

KiwiSaver features to support home ownership to be launched soon

From 1 July, two KiwiSaver features will be available to help New Zealanders achieve their dream of home ownership.

Members of a KiwiSaver scheme, a complying superannuation scheme or an exempt employer scheme will be able to apply for the KiwiSaver first-home deposit subsidy and the KiwiSaver first-home withdrawal to buy their first home.

The first-home deposit subsidy

After three years of contributing to KiwiSaver, you may be entitled to a deposit subsidy.

The deposit subsidy pays \$1,000 for each year of regular contribution to a KiwiSaver scheme, complying scheme, or exempt employer scheme, to a maximum of \$5,000. It can also be used to buy land to build a home.

Housing New Zealand administers the deposit subsidy and will make payments directly to solicitors settling the purchase. If the sale of the house fails to settle, any deposit subsidy payments made to a solicitor will need to be returned to Housing New Zealand.

KiwiSaver members need to meet criteria in order to qualify. This includes criteria around income, house prices, and level of contribution to a KiwiSaver scheme or a complying superannuation scheme. Housing New Zealand also need to see the sale and purchase agreement as part of its eligibility assessment.

For more information about the eligibility criteria and the application process visit:
www.hnzc.co.nz/kiwisaver

The first-home withdrawal

After three years of membership, members of a KiwiSaver scheme or complying scheme, can withdraw their savings (but not government kick start or tax credits) from their scheme to help purchase their first home.

KiwiSaver members need to contact their KiwiSaver scheme provider or complying fund provider directly. They will process the application and pay solicitors settling property purchases.

Funds will have to be returned to scheme accounts should a property purchase not be completed.

Previous home owners

Previous home owners can also qualify for both the deposit subsidy and the first-home withdrawal, provided Housing New Zealand determines they are in the same financial position as a first home buyer.

More information

Detailed information about the first home deposit subsidy is available on Housing New Zealand's website: www.hnzc.co.nz/kiwisaver