

Financial Products Quarterly Report

Period Ending 31 December 2015

KiwiSaver HomeStart Grant

The KiwiSaver HomeStart Grant replaced the KiwiSaver deposit subsidy from 1 April 2015. Like the KiwiSaver Deposit subsidy, the grant provides eligible first-home buyers with a grant of up to \$5,000 for individuals and up to \$10,000 for couples to put towards the purchase of an existing/older home.

In addition, the new KiwiSaver HomeStart grant also provides eligible first-home buyers with a grant of up to \$10,000 for individuals and up to \$20,000 for couples to help with purchasing a brand new property.

HomeStart Applications - Quarter by Quarter

Quarter	Received	Approved	Pre-Approval	Declined, Withdrawn and Other	In process at quarter's end
Jan - Mar 2015	3074	1677	164	705	468
Apr - Jun 2015	6788	2011	1740	1021	2016
Jul - Sept 2015	7589	4261	2478	2209	816
Oct - Dec 2015	5,484	3,916	3,097	1,670	231

KiwiSaver HomeStart Grant Overview by TLA October to December 2015

TLA	Applications Approved			Properties Bought			Grants Paid			\$ Paid		
	Existing	New	Total	Existing	New	Total	Existing	New	Total	Existing	New	Total
Far North	34	2	36	28	1	29	33	2	35	145,000	20,000	165,000
Whangarei	70	13	83	54	10	64	73	13	86	321,000	98,000	419,000
Kaipara	19		19	10		10	17		17	77,000		77,000
Auckland	284	89	373	185	55	240	268	77	345	1,161,000	662,000	1,823,000
Thames/Coromandel	17	1	18	11	1	12	14	1	15	59,000	10,000	69,000
Hauraki	27		27	13		13	18		18	84,000		84,000
Waikato	44	11	55	30	8	38	38	12	50	169,000	108,000	277,000
Matamata Piako	33	3	36	30	3	33	39	4	43	164,000	30,000	194,000
Hamilton	124	16	140	84	10	94	111	14	125	455,000	108,000	563,000
Waipa	46		46	30		30	45		45	191,000		191,000
Otorohanga	9		9	5		5	9		9	40,000		40,000
South Waikato	26	1	27	17		17	19		19	79,000		79,000
Waitomo	14	1	15	10	1	11	12	1	13	54,000	6,000	60,000
Taupo	41	1	42	33	3	36	44	3	47	192,000	24,000	216,000
Western BoP	30	5	35	23	2	25	30	4	34	129,000	30,000	159,000
Tauranga	102	39	141	74	24	98	98	40	138	424,000	318,000	742,000
Rotorua	95	5	100	63	2	65	81	3	84	353,000	24,000	377,000
Whakatane	15	1	16	10	1	11	11	1	12	44,000	10,000	54,000
Kawerau	6		6	7		7	7		7	29,000		29,000
Opotiki	15		15	11		11	15		15	69,000		69,000
Gisborne	60		60	34		34	46		46	189,000		189,000
Wairoa	75	1	76	53	1	54	76	1	77	326,000	8,000	334,000
Hastings	97	1	98	62	1	63	88	1	89	381,000	10,000	391,000
Napier	18		18	19		19	22		22	99,000		99,000
Ctrl Hawkes	11		11	9		9	12		12	56,000		56,000

Bay												
New Plymouth	63		63	48		48	66		66	282,000		282,000
Stratford	14		14	12		12	15		15	63,000		63,000
South Taranaki	36	1	37	34	1	35	42	1	43	174,000	8,000	182,000
Ruapehu	17		17	14		14	17		17	75,000		75,000
Wanganui	95	2	97	78	1	79	94	2	96	396,000	12,000	408,000
Rangitikei	25		25	11		11	13		13	60,000		60,000
Manawatu	42	1	43	33	2	35	44	3	47	183,000	28,000	211,000
Palmerston Nth	145	2	147	100	2	102	133	3	136	579,000	28,000	607,000
Tararua	30		30	21		21	28		28	127,000		127,000
Horowhenua	37		37	23		23	27		27	121,000		121,000
Kapiti Coast	55	6	61	40	6	46	53	8	61	222,000	66,000	288,000
Porirua	65	5	70	39	3	42	54	4	58	235,000	38,000	273,000
Upper Hutt	55	6	61	41	2	43	52	3	55	223,000	26,000	249,000
Lower Hutt	128	4	132	86	7	93	114	11	125	478,000	86,000	564,000
Wellington	124	1	125	79	1	80	103	1	104	441,000	10,000	451,000
Masterton	7		7	7		7	8		8	36,000		36,000
Carterton	37		37	28		28	36		36	163,000		163,000
South Wairarapa	12	3	15	12	3	15	15	3	18	65,000	28,000	93,000
Tasman	14	4	18	13	3	16	17	4	21	77,000	38,000	115,000
Nelson	69	5	74	49	2	51	67	3	70	274,000	26,000	300,000
Marlborough	74	2	76	50	1	51	70	2	72	299,000	16,000	315,000
Kaikoura	3		3	2		2	3		3	11,000		11,000
Buller	17		17	10		10	13		13	50,000		50,000
Grey	9		9	7		7	8		8	39,000		39,000
Westland	8		8	6		6	6		6	27,000		27,000
Hurunui	6	2	8	5	1	6	7	2	9	29,000	18,000	47,000
Waimakariri	36	29	65	30	17	47	41	25	66	183,000	202,000	385,000
Christchurch	385	68	453	274	44	318	357	60	417	1,536,000	522,000	2,058,000
Selwyn	13	48	61	9	30	39	13	46	59	50,000	384,000	434,000
Ashburton	33	2	35	31		31	39		39	165,000		165,000
Timaru	2		2	2		2	4		4	15,000		15,000
Waimate	70		70	49		49	62		62	250,000		250,000
MacKenzie	12		12	5		5	6		6	28,000		28,000
Waitaki	27		27	22		22	26		26	115,000		115,000
Central Otago	23		23	20		20	27		27	115,000		115,000
Queenstown Lakes	11	10	21	9	6	15	11	9	20	47,000	72,000	119,000
Dunedin	203	1	204	149	1	150	189	1	190	811,000	10,000	821,000
Clutha	27		27	19		19	28		28	121,000		121,000
Southland	26	3	29	19	2	21	23	3	26	97,000	24,000	121,000
Gore	24		24	19		19	22		22	93,000		93,000
Invercargill	124	6	130	92	3	95	122	3	125	530,000	24,000	554,000
Total	3,515	401	3,916	2,502	261	2,763	3,301	374	3,675	14,175,000	3,132,000	17,307,000

	Apr –Jun 2015	Jul-Sep 2015	Oct – Dec 2015	Total since 1 April 2015
Total HomeStart grants paid	\$7,204,000	\$16,992,000	\$17,307,000	\$41,503,000
Existing properties	\$6,108,000	\$14,126,000	\$14,175,000	\$34,409,000
New properties	\$1,096,000	\$2,866,000	\$3,132,000	\$7,094,000
Average individual grant for new build	\$8,496	\$8,607	\$8,374	\$8,486
Average individual grant for existing properties	\$4,233	\$4,261	\$4,294	\$4,270
Average amount paid out per new build	\$12,744	\$12,144	\$12,000	\$12,168
Average amount paid out per existing property	\$5,508	\$5,448	\$5,665	\$5,546

Average subsidy/grant payments from April 2014 to December 2015

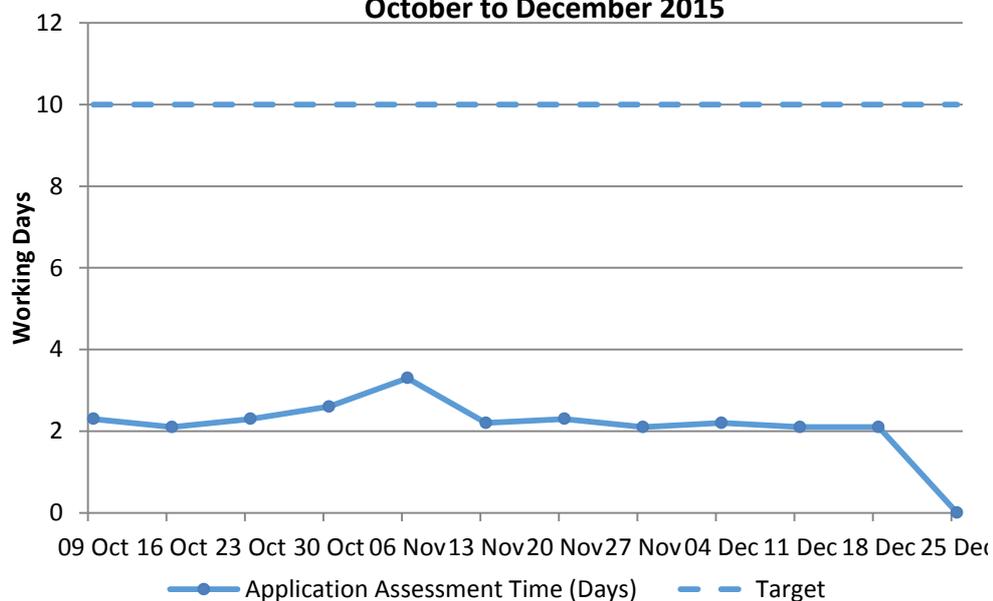
KiwiSaver deposit subsidy average amounts paid out from Jul 2014 to Mar 2015

	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Dec 2014	Jan 2015	Feb 2015	Mar 2015
Average (\$)	4,158	4,037	4,110	4,195	4,148	4,168	4,262	4,223	4,281

KiwiSaver HomeStart grant average amounts paid out from Apr 2015 to Dec 2015

	Apr 2015	May 2015	Jun 2015	Jul 2015	Aug 2015	Sep 2015	Oct 2015	Nov 2015	Dec 2015
Average (\$)	4,720	4,645	4,519	4,679	4,663	4,634	4,682	4,725	4,715

KiwiSaver HomeStart Application Processing Time October to December 2015

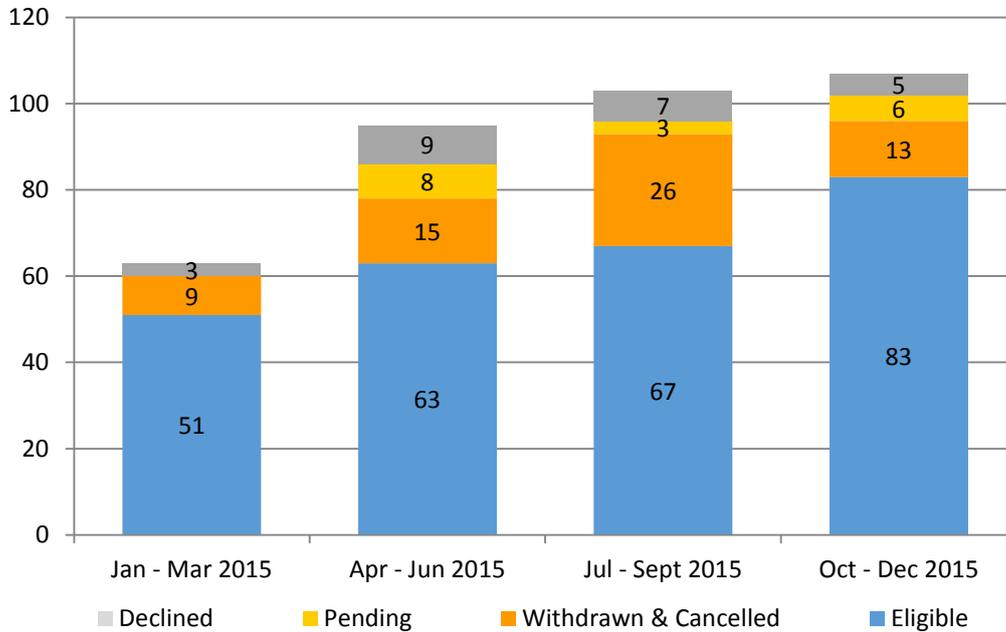


It should be noted that no applications were processed between 21 December 2015 and 3 January 2016 due to the Christmas/New Year period

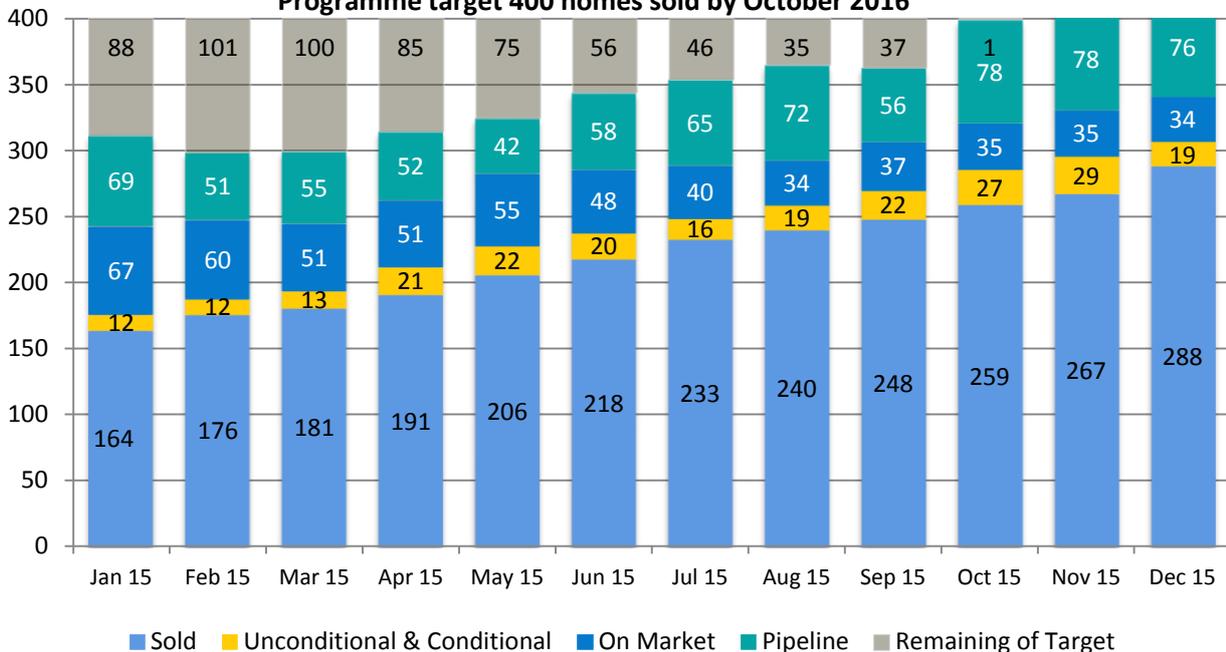
FirstHome Ownership Scheme

FirstHome properties are Housing New Zealand homes located in areas where changing demand has resulted in an over supply of some type of houses. These properties are initially made available to eligible first-home buyers for a period of three-months. Eligible clients are then able to receive a grant of 10% of the purchase price of the FirstHome property, capped at a maximum of \$20,000. Housing New Zealand established the scheme with a target of facilitating a purchase for 400 first-home buyers by October 2016.

**FirstHome Applications
January - December 2015**



**First Home Ownership Scheme Monthly Status
Programme target 400 homes sold by October 2016**



FirstHomes sold from October 2013 to 31 December 2015 by TLA					
Awanui/Waharoa/Te Aroha	4	Invercargill	11	Shannon	3
Balclutha	3	Kaikohe/Kaitaia	10	Stratford	6
Blenheim	5	Kaiwaka/Kawakawa	4	Taihape	2
Bulls	1	Levin	12	Taumarunui	10
Coopers Beach	1	Manaia	1	Te Kuiti	2

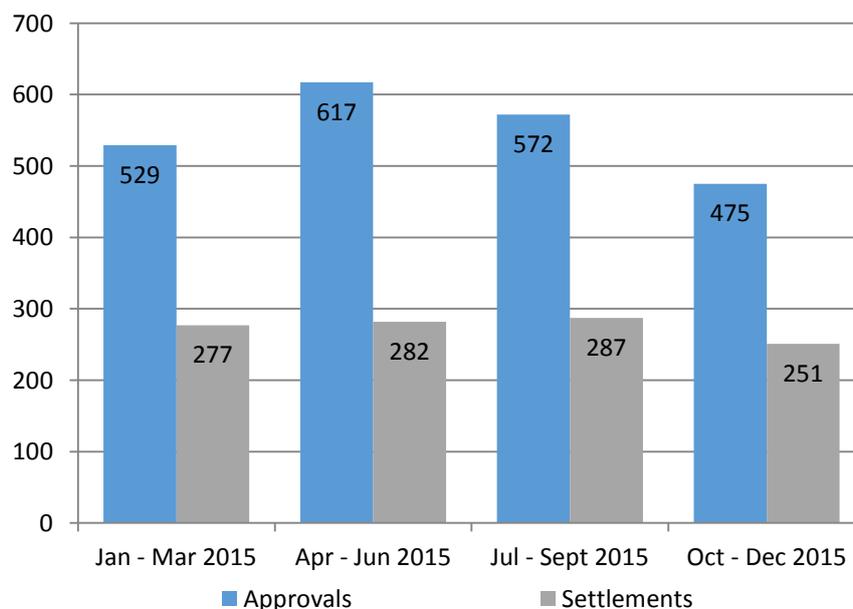
Cromwell	1	Marton	5	Thames	3
Dargaville	2	Matamata	4	Timaru	2
Dunedin	19	Milton	2	Upper Hutt	1
Edgecumbe	1	Morrinsville	4	Waihi	1
Eltham	2	Napier	1	Waipawa	2
Flaxmere	12	Netherton	1	Waipukurau	8
Foxton	10	Opotiki	4	Wairoa	6
Geraldine	1	Opunake	3	Waverley	1
Gore	4	Otaki	1	Wellington	1
Greymouth	4	Otorohanga	5	Westport	4
Hastings	5	Palmerston North	1	Whakatane	1
Havelock North	6	Patea	7	Whanganui	65
Hawera	5	Picton	1	Whangarei	3
Hunterville	1	Rotorua	1	Whitianga	2
Total		288			

Sale Price of Settled Properties	\$30,798,000
Number of FirstHome Grants paid out	288
Value of Paid Grants	\$3,042,700
Grants Repaid	2
Value of Repaid Grants	\$19,875

Welcome Home Loans

Welcome Home Loan is offered by lenders, supported by Housing New Zealand, and, designed for first-home buyers who can afford to make regular repayments on a home loan, but have trouble saving for a large deposit. With Welcome Home Loan you only need a 10 percent deposit, not a 20 percent deposit as required by most lenders. Housing New Zealand does not issue the loan. This is done through normal lenders such as selected banks and credit unions. Housing New Zealand underwrites the loan for the lender. Individual applicants are required to meet the lender's specific lending criteria. Income and House Price Caps apply.

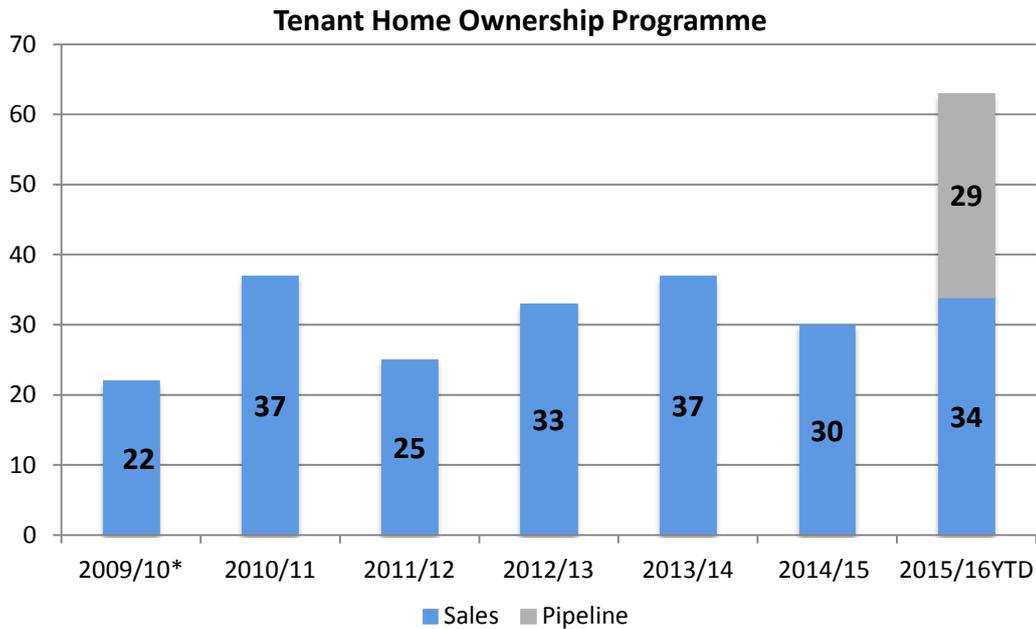
Welcome Home Loans - Approvals and Settlements



Tenant Home Ownership

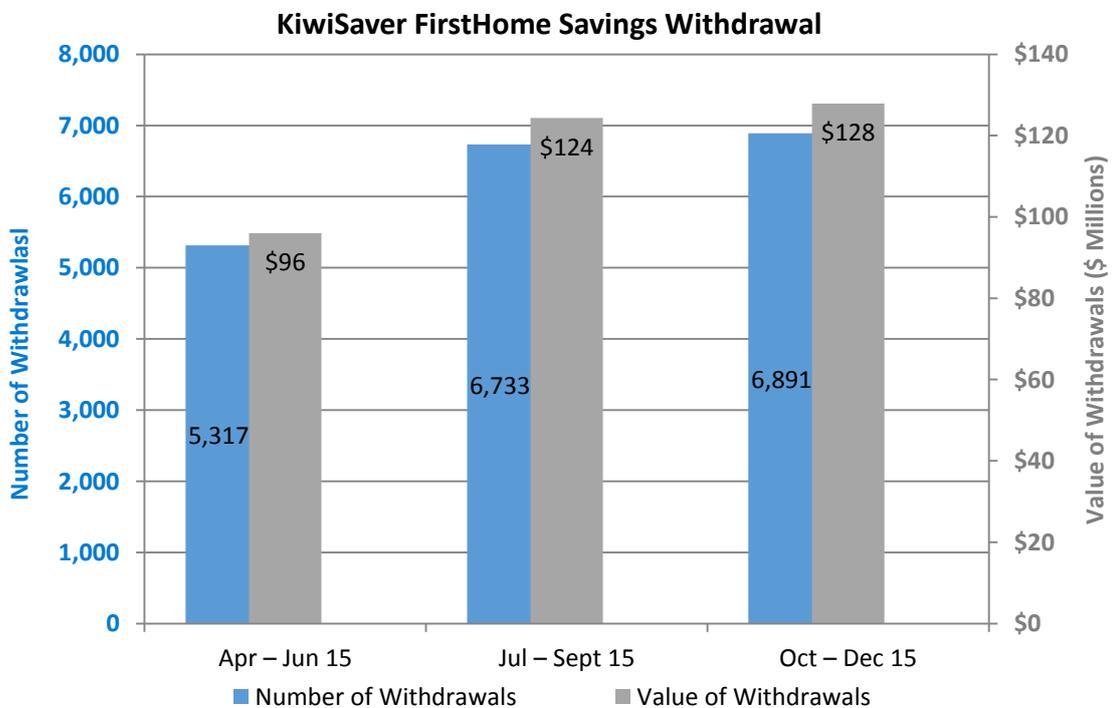
Housing New Zealand also offers its tenants the opportunity to purchase the house they rent. Not all properties are for sale, particularly in high-demand areas. However, tenants who live in houses that

are not for sale but wish to buy a house will be given the option to buy other Housing New Zealand properties that have been identified as suitable for sale. From 1 December 2015 Housing New Zealand made the FirstHome grant of 10% of the purchase price, capped at \$20,000 available for eligible Housing New Zealand tenants who wish to buy their tenanted properties.



KiwiSaver First Home Savings Withdrawal

The KiwiSaver First Home Savings Withdrawal is administered by individual KiwiSaver scheme providers who report data on the withdrawals to Inland Revenue. Although Housing New Zealand does not administer these withdrawals, they form part of the Government’s programme of assistance for first home buyers.



KiwiSaver Savings Withdrawal Determination for Previous Home Owners

First-home buyers are able to apply to withdraw all or part of their savings to assist with purchasing a first home. From 1 April 2015, all funds, with the exception of \$1,000, can be withdrawn.

Previous home owners may still be eligible for a KiwiSaver first-home withdrawal, providing they are deemed to be in the same financial position as someone who has never owned a property. This financial assessment is conducted by Housing New Zealand and should the client be eligible, a letter is produced to assist with their application to withdraw their contributions.

