

Financial Products Quarterly Report

Period Ending 31 December 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Quarter	Received	Approved	Pre-Approval	Declined, Withdrawn and Other	In process at quarter's end
Jan - Mar 2019	9,875	4,194	5,677	2,299	316
Apr - Jun 2019	9,102	4,492	5,201	2,240	336
Jul - Sep 2019	10,618	4,300	6,293	2,495	465
Oct - Dec 2019	9,047	4,529	5,588	2,228	335

First Home Grant Overview by Territorial Local Authority (TLA) October 2019 to December 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	37	4	41	22	1	23	30	2	32	136,000	20,000	156,000
Whangarei District	37	10	47	21	5	26	29	6	35	125,000	54,000	179,000
Kaipara District	14	0	14	14	0	14	17	0	17	81,000	0	81,000
Auckland	307	386	693	200	215	415	285	327	612	1,311,000	2,960,000	4,271,000
Thames-Coromandel District	1	2	3	1	1	2	1	2	3	3,000	20,000	23,000
Hauraki District	16	0	16	12	0	12	15	0	15	72,000	0	72,000
Waikato District	20	3	23	18	1	19	25	2	27	110,000	18,000	128,000
Matamata-Piako District	14	5	19	10	3	13	15	5	20	66,000	40,000	106,000
Hamilton City	143	36	179	94	19	113	139	27	166	626,000	228,000	854,000
Waipa District	19	10	29	14	5	19	21	8	29	94,000	74,000	168,000
Otorohanga District	10	0	10	7	0	7	10	0	10	44,000	0	44,000
South Waikato District	28	0	28	20	0	20	23	0	23	104,000	0	104,000
Waitomo District	16	0	16	11	0	11	16	0	16	72,000	0	72,000
Taupo District	36	3	39	24	1	25	33	2	35	140,000	20,000	160,000
Western Bay Of Plenty District	36	30	66	23	16	39	34	29	63	158,000	244,000	402,000
Tauranga City	60	66	126	37	40	77	52	69	121	237,000	608,000	845,000
Rotorua District	70	2	72	41	1	42	60	1	61	269,000	8,000	277,000
Whakatane District	24	1	25	23	0	23	31	0	31	145,000	0	145,000

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
Kawerau District	10	1	11	8	0	8	11	0	11	51,000	0	51,000
Opotiki District	5	0	5	3	1	4	4	2	6	18,000	18,000	36,000
Gisborne District	43	2	45	32	1	33	42	2	44	185,000	16,000	201,000
Wairoa District	9		9	5		5	8		8	32,000		32,000
Hastings District	63	3	66	42	2	44	60	3	63	266,000	28,000	294,000
Napier City	36	4	40	21	1	22	29	2	31	130,000	20,000	150,000
Central Hawkes Bay District	23	2	25	14	1	15	20	2	22	85,000	20,000	105,000
New Plymouth District	78	21	99	62	12	74	81	19	100	360,000	154,000	514,000
Stratford District	10	0	10	12	0	12	13	0	13	59,000	0	59,000
South Taranaki District	47	3	50	26	2	28	37	3	40	162,000	24,000	186,000
Ruapehu District	17	0	17	15	0	15	17	0	17	77,000	0	77,000
Whanganui District	87	9	96	62	4	66	78	6	84	360,000	54,000	414,000
Rangitikei District	25	0	25	23	0	23	29	0	29	140,000	0	140,000
Manawatu District	45	4	49	23	2	25	38	3	41	177,000	26,000	203,000
Palmerston North District	109	5	114	65	4	69	103	7	110	449,000	62,000	511,000
Tararua District	24	0	24	23	0	23	26	0	26	113,000	0	113,000
Horowhenua District	52	2	54	33	1	34	46	2	48	205,000	16,000	221,000
Kapiti Coast District	30	0	30	22	0	22	32	0	32	146,000	0	146,000
Porirua City	24	3	27	14	2	16	21	2	23	102,000	16,000	118,000
Upper Hutt City	34	3	37	20	2	22	27	3	30	120,000	26,000	146,000
Lower Hutt City	96	16	112	63	10	73	97	18	115	434,000	162,000	596,000
Wellington City	23	17	40	19	11	30	24	14	38	113,000	138,000	251,000
Masterton District	40	6	46	28	2	30	43	4	47	188,000	40,000	228,000
Carterton District	6	1	7	6	3	9	8	4	12	34,000	36,000	70,000
South Wairarapa District	8	1	9	6	2	8	8	3	11	37,000	24,000	61,000
Tasman District	37	5	42	27	2	29	38	2	40	174,000	18,000	192,000
Nelson City	71	6	77	39	3	42	51	4	55	230,000	36,000	266,000
Marlborough District	44	8	52	28	5	33	34	8	42	151,000	74,000	225,000
Kaikoura District	3	1	4	2	1	3	3	1	4	15,000	10,000	25,000
Buller District	8	0	8	9	0	9	9	0	9	42,000	0	42,000
Grey District	37	0	37	24	1	25	29	2	31	137,000	20,000	157,000
Westland District	7	2	9	4	3	7	4	6	10	19,000	56,000	75,000

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	14	1	15	6	1	7	9	1	10	40,000	10,000	50,000
Waimakariri District	81	49	130	62	35	97	85	55	140	379,000	490,000	869,000
Christchurch City	718	144	862	441	86	526	606	124	730	2,752,000	1,110,000	3,862,000
Selwyn District	53	169	222	23	88	111	34	134	168	155,000	1,196,000	1,351,000
Ashburton District	62	5	67	41	3	44	55	5	60	242,000	46,000	288,000
Timaru District	92	2	94	66	1	67	87	2	89	390,000	14,000	404,000
MacKenzie District	1	2	3	1	1	2	1	2	3	5,000	20,000	25,000
Waimate District	13	0	13	8	0	8	11	0	11	52,000	0	52,000
Chatham Island District	0	0	0	0	0	0	0	0	0	0	0	0
Waitaki District	32	0	32	22	0	22	28	0	28	128,000	0	128,000
Central Otago District	12	8	20	6	3	9	8	6	14	38,000	52,000	90,000
Queenstown Lakes District	1	7	8	2	3	5	2	5	7	10,000	42,000	52,000
Dunedin City	109	2	111	73	3	76	101	3	104	452,000	28,000	480,000
Clutha District	23	3	26	24	2	26	31	3	34	142,000	30,000	172,000
Southland District	40	1	41	25	1	26	35	1	36	156,000	10,000	166,000
Gore District	25	1	26	16	1	17	21	1	22	89,000	10,000	99,000
Invercargill City	131	6	137	93	5	98	125	8	133	556,000	70,000	626,000
Grand Total	3,446	1,083	4,529	2,281	619	2,899	3,145	952	4,097	14,190,000	8,516,000	22,706,000

First Home Grant Summary – January 2019 to December 2019

	Jan – Mar 2019	Apr – June 2019	Jul – Sept 2019	Oct – Dec 2019	Total for last 4 quarters	Total since 1 Apr 2015
Total HomeStart grants paid	\$18,272,000	\$21,237,000	\$22,972,000	\$22,706,000	\$85,187,000	\$378,089,000
Existing properties	\$14,046,000	\$15,843,000	\$15,090,000	\$14,190,000	\$59,169,000	\$260,423,000
New properties	\$4,226,000	\$5,394,000	\$7,882,000	\$8,516,000	\$26,018,000	\$85,204,000
Average individual grant for new build	\$8,897	\$8,886	\$8,916	\$8,945	\$8,911	\$8,704
Average individual grant for existing properties	\$4,496	\$4,472	\$4,514	\$4,512	\$4,499	\$4,383
Average amount paid out per new build	\$13,003	\$13,587	\$13,474	\$13,758	\$13,456	\$13,012
Average amount paid out per existing property	\$6,155	\$6,279	\$6,212	\$6,221	\$6,217	\$5,957

Average subsidy/grant payments from July 2014 to March 2019

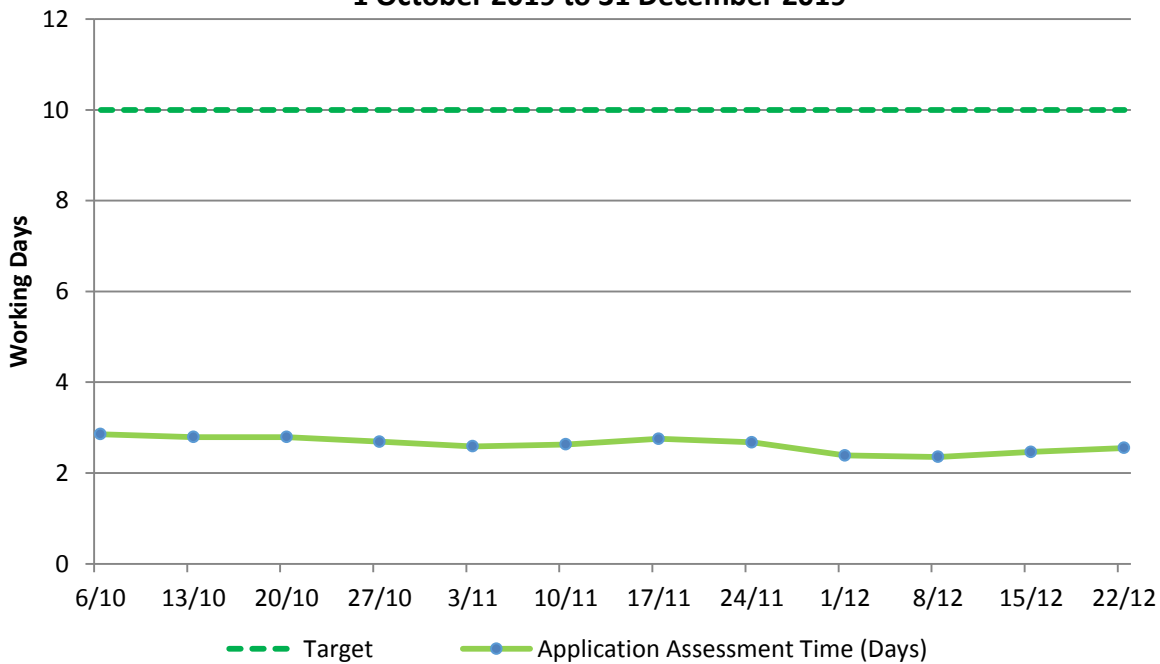
KiwiSaver deposit subsidy average amounts paid out from Jul 2014 to Mar 2015

	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 Dec 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	5,459	5,591	5,576	-	-	-

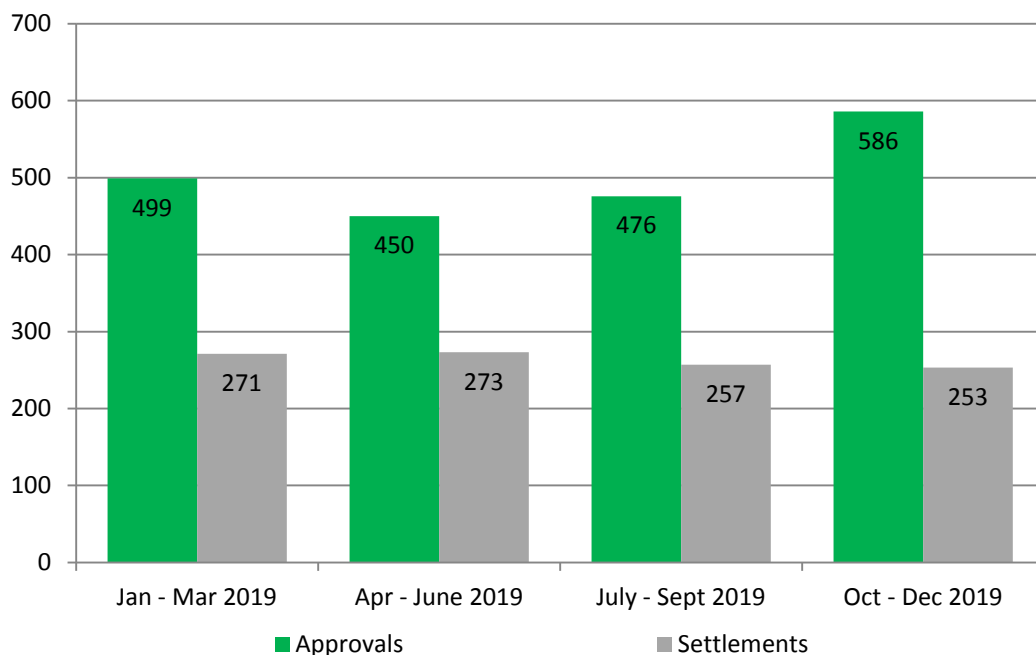
First Home Grant Application Processing Time 1 October 2019 to 31 December 2019



First Home Loans

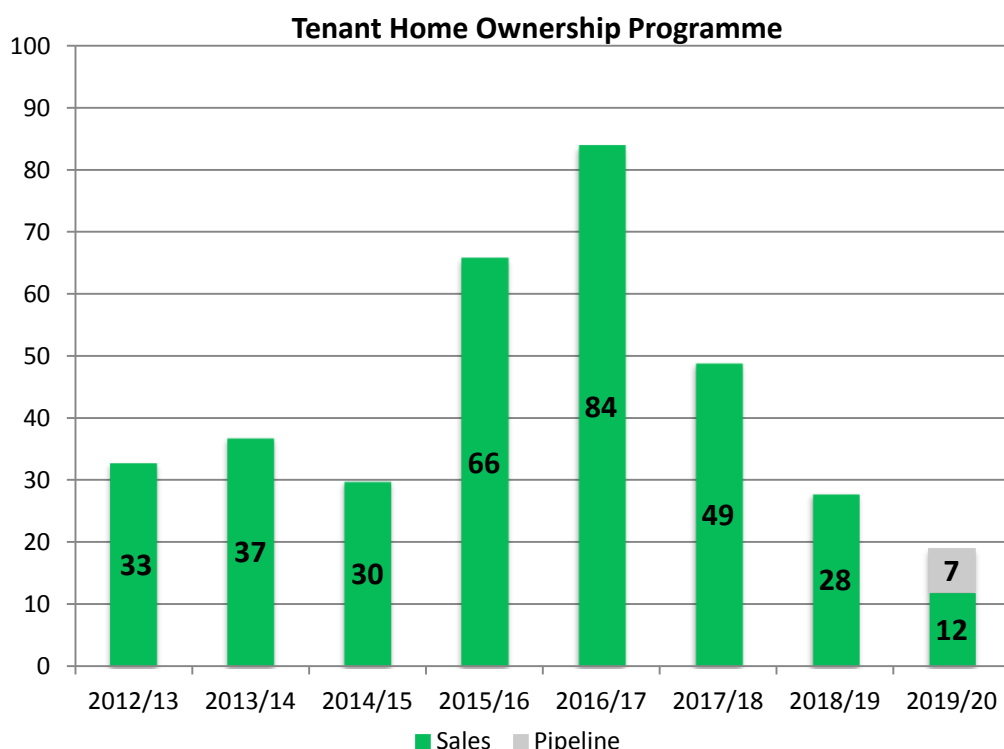
First Home Loans (known as Welcome Home Loans prior to 1 October 2019) are offered by lenders, supported by Kāinga Ora, and, designed for first-home buyers who can afford to make regular repayments on a home loan, but have trouble saving for a large deposit. First Home Loans only need a 5 per cent deposit, not a ten or twenty per cent deposit as required by most lenders. Kāinga Ora does not issue the loan. This is done through 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

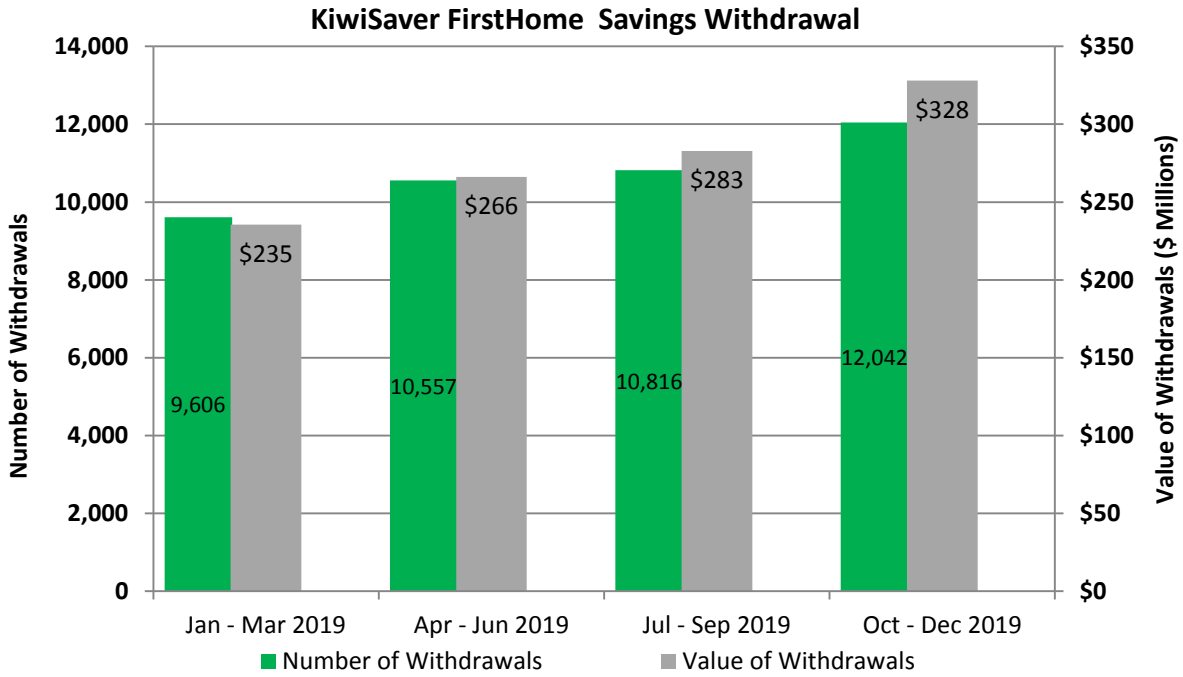
Kāinga Ora may at times offer its tenants the opportunity to purchase the house they rent. Not all properties are for sale, particularly in high-demand areas. However, tenants who live in houses that are not for sale but wish to buy a house may be given the option to buy other Kāinga Ora properties that 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 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, except for \$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 written to assist with their application to withdraw their contributions. The number of applications approved increased beginning with the July – September 2019 quarter, following the removal of the income cap test on 1 July 2016.

Previous Owner Savings Withdrawal Applications January to December 2019

