

# Financial Products Quarterly Report

Period Ending 31 March 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 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Quarter	Received	Approved	Pre-Approval	Declined, Withdrawn and Other	In process at quarter's end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 2017	8,433	4,256	4,456	1,996	315
Jul – Sept 2017	8,874	4,050	4,565	2,118	422
Oct – Dec 2017	8,218	4,403	4,496	1,979	268
Jan – Mar 2018	9,926	4,383	5,163	2,245	481

### KiwiSaver HomeStart Grant Overview by Territorial Local Authority (TLA) January to March 2018

TLA	Applications Approved			Properties Bought			Grants Paid			\$ Paid		
	Existing	New	Total	Existing	New	Total	Existing	New	Total	Existing	New	Total
Far North	33	1	34	19	1	20	25	1	26	113,000	10,000	123,000
Whangarei	82	6	88	42	3	45	68	5	73	302,000	44,000	346,000
Kaipara	13	0	13	6	0	6	10	0	10	45,000	0	45,000
Auckland	302	137	439	190	75	265	284	110	394	1,258,000	984,000	2,242,000
Thames/Coromandel	9	1	10	7	1	8	8	1	9	35,000	6,000	41,000
Hauraki	13	0	13	8	0	8	11	0	11	53,000	0	53,000
Waikato	32	0	32	24	0	24	36	0	36	160,000	0	160,000
Matamata Piako	27	0	27	19	0	19	28	0	28	118,000	0	118,000
Hamilton	184	9	193	109	10	119	154	15	169	664,000	136,000	800,000
Waipa	35	1	36	24	1	25	31	1	32	142,000	10,000	152,000
Otorohanga	13	0	13	6	0	6	10	0	10	40,000	0	40,000
South Waikato	47	3	50	26	0	26	30	0	30	129,000	0	129,000
Waitomo	6	1	7	3	1	4	3	1	4	15,000	10,000	25,000
Taupo	44	0	44	26	0	26	34	0	34	146,000	0	146,000
Western BoP	24	10	34	16	5	21	25	7	32	108,000	66,000	174,000
Tauranga	100	21	121	58	10	68	87	15	102	376,000	130,000	506,000
Rotorua	85	3	88	43	2	45	63	3	66	270,000	30,000	300,000
Whakatane	22	0	22	17	0	17	25	0	25	113,000	0	113,000
Kawerau	13	0	13	9		9	14	0	14	68,000	0	68,000
Opotiki	12	0	12	8	0	8	12	0	12	53,000	0	53,000
Gisborne	54	0	54	35	0	35	48	0	48	205,000	0	205,000
Wairoa	7	0	7	4		4	5	0	5	21,000	0	21,000
Hastings	64	11	75	41	6	47	57	11	68	253,000	98,000	351,000

TLA	Existing	New	Total	Existing	New	Total	Existing	New	Total	Existing	New	Total
Napier	75	0	<b>75</b>	37	0	<b>37</b>	53	0	<b>53</b>	231,000	0	<b>231,000</b>
Ctrl Hawkes Bay	32	0	<b>32</b>	19	0	<b>19</b>	27	0	<b>27</b>	120,000	0	<b>120,000</b>
New Plymouth	75	5	<b>80</b>	53	4	<b>57</b>	72	7	<b>79</b>	315,000	54,000	<b>369,000</b>
Stratford	21	0	<b>21</b>	16	1	<b>17</b>	19	1	<b>20</b>	87,000	6,000	<b>93,000</b>
South Taranaki	46	0	<b>46</b>	35	0	<b>35</b>	46	0	<b>46</b>	203,000	0	<b>203,000</b>
Ruapehu	22	1	<b>23</b>	7	1	<b>8</b>	9	1	<b>10</b>	39,000	10,000	<b>49,000</b>
Wanganui	96	0	<b>96</b>	68	0	<b>68</b>	81	0	<b>81</b>	361,000	0	<b>361,000</b>
Rangitikei	36	0	<b>36</b>	23	0	<b>23</b>	32	0	<b>32</b>	142,000	0	<b>142,000</b>
Manawatu	42	5	<b>47</b>	27	1	<b>28</b>	37	2	<b>39</b>	163,000	20,000	<b>183,000</b>
Palmerston Nth	144	11	<b>155</b>	98	4	<b>102</b>	128	7	<b>135</b>	577,000	60,000	<b>637,000</b>
Tararua	49	0	<b>49</b>	27	0	<b>27</b>	40	0	<b>40</b>	169,000	0	<b>169,000</b>
Horowhenua	59	2	<b>61</b>	38	2	<b>40</b>	55	4	<b>59</b>	249,000	24,000	<b>273,000</b>
Kapiti Coast	45	2	<b>47</b>	35	4	<b>39</b>	51	8	<b>59</b>	225,000	80,000	<b>305,000</b>
Porirua	50	0	<b>50</b>	29	1	<b>30</b>	45	2	<b>47</b>	195,000	16,000	<b>211,000</b>
Upper Hutt	87	3	<b>90</b>	47	3	<b>50</b>	67	5	<b>72</b>	297,000	38,000	<b>335,000</b>
Lower Hutt	141	6	<b>147</b>	85	4	<b>89</b>	129	5	<b>134</b>	571,000	42,000	<b>613,000</b>
Wellington	69	6	<b>75</b>	46	4	<b>50</b>	66	5	<b>71</b>	295,000	46,000	<b>341,000</b>
Masterton	33	0	<b>33</b>	21	2	<b>23</b>	29	3	<b>32</b>	122,000	30,000	<b>152,000</b>
Carterton	9	0	<b>9</b>	9	0	<b>9</b>	14	0	<b>14</b>	62,000	0	<b>62,000</b>
South Wairarapa	6	0	<b>6</b>	6	0	<b>6</b>	7	0	<b>7</b>	30,000	0	<b>30,000</b>
Tasman	22	16	<b>38</b>	17	9	<b>26</b>	24	14	<b>38</b>	108,000	126,000	<b>234,000</b>
Nelson	70	16	<b>86</b>	48	6	<b>54</b>	67	12	<b>79</b>	307,000	106,000	<b>413,000</b>
Marlborough	59	3	<b>62</b>	38	5	<b>43</b>	53	6	<b>59</b>	234,000	42,000	<b>276,000</b>
Kaikoura	0	0	<b>0</b>	0	0	<b>0</b>	0	0	<b>0</b>	0	0	<b>0</b>
Buller	8	0	<b>8</b>	9	0	<b>9</b>	11	0	<b>11</b>	53,000	0	<b>53,000</b>
Grey	18	1	<b>19</b>	11	1	<b>12</b>	17	1	<b>18</b>	75,000	10,000	<b>85,000</b>
Westland	13	0	<b>13</b>	7	0	<b>7</b>	10	0	<b>10</b>	42,000	0	<b>42,000</b>
Hurunui	13	4	<b>17</b>	10	0	<b>10</b>	16	0	<b>16</b>	73,000	0	<b>73,000</b>
Waimakariri	91	32	<b>123</b>	55	16	<b>71</b>	80	24	<b>104</b>	344,000	206,000	<b>550,000</b>
Christchurch	622	57	<b>679</b>	356	29	<b>385</b>	497	45	<b>542</b>	2,215,000	404,000	<b>2,619,000</b>
Selwyn	29	89	<b>118</b>	18	41	<b>59</b>	26	67	<b>93</b>	116,000	574,000	<b>690,000</b>
Ashburton	53	3	<b>56</b>	36	4	<b>40</b>	46	4	<b>50</b>	204,000	38,000	<b>242,000</b>
Timaru	59	2	<b>61</b>	38	1	<b>39</b>	49	1	<b>50</b>	217,000	10,000	<b>227,000</b>
MacKenzie	3	0	<b>3</b>	2	0	<b>2</b>	3	0	<b>3</b>	12,000	0	<b>12,000</b>
Waimate	6	0	<b>6</b>	5	0	<b>5</b>	6	0	<b>6</b>	29,000	0	<b>29,000</b>
Chatham Islands	0	0	<b>0</b>	0	0	<b>0</b>	0	0	<b>0</b>	0	0	<b>0</b>
Waitaki	35	4	<b>39</b>	24	1	<b>25</b>	31	2	<b>33</b>	143,000	20,000	<b>163,000</b>
Central Otago	15	2	<b>17</b>	9	1	<b>10</b>	14	2	<b>16</b>	65,000	20,000	<b>85,000</b>
Queenstown Lakes	2	6	<b>8</b>	3	2	<b>5</b>	4	3	<b>7</b>	18,000	30,000	<b>48,000</b>
Dunedin	197	1	<b>198</b>	143	0	<b>143</b>	195	0	<b>195</b>	864,000	0	<b>864,000</b>
Clutha	29	1	<b>30</b>	19	1	<b>20</b>	26	1	<b>27</b>	118,000	6,000	<b>124,000</b>
Southland	25	3	<b>28</b>	18	2	<b>20</b>	23	4	<b>27</b>	101,000	32,000	<b>133,000</b>
Gore	19	0	<b>19</b>	14	0	<b>14</b>	19	0	<b>19</b>	82,000	0	<b>82,000</b>
Invercargill	148	4	<b>152</b>	107	4	<b>111</b>	139	5	<b>144</b>	604,000	46,000	<b>650,000</b>
<b>Total</b>	<b>3,894</b>	<b>489</b>	<b>4,383</b>	<b>2453</b>	<b>269</b>	<b>2722</b>	<b>3,431</b>	<b>411</b>	<b>3,842</b>	<b>15,164,000</b>	<b>3,620,000</b>	<b>18,784,000</b>

	Apr - Jun 2017	Jul - Sept 2017	Oct - Dec 2017	Jan - Mar 2018	Total for last 4 quarters	Total since 1 Apr 2015
<b>Total HomeStart grants paid</b>	<b>\$19,582,000</b>	<b>\$19,760,000</b>	<b>\$20,240,000</b>	<b>\$18,784,000</b>	<b>\$78,366,000</b>	<b>\$206,923,000</b>
Existing properties	\$15,058,000	\$15,122,000	\$15,940,000	\$15,164,000	\$61,284,000	\$164,795,000
New properties	\$4,524,000	\$4,638,000	\$4,300,000	\$3,620,000	\$17,082,000	\$42,128,000
Average individual grant for new build	\$8,667	\$8,573	\$8,884	\$8,808	\$8,724	\$8,927
Average individual grant for existing properties	\$4,377	\$4,392	\$3,651	\$4,420	\$4,388	\$4,443
Average amount paid out per new build	\$12,708	\$13,065	\$13,480	\$13,457	\$13,150	\$12,085
Average amount paid out per existing property	\$6,002	\$5,949	\$6,061	\$6,182	\$6,047	\$5,585

### Average subsidy/grant payments from July 2014 to December 2017

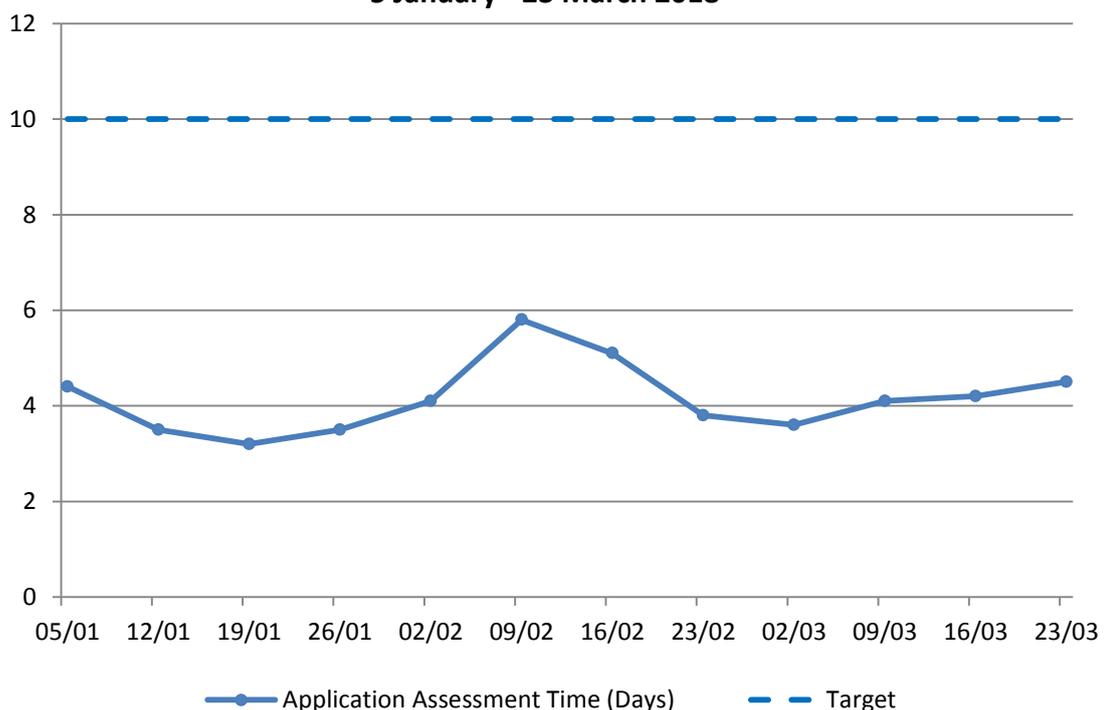
#### KiwiSaver deposit subsidy average amounts paid out from Jul 2014 to Mar 2015

	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 March 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

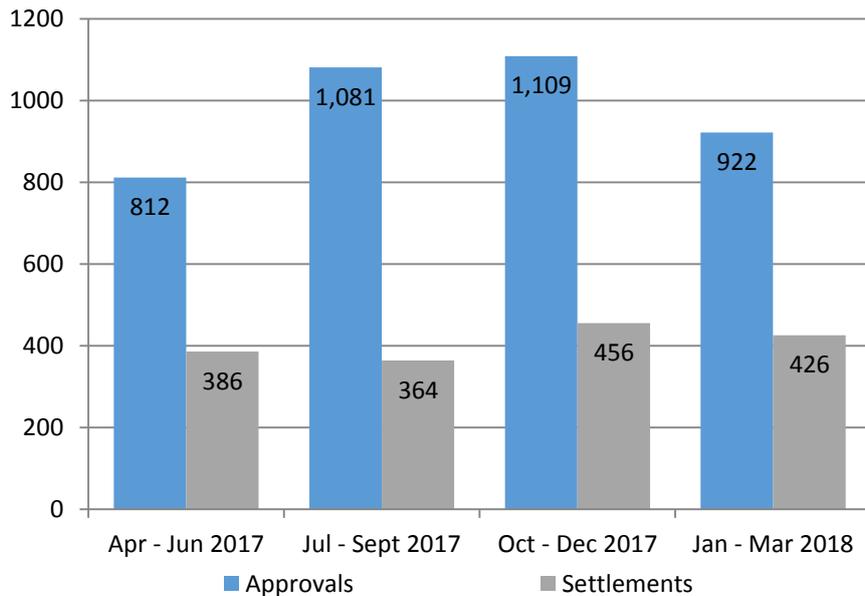
### KiwiSaver HomeStart Application Processing Time 5 January - 23 March 2018



## 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.

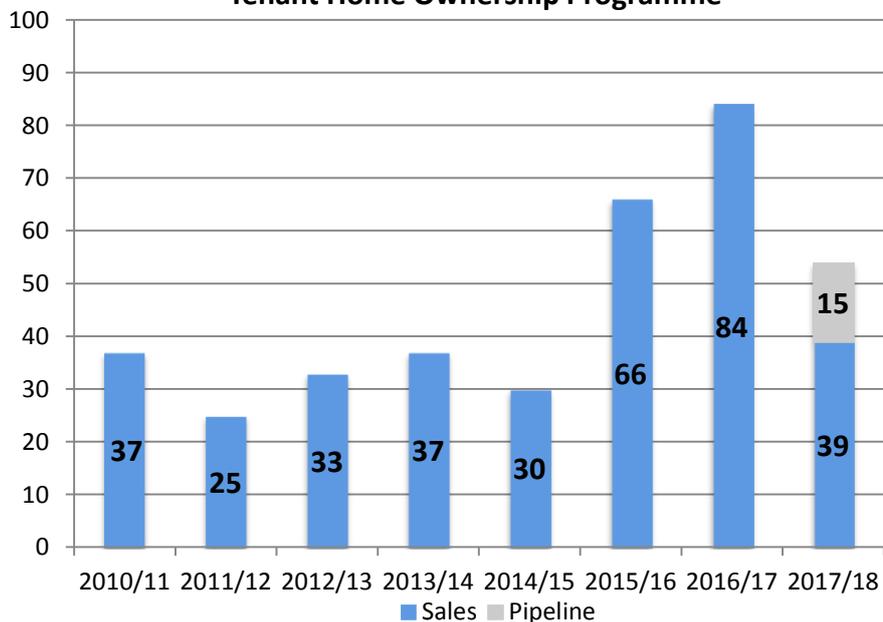
**Welcome Home Loans - Approvals and Settlements**



## 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.

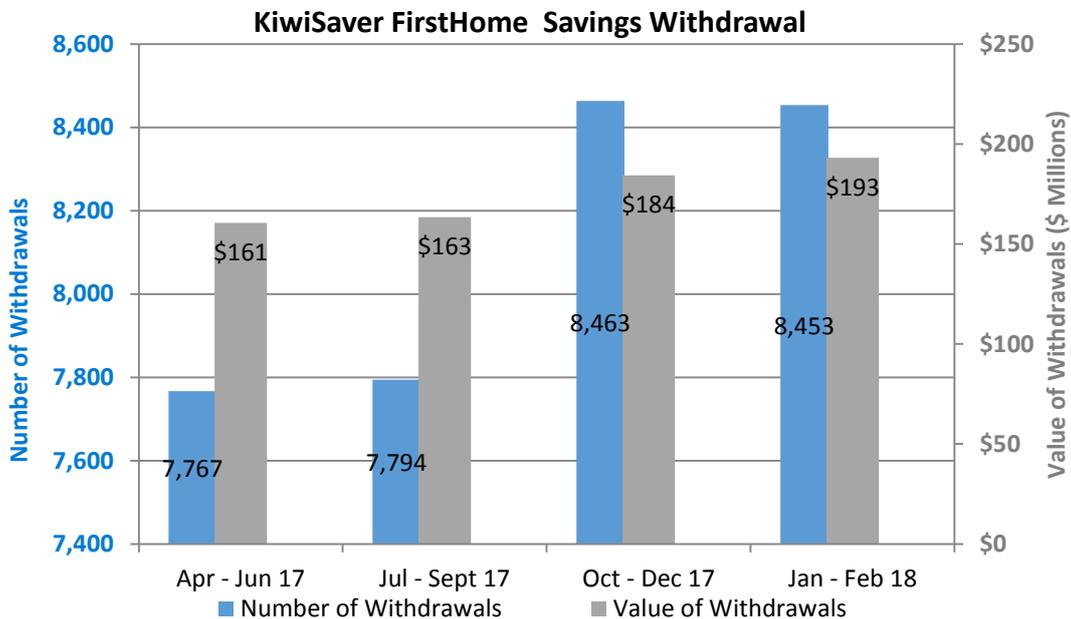
**Tenant Home Ownership Programme\***



\* 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.

