

Financial Products Quarterly Report

Period Ending 30 June 2020

First Home Grant

On 1 October 2019 the KiwiSaver HomeStart Grant became the First Home 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 First Home Grant also provides eligible first-home buyers with a grant of up to \$10,000 each for individuals and two or more buyers (such as couples or multi-generational households), to help with purchasing a brand new property.

First Home Grant Applications - Quarter by Quarter					
Quarter	Received	Approved	Pre-Approval	Declined, Withdrawn and Other	In process at quarter's end
Jul - Sep 2019	10,618	4,300	6,293	2,495	465
Oct - Dec 2019	9,047	4,529	5,588	2,228	335
Jan - Mar 2020	9,107	3,749	5,752	2,116	371
Apr - June 2020	10,394	2,787	6,429	2,195	553

First Home Grant Overview by Territorial Local Authority (TLA) April 2020 to June 2020

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	19	4	23	17	2	19	21	2	23	91,000	16,000	107,000
Whangarei District	28	0	28	12	1	13	19	1	20	88,000	10,000	98,000
Kaipara District	8	0	8	6	0	6	7	0	7	35,000	0	35,000
Auckland	155	279	434	91	150	241	133	213	346	587,000	1,946,000	2,533,000
Thames-Coromandel District	5	0	5	3	0	3	5	0	5	23,000	0	23,000
Hauraki District	4	0	4	2	0	2	2	0	2	10,000	0	10,000
Waikato District	23	10	33	13	8	21	19	15	34	86,000	128,000	214,000
Matamata-Piako District	4	0	4	2	0	2	2	0	2	10,000	0	10,000
Hamilton City	75	16	91	46	13	59	67	17	84	302,000	166,000	468,000
Waipa District	3	0	3	4	0	4	5	0	5	22,000	0	22,000
Otorohanga District	9	0	9	3	0	3	5	0	5	24,000	0	24,000
South Waikato District	34	0	34	21	0	21	31	0	31	141,000	0	141,000
Waitomo District	10	0	10	10	0	10	13	0	13	61,000	0	61,000
Taupo District	15	0	15	8	0	8	11	0	11	51,000	0	51,000
Western Bay Of Plenty District	11	13	24	6	10	16	8	15	23	32,000	138,000	170,000
Tauranga City	40	26	66	24	21	45	33	30	63	151,000	280,000	431,000
Rotorua District	27	0	27	16	0	16	22	0	22	98,000	0	98,000
Whakatane District	11	2	13	10	1	11	15	2	17	62,000	20,000	82,000

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
Kawerau District	9	0	9	6	2	8	8	2	10	36,000	18,000	54,000
Opotiki District	6	2	8	4	1	5	4	2	6	19,000	14,000	33,000
Gisborne District	28	0	28	24	0	24	34	0	34	154,000	0	154,000
Wairoa District	6	0	6	1	0	1	1		1	5,000	0	5,000
Hastings District	35	2	37	14	1	15	20	2	22	91,000	20,000	111,000
Napier City	11	0	11	8	0	8	10	0	10	46,000	0	46,000
Central Hawkes Bay District	13	0	13	7	0	7	10	0	10	40,000	0	40,000
New Plymouth District	58	4	62	28	4	32	42	6	48	190,000	54,000	244,000
Stratford District	7	4	11	8	2	10	10	4	14	46,000	38,000	84,000
South Taranaki District	26	1	27	12	0	12	16	0	16	74,000	0	74,000
Ruapehu District	17	0	17	10	1	11	14	1	15	58,000	10,000	68,000
Whanganui District	36	4	40	22	1	23	30	2	32	139,000	16,000	155,000
Rangitikei District	18	2	20	11	1	12	14	2	16	63,000	20,000	83,000
Manawatu District	23	0	23	17	0	17	22	0	22	98,000	0	98,000
Palmerston North District	47	1	48	25	1	26	35	1	36	158,000	10,000	168,000
Taranua District	25	0	25	14	0	14	22	0	22	96,000	0	96,000
Horowhenua District	32	1	33	14	3	17	24	4	28	109,000	32,000	141,000
Kapiti Coast District	26	2	28	13	1	14	22	1	23	101,000	6,000	107,000
Porirua City	7	4	11	8	2	10	10	4	14	46,000	38,000	84,000
Upper Hutt City	15	1	16	12	0	12	16	0	16	77,000	0	77,000
Lower Hutt City	47	13	60	30	8	38	46	14	60	206,000	124,000	330,000
Wellington City	14	4	18	11	6	17	12	7	19	55,000	66,000	121,000
Masterton District	18	8	26	11	4	15	16	6	22	70,000	54,000	124,000
Carterton District	0	3	3	0	2	2	0	3	3	0	30,000	30,000
South Wairarapa District	4	2	6	2	0	2	4	0	4	20,000	0	20,000
Tasman District	9	9	18	4	7	11	8	9	17	38,000	78,000	116,000
Nelson City	45	8	53	20	8	28	32	12	44	144,000	118,000	262,000
Marlborough District	25	0	25	17	0	17	23	0	23	104,000	0	104,000
Kaikoura District	2	0	2	1	0	1	1	0	1	5,000	0	5,000
Buller District	13	0	13	7	1	8	10	1	11	46,000	10,000	56,000
Grey District	24	0	24	12	1	13	15	2	17	71,000	20,000	91,000
Westland District	7	0	7	3	0	3	4	0	4	18,000	0	18,000

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
Hurunui District	8	0	8	6	0	6	9	0	9	41,000	0	41,000
Waimakariri District	64	41	105	37	19	56	62	29	91	276,000	260,000	536,000
Christchurch City	472	109	581	270	70	340	375	101	476	1,716,000	878,000	2,594,000
Selwyn District	39	116	155	24	87	111	38	124	162	181,000	1,104,000	1,285,000
Ashburton District	43	7	50	22	1	23	27	1	28	127,000	6,000	133,000
Timaru District	50	3	53	33	1	34	48	1	49	214,000	10,000	224,000
MacKenzie District	1	0	1	0	0	0	0	0	0	0	0	0
Waimate District	11	1	12	9	1	10	11	1	12	55,000	6,000	61,000
Chatham Island District	0	0	0	0	0	0	0	0	0	0	0	0
Waitaki District	16	3	19	12	0	12	16	0	16	68,000	0	68,000
Central Otago District	7	4	11	3	1	4	4	2	6	18,000	20,000	38,000
Queenstown Lakes District	4	3	7	1	5	6	1	6	7	5,000	50,000	55,000
Dunedin City	56	0	56	39	0	39	59	0	59	258,000	0	258,000
Clutha District	28	0	28	19	0	19	25	0	25	109,000	0	109,000
Southland District	30	2	32	13	1	14	18	2	20	76,000	20,000	96,000
Gore District	20	0	20	12	0	12	13	0	13	58,000	0	58,000
Invercargill City	86	2	88	56	2	58	71	4	75	314,000	38,000	352,000
Grand Total	2,075	712	2,787	1,221	449	1,670	1,726	647	2,373	7,793,000	5,834,000	13,627,000

First Home Grant Summary – July 2019 to June 2020

	Jul – Sept 2019	Oct – Dec 2019	Jan – Mar 2020	Apr – June 2020	Total for last 4 quarters	Total since 1 Apr 2015
Total HomeStart grants paid	\$22,972,000	\$22,706,000	\$19,132,000	\$13,627,000	\$78,437,000	\$378,386,000
Existing properties	\$15,090,000	\$14,190,000	\$12,038,000	\$7,793,000	\$49,111,000	\$280,254,000
New properties	\$7,882,000	\$8,516,000	\$7,094,000	\$5,834,000	\$29,326,000	\$98,132,000
Average individual grant for new build	\$8,916	\$8,945	\$9,014	\$9,017	\$8,973	\$8,734
Average individual grant for existing properties	\$4,514	\$4,512	\$4,514	\$4,515	\$4,514	\$4,396
Average amount paid out per new build	\$13,474	\$13,758	\$13,512	\$12,993	\$13,434	\$13,035
Average amount paid out per existing property	\$6,212	\$6,221	\$6,205	\$6,382	\$6,255	\$5,989

Average subsidy/grant payments from July 2014 to March 2015

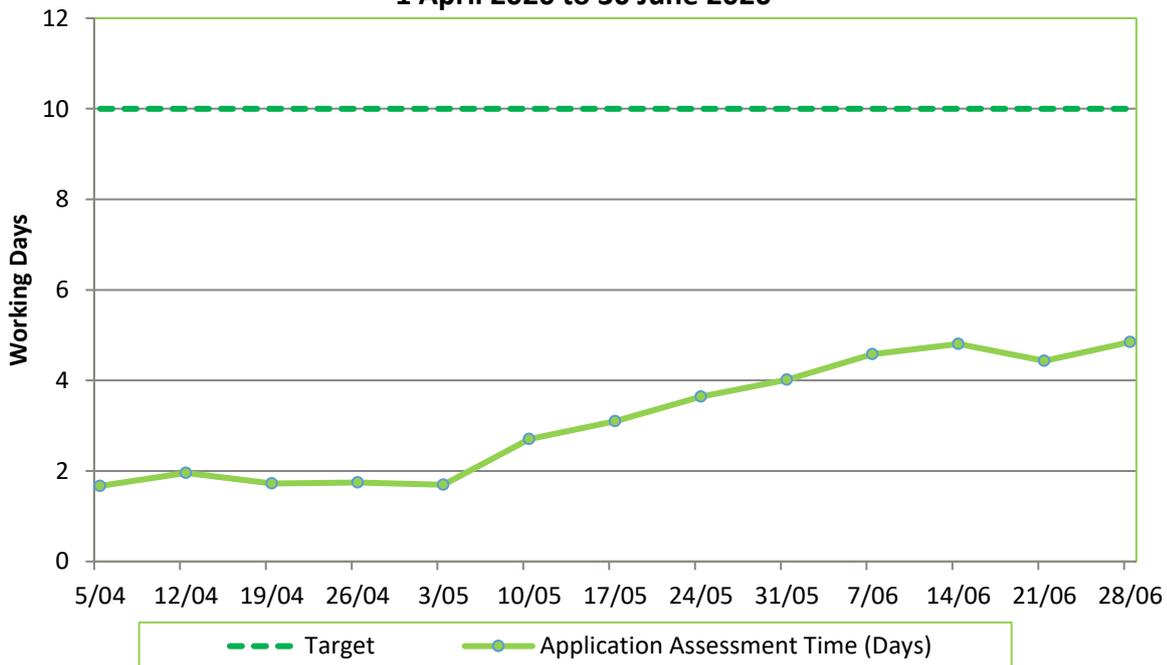
KiwiSaver deposit subsidy average amounts paid out from Jul 2014 to Mar 2015

	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

First Home Grant average amounts paid out from Apr 2015 to June 2020

	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	5,161	5,005	5,070
	Apr 2019	May 2019	Jun 2019	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020
Average (\$)	5,018	5,153	5,190	5,281	5,470	5,569	5,459	5,591	5,576	5,446	5,734	5,466
	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021
Average (\$)	6,077	5,719	5,638	-	-	-	-	-	-	-	-	-

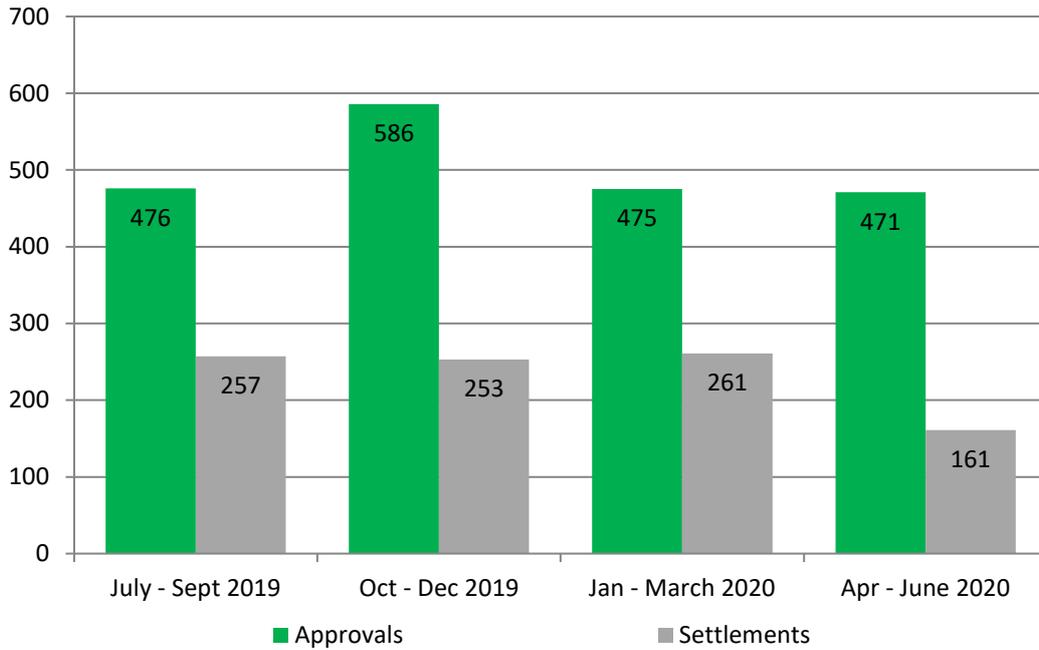
First Home Grant Application Processing Time 1 April 2020 to 30 June 2020



First Home Loans

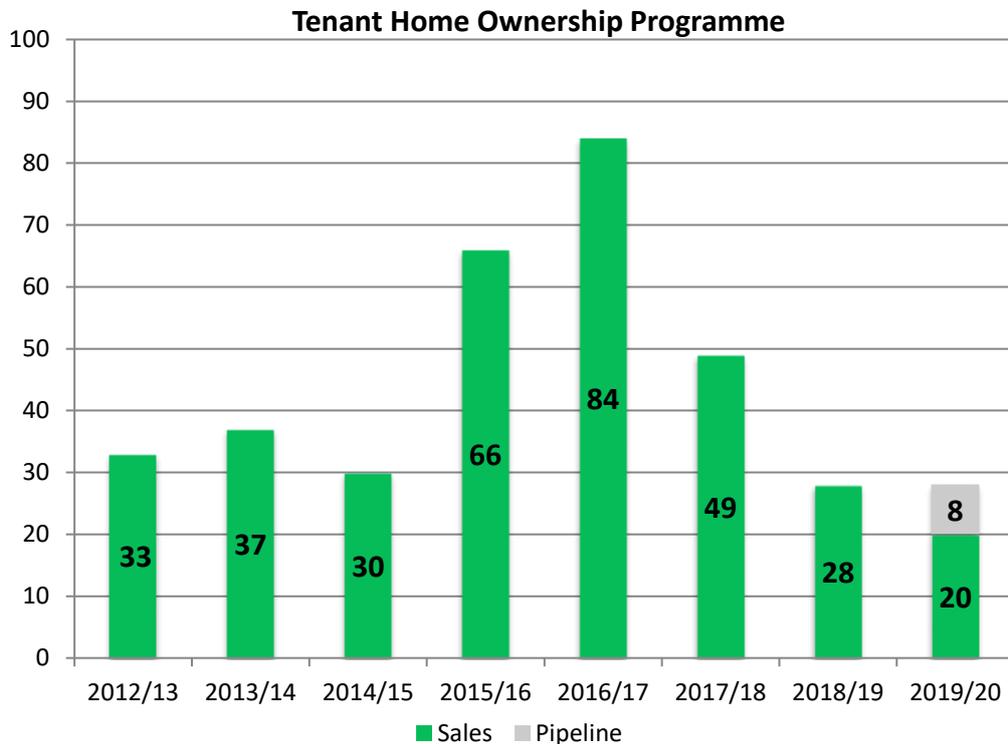
First Home Loans (known as Welcome Home Loans prior to 1 October 2019) are offered by lenders, supported by Kāinga Ora, and, designed for first-home buyers who can afford to make regular repayments on a home loan, but have trouble saving for a large deposit. First Home Loans only need a 5 per cent deposit, not a ten or twenty per cent deposit as required by most lenders. Kāinga Ora does not issue the loan. This is done through lenders such as selected banks and credit unions. Kāinga Ora underwrites the loan for the lender. Individual applicants are required to meet the lender's specific lending criteria. Income and House Price Caps apply.

First Home Loans - Approvals and Settlements



Tenant Home Ownership

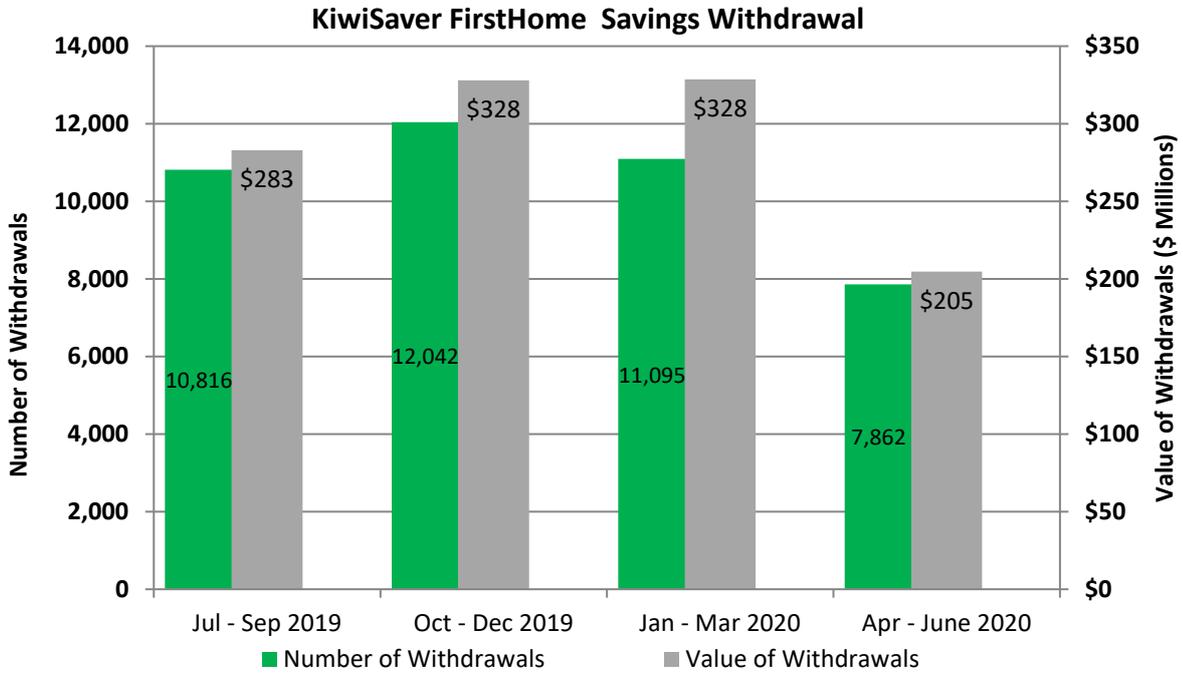
Kāinga Ora may at times offer its tenants the opportunity to purchase the house they rent. Not all properties are for sale, particularly in high-demand areas. However, tenants who live in houses that are not for sale but wish to buy a house may be given the option to buy other Kāinga Ora properties that have been identified as suitable for sale.



* The programme began in September 2009

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 Kāinga Ora 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. All funds, except for \$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 Kāinga Ora and if the client is eligible, Kāinga Ora provides them with a letter to assist with their application to withdraw their contributions. The number of applications approved increased beginning with the July – September 2019 quarter, following the removal of the income cap test on 1 July 2016.

Previous Owner Savings Withdrawal Applications July 2019 to June 2020

