing journey – whether as a long-term renter in a build-to-rent development, or through the pathways to ownership through shared equity, build-to-rent-to-own and / or staircasing. And that is the value of this research. It highlights, all things being equal, the relative affordability (for the women) of each option, as well as the conditions for feasibility. It puts the women at the core – where they belong – rather than focusing too much on the financing.

Table 8 Comparison of the models

Key Criteria	Shared equity	Build to rent	Build to rent to own	Staircasing
Tackles property market entry barriers	✓		✓	✓
Addresses retirement horizon / lender exit strategy issue		✓		✓
Provides a pathway to home ownership	✓		✓	✓
Ease of replication and scale	✓	✓	✓	✓
Flexible repayment	✓		✓	✓
Track record in Australia	✓	✓		

Despite targeting those of modest incomes (i.e. not focusing on very low- or low-income earners), we have highlighted that **there are 'gaps' in each of the financing models** – i.e. a subsidy is required for all of them to 'stack up'. Ecosystem participants, including philanthropy, will need to decide how best to fill the gaps. However, **without intentionally designing solutions tailored specfcially to this cohort, they will continue to fall through the cracks**.

What is clear is that:

- **women need to be actively pursuing housing pathways by 45.** Delaying action diminishes choices. Women need more support to undergo and then act on financial healthchecks that highlight a precarious future.
- **there is no precedent, internationally or locally, for solutions for this cohort that is 'at scale'.** This is despite the fact it is normal to see older women becoming increasingly vulnerable to housing precariousness in each country we investigated. What we found was that successful developments are usually very bespoke. They are location based. They involve women from the outset of the conception and design phase. Each development solves for the needs of relatively small numbers of women. In Australia, where larger commercial developers dominate new housing supply, we need to find ways to support smaller / bespoke players in the market to develop affordable and fit-for-purpose options. These bespoke initiatives may not be large enough to leverage interest from insitutional investors / access favourable lending terms from mainstream finance.
- **solutions need to be framed around the desired end state.** Secure tenure; connection to community; the right balance between privacy and shared space; fit-for-purpose design (footprint, accessibility); and affordability are all must-haves.
- **there are no universal solutions, but there are benefits in aggregating lessons learned across the ecosystem.** Despite numerous organisation-level attempts to realise solutions for this cohort, there is limited evidence of traction. Change requires active stewardship of the agenda and will benefit from the pooling of resources, collective advocacy, sharing of risks and rewards.
- **philanthopy can play a key role as a connector, catalyser, risk taker and direct funder.** International experience highlights the vital role philanthropic funding has played in unlocking housing opportunities for the target cohort. Especially for new models, philanthropic dollars can be highly impactful by contributing to an overall attractive financial proposition for all investors – then, upon successful execution, validating the model's acceptable risk

profile. But philanthropic dollars are precious. And using them in their purest form can cement investor expectations regarding realistic financial returns for affordable housing models.

- Here are three important considerations for implementing philanthropic resources into the fight for affordable housing for our cohort:
  - If we want to maintain replicable, scalable momentum, we must embrace the tension between social outcomes / financial returns and identify a new equilibrium. Unlike other investors, foundations have much greater flexibility in the financial limitations for both their granting and corpus arm. Similar to the housing continuum, the return continuum does not have to be zero = grant and maximised = corpus.
  - We see opportunity to extend the philanthropic investment toolkit to fit-for-purpose options such as revolving (i.e. repayable) funds as part of shared equity solutions; patient capital that can bear long-term investment horizons to allow cohorts to achieve homeownership; and discounted return loans that support affordability.
  - Such progressive stewardship for sustained change can motivate institutional investors, especially super funds, to consider alignment of investment thesis / parameters with their social license to operate and the needs of the community members they serve. It can also help create the evidence base for Government that demonstrates the significant cost savings and positive impact for all of us from supporting housing solutions which keep these cohorts at the centre.

Younger and older Australians are often considered the most vulnerable members of our society. But we must not forget about other ‘invisible’ cohorts such as middle-aged women who are struggling with essential issues – where they can live safely, stay connected to friends and family and age as part of a welcoming community.

Factors largely out of their control have worked to prevent these women from obtaining the secure, affordable home everyone deserves. But the collaboration of key stakeholders in various sectors associated with housing can help control what happens going forward. By heeding lessons from other countries and implementing that learning in Australia, we can help build a brighter future – and make sure these women aren’t left behind.

Appendix A: International Experiences - Canada, Finland, UK and USA

Canada

Canada is an interesting comparator to Australia given its similar economic, health and political structure, and expenditure (per capita) on social services (Country Economy 2021). Unfortunately, as in Australia, homelessness is increasing in Canada, particularly amongst older women.

This cohort is difficult to fully enumerate, with much of the issue hidden and no way to accurately track the number of people sleeping in cars or at friends' houses (Stewart and Cloutier, 2021). Canada Mortgage and Housing Corporation (CMHC) states 27% of senior female-led households are in core housing need (i.e. in potential housing distress, spending more than 30% of their income on shelter) (Canada Mortgage and Housing Corporation 2021).

The Canadian Government has taken a proactive stance to tackling this housing insecurity. In 2017 it launched a $40+ billion, 10-year National Housing Strategy (NHS) with housing as a human right at its core. This strategy was built on a gender-based analysis of housing needs, including the needs of female-led Indigenous and immigrant households, and older women. One quarter of NHS investment was to support projects specifically targeting the needs of women and girls. In 2019, the NHS was replaced by the Reaching Home Strategy, which supports the goals of NHS and aims to reduce chronic homelessness by 50% by 2028 (Government of Canada, 2021). The new strategy has a stronger community-based element and is focused on working with municipalities to address and prevent homelessness.

Central to the Government's approach is a 'Housing First' philosophy. This has shifted the focus to providing secure housing without any prerequisites. Some initiatives delivered through state or municipal support are listed below:

Co-housing

Co-housed apartments or townhouses are designed to encourage interaction and develop a meaningful sense of community. They include larger common areas that support interaction, and smaller individual dwellings, which makes them more affordable. Municipal investment in these developments has allowed some apartments to be leased long-term, while a number of units sell at 20% less than the market rate in perpetuity (Canadian Co-housing Conference, 2018).

One co-housing subset is senior co-housing that enables elderly community members to affordably age in place. Density bonuses and other municipal incentives help facilitate the development of these dwellings, as well as their sale or rent at below-market rates (Canadian Senior Housing, 2021; Stewart and Cloutier, 2021). These developments create caring communities where occupants look out for each other. They are also operationally cheaper to run and maintain, with more energy efficient common areas and amenities. Traditionally these developments have been favoured by people who have owned a home and wish to downsize. However, there would be an opportunity to develop this type of housing with the social housing sector.

Ageing in place

The Canadian Government also has grants and initiatives that help seniors to stay within their existing dwellings. These incentives cover renovations and repairs to help citizens as they age, such as handrails and ramps, so seniors can stay within their community (National Senior Strategy, 2021).

Housing First

The Housing First program consists of rental properties with wrap-around services, delivered by municipal and state Governments. Many of these developments are owned by foundations or trusts and supported by Government assistance. For instance, Homeward Trust Edmonton has housed 13,000 people through Housing First since 2009 (Homeward Trust Edmonton, 2021). Rents are supported through welfare benefits and rental supplements. Tenants are also given support to help them gain employment, manage drug and alcohol addiction, and build community connections.

Like in Finland (see below), investment in Housing First in Canada has proven to be cost effective. One study estimated that for every $19,000 spent per participant each year, there was a corresponding savings of $42,000 per participant, through the reduced consumption of health and legal services (National Senior Strategy, 2021).

Life lease model

Under this model, occupants purchase the right to be a life-long tenant. The amount paid upfront and ongoing monthly costs depend on the agreement in place. For some, the upfront investment is smaller, but there is an ongoing monthly rent. There is usually a monthly contribution for operating expenses. Tenants may also be required to pay property taxes and cover repairs (Londerville, 2010).

The model has been made more affordable for some through Government assistance with the security bond. Non-profit organisations have developed many of these apartments. Deposits secure construction finance, which is then paid off once the full security deposit is paid by the tenants.

Finland

Finland is the only country in the European Union with declining homelessness, having reduced from 20,000 in the 1980s, to currently around 4,000. The political will to end homelessness, combined with a broadly accepted belief that everyone has the right to safe and secure housing, are the key factors behind this success (Y Foundation, 2021). These are the core values of Finland's Housing First model.

Housing First model

Central to Housing First is the principle that housing is a right for all, and should always be provided without any prerequisites for first overcoming problems such as alcoholism or drug addiction. It is a long-term rental model that works within the social welfare system. Tenants pay rent and gain experience as a tenant within a supported model of rental assistance and social support services. The properties can be independent rentals or co-housing with shared facilities (Y Foundation, 2021; Glösel, 2020).

Housing First is focused on long-term housing solutions, not short-term crisis accommodation. Anybody in this type of accommodation is still considered homeless. Four of five tenants maintain their leases in Housing First initiatives. with the remaining 20% moving out to stay with friends or family or otherwise be unable to manage renting. However, these individuals can apply for an apartment and be supported again (Glösel, 2020). Because of the success of the initiative and subsequent lack of homelessness demand, crisis shelters are being converted into longer-term housing options, and demand for the program has resulted in the construction of new housing. The developments are built by not-for-profit organisations and municipalities, supported by the Government through discounted loans.

It is now well evidenced that it is more cost-efficient to fund housing than homelessness. About 15,000 euros less is spent on each homeless person across the health, police and judicial systems once they are housed. Core to the Housing First model is that once people are in housing, they can address underlying social issues, search for employment and actively participate in the economy (Glösel, 2020).

UK

According to Engender, in the UK and Scotland, homeownership is seen as the ideal and is a main source of wealth accumulation (and wealth inequality). This impacts women's financial, social and physical health and wellbeing.[28] The UK Women's Budget Group (WBG) estimates that, primarily due to differences in homeownership rates, the median man in the UK has £100,000 more than the median woman by the time they reach their late 60s. Despite this, policy recommendations regarding private sector housing in the UK contain little, if any, specific gender analysis, and are unlikely to help women access the housing market.

According to Purdam, K et al (2020)[29], long-term poverty, precarious employment, low pay, the increased pension age and real term reductions in welfare benefits such as bereavement allowances have sharpened focus on the financial

[28] A Woman's place" gender, housing and homelessness in Scotland. Engender
[29] Purdam, K., & Prattley, J. (2020). Financial Debt Amongst Older Women in the UK - Shame, Abuse and Resilience. Ageing & Society.

vulnerability of UK women aged 55 and older. They are more likely to have financial problems than older men, particularly women who were living on low incomes and were separated or divorced. Following the breakdown of a relationship, many older women are at increased risk of more debt and bankruptcy, particularly those aged 55-64 and those in routine and semi-routine occupations[30]. Many women had kept their financial problems hidden due to fear and shame whilst bringing up their children, with others subject to coercive control and economic abuse by their former husbands or partners.

The strong majority of statutory homeless people in the UK are women. And while single women make up just a quarter of all families with dependent children, among homeless families, the figure rises to two thirds. According to WBG (2019), the main barrier stopping the Homeless Reduction Act of achieving its aims of ending rough-sleeping and reducing homelessness is the lack of social housing and truly affordable housing across the country. The loss of an assured shorthold tenancy is now the cause for a quarter of homeless households, a fourfold increase since 2010. This reflects a lightly regulated, insecure and unaffordable private-rent sector, together with the lack of social and affordable housing.

The gender pay gap, which remains stuck at just under 12% across full and part-time, is the obvious reason there's a knock-on gap in how many women can rent or buy a home on their single salary alone. According to the WBG and the Women's Housing Forum in 2021, there are no regions in England where the average home to rent is affordable for a woman on median earnings. Among men, the average home to rent is affordable in every region except London and the southeast. For would-be buyers, women need an average of 12 times their annual salary to buy a home in England, while men need just over eight times.

But the barriers to female property ownership aren't just about income versus the local housing market. Research suggests the process itself is more problematic for women than men. Data from specialist bank Aldermore shows that while women are more invested in the property ownership dream, 64% of them find the buying process difficult, compared with only 46% of men. In fact, overall, women are significantly less likely than men to even think about applying for a mortgage to fund their homeowning dreams. Barely three in every ten female first-time buying hopefuls think they'll ever achieve their goal.

Further, research by Real Homes[31] finds that the pay gap isn't the only reason why UK women are at a disadvantage when trying to buy a house. The criteria mortgage lenders typically apply to a prospective buyers leave most UK women in no position to qualify for a full mortgage on their own, unless they opt for Shared Ownership. This emphasis on monthly income is crucial, and often why mortgage applications are refused – be it formally or informally. Despite having a good credit record and enough money for a 10% deposit, single women in particular often 'fail' the salary test. Mortgage providers tend to prefer a combined income, typically of £60,000 per annum, which is out of reach of the vast majority of women, even those with well-paying London jobs. To compensate for a lower salary, a single mortgage applicant would need to stump up on average £30k more for a deposit, which leads us back, full-circle, to women saving less than men. The reasons why women have less in savings than men (despite being more likely to think about saving and have a savings account) are more complex than the pay gap alone. One obvious reason is the motherhood penalty; most women in the UK give birth aged 25 to 35, which also happens to be the most important age bracket for career growth.

Women-only supported and permanent housing in London

Women's Pioneer Housing and Housing for Women are two social housing providers with properties across several boroughs in London targeted to women's specific needs. They support women who may not be considered in priority need by their local authorities but who will benefit from women-only accommodation due to being at risk of gender-based violence or having a history of trauma or ill mental health. They also provide housing for older women who cannot afford to own their own property. They work closely with London boroughs authorities to provide housing for women who go through the statutory homeless process – but they also provide housing for women who may not be considered vulnerable enough to have a priority need. Women's Pioneer Housing and Housing for Women both provide sheltered accommodation for older women, to help combat loneliness and isolation, and ensure that women can preserve their autonomy longer.

[30] According to the UK national Statistics Socio-Economic classification examples of routine occupations are van driver, cleaner, sewing machinist, waitress and bar staff. Semi-routine occupation examples are postal worker, caretaker, catering assistant, receptionist, and sales assistant
[31] Single women excluded from home ownership | Real Homes

London Older Lesbian Cohousing (LOLC)

Loneliness and isolation are a heightened issue for older LGBT people who may not have children and may be estranged from their families. As women tend to live longer than men, they require more care, and loneliness can be something they grapple with for longer. Older lesbian and bisexual women are thus at a particular risk of isolation. Lesbian women's preference tends to be for women-only or lesbian-only accommodation in older age. A new project in East London, London Older Lesbian Cohousing (LOLC), aims to create a community housing scheme with a mixture of tenures for older lesbians. The project is in the planning stages, and its kick-off group includes architects, representatives from housing associations, housing representatives from the London Borough of Waltham Forest and investors. LOLC hopes to build 25 units of co-housing with a mix of market sale and affordable rent for older lesbian households.

The Older Women's Co-Housing Group (OWCH)

The Older Women's Co-Housing (OWCH) group aims to combat loneliness, promote health and ensure women stay in charge of their own lives. New Ground, in High Barnet, north London, opened in 2016 as the UK's first co-housing community designed by and exclusively for women over the age of 50. The 25-flat development has received many accolades and awards for its age-proofed architecture. The building was designed for comfortable ageing and to enhance a sense of neighbourliness: "The physical architecture is great, but it is the social architecture that makes this place stand out" (Brenton M 2017).[32] New Ground is an intentional community based on shared commitments. The women live as a self-managing group according to an agreed set of core values, one of which is to maintain an acceptable balance between personal and communal space. Each woman has her own self-contained flat and front door.

The High Barnet site selected by OWCH was purchased 'at risk' by the Hanover Housing Association (England's largest provider of specialist housing and care for people in later life). The development process positively influenced the growth and internal cohesion of the group of residents, as their housing dream started to come true. Prospective buyers had to pay their 10% deposits to Hanover well ahead of completion. Then, buyers and future tenants were 'tied in' to the OWCH project by making a non-refundable 'commitment payment' to the group. This payment, graduated by tenure, was substantial enough for individuals to carefully consider their allegiance to the project. This helped de-risk the project for Hanover, who became, in effect, a turn-key developer, with all homes presold or pre-let off the plan before construction even started.

There are 17 leasehold flats and eight let for social rent. This mixed tenure setup contributed to the wait for completion, but it was important for OWCH to include women unable to buy their own homes. Housing for Women is the freeholder, and a £1.2 million donation from the Tudor Trust allowed for the eight flats to be social rents.

Residents are aged between 51 and 88, with no age limit for living at OWCH. Some still work.

The Greater London Authority's funding of a community-led Housing Hub will help groups like OWCH find their way through development and planning, and, hopefully, community building. Power to Change will be supporting similar city-based hubs outside London over the next few years.

Pushing the focus beyond purchase to include rental options

What will substantially help the UK's single women? The answer is not as straightforward as the accepted solution to build more homes for purchase. It may be that, given its current structure, home ownership per se is not what will help single women be more independent or better off financially. More housing won't solve the disparity between house prices and average incomes. What would really help single UK women is secure, affordable rental contracts that, unlike mortgage applications, don't penalise a single-income person. More council housing would help women much more than more unaffordable Shared Ownership homes. Greater regulation of the private rental sector would also make life much easier for single women, and men.

[32] Community Building for Old Age: Breaking New Ground The UK's first senior cohousing community, High Barnet

In fact, a February 2019 poll of 681 people conducted by the Future Illuminate Panel on behalf of Real Homes points to a readiness to embrace renting if it is properly regulated. Asked 'What would be the one thing that would make you prefer renting over buying?', 60% said guaranteed long-term tenancy with no sharp rent increases. The need for secure rental contracts trumped even the overall cost of renting vs buying, with only 36% stating they would rent rather than buy if renting were cheaper.

A Government initiative: Older Persons Shared Ownership

People aged 55 or over can buy into a special Older Persons Shared Ownership scheme (OPSO). This scheme is based on the Shared Ownership scheme, and the buyer uses a mortgage or savings to buy shares - usually 25% – 75% of the home. Just as with the Shared Ownership scheme, the buyer can purchase more shares in the property through 'staircasing'. The difference between OPSO and the normal Shared Ownership scheme is that once the buyer owns 75% of the property, they cannot purchase any more shares. However, they will also no longer have to pay any rent while living at the property from then on.

USA

Significant gendered dimensions of social life in North America make women vulnerable and unequal with regards to housing and shelter. These aspects include: caregiving responsibilities, lower wages and attained wealth, exposure to violence, mental health challenges and lack of representation in decision-making (Parker & Leviten-Reid 2021). Women of colour who have experienced barriers in educational opportunities, employment prospects, housing and other areas also face significant barriers to economic security as they age (Gronniger, T 2021)[33]. Older women represent nearly two-thirds of the more than 7 million people older than age 65 living in poverty today.

A gender wage gap exists in US, with women making approximately $0.82 for every dollar men earn, and black and Latina women earning just $0.62 and $0.54, respectively, for every dollar white men earn. This means less retirement savings, fewer Social Security benefits and less wealth overall. COVID-19 has disproportionately affected women: of the more than 1 million people who dropped out of the workforce in August and September of 2020, 80% were women. In addition, older workers in general have been seriously harmed by COVID-19, with those aged 55 and older losing their jobs at a higher rate than younger workers.

Government affordable housing initiatives for older adults

The U.S. Department of Housing and Urban Development (HUD) provides affordable housing for older adults in the form of public housing, multifamily subsidised housing and rental assistance through housing vouchers. Three-quarters of all households living in public housing developments are headed by women. An overwhelming 83% of households participating in Section 8 Housing Choice Voucher Programs are led by women. Almost three-quarters of Section 202 housing units are also female-headed. This is unsurprising since women make up nearly three-quarters of all single-person households age 80 and over.[34]

Looking to New York (rent focus but support for existing owners)

The population of NYC residents who are at least 65 years old is projected to increase by 40% between 2010 and 2040. This means there is a need to house more than 400,000 additional seniors who are more likely to be low-income, rent-burdened, and living on a fixed income than other city residents in the coming years. As a first step, NY Housing Preservation and Development (HPD) committed to creating or preserving 30,000 senior households by 2026. Its Seniors First initiative has three elements:

1. Ageing in place – using a new assessment process for preservation projects to make more homes accessible to seniors to age in place and to make housing accessible for people with disabilities.
2. Developing New Senior Housing on NYCHA Land – NYCHA is allocating a pipeline of underused sites to create new senior housing to expand its commitment to affordable housing development above the 10,000 affordable apartments already planned through NextGen NYCHA. HPD will finance these projects though the Senior

[33] Gronniger, T. The Intersections of Inequity in Aging (asaging.org) (Fan-Feb 2021)

[34] Source: Older Women and Poverty Dec 2018

Affordable Rental Apartments (SARA) Program[35]. Land has designated the first projects to be developed on NYCHA land.

3. Supporting Seniors through Preservation – New York City has an existing inventory of affordable senior housing, and preserving this stock is critical to meeting the needs of its ageing population. This new initiative targets approximately 170 buildings created through the HUD Section 202[36] program, with 14,000 apartments as well as other existing senior housing developments.

Home ownership for low-income and minority households (mortgage products for ownership)

The UNC Centre for Community Capital examined the experience of several affordable mortgage programs that provide models for extending the benefits of homeownership broadly and successfully.[37] Across a few programs (including the Community Advantage Program (CAP), Massachusetts' ONE Mortgage Program and programs via Housing Finance Agencies), it was found that there are several key elements that underpin a safe, sound and vibrant U.S. housing finance system. Among them are:

- Sound mortgage products – Thirty-year fixed-rate mortgages with fair terms as the gold standard.
- Sensible underwriting and servicing – Lenders who carefully underwrite loans to ensure borrowers can repay them and who also proactively work with distressed borrowers to keep them in their homes when possible.
- Access to credit – A strong secondary market for affordable mortgages that replenishes the supply of capital, allowing banks to make more traditional, fixed-rate loans to low-wealth families.

The Community Advantage Program

Self-Help Credit Union was founded in 1984 to address the credit needs of minority, rural, women-headed and lower-income households who were underserved by traditional lenders. Since its creation, Self-Help has directly financed $336 million in direct home lending to more than 4,500 homeowners. Over the years, the good performance of the mortgages extended by the credit union convinced the organisation that low-resource households could successfully obtain and sustain homeownership. This lesson was also being demonstrated by North Carolina banks through the 1980s and 1990s as they sought to meet CRA requirements by making mortgage loans in low- and moderate-income communities and to low- and moderate-income households. However, because the loans often did not conform to traditional underwriting standards (those established by Fannie Mae and Freddie Mac), they could not be sold on the secondary market.

Though the programs performed well, even large commercial banks were constrained by the illiquidity of their growing portfolios of community mortgages. A solution arose in 1994 when Self-Help purchased a portfolio of non-conforming loans from Wachovia, thus freeing capital for the financial services company to continue lending to more LMI borrowers. Building on this model, CAP emerged four years later with a $50 million grant from the Ford Foundation to establish a loan loss reserve fund. With this fund in place, Fannie Mae agreed to purchase mortgages with Self-Help's recourse (a form of guaranty provided by the seller of the loans; in this case, Self-Help). The program launched in fall of 1998 with four lending partners.

CAP model provides credit enhancement and acts as a financial intermediary between lenders and investors. Mortgage lenders originate mortgages to low- and moderate-income borrowers using their own customised guidelines (approved by Self-Help). Self-Help then purchases approved loans from these lenders and sells or securitises them with Fannie Mae. Importantly, Self-Help retains the credit risk of the mortgages. If a borrower defaults, Fannie Mae can seek recourse and compensation, which highlights the importance of the loss reserve fund established with the help of the Ford Foundation. Fannie Mae can either hold the mortgages in portfolio or pool the

[35] **Senior Affordable Rental Apartments (SARA)** Program provides gap financing in the form of low-interest loans to support the construction and renovation of affordable housing for seniors, 62+ years in age, with low incomes. Projects developed with SARA funding must also set aside 30% of units for homeless seniors referred by a City or State agency, typically the New York City Department of Homeless Services. SARA loans carry a minimum 30-year term and may be up to $75,000 per unit.

[36] HUD's Section 202 Supportive Housing for the Elderly program addresses both affordability and the connection between housing and supportive services. Under the program, HUD provides interest-free capital advances to non-profits to develop housing that offers project-based rental assistance and supportive services for very low-income elderly residents.

[37] RTD-Case-Studies-Nov-2014.pdf (unc.edu)

loans into mortgage-backed securities and sell them to investors, who can be confident of the credit quality of the investment.

The CAP targets low-income and minority households often shut out by conventional credit markets. CAP homeowners are disproportionately likely to be minority (39%) and female-headed households (41%). CAP borrowers would likely be disqualified from prime mortgages by high debt-to-income ratios and low credit scores. Further, they often can only afford low mortgage down payments on a mortgage. Over 69% of CAP homeowners had loan-to-value (LTV) ratios higher than 95% at origination. Conventionally, such borrowers would typically only qualify for subprime mortgages with high interest rates and other high-risk features, like prepayment penalties and interest-only or negative amortisation schedules. Nevertheless, Self-Help mostly offers very traditional mortgage products. The CAP portfolio is predominately 30-year, fixed-rate mortgages that are retail originated for purchasing a home. The cost of a typical CAP mortgage is comparable to the cost of a prime fixed-rate mortgage originated in the same period.

Implications for the Future: The CAP experience shows that home lending to lower-income, low-down-payment borrowers can be good and sustainable business, even in challenging economic times. The elements of success include offering traditional, prime-market-priced, fixed-rate, 30-year mortgages without hidden fees and penalties. They also include prudently underwriting borrowers for ability to repay and documenting income and assets and credit histories. For the most part, the programs used by lenders in the CAP program were encouraged by CRA and Affordable Housing objectives. Both explicitly call for lenders to apply safety and soundness considerations while at the same time finding ways to lend more flexible. The results show that lenders can do both at the same time. Significantly, the Self-Help pilot demonstrated how to bring a successful program to scale efficiently by using mainstream market participants. In particular, it underscored the critical importance of the secondary market in making affordable financing available to more families. If it had used the Ford grant to make direct mortgages, it might have served about 600 families. By instead offering a credit enhancement to encourage Fannie Mae to buy and securitise mortgages made by lenders around the country, it has helped nearly 50,000 families obtain financing.

Appendix B: Financial modelling for each housing option

Shared Equity Model

Shared equity model assumptions	
Property annual growth	3%
Property sold or refinanced?	refinanced
Refinance/Buyout at year	10
Sold at year	10
House price	$ 600,000
Homeowner share	60%
Investor/Government share	40%
Deposit required	2%
Mortgage interest	3%
Mortgage term (yr)	30
Deposit	$ 12,000
First homeowner grant	$ 10,000
Mortgage size	$ 338,000
Monthly mortgage repayment	$ 1,437
Gross household income	$ 64,000
Affordability ratio	27%
Check of affordability ratio (30%)	yes

Shared equity model projections								
Year	House value	Equity	Mortgage size	Interest	Principal bf	Interest	Principal	Total mortgage payment
1	$ 600,000	60%	$ 338,000	3%	$ 338,000	$ 10,140	$ 7,105	$ 17,245
2	$ 618,000	60%	-	3%	$ 330,895	$ 9,927	$ 6,955	$ 16,882
3	$ 636,540	60%	-	3%	$ 323,940	$ 9,718	$ 6,809	$ 16,527
4	$ 655,636	60%	-	3%	$ 317,131	$ 9,514	$ 6,666	$ 16,180
5	$ 675,305	60%	-	3%	$ 310,465	$ 9,314	$ 6,526	$ 15,840
6	$ 695,564	60%	-	3%	$ 303,940	$ 9,118	$ 6,389	$ 15,507
7	$ 716,431	60%	-	3%	$ 297,551	$ 8,927	$ 6,254	$ 15,181
8	$ 737,924	60%	-	3%	$ 291,297	$ 8,739	$ 6,123	$ 14,862
9	$ 760,062	60%	-	3%	$ 285,174	$ 8,555	$ 5,994	$ 14,549
10	$ 782,864	60%	-	3%	$ 279,180	$ 8,375	$ 5,868	$ 14,244
11	$ 806,350	60%	-	3%	$ 273,312	$ 8,199	$ 5,745	$ 13,944
12	$ 830,540	60%	-	3%	$ 267,567	$ 8,027	$ 5,624	$ 13,651
13	$ 855,457	60%	-	3%	$ 261,943	$ 7,858	$ 5,506	$ 13,364
14	$ 881,120	60%	-	3%	$ 256,437	$ 7,693	$ 5,390	$ 13,083
15	$ 907,554	60%	-	3%	$ 251,047	$ 7,531	$ 5,277	$ 12,808
16	$ 934,780	60%	-	3%	$ 245,770	$ 7,373	$ 5,166	$ 12,539
17	$ 962,824	60%	-	3%	$ 240,604	$ 7,218	$ 5,057	$ 12,275
18	$ 991,709	60%	-	3%	$ 235,547	$ 7,066	$ 4,951	$ 12,017
19	$1,021,460	60%	-	3%	$ 230,596	$ 6,918	$ 4,847	$ 11,765
20	$1,052,104	60%	-	3%	$ 225,749	$ 6,772	$ 4,745	$ 11,518
21	$1,083,667	60%	-	3%	$ 221,004	$ 6,630	$ 4,645	$ 11,275
22	$1,116,177	60%	-	3%	$ 216,358	$ 6,491	$ 4,548	$ 11,038
23	$1,149,662	60%	-	3%	$ 211,811	$ 6,354	$ 4,452	$ 10,806
24	$1,184,152	60%	-	3%	$ 207,359	$ 6,221	$ 4,359	$ 10,579
25	$1,219,676	60%	-	3%	$ 203,000	$ 6,090	$ 4,267	$ 10,357
26	$1,256,267	60%	-	3%	$ 198,733	$ 5,962	$ 4,177	$ 10,139
27	$1,293,955	60%	-	3%	$ 194,556	$ 5,837	$ 4,089	$ 9,926
28	$1,332,773	60%	-	3%	$ 190,467	$ 5,714	$ 4,003	$ 9,717
29	$1,372,757	60%	-	3%	$ 186,463	$ 5,594	$ 3,919	$ 9,513
30	$1,413,939	60%	-	3%	$ 182,544	$ 5,476	$ 3,837	$ 9,313

Built-to-Rent Model

Build-to-Rent assumptions	
Apartment market value (median including established dwellings and off the plan, etc)	$ 600,000
Apartment market value growth	3%
Moderate income woman aged 45-65 (essential worker)	$ 64,000
Pension payment monthly inflow starting retirement age	$ 1,266
Pension payment annual increase	1%
No. of years renting	5
Rental increase per year	3%
Median market rent (as of March 2022)	$ 410
Affordable housing discount	75%
Affordable housing weekly rent (75% of market rent)	$ 308
Affordable housing monthly rent	$ 1,230
Annual rent year 1	$ 14,760
Renter annual wage growth	3%
First homeowner grant	$ 10,000
Rent affordability ratio	23%
Check of affordability ratio RENT (30%)	yes

Build-to-Rent projections

Year	Median market rent	Affordable housing discounted rent	Difference
1	$ 19,680	$ 14,760	$ 4,920
2	$ 20,270	$ 15,203	$ 5,068
3	$ 20,879	$ 15,659	$ 5,220
4	$ 21,505	$ 16,129	$ 5,376
5	$ 22,150	$ 16,613	$ 5,538
6	$ 22,815	$ 17,111	$ 5,704
7	$ 23,499	$ 17,624	$ 5,875
8	$ 24,204	$ 18,153	$ 6,051
9	$ 24,930	$ 18,698	$ 6,233
10	$ 25,678	$ 19,258	$ 6,419
11	$ 26,448	$ 19,836	$ 6,612
12	$ 27,242	$ 20,431	$ 6,810
13	$ 28,059	$ 21,044	$ 7,015
14	$ 28,901	$ 21,676	$ 7,225
15	$ 29,768	$ 22,326	$ 7,442
16	$ 30,661	$ 22,996	$ 7,665
17	$ 31,581	$ 23,685	$ 7,895
18	$ 32,528	$ 24,396	$ 8,132
19	$ 33,504	$ 25,128	$ 8,376
20	$ 34,509	$ 25,882	$ 8,627

Built-to-Rent-to-Own Model

Build-to-Rent-to-Own assumptions	
Apartment market value (median including established dwellings and off the plan, etc)	$ 600,000
Apartment market value growth	3%
Moderate income woman aged 45-65 (essential worker)	$ 64,000
Pension payment monthly inflow starting retirement age	$ 1,266
Pension payment annual increase	1.00%
No. of years renting	5
No. of years paying off mortgage	15
Total time to achieve home ownership	20
Age	55
Retirement age in 2043	72
Age when mortgage paid off / home ownership achieved	75
Mortgage paid off before retirement age?	no

Renter's perspective	
Rental increase per year	3%
Median market rent (as of March 2022)	$ 410
Affordable housing discount	75%
Affordable housing weekly rent (75% of market rent)	$ 308
Affordable housing monthly rent	$ 1,230
Annual rent year 1	$ 14,760
Renter annual wage growth	3%
Rent affordability ratio year 1	23%
Check of affordability ratio RENT (30%)	yes

Purchasing in year 5	
Deposit required	52%
Deposit amount	$ 312,000
First homeowner grant	$ 10,000
Investor grant (private, philanthropy, Government)	$ 312,000
Mortgage interest rate	3%
APRA serviceability buffer check	6%
Mortgage term (years)	15
Homeowner annual wage growth	3%
Moderate income woman aged 45-65 (essential worker)	$ 76,419
Mortgage size starting year 6	$ 199,637
Monthly mortgage repayment starting year 6	$ 2,107
Yearly mortgage payments starting year 6	$ 25,287
Loan to value ratio (LVR)	33%
Homeownership expenses (council rates, contents insurance)	$ 1,797
Mortgage payment affordability ratio year 6	35%
Check of affordability ratio MORTGAGE (30%)	no

Build-to-Rent-to-Own projections (rent portion)			
Year	Median market rent	Affordable housing discounted rent	Difference
1	$ 19,680	$ 14,760	$ 4,920
2	$ 20,270	$ 15,203	$ 5,068
3	$ 20,879	$ 15,659	$ 5,220
4	$ 21,505	$ 16,129	$ 5,376
5	$ 22,150	$ 16,613	$ 5,538

Build-to-Rent-to-Own projections (ownership portion)					
Year	Interest	Principal bf	Interest	principal	Total mortgage payment
6	6%	$ 199,637	$ 11,978	$13,309	$ 25,287
7	6%	$ 186,328	$ 11,180	$12,422	$ 23,602
8	6%	$ 173,906	$ 10,434	$11,594	$ 22,028
9	6%	$ 162,312	$ 9,739	$10,821	$ 20,560
10	6%	$ 151,492	$ 9,089	$10,099	$ 19,189
11	6%	$ 141,392	$ 8,484	$ 9,426	$ 17,910
12	6%	$ 131,966	$ 7,918	$ 8,798	$ 16,716
13	6%	$ 123,168	$ 7,390	$ 8,211	$ 15,601
14	6%	$ 114,957	$ 6,897	$ 7,664	$ 14,561
15	6%	$ 107,293	$ 6,438	$ 7,153	$ 13,590
16	6%	$ 100,140	$ 6,008	$ 6,676	$ 12,684
17	6%	$ 93,464	$ 5,608	$ 6,231	$ 11,839
18	6%	$ 87,233	$ 5,234	$ 5,816	$ 11,050
19	6%	$ 81,418	$ 4,885	$ 5,428	$ 10,313
20	6%	$ 75,990	$ 4,559	$ 5,066	$ 9,625
21	6%	$ 70,924	$ 4,255	$ 4,728	$ 8,984
22	6%	$ 66,196	$ 3,972	$ 4,413	$ 8,385
23	6%	$ 61,783	$ 3,707	$ 4,119	$ 7,826
24	6%	$ 57,664	$ 3,460	$ 3,844	$ 7,304
25	6%	$ 53,820	$ 3,229	$ 3,588	$ 6,817
26	6%	$ 50,232	$ 3,014	$ 3,349	$ 6,363
27	6%	$ 46,883	$ 2,813	$ 3,126	$ 5,938
28	6%	$ 43,757	$ 2,625	$ 2,917	$ 5,543
29	6%	$ 40,840	$ 2,450	$ 2,723	$ 5,173
30	6%	$ 38,117	$ 2,287	$ 2,541	$ 4,828

Staircasing Model

Staircasing model assumptions	
Apartment market value (median including established dwellings and off the plan, etc)	$ 600,000
Apartment market value growth (variable over time)	2%
Moderate income woman aged 45-65 (essential worker)	$ 64,000
Rent as a percentage of house value	1%
House payments as a percentage of income	30%
Community Housing Provider (CHP) fee	$ 500
Valuer, lawyer, and mortgage establishment fees	$ 5,000
Community Housing Provider (CHP) monthly administration fee	$ 100
Rent percentage of value	2.75%
Rent affordability ratio	49%
Check of affordability ratio RENT (30%)	no

Staircasing model projections

Year	Property value	Market rate increase/decrease	Share of ownership	Equivalent ownership value	CHP ownership value	Age of purchaser	Rent percentage of value p.a.	Mortgage	Mortgage repayments	Total house payment p.a.	Income required to cover total payments excluding additional costs	what they would pay in rent normally	Additional costs		Total payments including additional costs
							2.75%						Annualised monthly CHP admininstration fee	Ownership change costs	
1	$ 600,000	2%	25%	$ 150,000	$ 450,000	45	$ 12,375	3%	$ 12,000	**$ 24,375**	$ 81,250	$ 1,563	$ 1,200	$ 5,500	**$ 31,075**
2	$ 612,000	2%	25%	$ 153,000	$ 459,000	46	$ 12,623	3%	$ 11,400	**$ 24,023**	$ 80,075	$ 1,540	$ 1,200	$ -	**$ 25,223**
3	$ 624,240	2%	25%	$ 156,060	$ 468,180	47	$ 12,875	3%	$ 10,830	**$ 23,705**	$ 79,017	$ 1,520	$ 1,200	$ -	**$ 24,905**
4	$ 636,725	2%	25%	$ 159,181	$ 477,544	48	$ 13,132	5%	$ 12,861	**$ 25,993**	$ 86,644	$ 1,666	$ 1,200	$ -	**$ 27,193**
5	$ 649,459	2%	25%	$ 162,365	$ 487,094	49	$ 13,395	5%	$ 12,218	**$ 25,613**	$ 85,376	$ 1,642	$ 1,200	$ -	**$ 26,813**
6	$ 662,448	1%	25%	$ 165,612	$ 496,836	50	$ 13,663	5%	$ 11,607	**$ 25,270**	$ 84,232	$ 1,620	$ 1,200	$ -	**$ 26,470**
7	$ 669,073	1%	25%	$ 167,268	$ 501,805	51	$ 13,800	5%	$ 11,026	**$ 24,826**	$ 82,753	$ 1,591	$ 1,200	$ -	**$ 26,026**
8	$ 675,764	1%	25%	$ 168,941	$ 506,823	52	$ 13,938	7%	$ 12,570	**$ 26,508**	$ 88,359	$ 1,699	$ 1,200	$ -	**$ 27,708**
9	$ 682,521	1%	25%	$ 170,630	$ 511,891	53	$ 14,077	7%	$ 11,942	**$ 26,019**	$ 86,729	$ 1,668	$ 1,200	$ -	**$ 27,219**
10	$ 689,347	1%	50%	$ 344,673	$ 344,673	54	$ 9,479	7%	$ 32,025	**$ 41,503**	$ 138,345	$ 2,660	$ 1,200	$ 5,500	**$ 48,203**
11	$ 696,240	1%	50%	$ 348,120	$ 348,120	55	$ 9,573	7%	$ 30,424	**$ 39,997**	$ 133,323	$ 2,564	$ 1,200	$ -	**$ 41,197**
12	$ 703,202	3%	50%	$ 351,601	$ 351,601	56	$ 9,669	9%	$ 33,720	**$ 43,389**	$ 144,629	$ 2,781	$ 1,200	$ -	**$ 44,589**
13	$ 724,298	3%	50%	$ 362,149	$ 362,149	57	$ 9,959	9%	$ 32,034	**$ 41,993**	$ 139,976	$ 2,692	$ 1,200	$ -	**$ 43,193**
14	$ 746,027	3%	50%	$ 373,014	$ 373,014	58	$ 10,258	9%	$ 30,432	**$ 40,690**	$ 135,633	$ 2,608	$ 1,200	$ -	**$ 41,890**
15	$ 768,408	3%	75%	$ 576,306	$ 192,102	59	$ -	9%	$ 55,805	**$ 55,805**	$ 186,015	$ 3,577	$ 1,200	$ 5,500	**$ 62,505**
16	$ 791,461	3%	75%	$ 593,595	$ 197,865	60	$ -	9%	$ 53,014	**$ 53,014**	$ 176,714	$ 3,398	$ 1,200	$ -	**$ 54,214**
17	$ 815,204	3%	75%	$ 611,403	$ 203,801	61	$ -	9%	$ 50,364	**$ 50,364**	$ 167,879	$ 3,228	$ 1,200	$ -	**$ 51,564**
18	$ 839,660	3%	75%	$ 629,745	$ 209,915	62	$ -	5%	$ 34,175	**$ 34,175**	$ 113,918	$ 2,191	$ 1,200	$ -	**$ 35,375**
19	$ 864,850	3%	75%	$ 648,638	$ 216,213	63	$ -	5%	$ 32,467	**$ 32,467**	$ 108,222	$ 2,081	$ 1,200	$ -	**$ 33,667**
20	$ 890,796	3%	75%	$ 668,097	$ 222,699	64	$ -	3%	$ 24,675	**$ 24,675**	$ 82,249	$ 1,582	$ 1,200	$ -	**$ 25,875**
21	$ 917,520	3%	75%	$ 688,140	$ 229,380	65	$ -	3%	$ 23,441	**$ 23,441**	$ 78,136	$ 1,503	$ 1,200	$ -	**$ 24,641**
22	$ 945,045	2%	75%	$ 708,784	$ 236,261	66	$ -	3%	$ 22,269	**$ 22,269**	$ 74,229	$ 1,427	$ 1,200	$ -	**$ 23,469**
23	$ 963,946	2%	75%	$ 722,960	$ 240,987	67	$ -	3%	$ 21,155	**$ 21,155**	$ 70,518	$ 1,356	$ 1,200	$ -	**$ 22,355**
24	$ 983,225	2%	75%	$ 737,419	$ 245,806	68	$ -	3%	$ 20,098	**$ 20,098**	$ 66,992	$ 1,288	$ 1,200	$ -	**$ 21,298**
25	$ 1,002,890	2%	100%	$ 1,002,890	$ -	69	$ -	3%	$ 39,151	**$ 39,151**	$ 130,502	$ 2,510	$ -	$ 5,500	**$ 44,651**
26	$ 1,022,947	2%	100%	$ 1,022,947	$ -	70	$ -	3%	$ 37,193	**$ 37,193**	$ 123,977	$ 2,384	$ -	$ -	**$ 37,193**
27	$ 1,043,406	2%	100%	$ 1,043,406	$ -	71	$ -	3%	$ 35,333	**$ 35,333**	$ 117,778	$ 2,265	$ -	$ -	**$ 35,333**
28	$ 1,064,274	2%	100%	$ 1,064,274	$ -	72	$ -	3%	$ 33,567	**$ 33,567**	$ 111,889	$ 2,152	$ -	$ -	**$ 33,567**
29	$ 1,085,560	2%	100%	$ 1,085,560	$ -	73	$ -	3%	$ 31,888	**$ 31,888**	$ 106,294	$ 2,044	$ -	$ -	**$ 31,888**
30	$ 1,107,271	2%	100%	$ 1,107,271	$ -	74	$ -	3%	$ 30,294	**$ 30,294**	$ 100,980	$ 1,942	$ -	$ -	**$ 30,294**

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