

# KIWISAVER FIRST HOME WITHDRAWAL GUIDE



Members of KiwiSaver schemes may be able to withdraw their savings (except for **\$1,000**) to put towards buying their first home, once three years or more have passed since Inland Revenue received their first KiwiSaver contributions, or the date the member first joined a KiwiSaver scheme.

#### **KiwiSaver HomeStart Grant**

In addition to a first home withdrawal, after three years of contributing to KiwiSaver, a member may be entitled to the KiwiSaver HomeStart Grant. The Grant is administered by Housing New Zealand. Qualifying members may be entitled for a Grant of up to \$5,000 for existing houses and up to \$10,000 for new builds, depending on certain criteria. Terms and conditions apply and all enquiries about the KiwiSaver HomeStart Grant should be directed to Housing New Zealand. For more information go to [hnzc.co.nz](http://hnzc.co.nz).

## APPLICATION PROCESS

### **To whom do I apply to withdraw my KiwiSaver funds to help me buy my first home?**

You'll need to apply to Mercer, your KiwiSaver provider if you want to make a first home withdrawal.

### **When can I apply?**

You can apply for a KiwiSaver First Home Withdrawal after you have been a member of KiwiSaver for three years.

### **How can I apply?**

You need to complete a First Home Withdrawal application form and post it to Mercer, along with all required supporting documents. You can download the form on [www.mercerfinancialservices.co.nz](http://www.mercerfinancialservices.co.nz) or request it by calling the Helpline on **0508 MERCER (0508 637 237)**.

## APPROVAL AND PAYMENT PROCESS

### **How long will it take to process my application?**

In all circumstances, Mercer will require a minimum of **10 working days** from receipt of the fully completed form in order to process your application. You will also need to provide a copy of the agreement for sale and purchase of your intended first home plus a certificate from your solicitor.

Please allow enough time for post.

### **Who will approve my application?**

Mercer's team will review your application and make a decision based on the information you provide. We will consider your application very carefully to ensure you satisfy the eligibility criteria. Please ensure that all information is correct and you have completed all the required fields and provided all the necessary supporting documents when you submit your withdrawal form. If we find that information is not correct or is missing, your application will be returned to you and the withdrawal process may take longer. The withdrawal process will be halted until the correct/complete information is received.

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### Where will the payment be made?

If approved, the payment will be made to your **solicitor's bank account**.

### Can the withdrawal be paid directly to me?

**No**, Mercer is required to pay the first home withdrawal direct to your solicitor.

### What happens if the house sale falls through?

The withdrawal payment made to your solicitor will be **returned to Mercer** and the funds will be credited to your KiwiSaver account at the unit price available on that day. You will need to make a new application if you find another property.

## ELIGIBILITY CRITERIA

### How do I know if I qualify?

To qualify you have to be a member of a KiwiSaver scheme (or complying scheme) for three or more years.

**You must be buying your first property, to live in, not as an investment property.**

### Can I still qualify if I owned a property before?

If you have owned a property before, you may still be able to withdraw your contributions under the KiwiSaver second chance home withdrawal scheme. You will need to satisfy criteria determined and assessed by Housing New Zealand. For more information go to [hnzc.co.nz](http://hnzc.co.nz).

You will need to provide a letter from Housing New Zealand to Mercer stating that you qualify for the second chance withdrawal.

### What can I use this money for?

The KiwiSaver first home withdrawal must be used to help you buy your first property **in New Zealand**. It cannot be used to buy an investment property.

## AMOUNT AVAILABLE TO WITHDRAW

### How much can I withdraw?

You have to leave a minimum of \$1,000 in your KiwiSaver account after a withdrawal is made. Funds transferred into your KiwiSaver account from an Australian Complying Superannuation Scheme cannot be withdrawn for the purchase of a home.

### How will the withdrawal amount be calculated?

There are a number of factors which can impact the final amount paid and its availability. To calculate the final amount, we'll use the unit prices available at the time the withdrawal is processed by the administrator. Unit prices can change daily. Unit prices can be viewed when you sign into your account online at [www.mercerfinancialservices.co.nz](http://www.mercerfinancialservices.co.nz).

At the time of the withdrawal you may have had other deductions processed to your account balance, such as fees.

### How many times can I make this withdrawal?

You can only make this withdrawal once, after being a member of a KiwiSaver scheme for three or more years.

### If I make the withdrawal, will my contributions during the year still be eligible for member tax credits?

Yes, all contributions made by you into your KiwiSaver account will qualify for member tax credits.

## KIWISAVER HOMESTART GRANT

### What has happened to the KiwiSaver First Home Deposit Subsidy?

The KiwiSaver First Home Deposit Subsidy has been replaced with the KiwiSaver HomeStart Grant.

Visit [hnzc.co.nz](http://hnzc.co.nz).

### What are the benefits of the KiwiSaver HomeStart Grant?

The KiwiSaver HomeStart Grant offers incentives for new builds and can help you get into your first home faster.

New price caps for different locations around New Zealand apply.

### Where can I go to get more information?

Please contact Housing New Zealand, as they are responsible for processing the Grant. You can either email your query to [kiwisaver.firsthome@hnzc.co.nz](mailto:kiwisaver.firsthome@hnzc.co.nz) or call the Housing New Zealand Helpline on **0508 935 266**.