

# Financial Products Quarterly Report

Period Ending 31 March 2016

## 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Quarter	Received	Approved	Pre-Approval	Declined, Withdrawn and Other	In process at quarter's end
Apr - Jun 2015	6,788	2,011	1,740	1,021	2,016
Jul - Sept 2015	7,589	4,261	2,478	2,209	816
Oct – Dec 2015	5,484	3,916	3,097	1,670	231
Jan – Mar 2016	6,608	3,525	3,472	1,728	335

### KiwiSaver HomeStart Grant Overview by TLA January to March 2016

TLA	Applications Approved			Properties Bought			Grants Paid			\$ Paid		
	Existing	New	Total	Existing	New	Total	Existing	New	Total	Existing	New	Total
Far North	22		22	16		16	21		21	85,000		85,000
Whangarei	58	1	59	41	1	42	56	1	57	237,000	6,000	243,000
Kaipara	8	2	10	5		5	7		7	28,000		28,000
Auckland	220	62	282	139	27	166	195	41	236	828,000	352,000	1,180,000
Thames/Coromandel	10	2	12	6		6	9		9	35,000		35,000
Hauraki	13		13	13		13	16		16	72,000		72,000
Waikato	44	3	47	27	1	28	37	2	39	160,000	12,000	172,000
Matamata Piako	38	2	40	25	1	26	37	2	39	152,000	18,000	170,000
Hamilton	128	10	138	89	4	93	121	5	126	496,000	44,000	540,000
Waipa	39	3	42	29	1	30	39	2	41	164,000	20,000	184,000
Otorohanga	5	2	7	5	1	6	5	1	6	21,000	6,000	27,000
South Waikato	33	1	34	28	2	30	33	2	35	144,000	20,000	164,000
Waitomo	8		8	4		4	6		6	22,000		22,000
Taupo	35		35	22		22	30		30	126,000		126,000
Western BoP	35	7	42	22	5	27	28	8	36	121,000	74,000	195,000
Tauranga	93	21	114	53	11	64	74	18	92	316,000	152,000	468,000
Rotorua	70	1	71	52	1	53	67	1	68	287,000	8,000	295,000
Whakatane	20		20	13		13	21		21	92,000		92,000
Kawerau	14		14	6		6	9		9	38,000		38,000
Opotiki	9		9	4		4	4		4	17,000		17,000
Gisborne	45		45	31		31	45		45	203,000		203,000
Wairoa	6		6	5		5	6		6	27,000		27,000
Hastings	51		51	32		32	44		44	191,000		191,000
Napier	61		61	50		50	68		68	287,000		287,000
Ctrl Hawkes	17		17	9		9	11		11	48,000		48,000

Bay												
New Plymouth	65	3	68	47	2	49	61	3	64	249,000	30,000	279,000
Stratford	11	2	13	7	1	8	9	2	11	38,000	16,000	54,000
South Taranaki	21	3	24	14	1	15	16	2	18	67,000	14,000	81,000
Ruapehu	18		18	9		9	12		12	44,000		44,000
Wanganui	59	2	61	50	1	51	57	1	58	254,000	8,000	262,000
Rangitikei	25	2	27	14		14	21		21	92,000		92,000
Manawatu	46	2	48	24		24	36		36	160,000		160,000
Palmerston Nth	130	4	134	83	2	85	117	2	119	506,000	16,000	522,000
Tararua	18		18	10		10	14		14	60,000		60,000
Horowhenua	39		39	32		32	40		40	175,000		175,000
Kapiti Coast	42	3	45	30	2	32	42	3	45	176,000	28,000	204,000
Porirua	53		53	37	1	38	51	2	53	229,000	18,000	247,000
Upper Hutt	59	6	65	40	3	43	50	4	54	213,000	32,000	245,000
Lower Hutt	115	8	123	86	6	92	107	9	116	476,000	74,000	550,000
Wellington	97	1	98	69	1	70	100	1	101	429,000	6,000	435,000
Masterton	23		23	14		14	18		18	76,000		76,000
Carterton	1	2	3	2		2	2		2	10,000		10,000
South Wairarapa	13		13	10		10	12		12	51,000		51,000
Tasman	21	6	27	13	4	17	15	6	21	63,000	50,000	113,000
Nelson	63	10	73	42	4	46	55	6	61	234,000	50,000	284,000
Marlborough	49		49	41		41	54		54	221,000		221,000
Kaikoura	5		5	2		2	3		3	13,000		13,000
Buller	7		7	5		5	9		9	39,000		39,000
Grey	16	1	17	11		11	12		12	51,000		51,000
Westland	9	1	10	7	1	8	7	1	8	28,000	8,000	36,000
Hurunui	8	1	9	6		6	8		8	35,000		35,000
Waimakariri	63	24	87	31	16	47	47	25	72	204,000	200,000	404,000
Christchurch	385	54	439	234	34	268	320	47	367	1,359,000	398,000	1,757,000
Selwyn	16	64	80	8	28	36	9	43	52	37,000	356,000	393,000
Ashburton	27	2	29	21	3	24	31	4	35	127,000	36,000	163,000
Timaru	82		82	51		51	70		70	301,000		301,000
MacKenzie	3		3	3		3	3		3	14,000		14,000
Waimate	5		5	9		9	10		10	41,000		41,000
Waitaki	33		33	23		23	31		31	137,000		137,000
Central Otago	23	2	25	16	1	17	20	1	21	93,000	8,000	101,000
Queenstown Lakes	8	18	26	7	14	21	7	19	26	28,000	158,000	186,000
Dunedin	145	2	147	107	1	108	142	1	143	608,000	6,000	614,000
Clutha	24		24	18		18	23		23	92,000		92,000
Southland	22	2	24	15	1	16	19	2	21	82,000	16,000	98,000
Gore	22		22	13		13	17		17	78,000		78,000
Invercargill	130		130	91	1	92	113	2	115	494,000	14,000	508,000
<b>Total</b>	<b>3083</b>	<b>342</b>	<b>3425</b>	<b>2078</b>	<b>183</b>	<b>2261</b>	<b>2779</b>	<b>269</b>	<b>3048</b>	<b>11,881,000</b>	<b>2,254,000</b>	<b>14,135,000</b>

	Apr – Jun 2015	Jul – Sep 2015	Oct – Dec 2015	Jan – Mar 2016	Total since 1 April 2015
<b>Total HomeStart grants paid</b>	<b>\$7,204,000</b>	<b>\$16,992,000</b>	<b>\$17,307,000</b>	<b>\$14,135,000</b>	<b>\$41,503,000</b>
Existing properties	\$6,108,000	\$14,126,000	\$14,175,000	\$11,881,000	\$34,409,000
New properties	\$1,096,000	\$2,866,000	\$3,132,000	\$2,254,000	\$7,094,000
Average individual grant for new build	\$8,496	\$8,607	\$8,374	\$8,379	\$8,486
Average individual grant for existing properties	\$4,233	\$4,261	\$4,294	\$4,275	\$4,270
Average amount paid out per new build	\$12,744	\$12,144	\$12,000	\$12,317	\$12,168
Average amount paid out per existing property	\$5,508	\$5,448	\$5,665	\$5,718	\$5,546

### Average subsidy/grant payments from July 2014 to March 2016

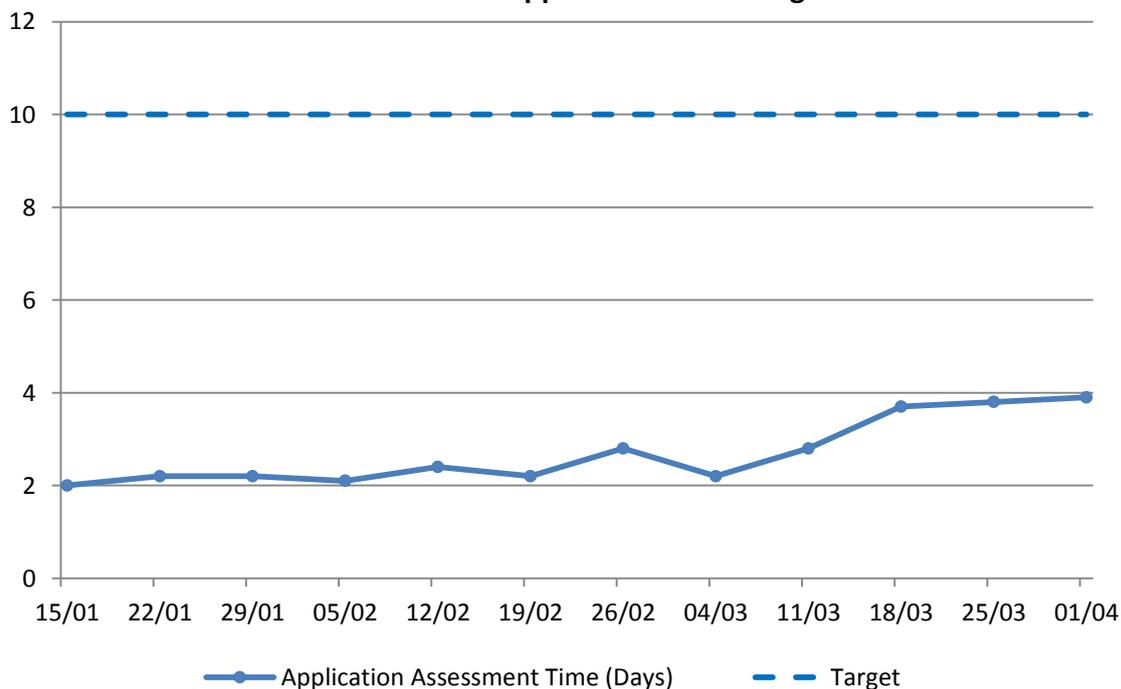
#### KiwiSaver deposit subsidy average amounts paid out from Jul 2014 to Mar 2015

	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 April 2015 to March 2016

	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

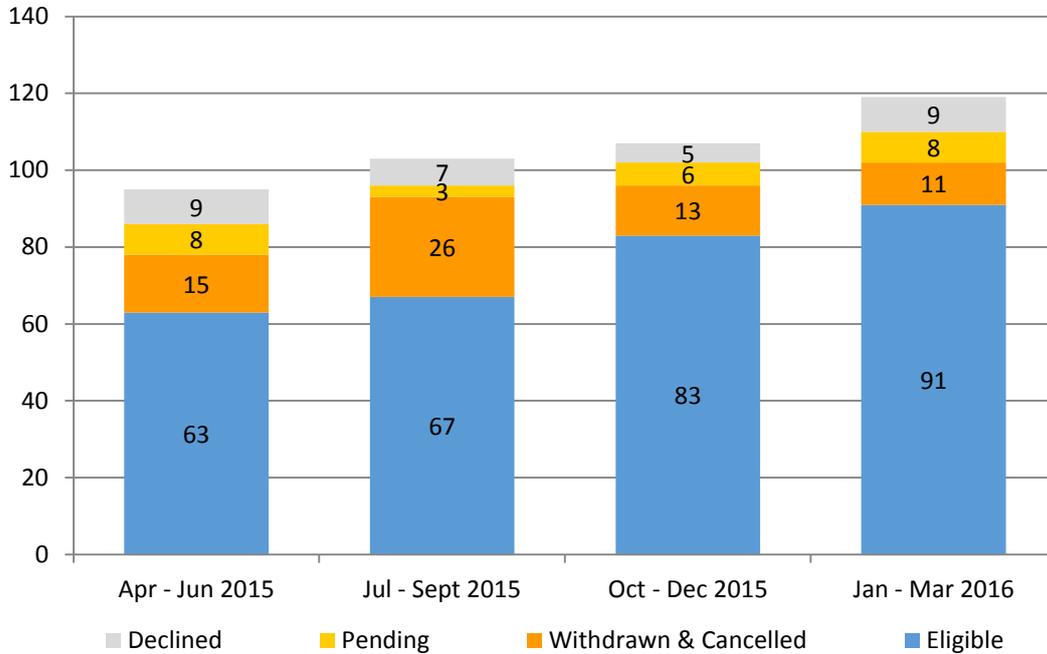
### KiwiSaver HomeStart Application Processing Time



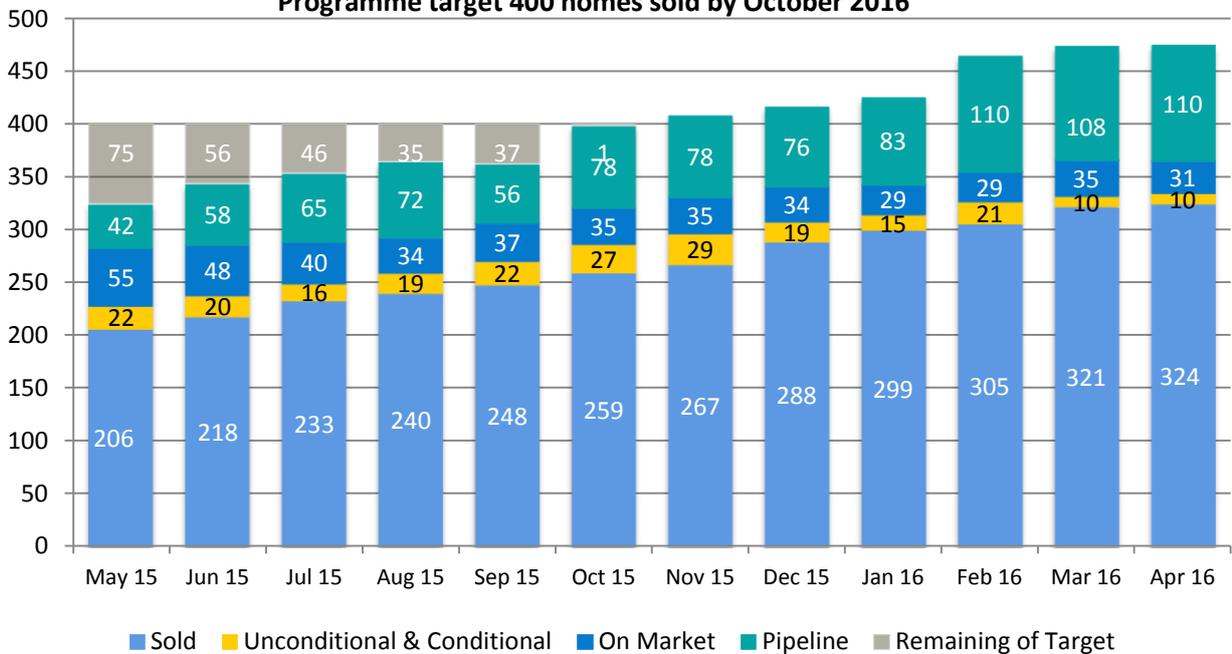
# FirstHome Ownership Scheme

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  
April 2015 - March 2016**



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



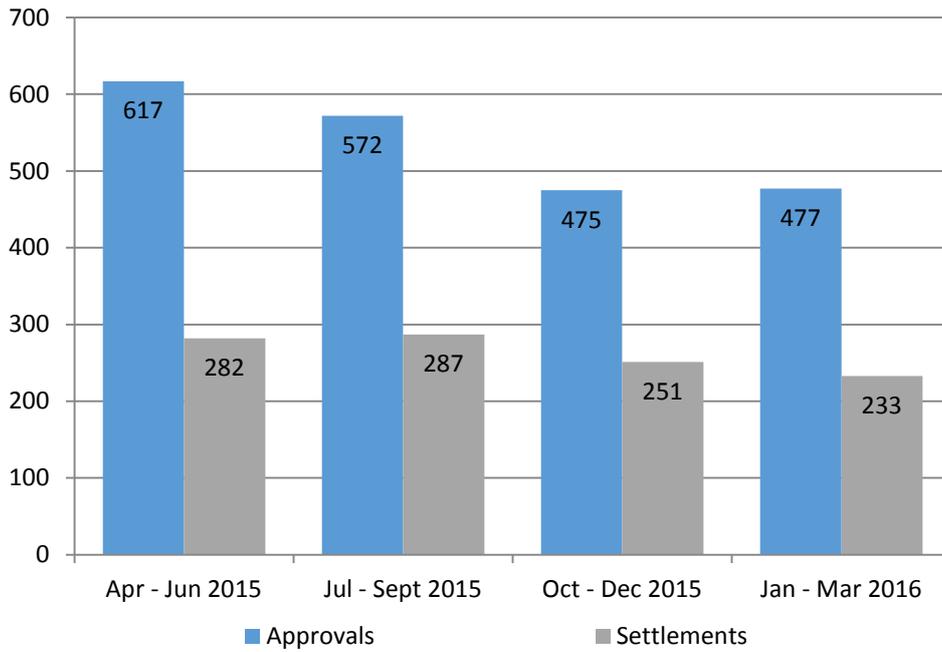
FirstHomes sold from October 2013 to 31 March 2016 by TLA					
Awanui/Waharoa/Te Aroha	4	Kaikohe/Kaitaia/Waimamaku	12	Shannon	3
Balclutha	3	Kaiwaka/Kawakawa	5	Stratford	7
Blenheim	5	Levin	12	Taihape	2
Bulls	1	Manaia	1	Taumarunui	10
Cheviot/Waiau	2	Marton	5	Te Anau	1
Coopers Beach	2	Matamata	4	Te Kuiti	4
Cromwell	1	Milton	2	Thames	3
Dargaville	2	Morrinsville	4	Timaru	2
Dunedin	19	Napier	2	Tokoroa	1
Edgecumbe	1	Netherton	1	Upper Hutt	5
Eltham	2	New Plymouth	1	Waihi	1
Flaxmere	12	Okaihau	1	Waipawa	2
Foxton	10	Opotiki	4	Waipukurau	10
Geraldine	1	Opunake	3	Wairoa	6
Gore	4	Otaki	1	Waverley	1
Greymouth	4	Otorohanga	6	Wellington	3
Hastings	8	Putaruru	2	Westport	4
Havelock North	6	Palmerston North	2	Whakatane	1
Hawera	5	Patea	7	Whanganui	69
Hunterville	1	Picton	1	Whangarei	3
Invercargill	12	Rotorua	1	Whitianga	2
<b>Total</b>			<b>322</b>		

Sale Price of Settled Properties	\$35,547,000
Number of FirstHome Grants paid out	337
Value of Paid Grants	\$3,707,000
Grants Repaid	4
Value of Repaid Grants	\$29,650

## 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

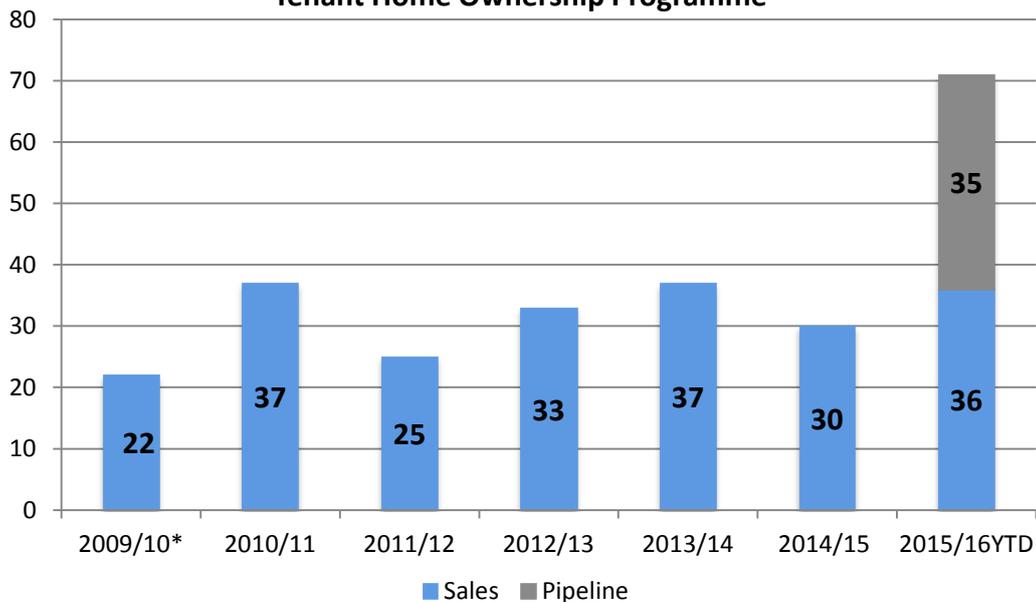


## Tenant Home Ownership

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.

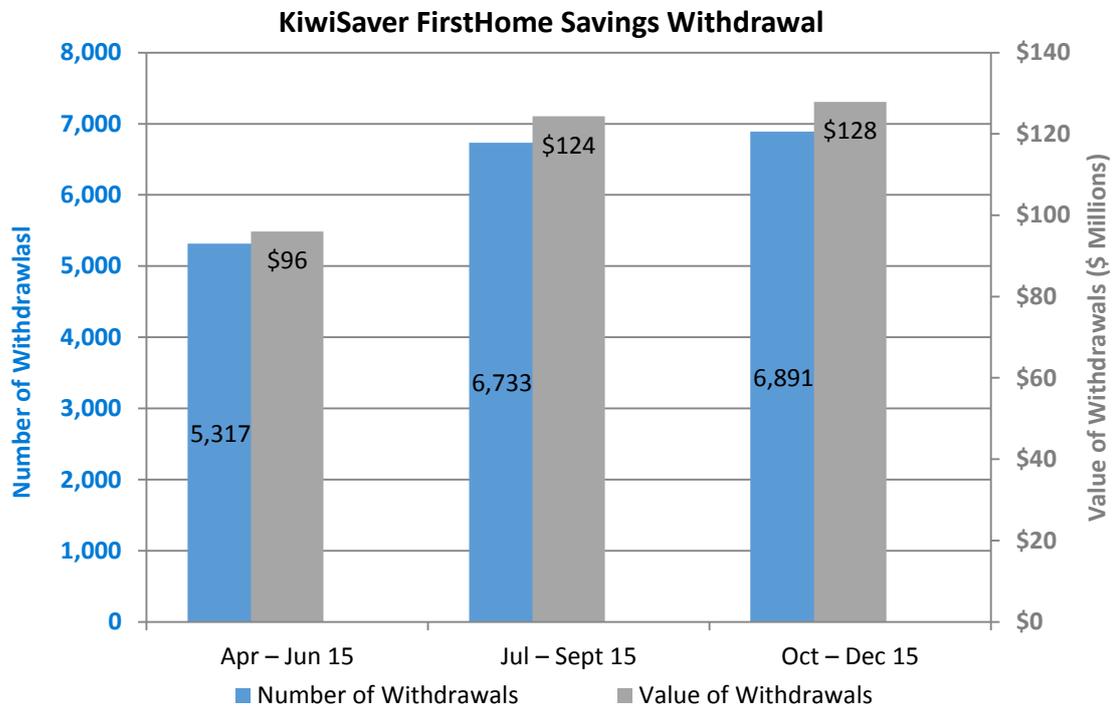
From 1 December 2015 Housing New Zealand made the FirstHome grant of 10% of the purchase price, capped at \$20,000 available for eligible Housing New Zealand tenants who wish to buy their tenanted properties.

## Tenant Home Ownership Programme



## 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 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.

### Previous Owner Savings Withdrawal Applications October 2014 to September 2015

