



Media Release

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Surge in interest about using KiwiSaver to buy first home

ANZ is reporting a surge in the number of customers wanting to use KiwiSaver to help buy their first home following the April 1 introduction of new regulations for KiwiSaver first home withdrawals.

ANZ Wealth managing director John Body said ANZ's customer contact centre received more inquiries about KiwiSaver first home withdrawals in the first week of April than it did in the whole month last year.

"Also, the number of inquiries to our contact centre in March was double the number we received in the same period last year," said Mr Body.

"It is clear that more people are really keen to understand how KiwiSaver can help them into home ownership."

Government changes to KiwiSaver that took effect from April 1 included:

- Allowing KiwiSaver members to withdraw all their KiwiSaver funds (except the Government's \$1000 Kickstart) to help fund their first home.
- A new KiwiSaver HomeStart grant of up to \$10,000 (\$20,000 for couples) to help fund new builds of first homes. This complements the existing KiwiSaver HomeStart grant of up to \$5000 (\$10,000 for couples) to help purchase a first home.

"The number of ANZ KiwiSaver members making a first home withdrawal has already trebled over the past two years but it is clear the Government's latest changes have sparked even more interest," said Mr Body.

"KiwiSaver is now a significant part of the first home buying equation but there are conditions and people need to know how it works so they can take full advantage of the scheme.

"For instance you need to have been a member of KiwiSaver for at least three years before you can make a first home withdrawal.

"And, people wanting to apply for a KiwiSaver HomeStart grant would need to regularly contribute at least 3% of their income to KiwiSaver for a minimum three years.

"But you really make the most of this benefit when you have been contributing for five years because the Government will potentially give you \$1000 for each year you have been contributing, up to a maximum of \$5000 per person (\$10,000 per couple).

"You can double that if you are looking to build your first home. (subject to conditions on the purchase price of homes and income of buyers.)

"KiwiSaver offers some great opportunities to help people buy their first homes but you must be actively contributing to KiwiSaver to qualify for the HomeStart grant, which a lot of people aren't aware of."

Mr Body also encouraged people to resume contributions to KiwiSaver after making a first home withdrawal: "The primary purpose of KiwiSaver is to save for your retirement, although there are also some great benefits to help people buy their first home.

"KiwiSaver is a long term savings vehicle and the benefits accumulate as you contribute over time so it's important to start contributing to KiwiSaver again once you've made a first home withdrawal."

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