

Financial Products Quarterly Report

Period Ending 30 September 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Quarter	Received	Approved	Pre-Approval	Declined, Withdrawn and Other	In process at quarter's end
Oct – Dec 2015	5,484	3,916	3,097	1,670	231
Jan – Mar 2016	6,608	3,525	3,472	1,728	335
Apr – Jun 2016	7,082	3,672	3,896	1,917	363
Jul – Sept 2016	8,263	3,981	4,615	2,223	490

KiwiSaver HomeStart Grant Overview by TLA July to September 2016

TLA	Applications Approved			Properties Bought			Grants Paid			\$ Paid		
	Existing	New	Total	Existing	New	Total	Existing	New	Total	Existing	New	Total
Far North	49	5	54	31	4	35	41	4	45	180,000	32,000	212,000
Whangarei	50	9	59	29	7	36	40	9	49	177,000	76,000	253,000
Kaipara	16	4	20	11	2	13	13	4	17	56,000	36,000	92,000
Auckland	242	92	334	131	45	176	187	62	249	809,000	520,000	1,329,000
Thames/Coromandel	8	4	12	6	1	7	8	2	10	37,000	16,000	53,000
Hauraki	26	0	26	15	0	15	21	0	21	93,000	0	93,000
Waikato	39	1	40	23	1	24	32	1	33	141,000	10,000	151,000
Matamata Piako	22	0	22	17	0	17	21	0	21	89,000	0	89,000
Hamilton	125	17	142	77	7	84	109	11	120	468,000	100,000	568,000
Waipa	34	0	34	23	1	24	34	1	35	139,000	10,000	149,000
Otorohanga	10	1	11	7	1	8	9	1	10	40,000	10,000	50,000
South Waikato	36	1	37	35	2	37	42	3	45	180,000	30,000	210,000
Waitomo	17	0	17	12	0	12	15	0	15	66,000	0	66,000
Taupo	39	2	41	25	1	26	33	2	35	140,000	18,000	158,000
Western BoP	31	9	40	21	4	25	29	7	36	119,000	56,000	175,000
Tauranga	65	26	91	42	14	56	55	20	75	250,000	170,000	420,000
Rotorua	78	2	80	50	1	51	62	2	64	275,000	12,000	287,000
Whakatane	24	2	26	20	1	21	27	2	29	114,000	18,000	132,000
Kawerau	12	0	12	7	0	7	9	0	9	35,000	0	35,000
Opotiki	6	0	6	5	0	5	7	0	7	28,000	0	28,000
Gisborne	51	1	52	38	0	38	47	0	47	200,000	0	200,000
Wairoa	10	0	10	5	0	5	6	0	6	25,000	0	25,000
Hastings	60	0	60	46	0	46	59	0	59	254,000	0	254,000
Napier	84	0	84	53	0	53	75	0	75	320,000	0	320,000

Ctrl Hawkes Bay	11	0	11	9	0	9	12	0	12	53,000	0	53,000
New Plymouth	78	10	88	47	3	50	60	5	65	242,000	44,000	286,000
Stratford	11	0	11	9	0	9	12	0	12	44,000	0	44,000
South Taranaki	46	0	46	36	0	36	44	0	44	192,000	0	192,000
Ruapehu	18	0	18	12	0	12	16	0	16	63,000	0	63,000
Wanganui	84	4	88	66	2	68	78	3	81	338,000	22,000	360,000
Rangitikei	26	0	26	21	1	22	24	2	26	106,000	18,000	124,000
Manawatu	61	6	67	30	6	36	44	7	51	191,000	62,000	253,000
Palmerston Nth	160	13	173	93	3	96	125	4	129	533,000	34,000	567,000
Tararua	24	0	24	20	0	20	21	0	21	100,000	0	100,000
Horowhenua	49	10	59	37	3	40	44	5	49	193,000	38,000	231,000
Kapiti Coast	52	10	62	30	5	35	40	7	47	177,000	54,000	231,000
Porirua	41	3	44	29	2	31	40	3	43	180,000	30,000	210,000
Upper Hutt	68	10	78	40	3	43	61	6	67	266,000	52,000	318,000
Lower Hutt	160	7	167	92	5	97	128	7	135	561,000	66,000	627,000
Wellington	58	19	77	33	9	42	45	17	62	185,000	162,000	347,000
Masterton	25	1	26	21	1	22	27	1	28	115,000	8,000	123,000
Carterton	6	4	10	5	2	7	6	2	8	26,000	16,000	42,000
South Wairarapa	10	3	13	6	1	7	7	1	8	29,000	6,000	35,000
Tasman	26	6	32	12	5	17	18	8	26	81,000	68,000	149,000
Nelson	67	8	75	33	2	35	50	2	52	211,000	16,000	227,000
Marlborough	74	7	81	48	4	52	64	6	70	273,000	52,000	325,000
Kaikoura	2	0	2	0	0	0	0	0	0	0	0	0
Buller	14	0	14	8	0	8	12	0	12	50,000	0	50,000
Grey	19	0	19	11	0	11	13	0	13	62,000	0	62,000
Westland	10	2	12	5	2	7	6	2	8	28,000	20,000	48,000
Hurunui	8	2	10	4	0	4	8	0	8	34,000	0	34,000
Waimakariri	70	19	89	34	8	42	46	12	58	201,000	106,000	307,000
Christchurch	426	81	507	285	58	343	393	84	477	1,707,000	756,000	2,463,000
Selwyn	27	80	107	17	47	64	23	74	97	100,000	652,000	752,000
Ashburton	47	1	48	23	1	24	31	1	32	129,000	8,000	137,000
Timaru	87		87	53		53	69		69	282,000		282,000
MacKenzie	7	0	7	5	1	6	7	2	9	25,000	14,000	39,000
Waimate	3	0	3	1	0	1	2	0	2	10,000	0	10,000
Waitaki	34	0	34	20	0	20	27	0	27	112,000	0	112,000
Central Otago	15	7	22	10	3	13	13	4	17	54,000	34,000	88,000
Queenstown Lakes	0	26	26	1	17	18	1	23	24	5,000	200,000	205,000
Dunedin	180	5	185	111	3	114	149	5	154	633,000	40,000	673,000
Clutha	18	0	18	11	0	11	13	0	13	55,000	0	55,000
Southland	36	4	40	24	2	26	28	4	32	119,000	40,000	159,000
Gore	15	0	15	11	0	11	13	0	13	57,000	0	57,000
Invercargill	149	0	149	101	0	101	122	0	122	539,000	0	539,000
Total	3457	524	3981	2,193	291	2,484	2923	428	3351	12,596,000	3,732,000	16,328,000

	Oct – Dec 2015	Jan – Mar 2016	Apr – Jun 2016	Jul – Sept 2016	Total for last 4 quarters	Total since 1 Apr 2015
Total HomeStart grants paid	\$17,307,000	\$14,135,000	\$17,173,000	\$16,328,000	\$64,943,000	\$89,139,000
Existing properties	\$14,175,000	\$11,881,000	\$13,851,000	\$12,596,000	\$52,503,000	\$72,737,000
New properties	\$3,132,000	\$2,254,000	\$3,322,000	\$3,732,000	\$12,440,000	\$16,402,000
Average individual grant for new build	\$8,374	\$8,379	\$8,562	\$8,720	\$8,526	\$8,538
Average individual grant for existing properties	\$4,294	\$4,275	\$4,316	\$4,309	\$4,299	\$4,286
Average amount paid out per new build	\$12,000	\$12,317	\$12,728	\$12,825	\$12,490	\$12,445
Average amount paid out per existing property	\$5,665	\$5,718	\$5,718	\$5,744	\$5,699	\$5,632

Average subsidy/grant payments from July 2014 to September 2016

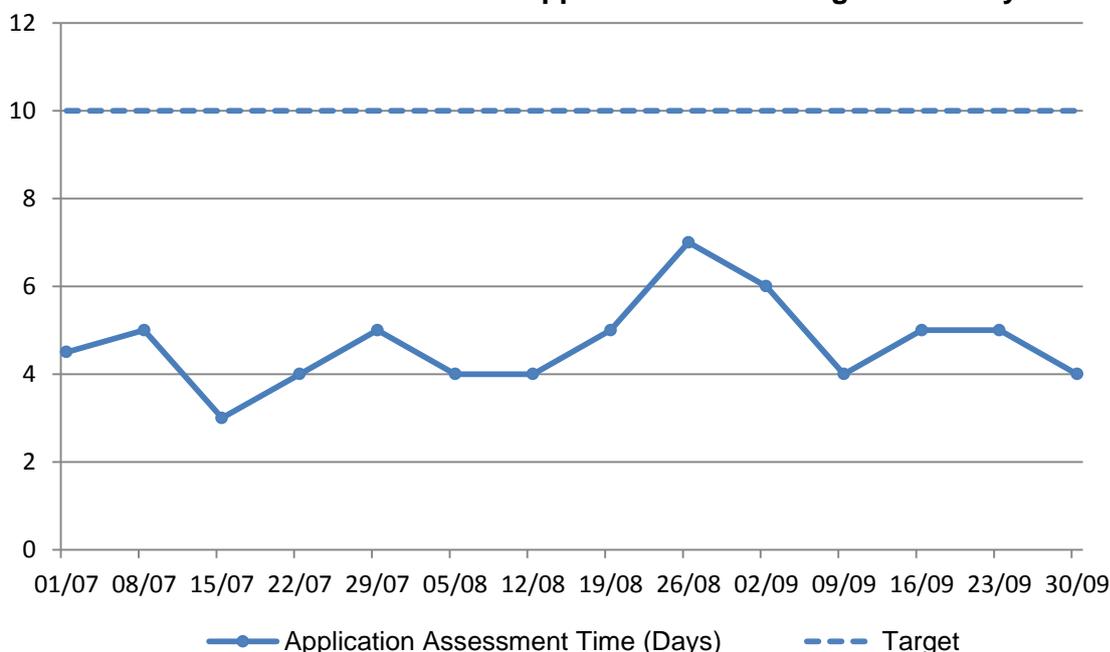
KiwiSaver deposit subsidy average amounts paid out from Jul 2014 to Mar 2015

	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 Apr 2015 to Sept 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
	Apr 2016	May 2016	Jun 2016	Jul 2016	Aug 2016	Sept 2016						
Average (\$)	4,706	4,770	4,849	4,857	4,820	4,928						

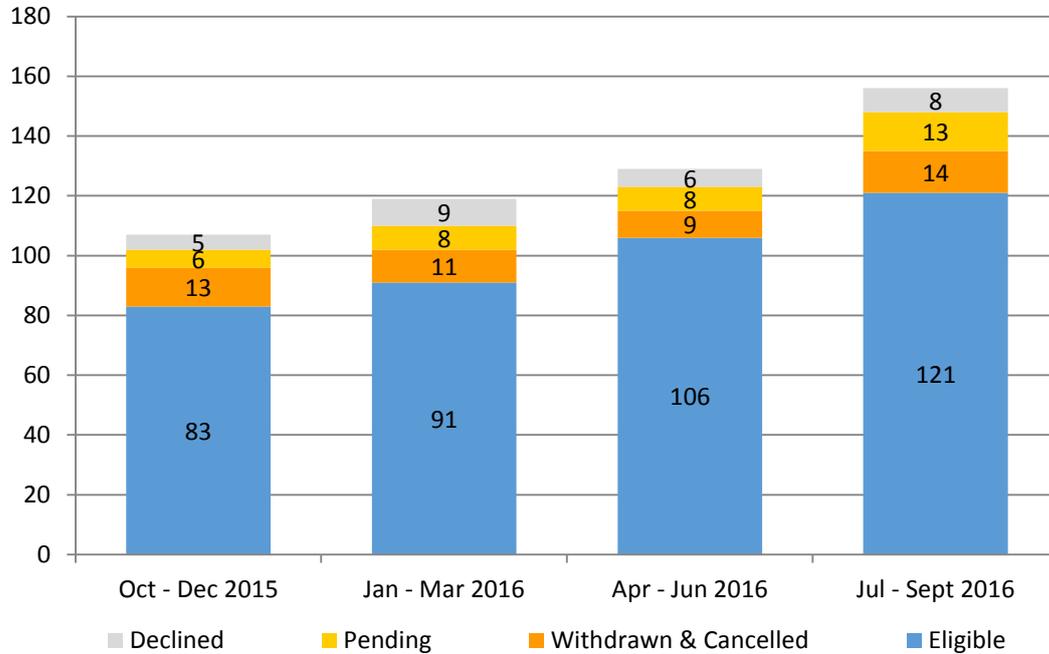
KiwiSaver HomeStart Application Processing Time in days



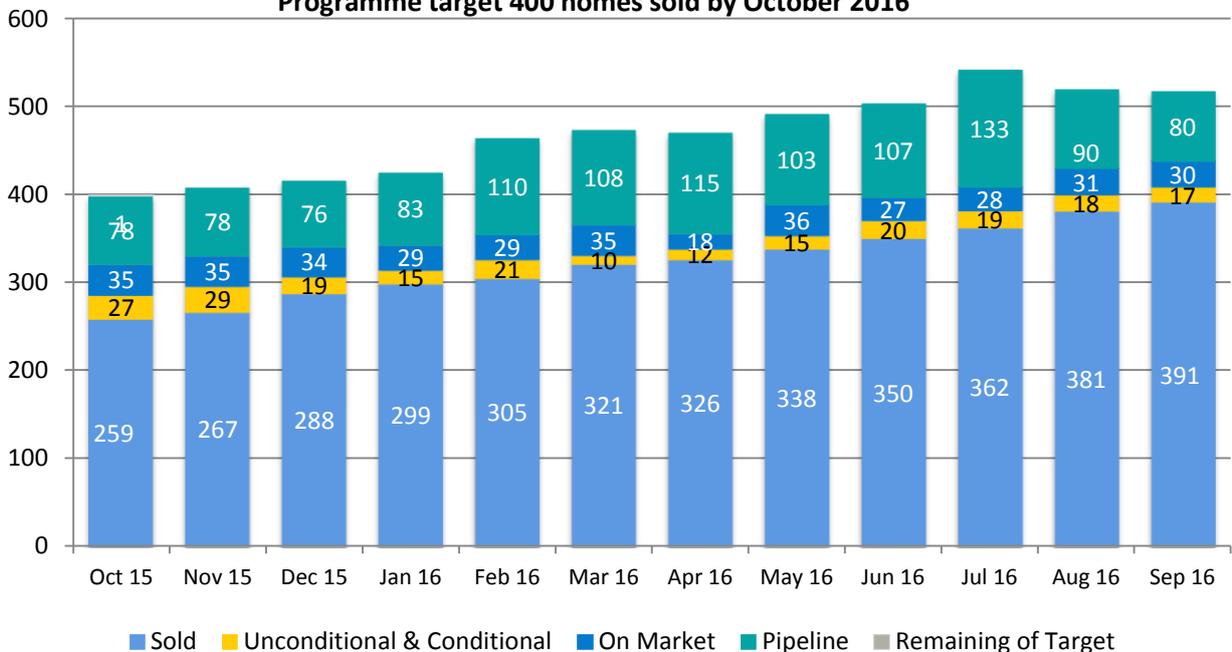
FirstHome Ownership Scheme

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
October 2015 - September 2016**



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

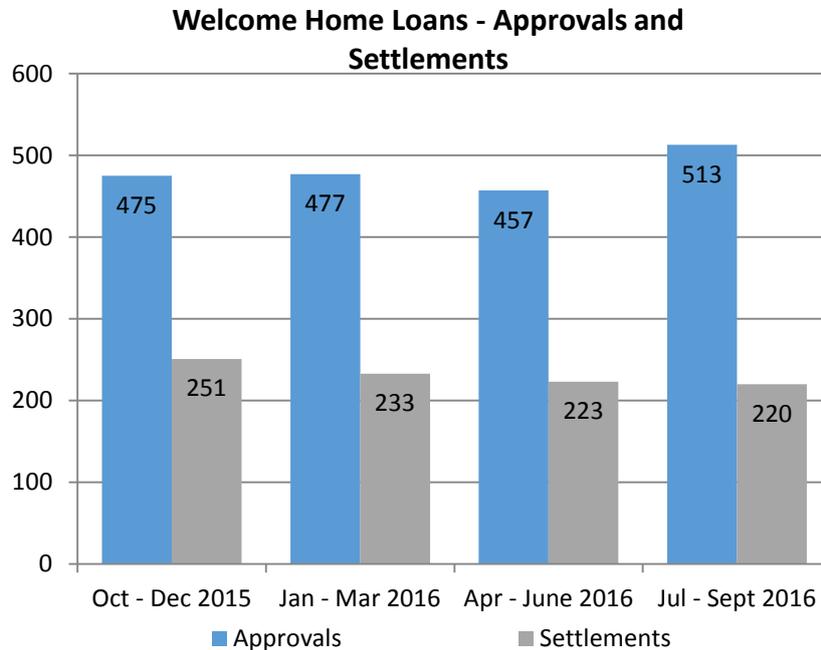


FirstHomes sold from October 2013 to 26 September 2016 by TLA					
Awanui/Waharoa/Te Aroha	4	Kaikohē/Kaitaia/Waimamaku	12	Shannon	3
Balclutha	3	Kaiwaka/Kawakawa	5	Stratford	7
Blenheim	5	Levin	13	Taihape	3
Bulls	2	Manaia	1	Taumarunui	14
Cheviot/Waiiau/Rangiora	4	Marton	5	Te Anau	1
Coopers Beach	1	Matamata	4	Te Kuiti	7
Cromwell	1	Milton	2	Thames	3
Dargaville	2	Morrinsville	7	Timaru	2
Dunedin	19	Napier	2	Tokoroa	5
Edgecumbe	1	Netherton	1	Upper Hutt	5
Eltham	2	New Plymouth / Ingelwood	2	Waihi	1
Flaxmere	13	Okaihau	1	Waipawa	4
Foxton	11	Opotiki	4	Waipukurau	15
Geraldine	1	Opunake	3	Wairoa	6
Gore	5	Otaki	1	Waverley	1
Greymouth	4	Otorohanga	10	Wellington	3
Hastings	9	Palmerston North	5	Westport / Ngakawau	8
Havelock North	6	Patea	8	Whakatane	1
Hawera	11	Picton	1	Whanganui	84
Hunterville	1	Putaruru	4	Whangarei	3
Invercargill	14	Rotorua	3	Whitianga	2
Total 391					

Sale Price of Settled Properties	\$42,717,000
Number of FirstHome Grants paid out	451 (includes 60 THO sales)
Value of Paid Grants	\$5,159,500
Grants Repaid	7
Value of Repaid Grants	\$38,290
HomeStart grant written off	1
Value of grant written off	\$8,000

Welcome Home Loans

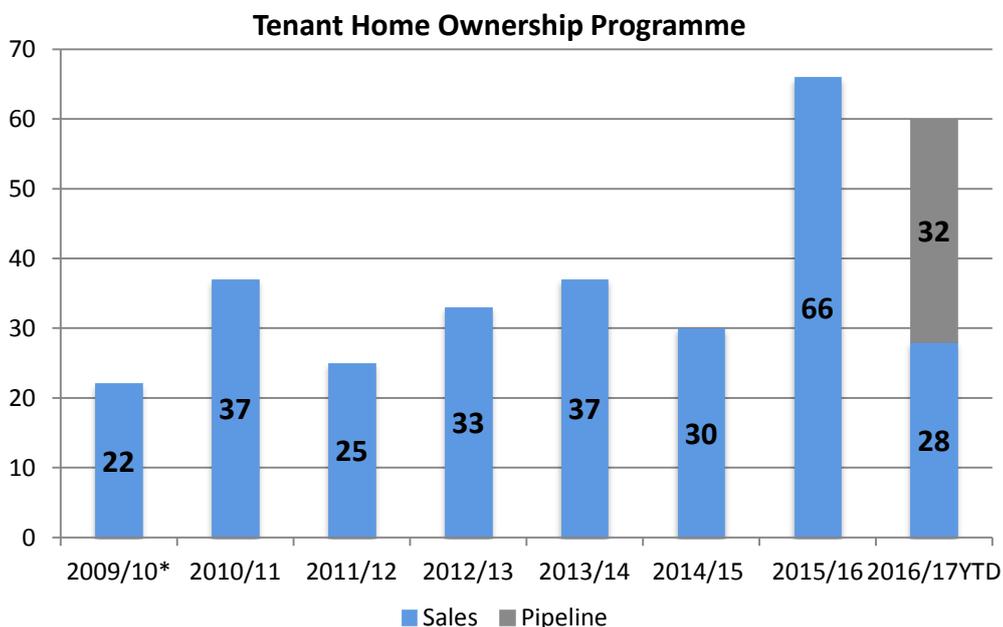
Welcome Home Loan is offered by lenders, supported by Housing New Zealand, and, designed for first-home buyers who can afford to make regular repayments on a home loan, but have trouble saving for a large deposit. With Welcome Home Loan you only need a 10 percent deposit, not a 20 percent deposit as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



Tenant Home Ownership

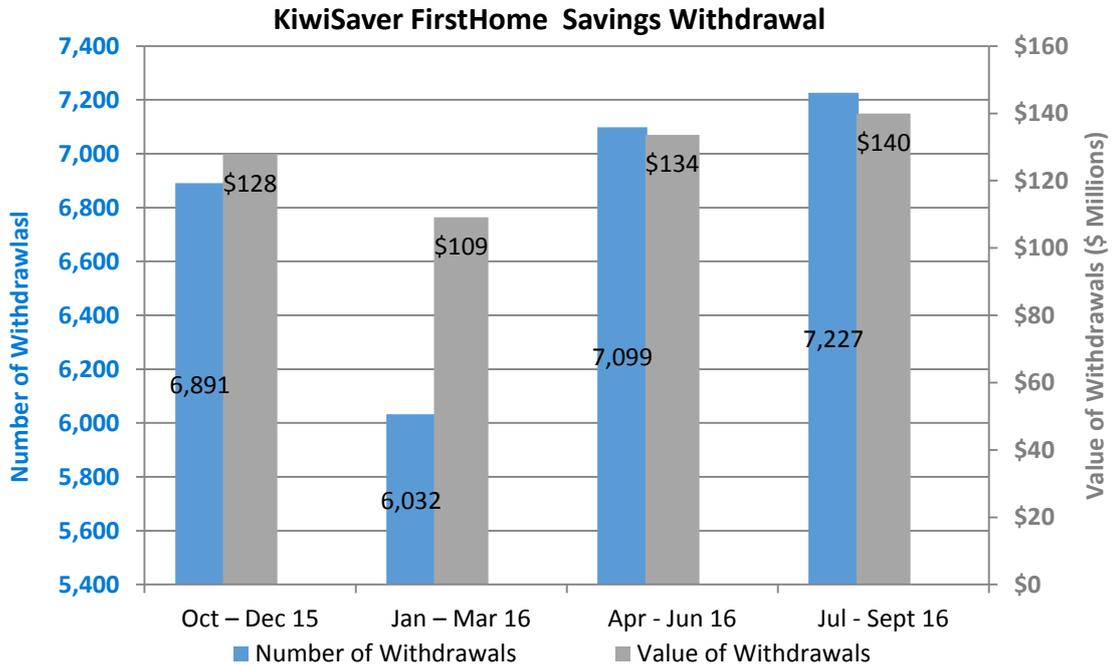
Housing New Zealand also offers its tenants the opportunity to purchase the house they rent. Not all properties are for sale, particularly in high-demand areas. However, tenants who live in houses that are not for sale but wish to buy a house will be given the option to buy other Housing New Zealand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



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. On 1 August 2016 the income cap requirements for previous home owners was removed.

