

## KIWISAVER RULES- AS AT 1 APRIL 2015

### OWN KIWISAVER

- Application forms available from your provider direct;
- Must intend to live in the property- cannot be an investment;
- Member of a KiwiSaver scheme for 3 years or more;
- Can withdraw all of your contributions, employer contributions and government contributions (except the \$1000 kick-start) to put towards your first home;
- Possible to withdraw in some circumstances as a 'second chance buyer';
- Processing time approx. 10 working days from date all required documentation and application is received;
- Documents required:
  - Application form witnessed in front of a JP or a Solicitor;
  - Photo ID and secondary ID (letter with address on it);
  - Copy of S&P agreement;
  - Solicitors undertaking; and
  - Trust account deposit slip.
- Solicitors undertaking can only be completed when S&P agreement is unconditional; and
- Funds are paid direct to your solicitors trust account prior to settlement.

## GOVERNMENT HOME START GRANT

- Can be pre-approved before findings a specific property;
- Have contributed to a KiwiSaver fund for at least 3 years;
- Made 3 years of consecutive payments to this scheme (can be a trap for seasonal workers or those who have taken a repayment holiday);
- Have never owned a home or land before (can be traps around being beneficiaries of estates and Trusts);
- Can apply as a 'second chance' buyer- if in same position as a first home buyer i.e. have less than a 20% deposit. (Cannot use if you intend to buy-sell at same time as name has to have been off the title for 6 months). *If Housing NZ approve you as a 'second chance' buyer, then you send that letter to your KiwiSaver provider and they will then make a decision about withdrawing your own KiwiSaver funds (backwards to usual process).*
- Must live in the house for at least six months following settlement (is recorded as a loan (with interest) which is repayable if you sell within that 6 months period -with the 6 month time frame starting 6 months from date CCC is issued for new builds);
- Income cap: \$80,000 for a single, \$120,000 for a couple;
- House price cap: \$450,000 for Nelson/Tasman region;
- Funds Available:
  - If buying an existing house:
    - \$1,000 for each year you have contributed to KiwiSaver up to a max of \$5,000 per person
  - If building a new home, land to build on or purchasing a new home (i.e. house and land package)
    - the amount available is doubled – up to a maximum of \$10,000 per person
- Funds are paid to your solicitors trust account ON settlement date (some exceptions around new builds and can get funds earlier- required to be held on trust until settlement date however); and
- They require at least 4 weeks to process your application and pay the funds out, so need 4weeks+ between unconditional date and settlement date on a S&P agreement;
- Docs required:
  - Application form witnessed by a JP or lawyer;

- Proof of income for last 12 months for you and anyone you are purchasing with;
- Last 2 months payslips;
- Photo ID;
- S&P Agreement;
- Print out of all KiwiSaver contributions; and
- Trust account deposit slip.

### **Welcome Home Loans**

- Only require a 10% deposit
- Same criteria as Housing NZ grant in terms of income and house price cap.
- SBS, Westpac and Kiwibank currently offer these.