



# Making The CAB your first home

A guide for first home buyers



THE CAB  
AT CIVIC QUARTER

We know it can be hard to get on the property ladder, however using one, or a combination of available grants, subsidies, and deposit top ups, means it may be a lot easier than you think.

Making the various applications may seem daunting, but don't be put off. Our team can make allowances for the application timeframes and payments of deposits in your Sale and Purchase Agreement.

## KiwiSaver Home Start Grant

If you have contributed to KiwiSaver for three years, you may be entitled to the Home Start Grant. The grant applies to new or existing homes and ranges from between \$3,000.00 to \$10,000.00. The Grant can only be received once and you have to live in the property for a minimum of six months from the settlement date or the date the Code Compliance Certificate is issued for the property.

You can combine individual Home Start Grants, there are caps of course, in Auckland, for example, the eligibility criteria includes a house price cap of \$650,000.00 on new properties

Importantly, while the subsidy is aimed at first home buyers, those applicants who are demonstrably in the same financial position as first home buyers may also qualify.

## KiwiSaver First Home Withdrawal

This is a relatively well known way to help home buyers acquire a property. As with the KiwiSaver Home Start Grant, you need to be a member of KiwiSaver for at least three years before you can make a withdrawal from your KiwiSaver account, and you must intend to live in the property.

Importantly, changes to KiwiSaver legislation means that persons who have previously owned property, but no longer do, may also be eligible to utilise their KiwiSaver savings towards the purchase of a property.

This option is not available for an investment property.

## Welcome Home loans

A Welcome Home Loan is designed for first home buyers who can afford to make the payments on a home loan, but have trouble saving for a large deposit.

With a Welcome Home Loan, you only need a 10% deposit rather than 20% as often required by most large trading banks.

However, as the 10% can be treated by those participating banks as an equity top-up, criteria, including income and house price caps apply. Applicants also need to meet the specific lending criteria of their chosen bank.

Three or more borrowers can join up to purchase a home, and your deposit can be gifted by a relative. (Where gifts are proposed, we recommend you take advice from our trusts and estates team first.)

Only certain banks are Welcome Home lenders and include Kiwi Bank, SBS Bank, TSB Bank, Westpac, and The Co-operative Bank.

## Friends and Family

Friends and family may also help you get into the property market, whether a loan from family or co-investing with a friend, there are a number of ways to get that first foot on the ladder. We would recommend that you ensure that any agreements are properly documented.

\*Please be aware that this does not constitute legal or financial advice. We advise you seek your own independent counsel and do your own due diligence. This information is intended as a guide only and does not constitute an offer or contract and does not form part of any sale and purchase agreement.