

Financial Products Quarterly Report

Period Ending 31 December 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Quarter	Received	Approved	Pre-Approval	Declined, Withdrawn and Other	In process at quarter's end
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
Oct – Dec 2017	8,218	4,403	4,496	1,979	268

KiwiSaver HomeStart Grant Overview by Territorial Local Authority (TLA) October to December 2017

TLA	Applications Approved			Properties Bought			Grants Paid			\$ Paid		
	Existing	New	Total	Existing	New	Total	Existing	New	Total	Existing	New	Total
Far North	35	5	40	27	4	31	36	5	41	165,000	46,000	211,000
Whangarei	55	2	57	35	1	36	51	2	53	211,000	20,000	231,000
Kaipara	15	0	15	10	0	10	13	0	13	62,000	0	62,000
Auckland	330	128	458	202	90	292	292	129	421	1,252,000	1,160,000	2,412,000
Thames/Coromandel	6	1	7	4	1	5	5	1	6	20,000	10,000	30,000
Hauraki	21	1	22	15	1	16	21	1	22	93,000	10,000	103,000
Waikato	55	0	55	24	0	24	37	0	37	165,000	0	165,000
Matamata Piako	37	0	37	20	1	21	26	2	28	114,000	20,000	134,000
Hamilton	136	14	150	88	13	101	129	18	147	558,000	160,000	718,000
Waipa	35	0	35	30	0	30	43	0	43	195,000	0	195,000
Otorohanga	5	2	7	3	1	4	6	2	8	28,000	18,000	46,000
South Waikato	46	0	46	33	0	33	40	0	40	174,000	0	174,000
Waitomo	12	0	12	13	0	13	17	0	17	73,000	0	73,000
Taupo	38	2	40	29	1	30	37	2	39	160,000	20,000	180,000
Western BoP	25	16	41	14	13	27	20	19	39	90,000	166,000	256,000
Tauranga	80	20	100	48	10	58	72	15	87	323,000	140,000	463,000
Rotorua	75	3	78	53	3	56	71	4	75	315,000	38,000	353,000
Whakatane	26	0	26	16	0	16	21	0	21	96,000	0	96,000
Kawerau	23		23	16		16	22		22	93,000		93,000
Opotiki	4	1	5	5	1	6	6	1	7	24,000	10,000	34,000
Gisborne	62	0	62	57	0	57	71	0	71	311,000	0	311,000
Wairoa	8		8	7		7	8		8	34,000		34,000
Hastings	86	0	86	55	1	56	80	2	82	350,000	16,000	366,000

TLA	Applications Approved			Properties Bought			Grants Paid			\$ Paid		
	Existing	New	Total	Existing	New	Total	Existing	New	Total	Existing	New	Total
Napier	66	0	66	44	0	44	66	0	66	289,000	0	289,000
Ctrl Hawkes Bay	18	0	18	15	0	15	19	0	19	85,000	0	85,000
New Plymouth	80	4	84	58	1	59	81	2	83	346,000	18,000	364,000
Stratford	21	2	23	11	1	12	16	1	17	74,000	6,000	80,000
South Taranaki	47	1	48	33	1	34	39	1	40	170,000	8,000	178,000
Ruapehu	12	0	12	11	0	11	15	0	15	74,000	0	74,000
Wanganui	82	9	91	64	6	70	84	11	95	371,000	100,000	471,000
Rangitikei	34	4	38	29	0	29	38	0	38	166,000	0	166,000
Manawatu	54	0	54	38	0	38	52	0	52	233,000	0	233,000
Palmerston Nth	159	8	167	102	7	109	149	9	158	649,000	80,000	729,000
Tararua	33	1	34	27	1	28	35	1	36	154,000	8,000	162,000
Horowhenua	39	4	43	31	3	34	42	4	46	182,000	40,000	222,000
Kapiti Coast	43	6	49	24	1	25	32	2	34	137,000	20,000	157,000
Porirua	47	3	50	28	1	29	40	1	41	179,000	8,000	187,000
Upper Hutt	91	13	104	55	6	61	86	9	95	378,000	80,000	458,000
Lower Hutt	165	8	173	111	3	114	161	6	167	709,000	60,000	769,000
Wellington	60	13	73	45	11	56	58	16	74	250,000	142,000	392,000
Masterton	46	6	52	32	2	34	45	3	48	203,000	28,000	231,000
Carterton	10	0	10	2	0	2	3	0	3	9,000	0	9,000
South Wairarapa	6	2	8	5	1	6	7	2	9	30,000	18,000	48,000
Tasman	30	3	33	20	1	21	29	1	30	127,000	10,000	137,000
Nelson	57	2	59	43	0	43	58	0	58	260,000	0	260,000
Marlborough	71	11	82	47	6	53	71	9	80	304,000	74,000	378,000
Kaikoura	0	0	0	0	1	1	0	2	2	0	20,000	20,000
Buller	3	0	3	4	0	4	4	0	4	20,000	0	20,000
Grey	23	0	23	16	0	16	21	0	21	92,000	0	92,000
Westland	8	1	9	7	1	8	9	1	10	40,000	10,000	50,000
Hurunui	16	6	22	6	3	9	11	4	15	49,000	36,000	85,000
Waimakariri	82	35	117	46	21	67	66	36	102	293,000	332,000	625,000
Christchurch	596	87	683	393	41	434	553	62	615	2,404,000	544,000	2,948,000
Selwyn	36	62	98	20	36	56	30	61	91	129,000	516,000	645,000
Ashburton	59	7	66	41	4	45	54	6	60	234,000	44,000	278,000
Timaru	60	1	61	46	0	46	56	0	56	250,000	0	250,000
MacKenzie	3	0	3	2	0	2	3	0	3	15,000	0	15,000
Waimate	13	0	13	11	0	11	13	0	13	51,000	0	51,000
Chatham Islands	0		0	0		0	0		0	0		0
Waitaki	36	4	40	26	3	29	36	4	40	153,000	38,000	191,000
Central Otago	10	4	14	8	2	10	11	4	15	46,000	36,000	82,000
Queenstown Lakes	5	7	12	1	5	6	2	8	10	9,000	68,000	77,000
Dunedin	221	3	224	158	4	162	219	6	225	947,000	46,000	993,000
Clutha	31	2	33	24	1	25	32	2	34	135,000	18,000	153,000
Southland	29	2	31	21	1	22	26	1	27	115,000	8,000	123,000
Gore	31	0	31	25	0	25	32	0	32	134,000	0	134,000
Invercargill	134	5	139	96	3	99	123	6	129	539,000	50,000	589,000
Total	3,882	521	4,403	2630	319	2949	3,651	484	4,135	15,940,000	4,300,000	20,240,000

	Jan – Mar 2017	Apr - Jun 2017	Jul – Sept 2017	Oct – Dec 2017	Total for last 4 quarters	Total since 1 Apr 2015
Total HomeStart grants paid	\$17,248,000	\$19,582,000	\$19,760,000	\$20,240,000	\$75,328,000	\$168,379,000
Existing properties	\$13,716,000	\$15,058,000	\$15,122,000	\$15,940,000	\$58,428,000	\$134,509,000
New properties	\$3,532,000	\$4,524,000	\$4,638,000	\$4,300,000	\$16,900,000	\$33,870,000
Average individual grant for new build	\$8,721	\$8,667	\$8,573	\$8,884	\$8,606	\$8,939
Average individual grant for existing properties	\$4,357	\$4,377	\$4,392	\$3,651	\$4,364	\$4,446
Average amount paid out per new build	\$12,797	\$12,708	\$13,065	\$13,480	\$12,866	\$11,970
Average amount paid out per existing property	\$5,887	\$6,002	\$5,949	\$6,061	\$5,910	\$5,531

Average subsidy/grant payments from July 2014 to December 2017

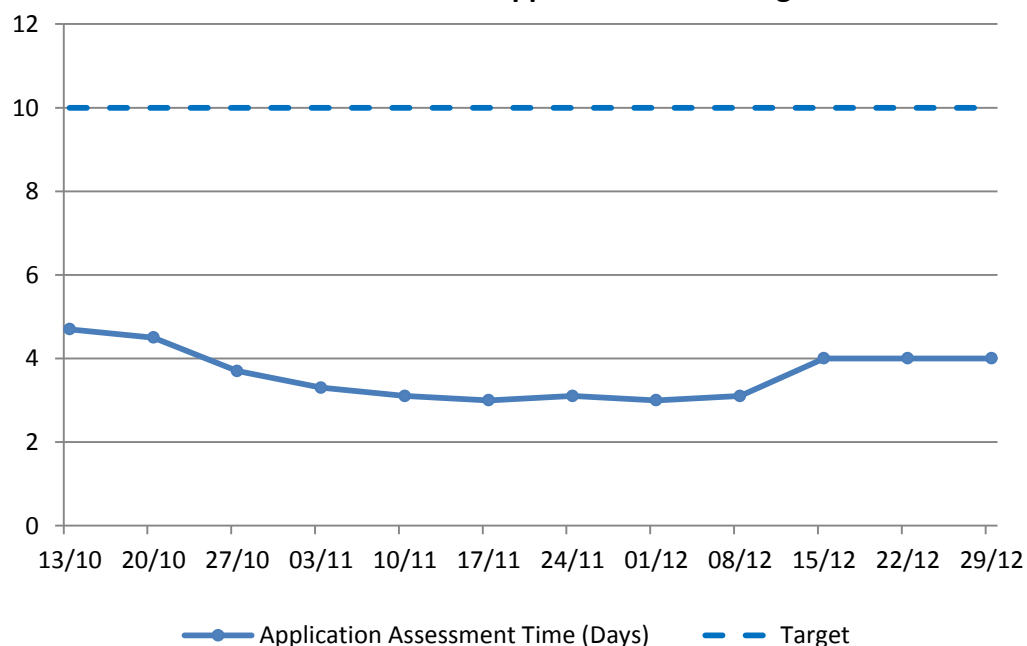
KiwiSaver deposit subsidy average amounts paid out from Jul 2014 to Mar 2015

	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 December 2017

	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			
Average (\$)	4,863	4,972	4,980	4,936	5,028	4,911	4,896	4,904	4,885			

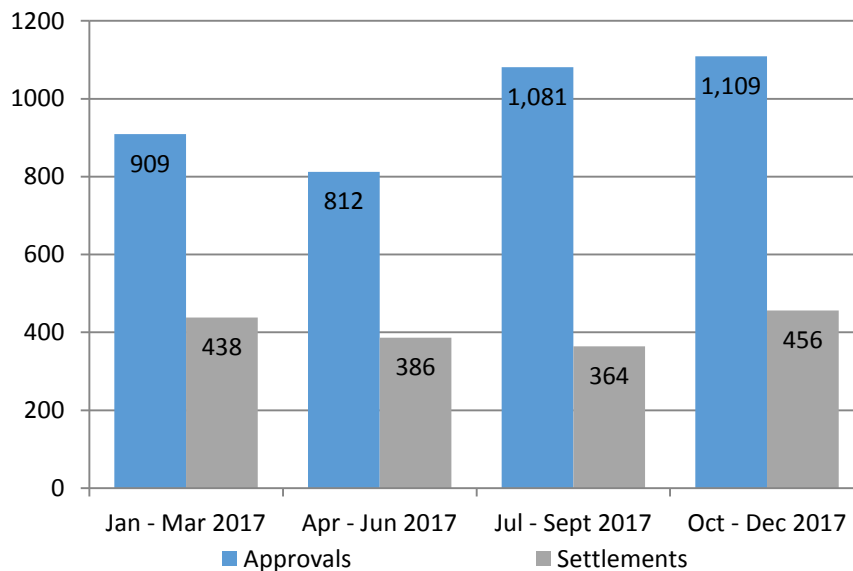
KiwiSaver HomeStart Application Processing Time



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.

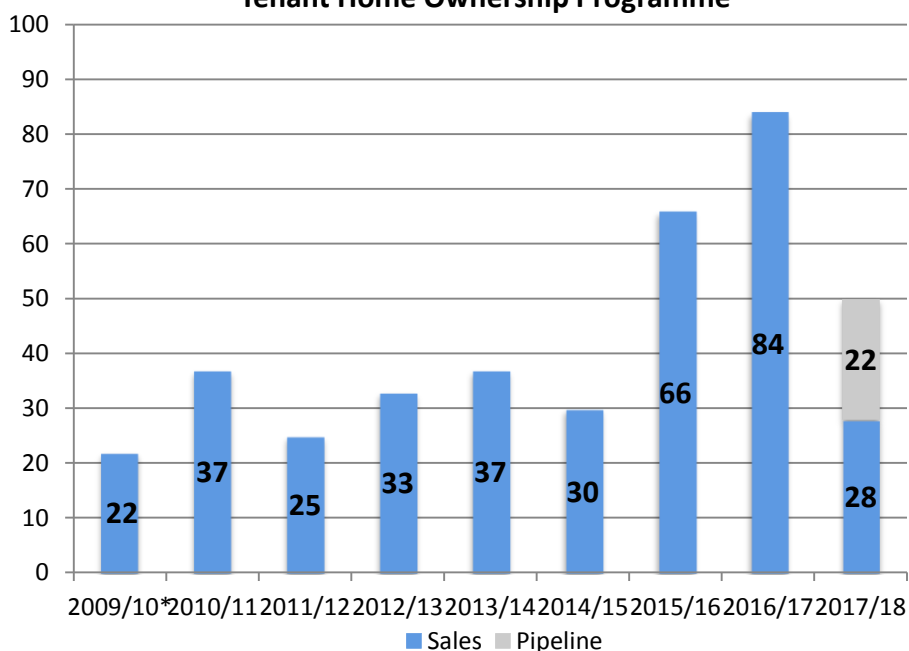
Welcome Home Loans - Approvals and Settlements



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.

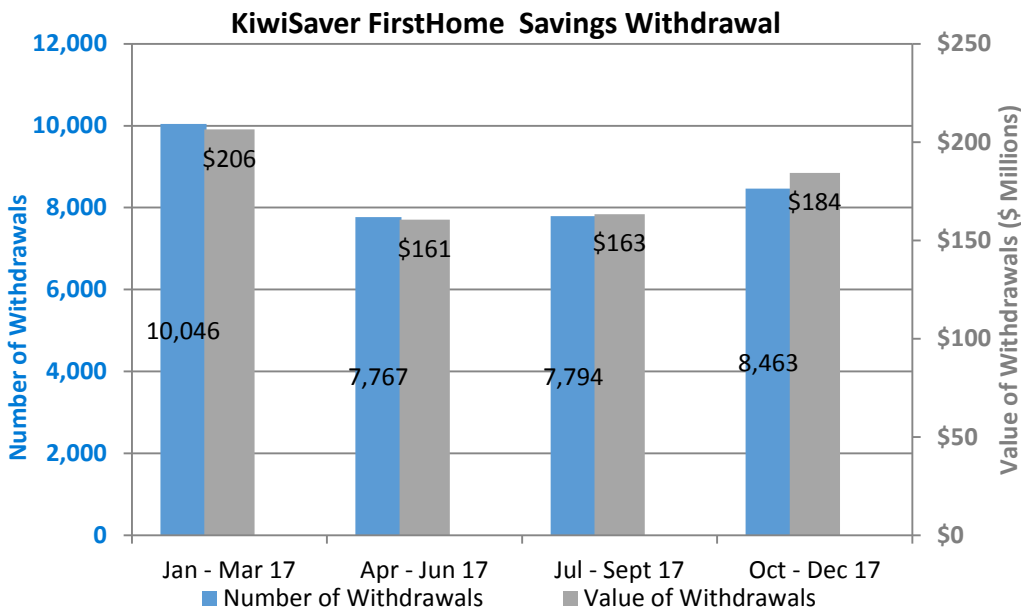
Tenant Home Ownership Programme



* 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.

