

# KiwiSaver HomeStart grant

<b>General eligibility criteria</b>	The recipient must: <ul style="list-style-type: none"> <li>• have contributed to Kiwi Saver for a minimum of three years</li> <li>• be a first home buyer i.e. have not owned land or property before</li> <li>• live in the house for at least 6 months</li> </ul>		
<b>Criteria Welcome home loans</b>	<ul style="list-style-type: none"> <li>• not have received a grant before</li> <li>• have a deposit of 10% or more of the purchase price (including the grant)</li> </ul>		
<b>Income thresholds for grants and Welcome Home Loans</b>	<ul style="list-style-type: none"> <li>• \$85,000 for a single buyer</li> <li>• \$130,000 for 2+ buyers</li> </ul>		
<b>House price caps for Grants and Welcome Home Loans</b>	<b>Existing home</b>		
	Auckland	\$600,000	
	Hamilton City, Tauranga City, Western Bay of Plenty District, Kapiti Coast District, Porirua City, Upper Hutt City, Hutt City, Wellington City, Tasman District, Nelson City, Waimakariri District, Christchurch City, Selwyn District, Queenstown Lakes District	\$500,000	
	Rest of New Zealand	\$400,000	
	<b>New home</b>		
	Auckland	\$650,000	
	Hamilton City, Tauranga City, Western Bay of Plenty District, Kapiti Coast District, Porirua City, Upper Hutt City, Hutt City, Wellington City, Tasman District, Nelson City, Waimakariri District, Christchurch City, Selwyn District, Queenstown Lakes District	\$550,000	
	Rest of New Zealand	\$450,000	
<b>Grant</b>	<b>HomeStart (existing home)</b>		
	<b>KIWISAVER CONTRIBUTIONS</b>	<b>SINGLE</b>	<b>COUPLE</b>
	3 years	\$3,000	\$6,000
	4 years	\$4,000	\$8,000
	5 years	\$5,000	\$10,000
	<b>HomeStart (new home)</b>		
	<b>KIWISAVER CONTRIBUTIONS</b>	<b>SINGLE</b>	<b>COUPLE</b>
	3 years	\$6,000	\$12,000
	4 years	\$8,000	\$16,000
	5 years	\$10,000	\$20,000
<b>KiwiSaver First Home Withdrawal</b>	The first home buyer can withdraw the member tax credit		

## So what do the numbers look like for a first home buyer?

Let's use the example of a couple in Auckland who each earn \$50,000. After five years of contributing to their KiwiSaver account at the minimum 3% rate they will be able to withdraw a total of \$32,585 (excludes impact of investment returns) made up as follows:

	PER PERSON	COUPLE
Employee contributions over 5 years per person	\$7,500	\$15,000
Employee, contributions over 5 years per person (after, deducting Employer Superannuation Contribution Tax)	\$6,188	\$12,376
Member Tax Credit per person	\$2,605	\$5,210
<b>Combined savings to withdraw</b>		<b>\$32,586</b>

They will also be eligible to receive a \$20,000 KiwiSaver Home Start Grant, giving them a **\$52,500 deposit on a new home**. With the Welcome Home Loan scheme allowing only a 10 per cent deposit, they will be able to buy a home up to \$525,000 in value.