

Rent v Mortgage

Indicative weekly mortgage repayments

Weekly payment	Mortgage amount
\$241	\$150,000
\$322	\$200,000
\$403	\$250,000
\$483	\$300,000

NB: repayments are based on loan term of 30 years at interest rate of 7.5%.

These repayment figures are approximate only, and can be used for the purposes of rent comparison. Repayments will vary depending on the lender and your own circumstances.

The Kiwisaver HomeStart Grant differs depending on whether you are purchasing an existing home or building new:

New build



Existing home



This leaflet is a brief guide only to using your Kiwisaver to help fund the deposit for your first home.

There are a lot of things to consider, and no doubt you'll have a lot of questions.

Vickie can help with all financial borrowing. She specialises in assisting first home buyers, and has extensive experience with the Kiwisaver process.

Give Vickie a call for a chat to see how you can put your Kiwisaver to work for you—her service is free!



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A guide to Kiwisaver for first home buyers

From 1 April 2015



your property team

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First Home Savings Withdrawal

First home buyers

If you are a first home buyer and have been a member of Kiwisaver for a minimum of three years you will be able to withdraw:

- Your savings
- Employer contributions
- All returns (interest, including tax credits)

The Government “Kickstart” contribution of \$1000 is excluded from the first home savings withdrawal.

The withdrawal is administered by your Kiwisaver provider (or complying fund manager). Once approved, payment is made to your solicitor on or before settlement day.

To apply contact your Kiwisaver, or qualifying scheme provider.

There are some restrictions.

Previous home owners

If you have previously owned a home but do not currently own a home (or share in property) you may be eligible if:

- You have not received a first-home withdrawal before.
- In the last 12 months you have earned an income before tax of:
 - ◇ up to \$80,000 for one buyer
 - ◇ up to \$120,000 for two or more buyers
- You have realisable assets totalling not more than 20% of the house price cap for the area in which you are buying.

Realisable assets include:

- ◇ money in the bank
- ◇ shares, stocks and bonds
- ◇ investments in banks and financial institutions
- ◇ Building Society shares
- ◇ boat/caravan (if valued over \$5,000)
- ◇ Vehicles not used as your usual method of transport
- ◇ other assets valued over \$5,000.

Kiwisaver HomeStart Grant

First home buyers

If you have belonged to Kiwisaver and regularly contributed for at least three years, you can also apply for the HomeStart Grant.

The grant differs depending on whether you are purchasing an existing home or building new:

Contributed For	existing home	new build
3 years	\$3,000	\$6,000
4 years	\$4,000	\$8,000
5 years+	\$5,000	\$10,000

How it works

- ⇒ You can receive the subsidy only once
- ⇒ It is paid to your solicitor on settlement day
- ⇒ You need to submit an application to Housing New Zealand for the HomeStart Grant at least four weeks before settlement date
- ⇒ Cannot be paid out after settlement has occurred.

Maximum purchase prices

Wellington region (incl Hutt Valley)	\$450,000
Wairarapa	\$350,000

Contact Vickie for more information on purchase limits in other areas.

If you have previously owned a property, and are in the same position as a first time buyer, you may still be eligible for the first home withdrawal or HomeStart Grant.

—Ask Vickie for details.

Welcome Home Loan

What is a Welcome Home Loan?

The Welcome Home Loan is offered by lenders, and underwritten by Housing New Zealand. It is designed to assist those first home buyers who can afford to make regular repayments on a home loan, but who have trouble saving a large deposit.

With a Welcome Home Loan you need a 10% deposit, rather than the usual 20% required by most lenders.

Loan limits apply

The maximum amount you can borrow depends on the region in which you are purchasing. The house price caps are as follows:

• Auckland	\$550,000
• Wellington region	\$450,000
• Wairarapa	\$350,000

Please check with Vickie for further information if you are interested in purchasing outside the above areas.

Income thresholds

To be eligible for a Welcome Home Loan your combined income for the last 12 months must have been:

- Single purchaser up to \$80,000 before tax.
- Two+ purchasers up to \$120,000 before tax

Lenders

Only certain lenders offer the Welcome Home Loan, and each has their own lending criteria.

Vickie can provide details of providers and their specific requirements.

