KiwiSaver for a first Kiwi Home

Putting together the money for a first home can be stressful and difficult, particularly in the current housing market. Fortunately quite a few of our first time home buyers find that they can use their KiwiSaver to get them started.

However, you're not automatically entitled to your KiwiSaver to buy property. So we thought it was worth while putting together some notes on the basic rules, to help you see whether this is an option for you.

The bottom line though, check with a lawyer before you sign anything. We're always happy to help if you need us.

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Kiwisaver First Home Withdrawal (your private savings)

The KiwiSaver Scheme is a private retirement fund that most of us are signed up to. Generally, you can't access it until you retire, but there are some limited situations in which you can get all or part of your contributions earlier.

One of those situations is to buy your first home, or a section on which to build it.

As with all these things, though, there are conditions:

- You must intend to use it for your main home.
- You need to have been contributing to KiwiSaver for at least three years.
- You need to fit with any specific requirements of your KiwiSaver scheme provider.

Each KiwiSaver provider may require slightly different things. Some providers will give you full pre approval to withdraw your funds before you have an agreement to purchase a property or land. Others, however, do not want to hear from you until after there is an unconditional agreement and have no pre approval process.

You should always try to get pre approval if possible. At the very least you should get an email from your provider advising how much is available for a first home withdrawal. This lets you see what you might be able to afford, and gives a good basis to talk to your bank about how to finance the rest of the purchase price.

So read the eligibility criteria that you receive from your KiwiSaver provider carefully. If you need help with this, just give us a call.

Don't leave your application till the last minute, otherwise you could find yourself missing out on your house. Providers can take up to 10 working days from receiving the original application and supporting documents to process your withdrawal. Some can take up to 15 working days.

Second Chance KiwiSaver Withdrawal

If you have previously owned a property, but do not currently own a property, you may still be able to use your KiwiSaver to buy your next home. You still apply through your KiwiSaver provider but need to meet further criteria with Kāinga Ora determining if you are a "qualifying person". You won't be eligible if you've already withdrawn KiwiSaver funds.

Company share apartments

KiwiSaver can't be used to buy company share apartments as the land is owned by a company, not by you personally.

It's all got to be sorted before the settlement date

If you have already paid for a property, that's it. You can't retrospectively withdraw your KiwiSaver. Funds can only be used when you are paying for the property on the settlement date, not afterwards.

That is why the dates in the sale and purchase agreement are so important. Don't let an eager real estate agent pressure you into short time frames without checking with us first!