

BUYING YOUR FIRST HOME WITH KIWISAVER





We're here to help you on your journey to be a homeowner

HELLO

Owning your home is a big part of our Kiwi lifestyle. The difficulty is saving enough to make it happen.

KiwiSaver is not only designed to help you save for your retirement, but can also help you buy your first home.

We have prepared this booklet to guide you through the ins and outs of using your KiwiSaver account to help purchase your first home. We hope that you find it useful.

It's a privilege to help you achieve your goal of owning your own home.

If you have any questions, please contact us on **0800 FFKIWI (0800 335494)** or at kiwisaver@fisherfunds.co.nz.

Good luck with your next chapter!

HOW CAN KIWISAVER HELP YOU BUY YOUR FIRST HOME?

KiwiSaver has two great features to help make your goal of owning your own home a reality.

1 You can apply for a **first home withdrawal** from your KiwiSaver account.

2 You may be eligible for a **First Home Grant** from Kāinga Ora.

Over the following pages you can find out how these features work, whether or not you are eligible, what you can withdraw, and how to apply.





1 FIRST HOME BUYER WITHDRAWAL

After being a KiwiSaver member for at least three years, you may be able to use most of your KiwiSaver savings to help buy your first home. You'll need to leave a minimum balance of \$1,000 and any amounts transferred from an Australian complying superannuation scheme in your account.

Are you eligible?

You are eligible for a first home withdrawal if you:

- » have been a KiwiSaver member for at least three years;
- » are buying your first home (or have confirmation from Kāinga Ora that you are eligible to apply for a second home buyer withdrawal);
- » intend to live in the property; and
- » have not made a withdrawal from your KiwiSaver account for the purchase of a home before.

What can you withdraw?

- » Your contributions
- » Your employer contributions
- » Government contributions*
- » Investment returns

* Only Government contributions that have already been paid into your KiwiSaver account can be withdrawn.

- » You can't withdraw any Australian superannuation savings.
- » A minimum balance of \$1,000 must remain in your KiwiSaver account after the withdrawal. This must be in addition to any Australian superannuation savings.

If you would like to find out the amount you are entitled to withdraw from your KiwiSaver account or require a confirmation letter for your home loan application, contact us on **0800 FFKIWI (0800 335494)** or email kiwisaver@fisherfunds.co.nz.

HOW TO APPLY

Once you have found a home you want to buy, let your solicitor know you want to use funds from your KiwiSaver account to help with the purchase.

1. Contact us about applying for a first home withdrawal on **0800 FFKIWI (0800 335494)** or email kiwisaver@fisherfunds.co.nz
2. Take our [First Home Withdrawal form](#) to your solicitor to complete, then return it to us with:
 - » your preferred identification method (as outlined on the form);
 - » your Sale and Purchase agreement;
 - » your Solicitor's letter; and
 - » a deposit slip for your Solicitor's trust account.

All documentation needs to be with us at least 15 working days before you require the funds to be paid to your Solicitor's trust account.

3. The amount you're eligible to withdraw from your KiwiSaver account will be deposited into your Solicitor's trust account prior to settlement date.





**You've almost
reached your goal!**

2 KAINGA ORA FIRST HOME GRANT

If you've contributed to a KiwiSaver scheme or complying superannuation fund for at least three years, you might also be eligible for the Kāinga Ora First Home Grant of up to:

- » \$5,000 if you're buying an existing home; or
- » \$10,000 if you're buying or building a new home.

Eligibility criteria apply; for more information please contact Kāinga Ora directly:

Visit kaingaora.govt.nz/first-home-loan
Email firsthome.enquiries@kaingaora.govt.nz
Or call 0508 935 266



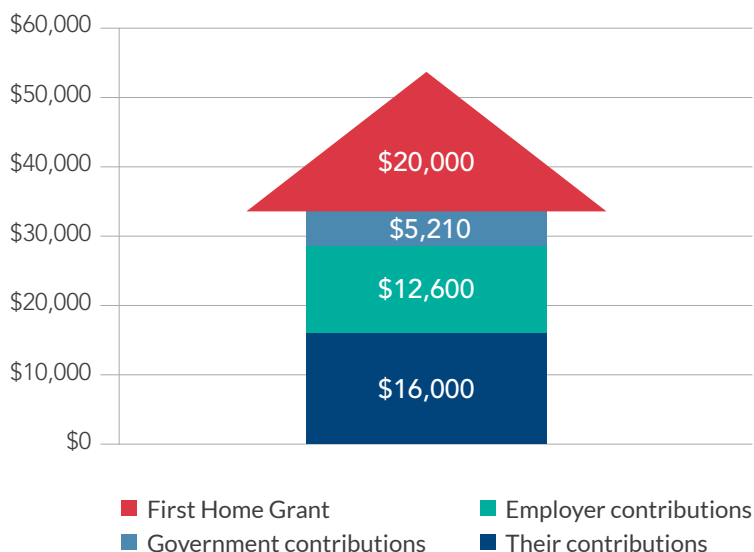
PURCHASING YOUR SECOND HOME

If you have previously owned a home but are in a similar financial position to a first home buyer, you may also be eligible for a first home buyer withdrawal and Kāinga Ora First Home Grant.

Kāinga Ora administer this feature. Please contact them at the details above to see if this applies to your situation.

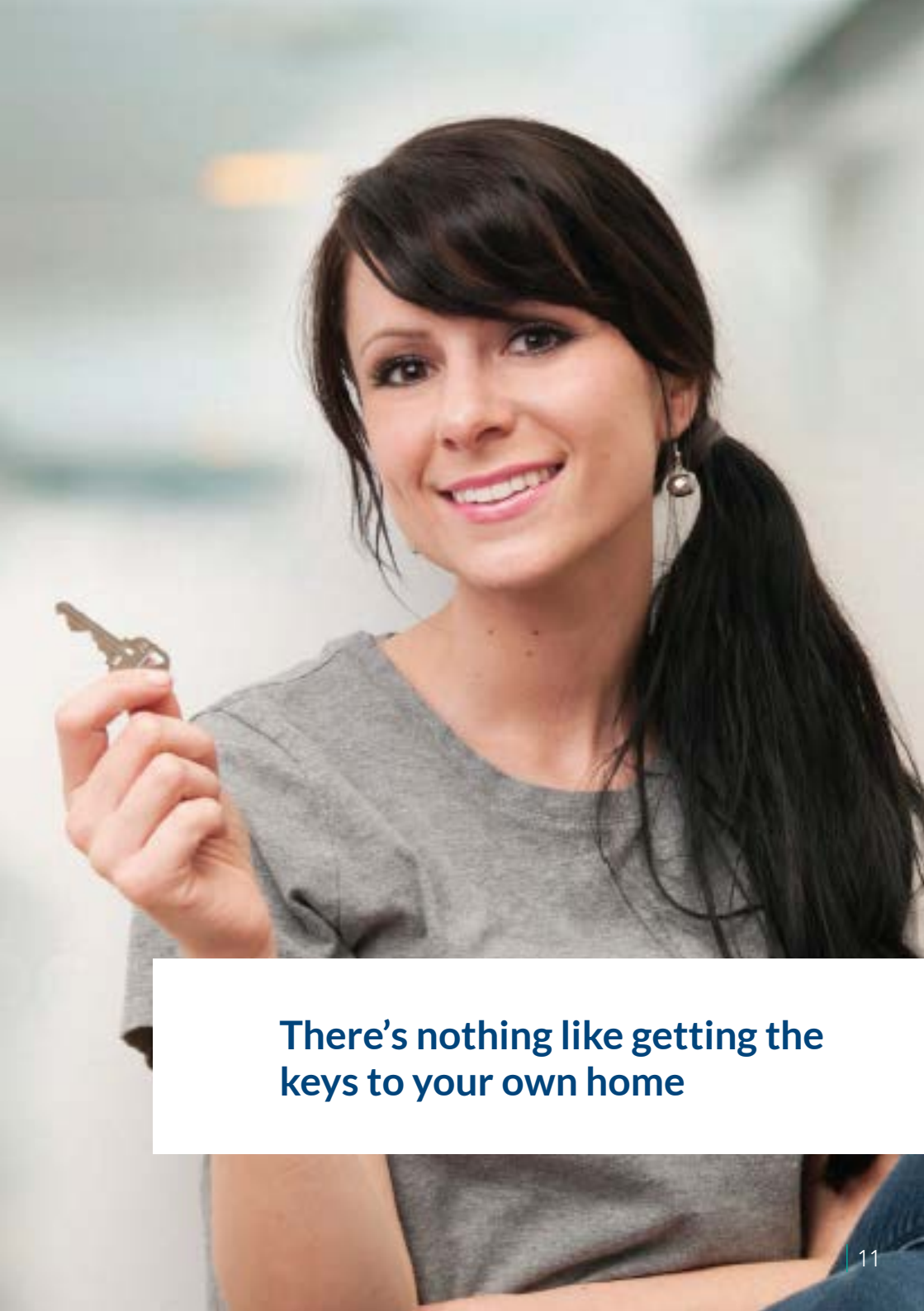
KIWISAVER CAN HAVE A BIG IMPACT WHEN BUYING YOUR FIRST HOME - THE NUMBERS SPEAK FOR THEMSELVES!

Harry and Emily are looking to buy their first home – a \$500,000 newly built house in Taranaki. They both earn \$60,000 a year before tax and have been contributing 3% to their KiwiSaver accounts for five years.



Results are simulated in this graph. The above example excludes the impact of investment returns and assumes a maximum of \$521 in Government contributions are earned each year and have been credited to Harry and Emily's accounts before withdrawal. Harry and Emily have also received employer contributions of 3% (Employer Superannuation Contributions Tax at 30% is deducted from their employer contributions). Harry and Emily qualify for the Kainga Ora First Home Grant and leave a minimum balance of \$1,000 in each of their KiwiSaver accounts.

Thanks to KiwiSaver, Harry and Emily now have \$53,810 to use towards the purchase price on their new home. Without it, their first home may still be a dream.



There's nothing like getting the keys to your own home



KAINGA ORA FIRST HOME LOAN

Kāinga Ora First Home Loans make it easier for you to purchase your first home. Instead of requiring a 20% deposit like many loans, a Kāinga Ora First Home Loan only requires you to have a 10% deposit.

For more information as well as terms and conditions, please contact Kāinga Ora directly:

Visit kaingaora.govt.nz/first-home-loan

Email firsthome.enquiries@kaingaora.govt.nz

Or call 0508 935 266



YOU CAN STILL CONTINUE TO SAVE

If you make an early withdrawal to help you buy your first home, you can still continue to save for your retirement with your KiwiSaver account. The minimum balance of \$1,000 and any amount transferred from an Australian superannuation fund will remain in your KiwiSaver account.

Your account balance will grow again over time with your contributions, your employer contributions (if applicable), the Government's contributions, and any investment returns.

FREQUENTLY ASKED QUESTIONS

- » **Can I apply for a first home withdrawal to buy an investment property?**
Unfortunately, you can't. You can only apply for a first home withdrawal if the property is intended to be your principal place of residence.
- » **I already own some land. Can I apply for a first home withdrawal to build a house on it?**
Owning land is treated the same as owning a house as far as KiwiSaver is concerned, so you won't be eligible to apply for a first home withdrawal.
- » **I joined KiwiSaver two years ago and I'm about to buy a house. Can I apply for a first home withdrawal?**
You need to be a KiwiSaver member for three years before you can apply for a first home withdrawal.
- » **I own a house overseas. Can I apply for a first home withdrawal to buy a house in New Zealand?**
Irrespective of where the house is, if you already own a home, you aren't eligible to apply for a first home withdrawal.



» **I already own a home. Can I apply for a first home withdrawal to pay off my mortgage?**

Unfortunately, you can't. You can only apply for a first home withdrawal to be used towards the purchase price on your home prior to settlement date.

» **Can I withdraw my Australian Superannuation savings from my KiwiSaver account to use towards my first home?**

Your Australian Super savings are still bound by Australian legislation which does not include provisions for buying a first home. You can only withdraw them when you satisfy the Australian definition of retirement.

» **Can I apply for a first home withdrawal to buy land?**

Yes, you can. You can apply for a first home withdrawal to buy land provided that you intend to live on the property.

» **When will my KiwiSaver savings be paid out for a first home withdrawal?**

For an unconditional sale and purchase agreement, funds will be paid to your Solicitor's trust account up to 5 working days prior to settlement date. For a conditional sale and purchase agreement, funds will be paid to your Solicitor's trust account as soon as we have reviewed your application and can process the withdrawal. Please note we require all documentation to be with us at least 10 working days before payment can be made.



Find out more about buying your first home with KiwiSaver

visit fisherfunds.co.nz/kiwisaver
email kiwisaver@fisherfunds.co.nz
or call 0800 FFKIWI (0800 335494)



Private Bag 93502, Takapuna, Auckland 0740

p: 0508 347 437 e: enquiries@fisherfunds.co.nz w: fisherfunds.co.nz

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