



## KiwiSaver for homeowners

KiwiSaver can really make it easier for you to buy your first home. So if you're thinking of buying your first home in the near future, now's a great time to join KiwiSaver. That way, you start accumulating the benefits early, so by the time you're ready to buy your home, the money's there waiting for you.

KiwiSaver benefits first home buyers in two different ways:

1. After three years, you can make a withdrawal from your KiwiSaver account and put the money towards a deposit on your first home (an 'estate in land'). In certain instances, previous homeowners can also qualify.
2. You may also be able to get a grant of up to \$5,000 from the government to help pay for your first home, if you qualify for a KiwiSaver HomeStart grant. This can be increased up to \$10,000 if you purchase or are going to build a brand new home.

### Withdrawal for your first home

After three years of membership in KiwiSaver you can make a one-off withdrawal from your account and put the money towards settlement on your first home. The property must be in New Zealand. You can withdraw as much as you like, but you'll need to keep a minimum of \$1,000 in your KiwiSaver account.

### How do I apply?

If you have been a member of KiwiSaver for three years and wish to apply for a first home withdrawal, please contact us for a withdrawal form by calling **0800 800 627** or emailing [kiwisaver@mas.co.nz](mailto:kiwisaver@mas.co.nz). We will process your application and pay the funds to the solicitor settling the property purchase.

Funds will have to be returned to your KiwiSaver account if the property purchase is not completed.

### Previous homeowners

Previous homeowners can also qualify for both the grant and the first home withdrawal, provided Housing New Zealand determines they are in the same financial position as a first home buyer. For more information about the eligibility criteria and the application process for previous homeowners, visit <http://www.hnzc.co.nz/ways-we-can-help-you-to-own-a-home/firsthome/am-i-eligible/>.

## KiwiSaver HomeStart grant

You may also qualify for a KiwiSaver HomeStart grant. This provides eligible home buyers with a grant of \$1,000 a year once you have been contributing at least a minimum percentage (currently 3% of your income, or 3% of the minimum wage for non-earners) to KiwiSaver for three years. You may be able to get a grant for up to a maximum \$5,000 to help pay for your first home, if you have been **contributing** to KiwiSaver for five years. However, if you purchase or are going to build a brand new home, you can increase the grant up to \$10,000.

Housing New Zealand administers the KiwiSaver HomeStart grant and will make payments directly to the solicitors settling the purchase. If the sale of the home fails to settle, any grant payments made to the solicitor will need to be returned to Housing New Zealand.

The grant application criteria are set out below.

To qualify for the grant, you need to have made minimum contributions for three years, plan to live in the house for six months or more, and the house has to be under the price limits set by the government. The price limits are currently:

- \$600,000 in Auckland
- \$500,000 in Wellington City, Queenstown Lakes, Christchurch City, Selwyn District, Waimakariri, Hamilton City, Western Bay of Plenty, Hutt City (Lower Hutt), Upper Hutt, Kapiti Coast, Porirua, Tasman/Nelson and Tauranga City
- \$400,000 in other regions.

For 'new build' properties, the house price caps are \$50,000 higher than the above.

There are also household income limits of:

- \$85,000 a year or less for one buyer; or
- \$130,000 a year or less for two or more buyers.

There is a requirement that members will need to have a deposit that is 10% or more of the purchase price for the subsidy.

You could also combine your KiwiSaver HomeStart grant with other KiwiSaver members to increase your deposit on a joint first home – for a couple, that's up to \$10,000 in grants. If purchasing a brand new home, the grants can double to \$20,000.

This summary sheet is general in nature and you should refer to [hnzc.co.nz/kiwisaver](http://hnzc.co.nz/kiwisaver) for more detail.

### More information

Detailed information about the KiwiSaver HomeStart grant is available on Housing New Zealand's website: [hnzc.co.nz/kiwisaver](http://hnzc.co.nz/kiwisaver).

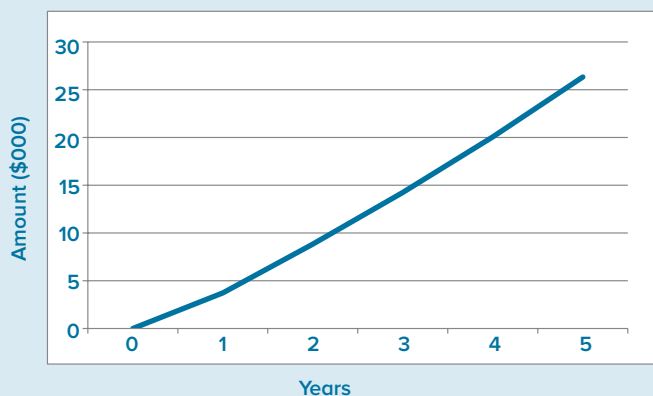
If you have any questions about the grant, please contact Housing New Zealand on **0508 935 266**, or email [kiwisaver.firsthome@hnzc.co.nz](mailto:kiwisaver.firsthome@hnzc.co.nz).

If you have any questions once you've read this information, please feel free to contact your MAS adviser by calling **0800 800 627** or by emailing [kiwisaver@mas.co.nz](mailto:kiwisaver@mas.co.nz). We can help you decide if KiwiSaver is right for you.

## Boost your deposit

If your salary is \$80,000 and you contribute 3% of your salary matched by your employer each year, after five years you'll have approximately \$26,300\* for a deposit on your first home.

And if you're eligible, after five years in KiwiSaver you can also get a \$5,000 HomeStart grant, bringing your total boost to your deposit to \$31,300. The grant can be increased up to \$10,000 if you purchase or are going to build a brand new home. This would bring your total deposit boost to \$36,300.



\*Assumes salary of \$80,000 a year, with a 3% increase in salary each year and net returns of 5.25% a year. Excludes any \$1,000 kick-start.

## Specialist advice

Everyone's situation is different, so let us help you figure out how you can structure your investments to your best advantage. Talk with your MAS adviser by calling **0800 800 627** or emailing [kiwisaver@mas.co.nz](mailto:kiwisaver@mas.co.nz).

*This flyer contains information of a general nature and is not a substitute for professional, individually-tailored advice. The information in this flyer is correct at the time of printing (September 2016).*

*Investments are not guaranteed.*

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