

Appendix B

# Financial Products Quarterly Report

Period Ending 31 December 2018

## 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 two or more buyers 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 two or more buyers to help with purchasing a brand new property.

| <b>HomeStart Applications - Quarter by Quarter</b> |                 |                 |                     |                                      |                                    |
|--|-----------------|-----------------|---------------------|--------------------------------------|------------------------------------|
| <b>Quarter</b>                                     | <b>Received</b> | <b>Approved</b> | <b>Pre-Approval</b> | <b>Declined, Withdrawn and Other</b> | <b>In process at quarter's end</b> |
| Jan – Mar 2018                                     | 9,926           | 4,383           | 5,163               | 2,245                                | 481                                |
| Apr – Jun 2018                                     | 9,165           | 4,863           | 5,326               | 2,358                                | 314                                |
| Jul – Sept 2018                                    | 9,697           | 4,629           | 5,481               | 2,209                                | 298                                |
| Oct – Dec 2018                                     | 8,371           | 4,577           | 4,739               | 2,064                                | 221                                |

### **KiwiSaver HomeStart Grant Overview by Territorial Local Authority (TLA) October 2018 to December 2018**

| TLA                            | Applications Approved |           |       | Properties Bought |           |       | Grants Paid    |           |       | Grants Paid \$ |           |           |
|--------------------------------|-----------------------|-----------|-------|-------------------|-----------|-------|----------------|-----------|-------|----------------|-----------|-----------|
|                                | Existing House        | New Build | Total | Existing House    | New Build | Total | Existing House | New Build | Total | Existing House | New Build | \$ Total  |
| Far North District             | 47                    | 2         | 49    | 36                | 2         | 38    | 48             | 2         | 50    | 219,000        | 18,000    | 237,000   |
| Whangarei District             | 65                    | 5         | 70    | 49                | 4         | 53    | 67             | 7         | 74    | 300,000        | 68,000    | 368,000   |
| Kaipara District               | 17                    | 0         | 17    | 9                 | 0         | 9     | 12             | 0         | 12    | 56,000         | 0         | 56,000    |
| Thames-Coromandel              | 8                     | 0         | 8     | 8                 | 0         | 8     | 10             | 0         | 10    | 49,000         | 0         | 49,000    |
| Auckland City                  | 300                   | 159       | 459   | 205               | 125       | 330   | 306            | 166       | 472   | 1,373,000      | 1,460,000 | 2,833,000 |
| Waikato District               | 39                    | 6         | 45    | 28                | 2         | 30    | 45             | 4         | 49    | 196,000        | 38,000    | 234,000   |
| Matamata-Piako District        | 11                    | 0         | 11    | 12                | 1         | 13    | 16             | 2         | 18    | 73,000         | 16,000    | 89,000    |
| Hamilton City                  | 190                   | 26        | 216   | 124               | 17        | 141   | 179            | 29        | 208   | 791,000        | 258,000   | 1,049,000 |
| Waipa District                 | 18                    | 0         | 18    | 13                | 0         | 13    | 18             | 0         | 18    | 83,000         | 0         | 83,000    |
| Otorohanga District            | 13                    | 0         | 13    | 9                 | 0         | 9     | 14             | 0         | 14    | 60,000         | 0         | 60,000    |
| South Waikato District         | 53                    | 2         | 55    | 37                | 1         | 38    | 49             | 2         | 51    | 211,000        | 14,000    | 225,000   |
| Waitomo District               | 16                    | 0         | 16    | 10                | 0         | 10    | 14             | 0         | 14    | 63,000         | 0         | 63,000    |
| Taupo District                 | 44                    | 0         | 44    | 29                | 0         | 29    | 38             | 0         | 38    | 176,000        | 0         | 176,000   |
| Western Bay Of Plenty District | 27                    | 18        | 45    | 17                | 10        | 27    | 27             | 14        | 41    | 120,000        | 118,000   | 238,000   |
| Tauranga City                  | 86                    | 29        | 115   | 62                | 22        | 84    | 94             | 37        | 131   | 418,000        | 322,000   | 740,000   |
| Rotorua District               | 102                   | 4         | 106   | 67                | 2         | 69    | 97             | 3         | 100   | 439,000        | 30,000    | 469,000   |
| Whakatane District             | 32                    | 0         | 32    | 20                | 0         | 20    | 33             | 0         | 33    | 142,000        | 0         | 142,000   |
| Kawerau District               | 21                    | 0         | 21    | 18                | 0         | 18    | 21             | 0         | 21    | 98,000         | 0         | 98,000    |
| Opotiki District               | 8                     | 0         | 8     | 5                 | 0         | 5     | 8              | 0         | 8     | 37,000         | 0         | 37,000    |
| Gisborne District              | 59                    | 0         | 59    | 39                | 1         | 40    | 50             | 1         | 51    | 224,000        | 6,000     | 230,000   |
| Wairoa District                | 11                    |           | 11    | 9                 |           | 9     | 11             |           | 11    | 49,000         |           | 49,000    |
| Hastings District              | 65                    | 1         | 66    | 52                | 2         | 54    | 71             | 3         | 74    | 318,000        | 22,000    | 340,000   |
| Napier City                    | 47                    | 0         | 47    | 37                | 0         | 37    | 52             | 0         | 52    | 234,000        | 0         | 234,000   |
| Central Hawkes Bay District    | 36                    | 2         | 38    | 26                | 0         | 26    | 37             | 0         | 37    | 162,000        | 0         | 162,000   |
| New Plymouth District          | 102                   | 3         | 105   | 75                | 1         | 76    | 99             | 2         | 101   | 439,000        | 16,000    | 455,000   |
| Stratford District             | 15                    | 1         | 16    | 14                | 1         | 15    | 17             | 1         | 18    | 78,000         | 10,000    | 88,000    |
| South Taranaki District        | 48                    | 1         | 49    | 37                | 0         | 37    | 52             | 0         | 52    | 236,000        | 0         | 236,000   |
| Ruapehu District               | 25                    | 0         | 25    | 20                | 0         | 20    | 23             | 0         | 23    | 103,000        | 0         | 103,000   |

|                           |              |            |              |              |            |              |              |            |              |                   |                  |                   |
|---------------------------|--------------|------------|--------------|--------------|------------|--------------|--------------|------------|--------------|-------------------|------------------|-------------------|
| Whanganui District        | 81           | 2          | 83           | 62           | 0          | 62           | 79           | 0          | 79           | 344,000           | 0                | 344,000           |
| Rangitikei District       | 37           | 3          | 40           | 24           | 4          | 28           | 33           | 6          | 39           | 152,000           | 54,000           | 206,000           |
| Manawatu District         | 57           | 4          | 61           | 37           | 2          | 39           | 53           | 4          | 57           | 233,000           | 36,000           | 269,000           |
| Palmerston North District | 157          | 6          | 163          | 114          | 6          | 120          | 164          | 9          | 173          | 724,000           | 82,000           | 806,000           |
| Tararua District          | 41           | 0          | 41           | 29           | 0          | 29           | 37           | 0          | 37           | 159,000           | 0                | 159,000           |
| Horowhenua District       | 47           | 0          | 47           | 35           | 0          | 35           | 48           | 0          | 48           | 220,000           | 0                | 220,000           |
| Kapiti Coast District     | 48           | 2          | 50           | 30           | 1          | 31           | 47           | 2          | 49           | 211,000           | 14,000           | 225,000           |
| Porirua City              | 40           | 2          | 42           | 35           | 1          | 36           | 42           | 2          | 44           | 195,000           | 16,000           | 211,000           |
| Upper Hutt City           | 52           | 3          | 55           | 29           | 1          | 30           | 45           | 2          | 47           | 194,000           | 16,000           | 210,000           |
| Lower Hutt City           | 134          | 7          | 141          | 74           | 2          | 76           | 112          | 3          | 115          | 505,000           | 26,000           | 531,000           |
| Wellington City           | 45           | 1          | 46           | 36           | 2          | 38           | 42           | 2          | 44           | 185,000           | 16,000           | 201,000           |
| Masteron District         | 51           | 1          | 52           | 35           | 1          | 36           | 47           | 1          | 48           | 205,000           | 10,000           | 215,000           |
| Carterton District        | 7            | 0          | 7            | 7            | 0          | 7            | 10           | 0          | 10           | 42,000            | 0                | 42,000            |
| South Wairarapa District  | 12           | 0          | 12           | 9            | 0          | 9            | 14           | 0          | 14           | 60,000            | 0                | 60,000            |
| Tasman District           | 43           | 5          | 48           | 26           | 2          | 28           | 38           | 2          | 40           | 172,000           | 20,000           | 192,000           |
| Nelson City               | 73           | 9          | 82           | 45           | 1          | 46           | 68           | 2          | 70           | 299,000           | 18,000           | 317,000           |
| Marlborough District      | 62           | 2          | 64           | 41           | 1          | 42           | 54           | 2          | 56           | 237,000           | 18,000           | 255,000           |
| Kaikoura District         | 3            | 2          | 5            | 2            | 0          | 2            | 2            | 0          | 2            | 7,000             | 0                | 7,000             |
| Buller District           | 9            | 2          | 11           | 6            | 2          | 8            | 8            | 2          | 10           | 31,000            | 18,000           | 49,000            |
| Grey District             | 31           | 0          | 31           | 29           | 0          | 29           | 39           | 0          | 39           | 175,000           | 0                | 175,000           |
| Westland District         | 12           | 2          | 14           | 11           | 0          | 11           | 14           | 0          | 14           | 66,000            | 0                | 66,000            |
| Hurunui District          | 11           | 2          | 13           | 8            | 1          | 9            | 12           | 2          | 14           | 53,000            | 20,000           | 73,000            |
| Waimakariri District      | 77           | 42         | 119          | 60           | 25         | 85           | 78           | 36         | 115          | 355,000           | 314,000          | 675,000           |
| Christchurch City         | 661          | 107        | 768          | 433          | 74         | 507          | 592          | 114        | 706          | 2,658,000         | 1,008,000        | 3,666,000         |
| Selwyn District           | 35           | 93         | 128          | 26           | 67         | 93           | 38           | 108        | 146          | 166,000           | 984,000          | 1,150,000         |
| Ashburton District        | 67           | 4          | 71           | 52           | 3          | 55           | 69           | 3          | 72           | 309,000           | 26,000           | 335,000           |
| Timaru District           | 82           | 3          | 85           | 65           | 3          | 68           | 89           | 5          | 94           | 387,000           | 42,000           | 429,000           |
| MacKenzie District        | 10           | 2          | 12           | 5            | 1          | 6            | 8            | 2          | 10           | 37,000            | 20,000           | 57,000            |
| Waimate District          | 7            | 0          | 7            | 5            | 0          | 5            | 5            | 0          | 5            | 22,000            | 0                | 22,000            |
| Waitaki District          | 53           | 3          | 56           | 37           | 2          | 39           | 58           | 3          | 61           | 249,000           | 30,000           | 279,000           |
| Central Otago District    | 23           | 0          | 23           | 15           | 0          | 15           | 20           | 0          | 20           | 91,000            | 0                | 91,000            |
| Queenstown Lakes District | 4            | 14         | 18           | 4            | 7          | 11           | 5            | 11         | 16           | 23,000            | 96,000           | 119,000           |
| Dunedin City              | 173          | 5          | 178          | 130          | 2          | 132          | 172          | 3          | 175          | 763,000           | 28,000           | 791,000           |
| Clutha District           | 35           | 0          | 35           | 28           | 0          | 28           | 34           | 0          | 34           | 159,000           | 0                | 159,000           |
| Southland District        | 31           | 2          | 33           | 25           | 2          | 27           | 34           | 2          | 36           | 153,000           | 16,000           | 169,000           |
| Gore District             | 16           | 0          | 16           | 16           | 0          | 16           | 19           | 0          | 19           | 87,000            | 0                | 87,000            |
| Invercargill City         | 135          | 2          | 137          | 103          | 3          | 106          | 137          | 5          | 142          | 607,000           | 44,000           | 651,000           |
| <b>Total</b>              | <b>3,984</b> | <b>593</b> | <b>4,577</b> | <b>2,804</b> | <b>408</b> | <b>3,212</b> | <b>3,886</b> | <b>609</b> | <b>4,495</b> | <b>17,336,000</b> | <b>5,388,000</b> | <b>22,724,000</b> |

|  | Jan – Mar 2018      | Mar – Jun 2018      | Jul - Sept 2018     | Oct – Dec 2018      | Total for last 4 quarters | Total since 1 Apr 2015 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------------|------------------------|
| <b>Total HomeStart grants paid</b>               | <b>\$18,784,000</b> | <b>\$22,418,000</b> | <b>\$22,565,000</b> | <b>\$22,724,000</b> | <b>\$86,491,000</b>       | <b>\$274,630,000</b>   |
| Existing properties                              | \$15,164,000        | \$17,254,000        | \$16,059,000        | \$17,336,000        | \$65,813,000              | \$215,444,000          |
| New properties                                   | \$3,620,000         | \$5,164,000         | \$6,506,000         | \$5,388,000         | \$20,678,000              | \$59,186,000           |
| Average individual grant for new build           | \$8,808             | \$8,723             | \$8,864             | \$8,847             | \$8,814                   | \$8,678                |
| Average individual grant for existing properties | \$4,420             | \$4,417             | \$4,472             | \$4,461             | \$4,443                   | \$4,361                |
| Average amount paid out per new build            | \$13,457            | \$13,344            | \$13,359            | \$13,206            | \$13,332                  | \$12,959               |
| Average amount paid out per existing property    | \$6,182             | \$6,175             | \$6,237             | \$6,183             | \$6,194                   | \$5,909                |

## Average subsidy/grant payments from July 2014 to September 2018

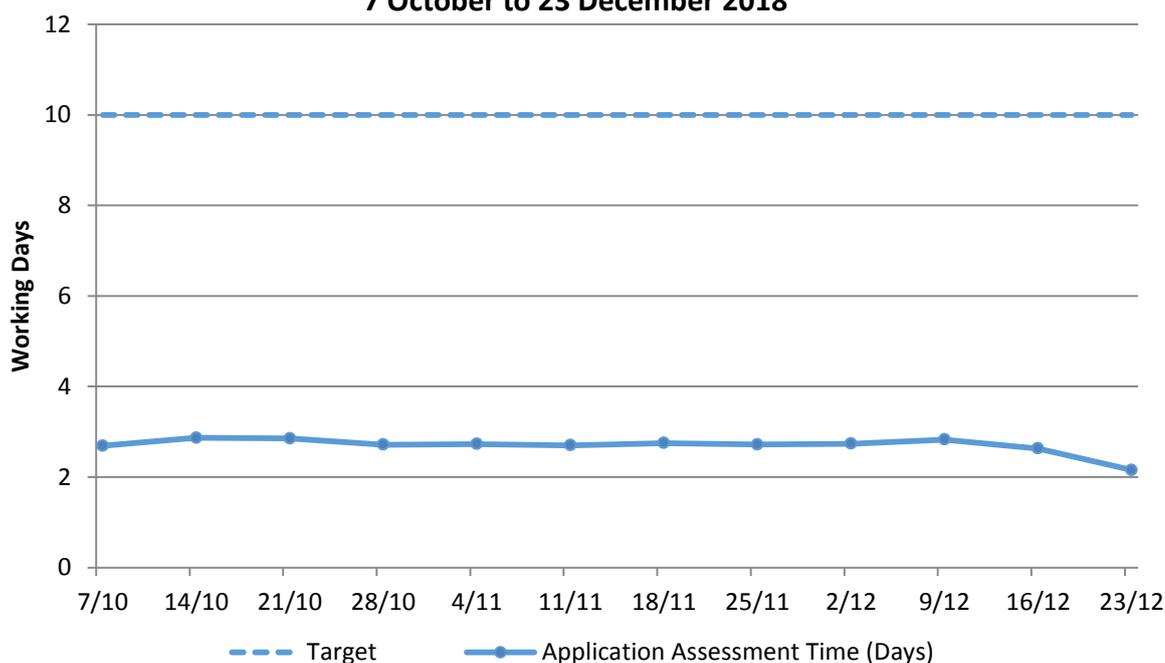
### KiwiSaver deposit subsidy average amounts paid out from Jul 2014 to Mar 2015

|              | 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 September 2018

|              | Apr 2015 | May 2015 | Jun 2015 | Jul 2015 | Aug 2015 | Sep 2015  | Oct 2015 | Nov 2015 | Dec 2015 | Jan 2016 | Feb 2016 | Mar 2016 |
|--------------|----------|----------|----------|----------|----------|-----------|----------|----------|----------|----------|----------|----------|
| Average (\$) | 4,720    | 4,645    | 4,519    | 4,679    | 4,663    | 4,634     | 4,682    | 4,725    | 4,715    | 4,669    | 4,667    | 4,590    |
|              | Apr 2016 | May 2016 | Jun 2016 | Jul 2016 | Aug 2016 | Sept 2016 | Oct 2016 | Nov 2016 | Dec 2016 | Jan 2017 | Feb 2017 | Mar 2017 |
| Average (\$) | 4,706    | 4,770    | 4,849    | 4,857    | 4,820    | 4,928     | 4,934    | 4,872    | 4,870    | 4,817    | 4,866    | 4,861    |
|              | Apr 2017 | May 2017 | Jun 2017 | Jul 2017 | Aug 2017 | Sept 2017 | Oct 2017 | Nov 2017 | Dec 2017 | Jan 2018 | Feb 2018 | Mar 2018 |
| Average (\$) | 4,863    | 4,972    | 4,980    | 4,936    | 5,028    | 4,911     | 4,896    | 4,904    | 4,885    | 4,848    | 4,873    | 4,930    |
|              | Apr 2018 | May 2018 | Jun 2018 | Jul 2018 | Aug 2018 | Sept 2018 | Oct 2018 | Nov 2018 | Dec 2018 | Jan 2019 | Feb 2019 | Mar 2019 |
| Average (\$) | 4,882    | 5,062    | 4,994    | 5,130    | 5,211    | 5,316     | 5,075    | 5,112    | 4,965    | -        | -        | -        |

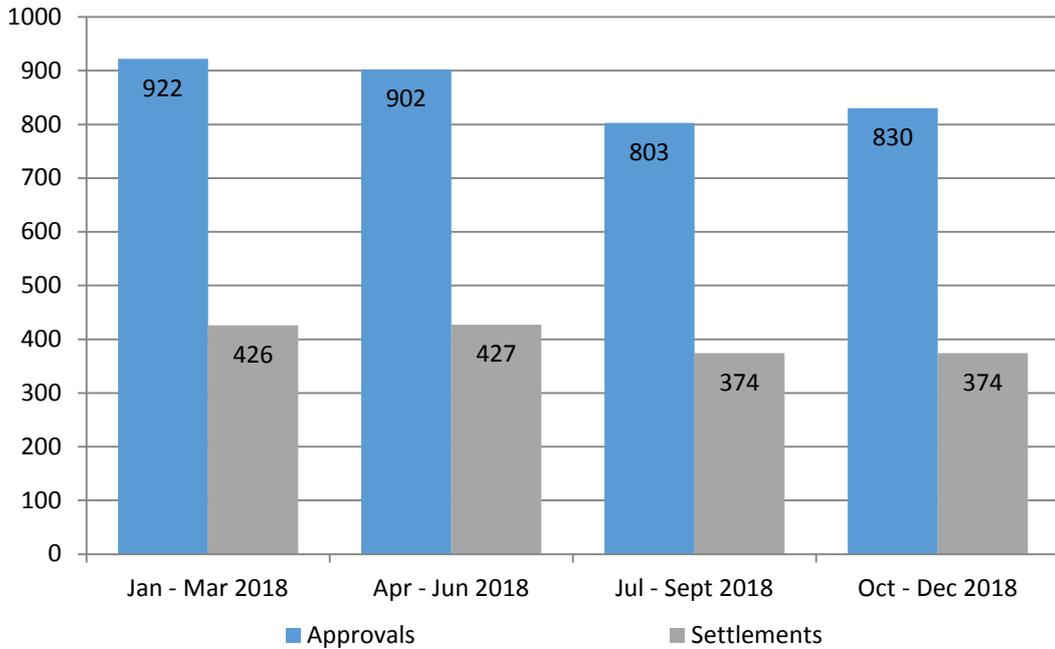
### KiwiSaver HomeStart Application Processing Time 7 October to 23 December 2018



## Welcome Home Loans

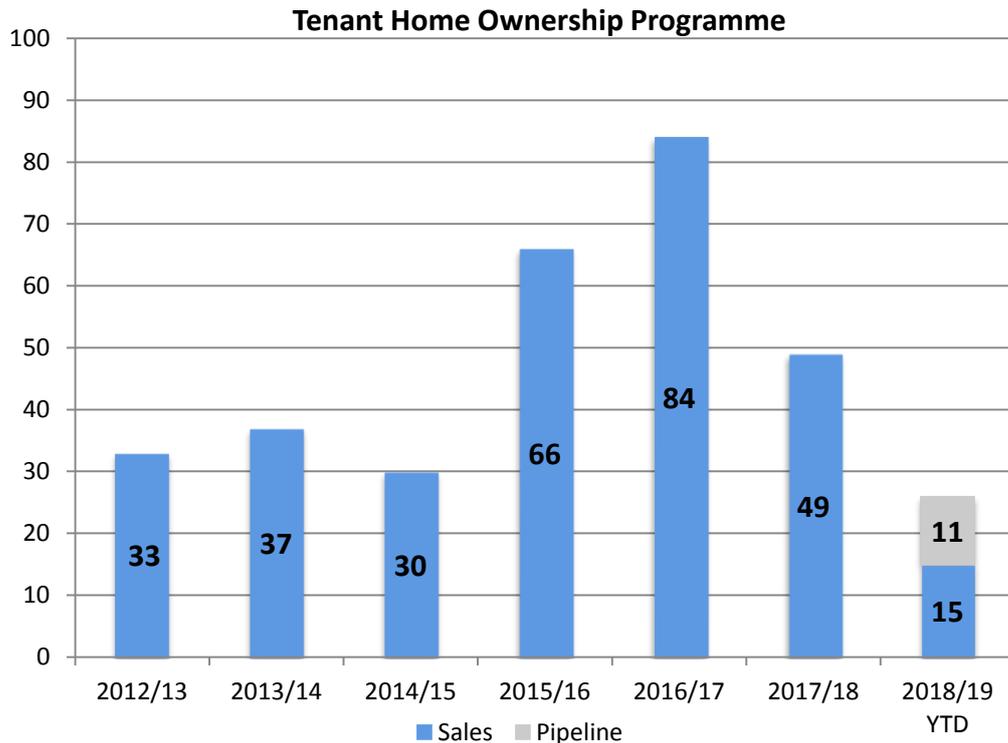
Welcome Home Loan is offered by lenders, supported by Housing New Zealand, and, designed for first-home buyers who can afford to make regular repayments on a home loan, but have trouble saving for a large deposit. With Welcome Home Loan you only need a 10 percent deposit, not a 20 percent deposit as 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

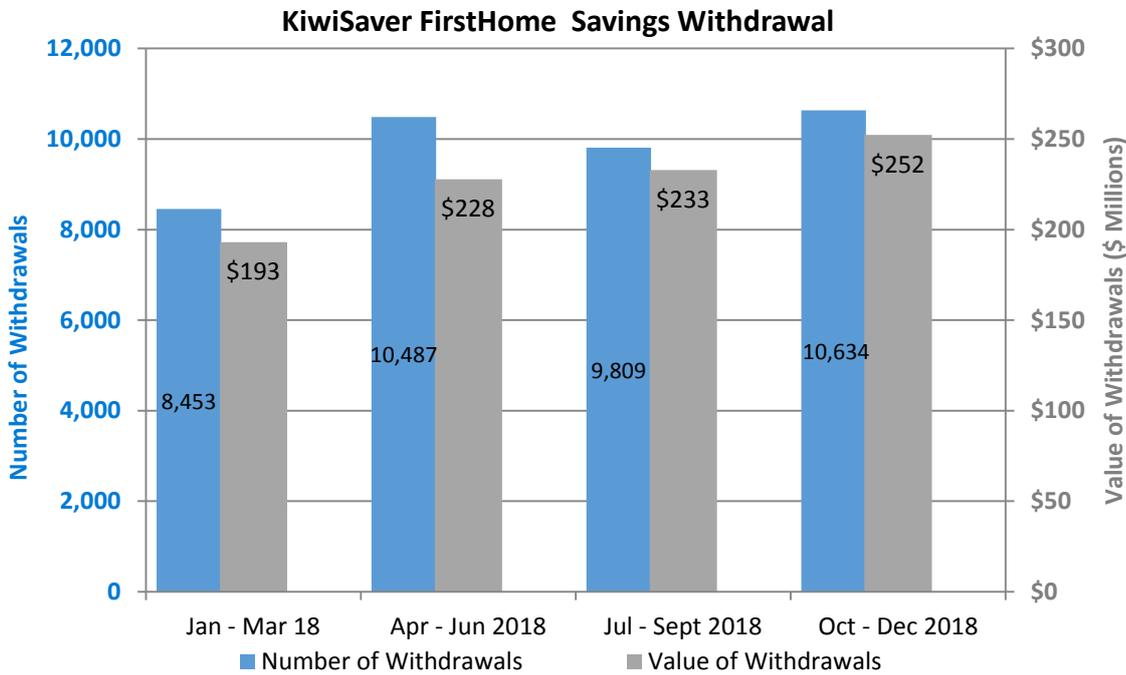
Housing New Zealand also offers its tenants the opportunity to purchase the house they rent. Not all properties are for sale, particularly in high-demand areas. However, tenants who live in houses that are not for sale but wish to buy a house will be given the option to buy other Housing New Zealand properties that have been identified as suitable for sale.



\* The programme began in September 2009

## KiwiSaver FirstHome 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 this withdrawal, it forms 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. The number of applications approved increased beginning with the July – September 2016 quarter following the removal of the income cap test on 1 July 2016.

### Previous Owner Savings Withdrawal Applications January 2018 to December 2018

