

Financial Products Quarterly Report

Period Ending 30 September 2017

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Quarter	Received	Approved	Pre-Approval	Declined, Withdrawn and Other	In process at quarter's end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 2016	6,702	4,413	3,856	1,929	246
Jan- Mar 2017	8,333	4,062	4,545	2,036	357
Apr – Jun 2017	8,433	4,256	4,456	1,996	315
Jul – Sept 2017	8,874	4,050	4,565	2,118	422

KiwiSaver HomeStart Grant Overview by Territorial Local Authority (TLA) July to September 2017

TLA	Applications Approved			Properties Bought			Grants Paid			\$ Paid		
	Existing	New	Total	Existing	New	Total	Existing	New	Total	Existing	New	Total
Far North	41	4	45	31	3	34	42	4	46	189,000	28,000	217,000
Whangarei	63	9	72	46	7	53	64	11	75	293,000	90,000	383,000
Kaipara	17	1	18	12	1	13	17	1	18	76,000	6,000	82,000
Auckland	276	126	402	181	76	257	259	109	368	1,116,000	958,000	2,074,000
Thames/Coromandel	6	2	8	6	1	7	9	2	11	41,000	12,000	53,000
Hauraki	18	0	18	11	0	11	14	0	14	65,000	0	65,000
Waikato	33	0	33	24	0	24	31	0	31	142,000	0	142,000
Matamata Piako	21	3	24	15	0	15	22	0	22	96,000	0	96,000
Hamilton	148	21	169	117	9	126	165	16	181	715,000	144,000	859,000
Waipa	25	5	30	10	3	13	14	5	19	62,000	38,000	100,000
Otorohanga	12	0	12	8	0	8	13	0	13	55,000	0	55,000
South Waikato	33	0	33	26	0	26	33	0	33	153,000	0	153,000
Waitomo	21	3	24	12	1	13	14	2	16	63,000	18,000	81,000
Taupo	38	0	38	27	0	27	32	0	32	142,000	0	142,000
Western BoP	9	19	28	6	9	15	6	13	19	28,000	114,000	142,000
Tauranga	76	16	92	49	14	63	72	16	88	314,000	134,000	448,000
Rotorua	78	6	84	55	4	59	78	6	84	335,000	52,000	387,000
Whakatane	25	0	25	22	0	22	29	0	29	125,000	0	125,000
Kawerau	22	0	22	14	0	14	18	0	18	77,000	0	77,000
Opotiki	10	0	10	5	0	5	7	0	7	31,000	0	31,000
Gisborne	67	2	69	51	1	52	68	2	70	306,000	14,000	320,000
Wairoa	7	0	7	8	0	8	10	0	10	45,000	0	45,000
Hastings	62	3	65	53	1	54	69	1	70	301,000	8,000	309,000

TLA	Applications Approved			Properties Bought			Grants Paid			\$ Paid		
	Existing	New	Total	Existing	New	Total	Existing	New	Total	Existing	New	Total
Napier	62	0	62	48	0	48	68	0	68	288,000	0	288,000
Ctrl Hawkes Bay	24	5	29	25	3	28	30	5	35	134,000	46,000	180,000
New Plymouth	98	2	100	68	2	70	93	2	95	392,000	12,000	404,000
Stratford	13	1	14	10	1	11	14	1	15	56,000	8,000	64,000
South Taranaki	39	1	40	30	1	31	35	1	36	158,000	10,000	168,000
Ruapehu	23	2	25	20	2	22	24	2	26	105,000	20,000	125,000
Wanganui	76	4	80	49	2	51	63	2	65	273,000	16,000	289,000
Rangitikei	40	0	40	35	0	35	44	0	44	204,000	0	204,000
Manawatu	73	6	79	45	4	49	65	7	72	283,000	64,000	347,000
Palmerston Nth	155	7	162	122	6	128	163	8	171	710,000	70,000	780,000
Tararua	33	3	36	25	2	27	33	3	36	150,000	28,000	178,000
Horowhenua	58	5	63	39	3	42	57	4	61	249,000	36,000	285,000
Kapiti Coast	29	14	43	26	9	35	36	14	50	158,000	108,000	266,000
Porirua	43	0	43	36	1	37	49	1	50	212,000	10,000	222,000
Upper Hutt	68	1	69	53	1	54	78	1	79	345,000	10,000	355,000
Lower Hutt	141	7	148	92	6	98	129	9	138	548,000	86,000	634,000
Wellington	52	6	58	42	3	45	56	5	61	253,000	42,000	295,000
Masterton	34	1	35	25	1	26	34	1	35	155,000	10,000	165,000
Carterton	1	4	5	0	2	2	0	4	4	0	30,000	30,000
South Wairarapa	9	1	10	4	1	5	7	1	8	34,000	6,000	40,000
Tasman	35	8	43	23	6	29	34	9	43	158,000	80,000	238,000
Nelson	46	10	56	34	8	42	46	14	60	192,000	120,000	312,000
Marlborough	69	9	78	48	10	58	64	16	80	276,000	124,000	400,000
Kaikoura	2	2	4	2	0	2	2	0	2	10,000	0	10,000
Buller	10	0	10	5	0	5	6	0	6	28,000	0	28,000
Grey	23	1	24	13	1	14	17	1	18	74,000	6,000	80,000
Westland	13	4	17	10	2	12	13	4	17	50,000	38,000	88,000
Hurunui	7	2	9	7	1	8	10	2	12	43,000	16,000	59,000
Waimakariri	69	35	104	49	20	69	69	34	103	309,000	288,000	597,000
Christchurch	503	60	563	337	53	390	455	77	532	2,037,000	658,000	2,695,000
Selwyn	24	84	108	20	57	77	30	97	127	128,000	846,000	974,000
Ashburton	53	7	60	36	4	40	47	7	54	196,000	50,000	246,000
Timaru	56	0	56	54	0	54	68	0	68	301,000	0	301,000
MacKenzie	0	0	0	1	0	1	2	0	2	9,000	0	9,000
Waimate	6	0	6	5	0	5	7	0	7	28,000	0	28,000
Chatham Islands	0	0	0	0	0	0	0	0	0	0	0	0
Waitaki	19	0	19	15	0	15	19	0	19	79,000	0	79,000
Central Otago	18	1	19	12	1	13	17	1	18	75,000	10,000	85,000
Queenstown Lakes	3	3	6	3	3	6	5	5	10	24,000	38,000	62,000
Dunedin	172	9	181	119	4	123	162	8	170	723,000	74,000	797,000
Clutha	27	1	28	24	1	25	31	1	32	135,000	6,000	141,000
Southland	32	2	34	25	1	26	32	2	34	143,000	16,000	159,000
Gore	32	1	33	25	1	26	29	1	30	135,000	10,000	145,000
Invercargill	120	3	123	92	2	94	114	3	117	492,000	30,000	522,000
Total	3,518	532	4,050	2,542	355	2,897	3,443	541	3,984	15,122,000	4,638,000	19,760,000

	Oct - Dec 2016	Jan – Mar 2017	Apr - Jun 2017	Jul – Sept 2017	Total for last 4 quarters	Total since 1 Apr 2015
Total HomeStart grants paid	\$22,170,000	\$17,248,000	\$19,582,000	\$19,760,000	\$75,328,000	\$148,139,000
Existing properties	\$17,058,000	\$13,716,000	\$15,058,000	\$15,122,000	\$58,428,000	\$118,569,000
New properties	\$5,112,000	\$3,532,000	\$4,524,000	\$4,638,000	\$16,900,000	\$29,570,000
Average individual grant for new build	\$8,506	\$8,721	\$8,667	\$8,573	\$8,606	\$8,946
Average individual grant for existing properties	\$4,336	\$4,357	\$4,377	\$4,392	\$4,364	\$4,455
Average amount paid out per new build	\$12,877	\$12,797	\$12,708	\$13,065	\$12,866	\$11,804
Average amount paid out per existing property	\$5,818	\$5,887	\$6,002	\$5,949	\$5,910	\$5,4174

Average subsidy/grant payments from July 2014 to June 2017

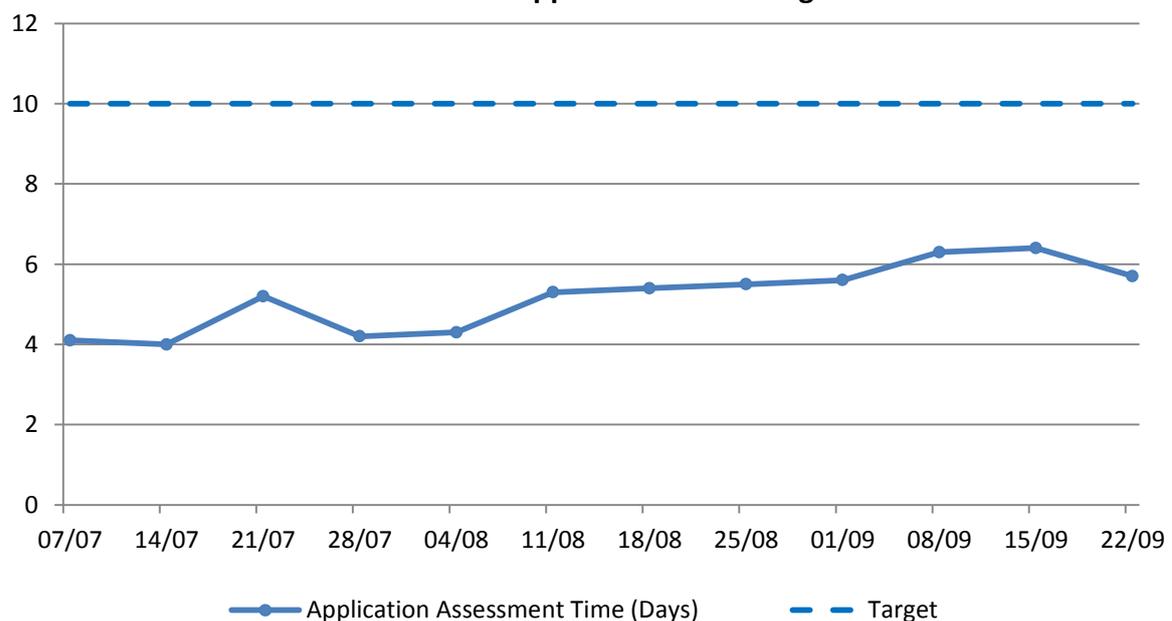
KiwiSaver deposit subsidy average amounts paid out from Jul 2014 to Mar 2015

	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 September 2017

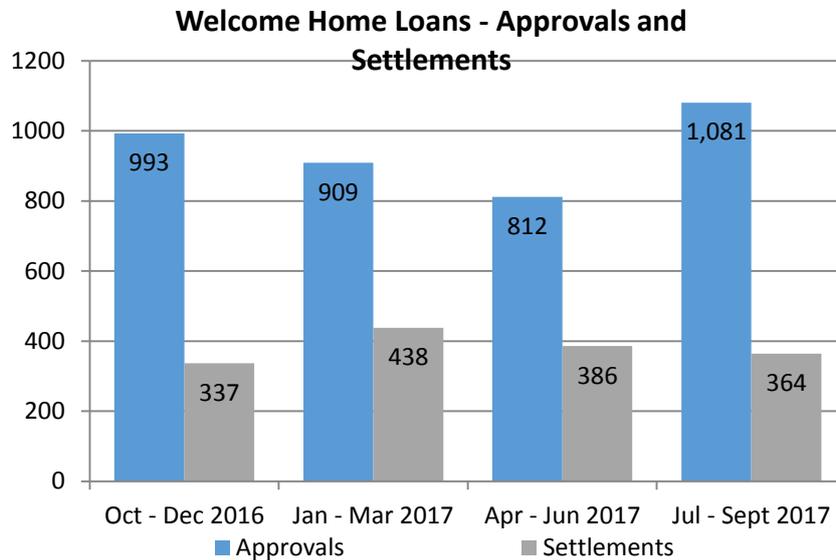
Average (\$)	Apr 2015	May 2015	Jun 2015	Jul 2015	Aug 2015	Sep 2015	Oct 2015	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016
	4,720	4,645	4,519	4,679	4,663	4,634	4,682	4,725	4,715	4,669	4,667	4,590
Average (\$)	Apr 2016	May 2016	Jun 2016	Jul 2016	Aug 2016	Sept 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017
	4,706	4,770	4,849	4,857	4,820	4,928	4,934	4,872	4,870	4,817	4,866	4,861
Average (\$)	Apr 2017	May 2017	Jun 2017	Jul 2017	Aug 2017	Sept 2017						
	4,863	4,972	4,980	4,936	5,028	4,911						

KiwiSaver HomeStart Application Processing Time



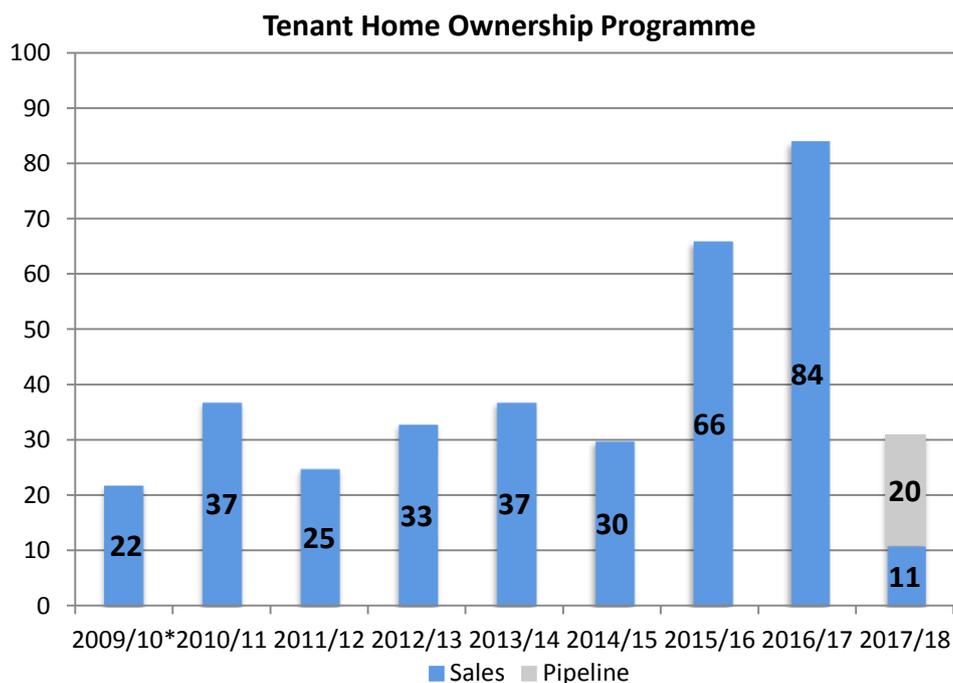
Welcome Home Loans

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

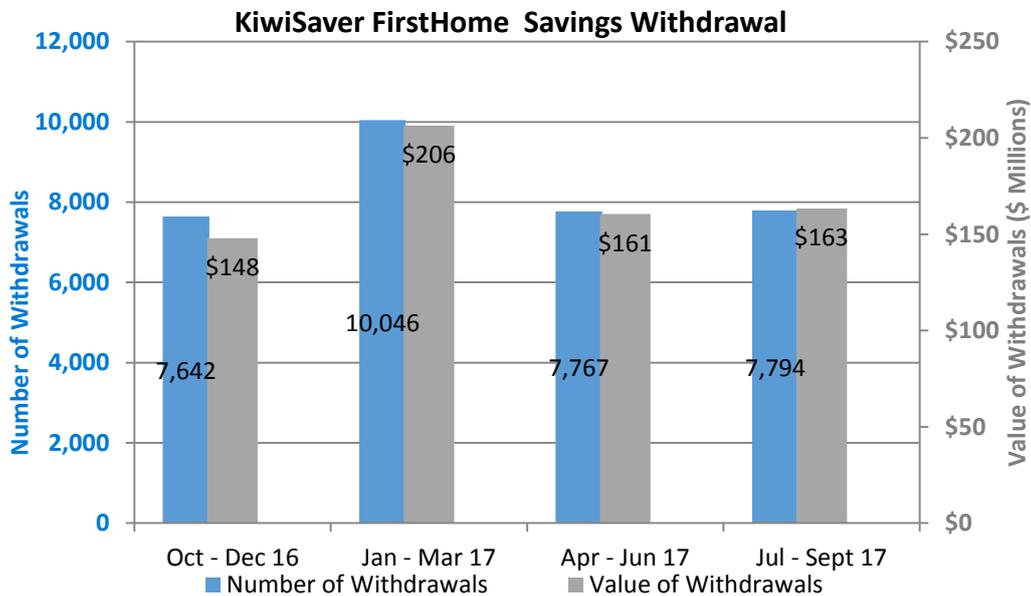
Housing New Zealand also offers its tenants the opportunity to purchase the house they rent. Not all properties are for sale, particularly in high-demand areas. However, tenants who live in houses that are not for sale but wish to buy a house will be given the option to buy other Housing New Zealand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



* 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.

