

Financial Products Quarterly Report

Period Ending 30 September 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 First Home Grant provides each eligible first-home buyer with a grant of up to \$5,000 to put towards the purchase of an existing/older home.

In addition, the First Home Grant also provides each eligible first-home buyer with a grant of up to \$10,000 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Quarter	Received	Approved	Pre-Approval	Declined, Withdrawn and Other	In process at quarter's end
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
July – Sept 2020	12,703	4,672	8,141	3,563	444

First Home Grant Overview by Territorial Local Authority (TLA) July 2020 to September 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	44	2	46	24	1	25	37	2	39	168,000	18,000	186,000
Whangarei District	28	21	49	27	9	36	34	15	49	162,000	138,000	300,000
Kaipara District	24	0	24	13	0	13	22	0	22	97,000	0	97,000
Auckland	286	496	782	201	303	504	274	451	725	1,211,000	4,054,000	5,265,000
Thames-Coromandel District	5	0	5	3	0	3	4	0	4	18,000	0	18,000
Hauraki District	12	1	13	6	1	7	12	2	14	50,000	18,000	68,000
Waikato District	28	19	47	14	5	19	20	8	28	84,000	74,000	158,000
Matamata-Piako District	17	3	20	9	0	9	14	0	14	62,000	0	62,000
Hamilton City	119	46	165	70	25	95	102	37	139	463,000	334,000	797,000
Waipa District	11	1	12	4	4	8	7	7	14	27,000	64,000	91,000
Otorohanga District	8	2	10	5	2	7	7	2	9	30,000	14,000	44,000
South Waikato District	64	0	64	41	0	41	59	0	59	273,000	0	273,000
Waitomo District	14	2	16	12	0	12	16	0	16	72,000	0	72,000
Taupo District	25	0	25	21	0	21	29	0	29	129,000	0	129,000
Western Bay Of Plenty District	18	14	32	10	8	18	14	13	27	65,000	120,000	185,000
Tauranga City	56	26	82	33	16	49	46	26	72	203,000	222,000	425,000
Rotorua District	52	4	56	29	2	31	38	4	42	170,000	30,000	200,000
Whakatane District	20	0	20	13	0	13	17	0	17	77,000	0	77,000
Kawerau District	22	0	22	11	0	11	14	0	14	62,000	0	62,000

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
Opotiki District	11	0	11	6	0	6	8	0	8	40,000	0	40,000
Gisborne District	33	4	37	20	2	22	25	4	29	117,000	40,000	157,000
Wairoa District	21	0	21	14	0	14	20	0	20	96,000	0	96,000
Hastings District	34	0	34	33	1	34	45	2	47	200,000	18,000	218,000
Napier City	17	6	23	14	3	17	20	6	26	89,000	52,000	141,000
Central Hawkes Bay District	27	1	28	17	1	18	25	1	26	116,000	10,000	126,000
New Plymouth District	66	23	89	54	9	63	75	16	91	340,000	142,000	482,000
Stratford District	17	2	19	12	1	13	15	2	17	67,000	18,000	85,000
South Taranaki District	50	0	50	36	1	37	47	1	48	216,000	6,000	222,000
Ruapehu District	16	4	20	8	2	10	13	4	17	55,000	40,000	95,000
Whanganui District	89	3	92	59	2	61	85	4	89	384,000	40,000	424,000
Rangitikei District	41	10	51	30	4	34	38	5	43	172,000	46,000	218,000
Manawatu District	31	0	31	23	0	23	34	0	34	148,000	0	148,000
Palmerston North District	57	0	57	45	0	45	62	0	62	287,000	0	287,000
Tararua District	39	2	41	28	1	29	35	2	37	150,000	20,000	170,000
Horowhenua District	39	2	41	28	1	29	42	1	43	185,000	10,000	195,000
Kapiti Coast District	29	0	29	22	1	23	30	1	31	133,000	10,000	143,000
Porirua City	17	4	21	16	3	19	20	3	23	93,000	28,000	121,000
Upper Hutt City	21	3	24	13	3	16	21	4	25	95,000	36,000	131,000
Lower Hutt City	46	21	67	36	16	52	51	19	70	233,000	186,000	419,000
Wellington City	16	32	48	13	21	34	19	26	45	87,000	236,000	323,000
Masterton District	31	5	36	20	4	24	27	7	34	124,000	62,000	186,000
Carterton District	5	2	7	2	1	3	4	2	6	17,000	20,000	37,000
South Wairarapa District	0	4	4	0	1	1	0	2	2	0	14,000	14,000
Tasman District	32	2	34	22	4	26	32	7	39	142,000	70,000	212,000
Nelson City	79	14	93	47	7	54	67	7	74	299,000	68,000	367,000
Marlborough District	32	5	37	29	2	31	38	3	41	164,000	26,000	190,000
Kaikoura District	2	2	4	2	0	2	4	0	4	16,000	0	16,000
Buller District	25	1	26	18	0	18	19	0	19	87,000	0	87,000
Grey District	27	0	27	20	0	20	22	0	22	103,000	0	103,000
Westland District	14	7	21	11	5	16	13	7	20	61,000	52,000	113,000

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	11	3	14	6	3	9	8	3	11	31,000	30,000	61,000
Waimakariri District	102	55	157	67	33	100	98	50	148	462,000	444,000	906,000
Christchurch City	746	186	932	499	104	603	682	155	837	3,124,000	1,430,000	4,554,000
Selwyn District	59	235	294	41	127	168	55	187	242	242,000	1,690,000	1,932,000
Ashburton District	81	2	83	46	5	51	70	6	76	311,000	52,000	363,000
Timaru District	113	0	113	66	1	67	95	2	97	430,000	20,000	450,000
MacKenzie District	9	0	9	5	0	5	7	0	7	33,000	0	33,000
Waimate District	16	0	16	11	0	11	14	0	14	64,000	0	64,000
Chatham Island District	1	0	1	0	0	0	0	0	0	0	0	0
Waitaki District	64	3	67	38	2	40	57	3	60	251,000	22,000	273,000
Central Otago District	9	0	9	9	1	10	11	2	13	51,000	18,000	69,000
Queenstown Lakes District	2	8	10	1	6	7	1	8	9	5,000	78,000	83,000
Dunedin City	89	2	91	66	2	68	85	2	87	391,000	18,000	409,000
Clutha District	33	0	33	24	0	24	33	0	33	155,000	0	155,000
Southland District	41	1	42	31	1	32	42	1	43	191,000	10,000	201,000
Gore District	32	2	34	21	1	22	29	2	31	121,000	16,000	137,000
Invercargill City	149	5	154	103	3	106	142	4	146	624,000	40,000	664,000
Grand Total	3,374	1,298	4,672	2,278	760	3,038	3,151	1,128	4,279	14,225,000	10,204,000	24,429,000

First Home Grant Summary – July 2020 to September 2020

	Oct – Dec 2019	Jan – Mar 2020	Apr – June 2020	July – Sept 2020	Total for last 4 quarters	Total since 1 Apr 2015
Total HomeStart grants paid	\$22,706,000	\$19,132,000	\$13,627,000	\$24,429,000	\$79,894,000	\$402,815,000
Existing properties	\$14,190,000	\$12,038,000	\$7,793,000	\$14,225,000	\$48,246,000	\$294,479,000
New properties	\$8,516,000	\$7,094,000	\$5,834,000	\$10,204,000	\$31,648,000	\$108,336,000
Average individual grant for new build	\$8,945	\$9,014	\$9,017	\$9,046	\$9,006	\$8,748
Average individual grant for existing properties	\$4,512	\$4,514	\$4,515	\$4,514	\$4,514	\$4,401
Average amount paid out per new build	\$13,758	\$13,512	\$12,993	\$13,426	\$13,422	\$13,053
Average amount paid out per existing property	\$6,221	\$6,205	\$6,382	\$6,245	\$6,263	\$6,001

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 September 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	5,777	5,601	5,753	-	-	-	-	-	-

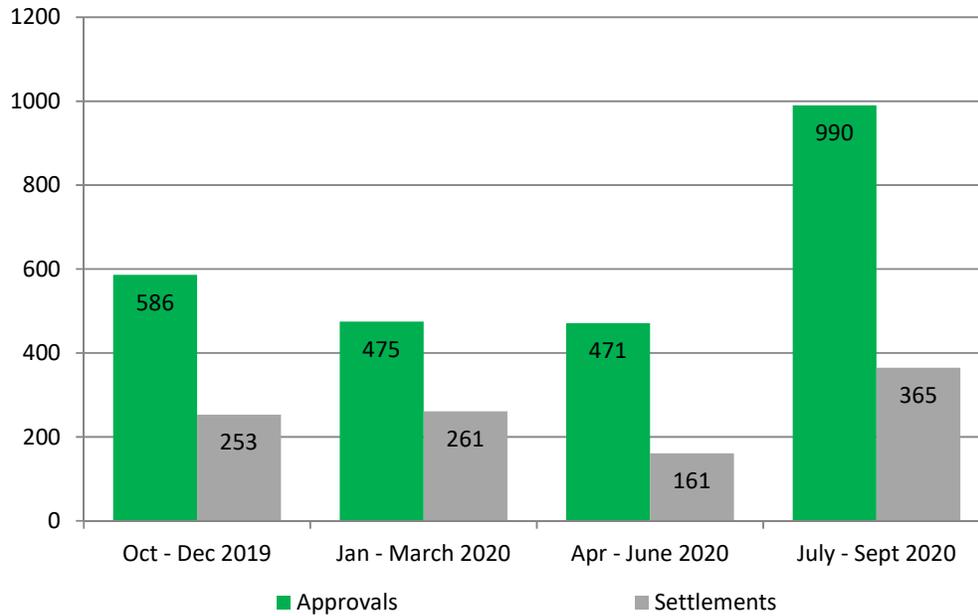
First Home Grant Application Processing Time 1 July 2020 to 30 September 2020



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.

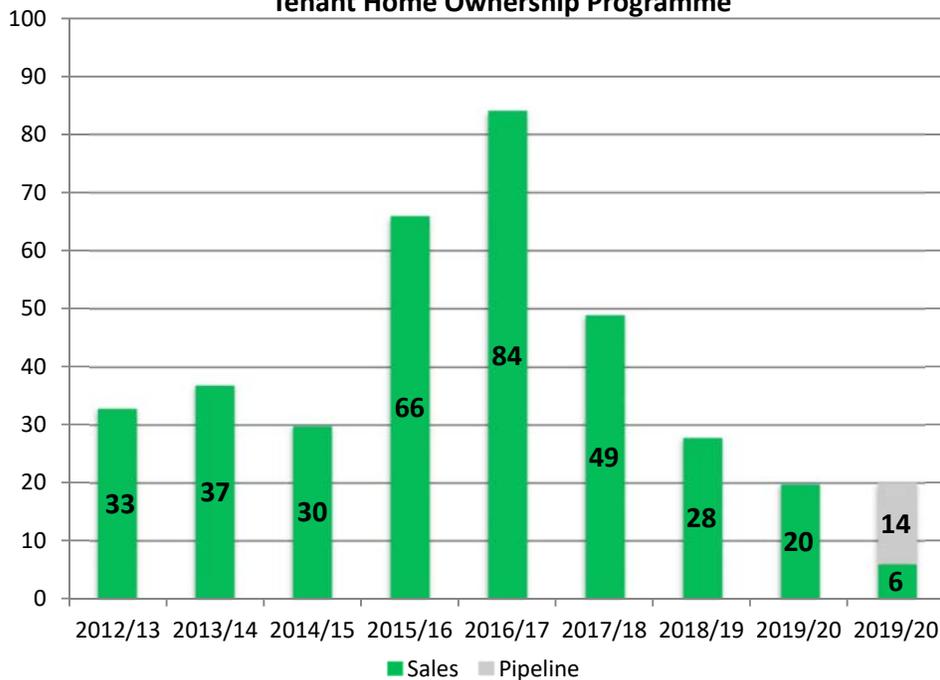
First Home Loans - Approvals and Settlements



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.

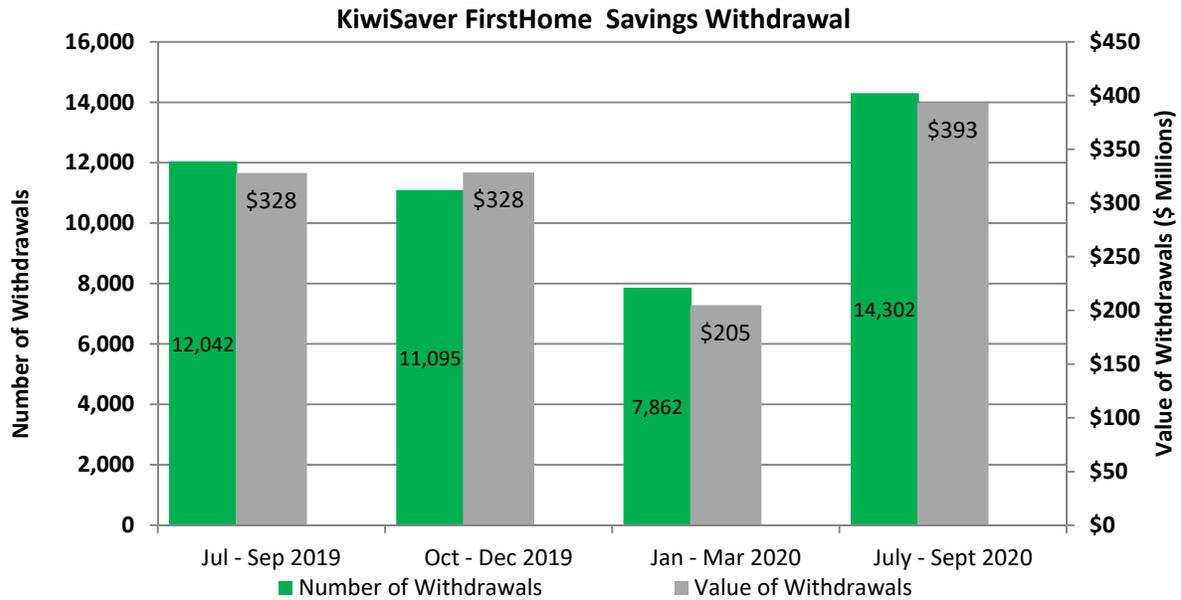
Tenant Home Ownership Programme



* 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 October 2019 to September 2020

