

Getting prepared for your lawyer to make a first homebuyer withdrawal from mysuper

Quick reference guide

If you're a first homebuyer, and you've chosen to make locked contributions to mysuper, and you have been making locked contributions to mysuper (or a KiwiSaver scheme) for a minimum of three years, you may be able to withdraw your locked retirement savings to put towards buying your first home. Buying your first home can be an exciting but it can also be a bit scary at times.

This Quick Reference Guide **provides a high-level overview of making an offer on a property**, and aims to ensure you have all your documentation in order to make the process of applying for a first homebuyer withdrawal of your locked retirement savings from mysuper simple and quick.

Understanding types of offers	There are two options when making an offer on a property; conditional and unconditional. You should always have your lawyer check any Sale and Purchase Agreement before you make an offer.
CONDITIONAL OFFER	A conditional offer is one where you can specify conditions that must be met before you agree for the Sale and Purchase Agreement to be declared unconditional. Conditions could include making your offer subject to obtaining a satisfactory building inspector's report, confirming finance or obtaining a LIM report. Conditions always have a timeframe attached and must be completed by the specified date.
UNCONDITIONAL OFFER	An unconditional offer is one where there are no conditions attached to your offer. You should carry out all due diligence (e.g. LIM reports, inspections, confirming finance) and ensure your lawyer has reviewed the Sale and Purchase Agreement prior to making an unconditional offer, as you will be legally bound to complete the purchase if your offer is accepted.
Find out how the property will be sold	<p>There are three main ways to buy a property in New Zealand.</p> <p>Each sale method has pros and cons. Check out our road maps on the following pages for more information and the steps you need to take for each type of purchase. Remember that making an offer may lead to a legally binding contract if your offer is accepted. Buying a house is an exciting time, but it's important that your lawyer checks your Sale and Purchase Agreement before you sign it.</p> <div> <div>1 Auction</div> <div>2 Offer & negotiation</div> <div>3 Tender</div> </div>

1 Auction

An auction is where you bid against other people until only one bidder is successful. All interested buyers turn up on auction day and bid. The vendor (seller) will have a reserve price, and once this price is reached, the property is on the market and will be sold to the highest bidder. If it doesn't reach the reserve price, the vendor may choose to negotiate with the highest unsuccessful bidder. If you buy a house **at auction, the sale is unconditional** – so you need to obtain legal advice and do your due diligence (i.e. inspections, valuations) **before you bid**, have finance approved ahead of the auction and be ready with your deposit on the day (generally 10% of the purchase price).



IMPORTANT

You **CAN'T** use your **mysuper** locked retirement savings or your KiwiSaver retirement savings towards the deposit if you're buying at an auction. Instead, if you are eligible for a first homebuyer withdrawal, your locked retirement savings will be paid towards the purchase price on settlement day.

AHEAD OF THE AUCTION

Obtain a first homebuyer withdrawal pre-approval quote from **mysuper**.

Apply for your home loan pre-approval.

Do your homework on potential properties.

Carry out all due diligence and inspections.

Have your lawyer review the Sale and Purchase Agreement.

Apply for full loan approval from your bank.

If successful – sign the Sale and Purchase Agreement and send it to your lawyer.



IMPORTANT

The settlement date must be at least 10 clear working days in the future to ensure you can make a first home withdrawal from **mysuper**.

Start bidding - know your price limits.

Be ready with your deposit.

(Generally 10% of the purchase price and paid by cheque or bank transfer).

ON AUCTION DAY

Check your bank transfer to ensure you can pay your deposit.



IMPORTANT

Remember you can't use your **mysuper** or KiwiSaver retirement savings for the deposit.

If you are using your **mysuper** locked retirement saving towards the purchase price you need to:

- A) Supply the document your Lawyer needs to submit your **mysuper** first homebuyer withdrawal application (see the checklist at the back of this guide).
- B) Your lawyer must submit your **mysuper** first homebuyer withdrawal application at least 10 full working days before the settlement date. Your lawyer can only do this online at mysuper.co.nz/withdraw/first-home-withdrawal

2 Offer & negotiation

If you want to make an offer on a property, the real estate agent or your Lawyer will help you fill in a Sale and Purchase Agreement, which contains your offer and any conditions. **This type of offer can be conditional or unconditional.** The vendor (seller) can accept your offer, reject it or make a counter-offer. The real estate agent will act as the go-between until both you and the vendor reach an agreement.

BEFORE YOU MAKE AN OFFER

Obtain a first homebuyer withdrawal pre-approval quote from **mysuper**.

Apply for your home loan pre-approval.

Do your homework on potential properties.

Carry out all due diligence and inspections.

(Unless you're including them as a condition).

Apply for full loan approval
(You can do this later if you make your offer conditional on finance).

Decide on a price and conditions (if any) for your offer.

Have your solicitor review and prepare all the documents required.

If you set conditions as part of your offer, arrange for them to be met.

IF YOUR OFFER IS ACCEPTED

If the property is being sold by tender you may not get the chance to negotiate.

If you are purchasing by offer and negotiation you may have the option to negotiate with the vendor if they counter your offer.

MAKING AN OFFER

Have your Lawyer review the Sale and Purchase.

! IMPORTANT

If you need your **mysuper** locked retirement savings for your deposit or to pay the purchase price on the settlement date your Lawyer must apply to **mysuper** at least 10 clear working days **BEFORE** the money is required. Please factor these time frames when making an offer.

Check your bank transfer to ensure you can pay your deposit.

! IMPORTANT

If you need your **mysuper** locked retirement savings for your deposit, your Lawyer must apply to **mysuper** at least 10 clear working days **BEFORE** the deposit is required.

Be ready with your deposit (generally 10% of the purchase price and paid by cheque or bank transfer).

If you are using your **mysuper** locked retirement savings towards the purchase price or deposit you need to:

- A) Supply the document your Lawyer needs to submit your **mysuper** first home withdrawal application (see the checklist at the back of this guide).
- B) Your Lawyer must submit your **mysuper** first home withdrawal application at least 10 full working days before the settlement date or the date you need your locked retirement savings for your deposit. Your Lawyer can only do this online at mysuper.co.nz/withdraw/first-home-withdrawal

3 Tender

If a property is for sale via tender, anyone who is interested in the property submits a written offer by a certain date. A **tender offer can be conditional or unconditional**. Typically, all the tenders are opened at once and the vendor decides which (if any) they will accept. They may also choose to negotiate with any of the tenderer, however you might not always get this chance, so consider this when making your offer.

Checklist - Helping your lawyer get prepared to submit your first homebuyer withdrawal application

Your lawyer will apply to **mysuper** on your behalf to make a withdrawal of your locked retirement savings. Your lawyer **MUST** complete the online application form **at least 10 full working days** before you need to use your locked retirement savings for your deposit or to put towards the purchase price (i.e. on the settlement date). **Your lawyer can only complete the application via our online submission form at mysuper.co.nz/my-account/make-a-withdrawal**. We do not offer 'paper-based' or 'PDF' application forms.

Please make sure you discuss this with your lawyer in advance and make sure your lawyer understands the processing timeframes and what they need to do for you. If your lawyer does not submit your application form at **least 10 full working days** before you need to use your locked retirement savings your first homebuyer application will be declined.

The below checklist details the information and documents you need to provide to your lawyer so they can apply to **mysuper** on your behalf to make a withdrawal of your locked retirement savings:

- ☐ A full colour copy of your completed statutory declaration (see the 'Resources' section here mysuper.co.nz/my-account/make-a-withdrawal) to download a copy). Your lawyer can help you complete this statutory declaration.
- ☐ Your **mysuper** membership number.
- ☐ The date you started making locked contributions to **mysuper**.
- ☐ If you have **NOT** made locked contributions to **mysuper** for at least 3 years, you need to provide **full colour copy** evidence, on your KiwiSaver provider's letterhead, showing the date you made your first contribution to KiwiSaver (we **CANNOT** accept emails, statements, screenshots, 'print-outs' of internet banking records to confirm the date you made your first contribution to KiwiSaver).
- ☐ The total dollar value of your:
 - a) Locked **mysuper** account balance; and/or
 - b) Unlocked **mysuper** account balance (only required if you wish to use your unlocked retirement savings for a first home withdrawal).
- ☐ **Full colour copies** of your identification and proof of address documents (**PDF format only**).
- ☐ A **full colour copy** of the sale and purchase agreement showing you as purchaser (**PDF format only**).
- ☐ If applicable, your 'previous homeowner' homebuyer approval eligibility letter from Kāinga Ora (previously Housing New Zealand) (**PDF format only**).
- ☐ If applicable, a **full colour copy** of your licence to occupy or occupation order showing you have the right to occupy Māori Land (**PDF format only**).

Need help?

If you need any of your **mysuper** details, please call us on **0508 MYSUPER** (0508 697 873) to find out. Please note, this information will not be provided via email or to third parties for privacy and security reasons.