

Financial Products Quarterly Report

Period Ending 30 September 2019

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 grant provides eligible first-home buyers with a grant of up to \$5,000 for individuals and up to \$10,000 for two or more buyers to put towards the purchase of an existing/older home.

In addition, the First Home Grant also provides eligible first-home buyers with a grant of up to \$10,000 each for individuals and two or more buyers (such as couples or multi-generational households), 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Quarter	Received	Approved	Pre-Approval	Declined, Withdrawn and Other	In process at quarter's end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 2018	8,371	4,577	4,739	2,064	221
Jan – Mar 2019	9,875	4,194	5,677	2,299	316
Apr – June 2019	9,102	4,492	5,201	2,240	336
Jul - Sep 2019	10,618	4,300	6,293	2,495	465

First Home Grant Overview by Territorial Local Authority (TLA) July 2019 to September 2019

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	27	0	27	24	0	24	32	0	32	146,000	0	146,000
Whangarei District	45	23	68	39	16	55	52	24	76	242,000	204,000	446,000
Kaipara District	17	1	18	12	1	13	16	1	17	76,000	10,000	86,000
Auckland	339	280	619	219	176	395	301	257	558	1,334,000	2,298,000	3,632,000
Thames-Coromandel District	3	2	5	5	1	6	6	2	8	23,000	20,000	43,000
Hauraki District	19	0	19	10	1	11	12	2	14	57,000	20,000	77,000
Waikato District	52	2	54	36	1	37	52	2	54	240,000	20,000	260,000
Matamata-Piako District	17	1	18	10	1	11	18	1	19	82,000	10,000	92,000
Hamilton City	156	24	180	102	12	114	150	19	169	672,000	178,000	850,000
Waipa District	14	6	20	8	5	13	11	8	19	52,000	74,000	126,000
Otorohanga District	8	0	8	5	0	5	8	0	8	37,000	0	37,000
South Waikato District	50	0	50	41	0	41	54	0	54	234,000	0	234,000
Waitomo District	9	0	9	6	0	6	8	0	8	33,000	0	33,000
Taupo District	29	1	30	22	1	23	31	1	32	141,000	10,000	151,000
Western Bay Of Plenty District	28	28	56	21	17	38	27	27	54	126,000	242,000	368,000
Tauranga City	59	58	117	44	33	77	68	49	117	298,000	418,000	716,000
Rotorua District	77	2	79	57	2	59	80	3	83	354,000	28,000	382,000
Whakatane District	52	2	54	30	0	30	41	0	41	186,000	0	186,000

	Applications Approved			Properties Bought			Grants Paid			Grants Paid \$		
TLA	Existing House	New Build	Total	Existing House	New Build	Total	Existing House	New Build	Total	Existing House	New Build	\$ Total
Kawerau District	15	0	15	11	0	11	15	0	15	66,000	0	66,000
Opotiki District	5	2	7	4	0	4	4	0	4	18,000	0	18,000
Gisborne District	48	3	51	49	2	51	66	3	69	302,000	24,000	326,000
Wairoa District	17	0	17	12	0	12	19	0	19	88,000	0	88,000
Hastings District	60	3	63	43	1	44	61	1	62	270,000	8,000	278,000
Napier City	54	3	57	39	2	41	54	3	57	250,000	24,000	274,000
Central Hawkes Bay District	20	7	27	19	6	25	26	8	34	119,000	70,000	189,000
New Plymouth District	67	13	80	53	9	62	72	15	87	331,000	132,000	463,000
Stratford District	16	0	16	10	0	10	13	0	13	59,000	0	59,000
South Taranaki District	45	1	46	36	1	37	46	1	47	203,000	10,000	213,000
Ruapehu District	19	1	20	16	1	17	21	1	22	97,000	10,000	107,000
Whanganui District	84	4	88	63	1	64	84	2	86	367,000	20,000	387,000
Rangitikei District	28	5	33	23	4	27	32	7	39	150,000	60,000	210,000
Manawatu District	38	4	42	25	3	28	35	4	39	160,000	40,000	200,000
Palmerston North District	90	8	98	64	5	69	90	7	97	406,000	68,000	474,000
Tararua District	44	0	44	32	0	32	43	0	43	189,000	0	189,000
Horowhenua District	43	0	43	33	1	34	45	1	46	199,000	10,000	209,000
Kapiti Coast District	22	4	26	18	2	20	26	4	30	118,000	34,000	152,000
Porirua City	33	0	33	23	0	23	31	0	31	149,000	0	149,000
Upper Hutt City	23	14	37	21	7	28	29	10	39	134,000	98,000	232,000
Lower Hutt City	97	24	121	66	9	75	91	14	105	418,000	126,000	544,000
Wellington City	21	28	49	17	16	33	24	24	48	112,000	210,000	322,000
Masterton District	57	5	62	38	3	41	54	5	59	240,000	48,000	288,000
Carterton District	6	2	8	3	1	4	4	1	5	19,000	10,000	29,000
South Wairarapa District	2	2	4	3	0	3	5	0	5	22,000	0	22,000
Tasman District	28	5	33	12	7	19	16	8	24	74,000	76,000	150,000
Nelson City	59	13	72	43	8	51	62	16	78	290,000	150,000	440,000
Marlborough District	49	3	52	38	2	40	55	4	59	253,000	32,000	285,000
Kaikoura District	7	0	7	5	0	5	6	0	6	24,000	0	24,000
Buller District	14	1	15	11	1	12	15	1	16	70,000	10,000	80,000
Grey District	27	5	32	20	2	22	24	3	27	108,000	30,000	138,000
Westland District	9	5	14	7	2	9	9	2	11	40,000	20,000	60,000

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	13	2	15	7	1	8	10	2	12	46,000	16,000	62,000
Waimakariri District	93	62	155	65	36	101	94	63	157	428,000	566,000	994,000
Christchurch City	594	129	723	412	86	498	571	128	699	2,580,000	1,126,000	3,706,000
Selwyn District	42	110	152	33	80	113	47	122	169	206,000	1,066,000	1,272,000
Ashburton District	57	2	59	39	2	41	51	3	54	226,000	30,000	256,000
Timaru District	96	0	96	71	1	72	94	1	95	428,000	10,000	438,000
MacKenzie District	4	0	4	3	0	3	5	0	5	20,000	0	20,000
Waimate District	7	0	7	5	0	5	6	0	6	29,000	0	29,000
Chatham Island District	0	0	0	0	0	0	0	0	0	0	0	0
Waitaki District	53	0	53	40	0	40	50	0	50	229,000	0	229,000
Central Otago District	19	3	22	10	2	12	14	4	18	60,000	36,000	96,000
Queenstown Lakes District	1	4	5	0	4	4	0	6	6	0	60,000	60,000
Dunedin City	79	3	82	59	1	60	82	2	84	367,000	16,000	383,000
Clutha District	28	3	31	17	2	19	25	3	28	111,000	20,000	131,000
Southland District	23	4	27	21	3	24	26	4	30	117,000	38,000	155,000
Gore District	19	1	20	18	1	19	22	1	23	95,000	6,000	101,000
Invercargill City	102	4	106	82	3	85	102	4	106	470,000	40,000	510,000
Grand Total	3,378	922	4,300	2429	585	3014	3,343	884	4,227	15,090,000	7,882,000	22,972,000

First Home Grant Summary – October 2018 to September 2019

	Oct – Dec 2018	Jan – Mar 2019	Apr – June 2019	Jul – Sept 2019	Total for last 4 quarters	Total since 1 Apr 2015
Total HomeStart grants paid	\$22,724,000	\$18,272,000	\$21,237,000	\$22,972,000	\$85,205,000	\$355,383,000
Existing properties	\$17,336,000	\$14,046,000	\$15,843,000	\$15,090,000	\$62,315,000	\$260,423,000
New properties	\$5,388,000	\$4,226,000	\$5,394,000	\$7,882,000	\$22,890,000	\$76,688,000
Average individual grant for new build	\$8,847	\$8,897	\$8,886	\$8,916	\$8,887	\$8,691
Average individual grant for existing properties	\$4,461	\$4,496	\$4,472	\$4,514	\$4,486	\$4,376
Average amount paid out per new build	\$13,206	\$13,003	\$13,587	\$13,474	\$13,318	\$12,971
Average amount paid out per existing property	\$6,183	\$6,155	\$6,279	\$6,212	\$6,207	\$5,943

Average subsidy/grant payments from July 2014 to March 2019

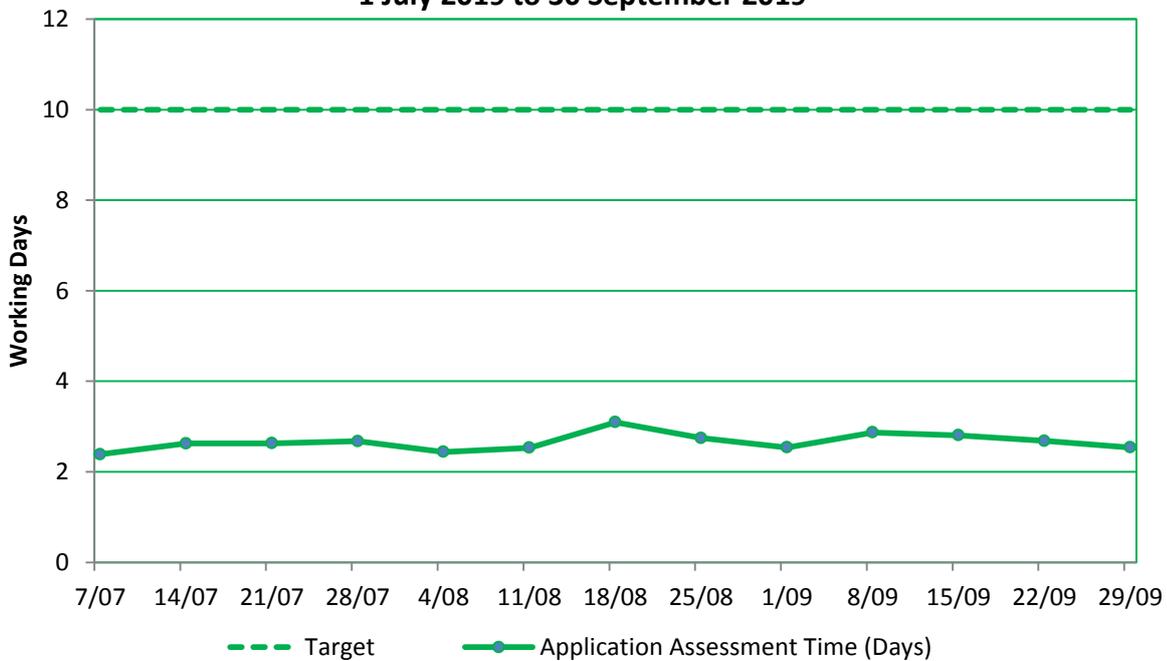
KiwiSaver deposit subsidy average amounts paid out from Jul 2014 to Mar 2015

	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 Sept 2019

	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	-	-	-	-	-	-

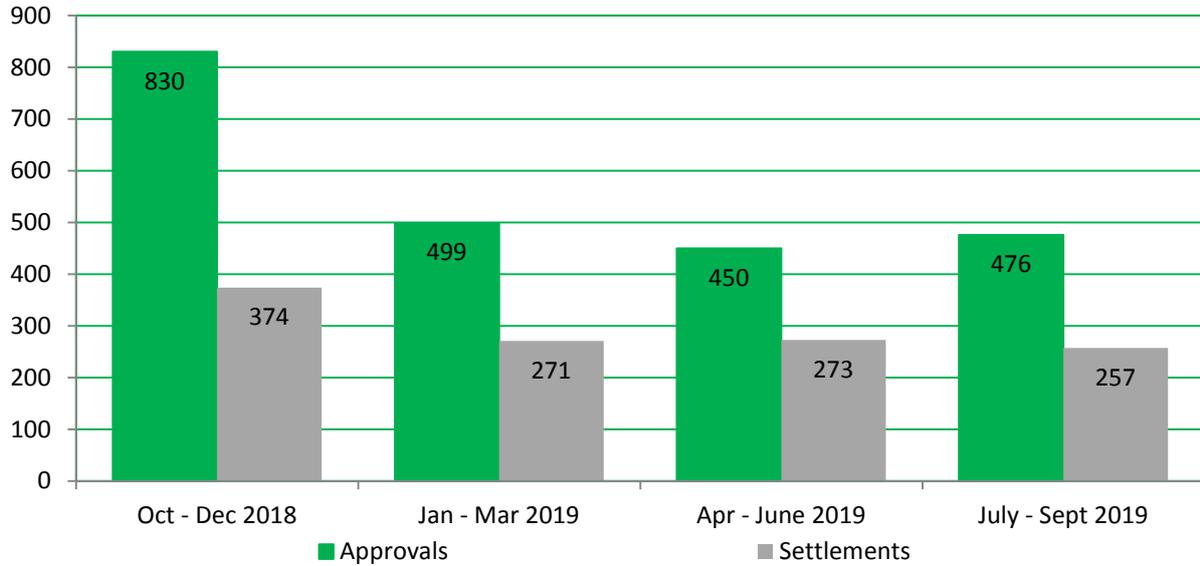
KiwiSaver First Home Grant Application Processing Time 1 July 2019 to 30 September 2019



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. With First Home Loans you only need a 5 percent deposit, not a 10 or 20 percent deposit as required by most lenders. Kāinga Ora does not issue the loan. This is done through normal 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.

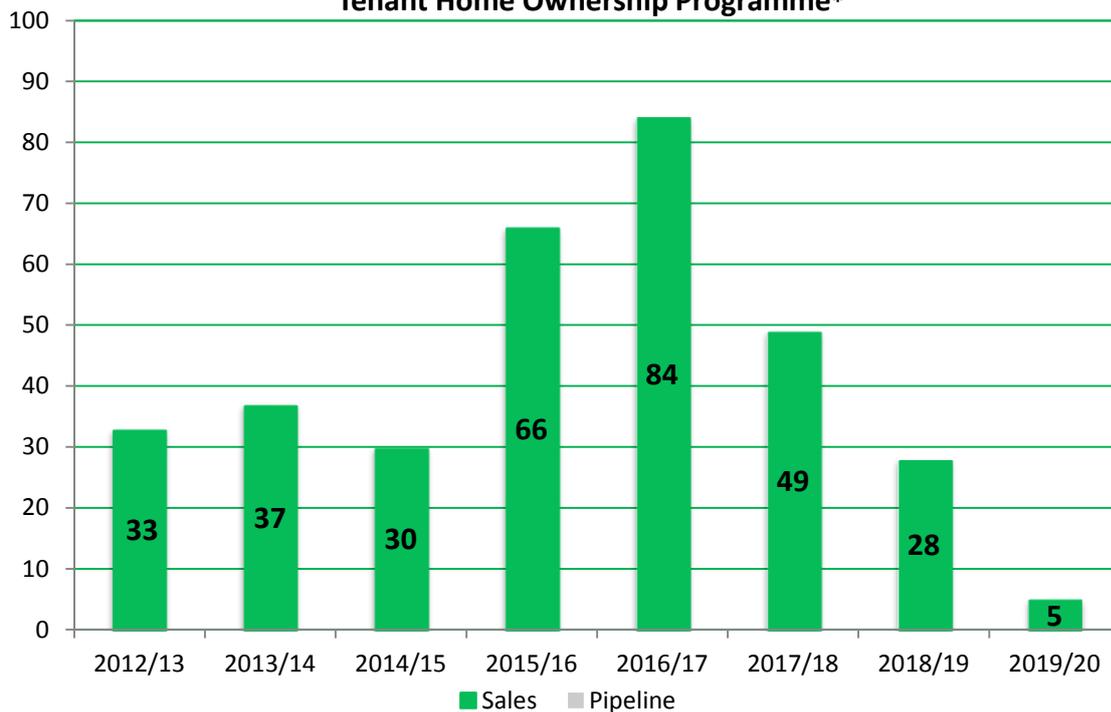
First Home Loans - Approvals and Settlements



Tenant Home Ownership

Kāinga Ora 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 Kāinga Ora properties that have been identified as suitable for sale.

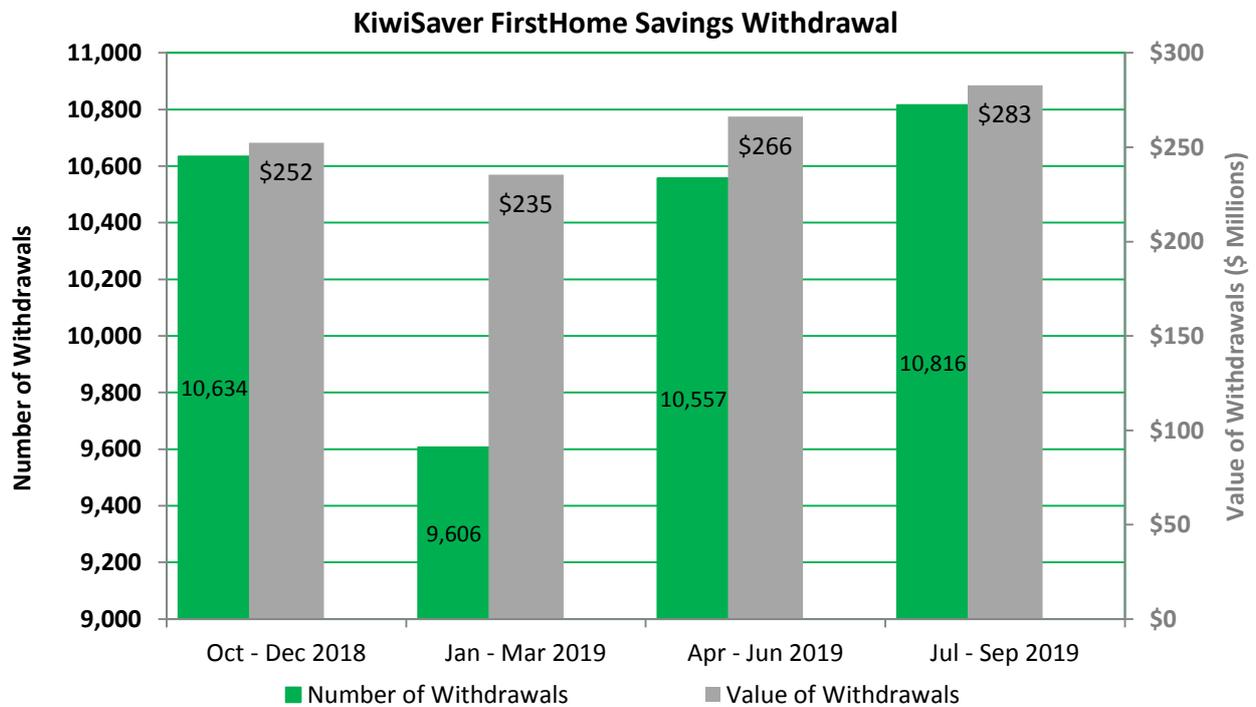
Tenant Home Ownership Programme*



* 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 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. 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 Kāinga Ora 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.

Previous Owner Savings Withdrawal Applications October 2018 to September 2019

