



HOME BUYER HANDBOOK

HELPING YOU AT EVERY
STEP OF YOUR JOURNEY

HOME BUYER

HANDBOOK

The home buying process can be challenging, but with the right help, you can move through each step with confidence. In this guide, we break down the home buying process into easy-to-understand steps.

This brochure contains information only. It's not intended as financial advice or as a recommendation of any of these options for you and your situation.

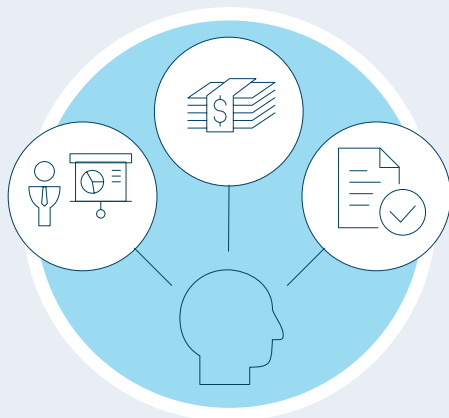


DON'T GO IT ALONE

First things first, get in touch with an ANZ Home Loan Coach. They'll be in your corner at every stage of the home buying journey, from getting a pre-approval through to getting your keys.

-  Call 0800 269 4663
-  Visit anz.co.nz/homeloancoach
-  Book an appointment with an ANZ Home Loan Coach at any branch
-  Arrange for an ANZ Mobile Mortgage Manager to visit at a time that suits you. Go to anz.co.nz/mmm

THE HOME BUYING PROCESS



PLANNING KNOW YOUR BUYING POWER

1

- Meet with your ANZ Home Loan Coach
- Understand the cost of buying and owning a home
- Put together your support team
- Work through your deposit options.
For example, if you're a first home buyer:
 - If applicable, check your KiwiSaver withdrawal and First Home grant eligibility
 - Request your KiwiSaver eligibility letter from your KiwiSaver provider.



Get your home loan pre-approved

- Remember to discuss your insurance needs.



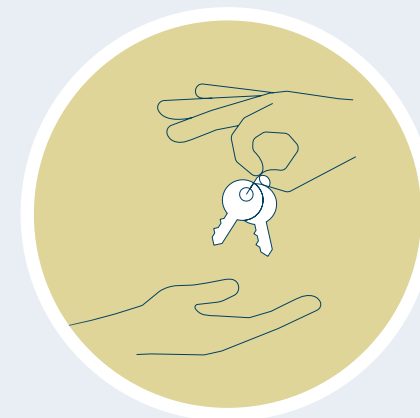
FINDING THE ONE HOUSE HUNTING

2

- Understand what to look for
- Do your homework on potential properties
- Get an ANZ Property Insights Report
- Engage a solicitor
- Complete required inspections and reports
- Understand different types of offers
- Find out how the house will be sold
- Follow the steps in our journey maps.



Apply for full loan approval



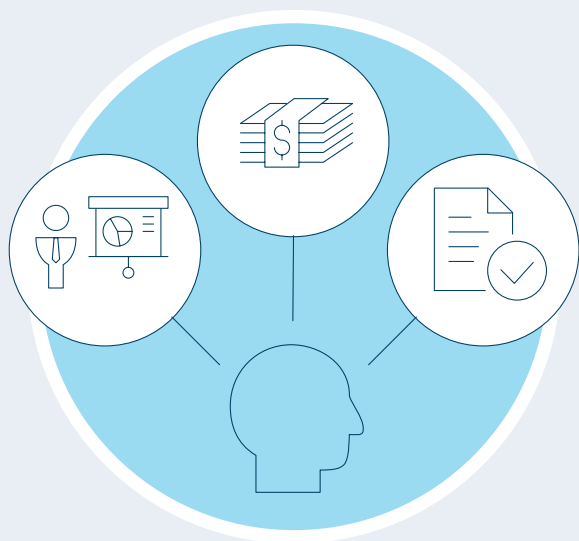
SETTLING BRINGING IT HOME

3

- Confirm your home loan and repayment structure
- Complete pre-settlement tasks:
 - If applicable, submit your KiwiSaver first home withdrawal and/or First Home grant applications
 - Confirm your insurances are in place
 - Carry out your pre-settlement inspection
 - Set up your settlement payment.



**Settlement day –
pick up the keys and move in!**



PLANNING

KNOW YOUR BUYING

POWER

1

The first stage of buying a home involves reviewing your finances to understand what you can afford to spend.



MEET WITH AN ANZ HOME LOAN COACH

Your coach will take you through your loan options and help with your plan of getting to where you want to be. They'll give you an approximate idea of what you could borrow, work through your deposit options, and what your repayments might look like.

You can also find a range of tools and calculators to help you understand what you may be able to afford at anz.co.nz, including how much you could borrow and how much your repayments may be.



THE COSTS OF BUYING AND OWNING A HOME

Buying costs – one off	Owning costs – ongoing
<ul style="list-style-type: none"> • Solicitor fees • LIM reports • Property Files • Building inspections • Moving costs • Utility setup and reconnecting services. 	<ul style="list-style-type: none"> • Home loan repayments • Council rates • Insurance – Home and Contents • Utilities and maintenance • Body corporate fees (if buying a Unit Title).

It's important to factor in all of the costs of buying and owning a home. Your Coach can help you understand the costs and set your budget.

You can also find helpful budgeting tools at sorted.org.nz.



Your Coach can help you assess your insurance needs and tailor a plan to fit your needs and budget.



PUTTING TOGETHER YOUR SUPPORT TEAM

Aside from your ANZ Home Loan Coach you will need:

- **A solicitor** – There are a number of legal matters associated with purchasing a home, so it's important to involve your solicitor before you make an offer or bid at an auction. If you need to find one check out propertylawyers.org.nz. Legal fees vary, so ask around and get an estimate.
- **Building inspector** – A building inspector can tell you about the condition of a property, which might help you decide whether it's the one for you. You can find a list of building inspectors in your area at boinz.org.nz.
- **Family and friends** – Family and friends can help you throughout your home buying journey, whether that be giving their honest feedback on potential properties, supporting you at an auction or celebrating with you once you've bought your new home.

DEPOSIT OPTIONS

What size deposit will you need?

Generally, you'll need a 20% deposit for an ANZ Home Loan, but depending on your situation and the type of home you're buying, this will differ – so talk to your Coach today.

You can also work out how much you could borrow by using our home loan calculator at anz.co.nz.

Getting the deposit together for a new home can be challenging. If your savings and/or existing property equity are not enough, there are other options available. You may be able to get help from:

- KiwiSaver (if you're an eligible first home buyer)
- Family and friends (through gifting, loans and guarantees).



If you're a first home buyer and a member of an ANZ KiwiSaver scheme, your Coach can help you understand your eligibility and how much you could withdraw for your first home.

USING YOUR KIWISAVER SAVINGS

If you're buying your first home, you may be able to use your KiwiSaver savings to get you there sooner. You'll need to have been a KiwiSaver member for at least three years. There are two ways KiwiSaver can help:

1. Make a first home withdrawal from your KiwiSaver account.
2. Apply for a First Home grant from Kāinga Ora (previously known as Housing New Zealand).

FIRST HOME WITHDRAWAL

Your KiwiSaver savings can be used either to buy your first home or buy land to build your first home on (but if you've already bought land you can't use your KiwiSaver savings).

Are you eligible?



How much can you withdraw?

If you're eligible, you can apply to withdraw the total amount in your KiwiSaver account, except for \$1,000 and any amount transferred from an Australian complying superannuation scheme.

If you lived overseas since joining KiwiSaver and didn't have permanent residence in New Zealand over that time, you won't be able to withdraw any of the Government contributions received during that period.

What do you need to do?

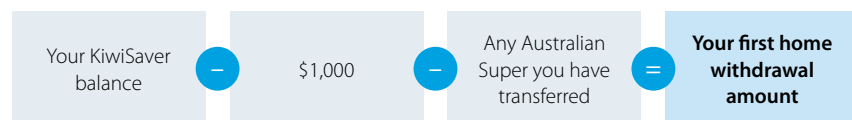
When you apply for your home loan pre-approval, you generally need to provide a KiwiSaver eligibility letter. This letter includes confirmation of your eligibility to make a first home withdrawal, as well as your estimated withdrawal amount.

Your KiwiSaver scheme provider can give you an eligibility letter and a first home withdrawal application form. If your KiwiSaver account is with ANZ Investments, you can request these at anz.co.nz/fhwrequest or call 0800 736 034.

Once you've found the home or land you want to buy, it's important to apply for your first home withdrawal early to ensure your savings are available when needed. If you're eligible, you can choose to put your KiwiSaver savings towards the deposit you pay to the vendor (seller) while your Sale and Purchase Agreement is still conditional (generally 10% of the purchase price). Or alternatively, once your offer goes unconditional, you can put your KiwiSaver savings towards the purchase price at settlement.

You'll need to:

- Talk to your New Zealand solicitor – they can help you through the process
- Take the application form to your solicitor so they can help you complete it and gather all the required documents
- Check the processing time for KiwiSaver first home withdrawals with your KiwiSaver scheme provider – if this is ANZ Investments, submit your application at least 15 business days (10 business days if you haven't lived overseas) before payment is due.



If you're looking at withdrawing your KiwiSaver savings, it's a good time to review your fund choice. If your KiwiSaver account is with ANZ Investments you can use our risk profile tool to see if you're in the right fund at anz.co.nz/riskprofiletool.

FIRST HOME GRANT

Kāinga Ora offers First Home grants for eligible KiwiSaver members to help them buy their first home.

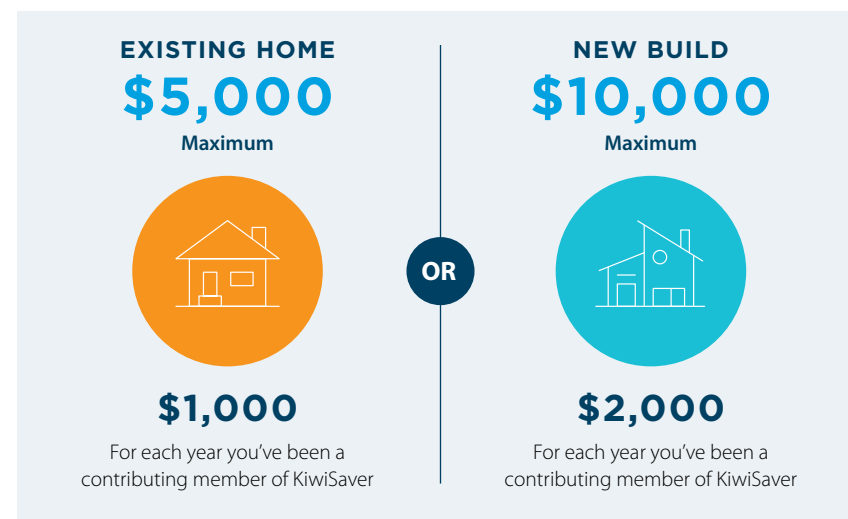
To find out if you meet Kāinga Ora's eligibility criteria, visit kaingaora.govt.nz/firsthomegrant.

How much can you get?

The amount of the First Home grant depends on whether the house you're buying is existing or newly built.

The Government pays this directly to your solicitor on settlement day – it doesn't come out of your KiwiSaver account. For details on how to apply, visit kaingaora.govt.nz/firsthomegrant

Please allow plenty of time for Kāinga Ora to process your application.



Applying for a First Home grant

If you apply for a First Home grant, you'll need to provide Kāinga Ora with proof of your regular contributions to your KiwiSaver account. You can get your transaction history from ANZ Internet Banking. To register for access, visit anz.co.nz/managekiwisaver.

GETTING HELP FROM FAMILY

There are three ways your family members may be able to help you get into your home – gifting, loans and guarantees.

Gifting

This is when a family member gives you some of the money for your deposit. If someone is giving you money for your deposit, we'll need confirmation that you won't need to repay that money. Both you and the family member(s) concerned should get independent legal advice before taking up this option.

Loan from family

With this option, we will require a Deed of Acknowledgment confirming that the loan will not have to be repaid until the property is sold. Your family member should talk to their solicitor about getting this sorted.

Guarantees

In some cases, we may be able to take a mortgage over a home owned by someone else, for example your parents, as extra security for your loan. Where this happens, we'll need a guarantee from the owners of that home. Under a guarantee, someone agrees that they will be responsible for some or your entire loan if you're not able to pay it for any reason.

There are a number of conditions that both you and the family member(s) providing the guarantee will need to meet, and you'll both need to get legal advice before taking up this option.



GET YOUR HOME LOAN PRE-APPROVED

A pre-approved home loan allows you to house hunt with confidence, giving you an idea of your potential buying power and your approximate price range.

It gives you an indication of what we're willing to lend you, subject to certain conditions.

There are a couple of things your coach will need to assess when considering a pre-approval:

1. Validate your identity; and
2. Assess your financial position, income, living expenses and, if you're a first home buyer, your eligibility for a KiwiSaver first home withdrawal.

We will need proof of address, a valid photo ID and proof of regular income. These can be provided through utility bills, a passport or New Zealand driver's licence, pay slips and last 90 days of bank statements.

A pre-approval makes up two of the three parts of a full loan application; your identity and your financial position – so it gets you off to a great start. All that remains is to find the right property – and that's what the next section is all about.

Who you are



To start the pre-approval process, simply contact your ANZ Home Loan Coach or start the application process online at anz.co.nz/homeloans.



Your pre-approval is valid for up to three months. If you're house hunting for longer, contact your coach who can reassess your financial position.



ASSESSING YOUR INSURANCE NEEDS

Once you've found a new home you'll need to insure it before you can draw down your home loan, so it's a good idea to think about this early. Buying a home can mean a new chapter in your life, so you may also want to consider how other insurances could help protect you and your family's lifestyle – now and in the future.

Protecting your new home

House insurance protects you if your house gets damaged or affected by things like a fire, flooding or natural disaster. You **must** have adequate house insurance in place before settlement day. Your coach can help you understand what you need to do and potential insurance costs for the house type and location you're looking for.

Protecting your valuable possessions

Contents insurance covers the things you own (other than your house), such as furniture, clothes, appliances, etc. If you don't have contents insurance, it's a good idea to get this in place so you have peace of mind should something happen to your belongings. Your coach can help you understand the options.

Protecting your lifestyle

What would happen if you suffered from an accident or illness that prevented you from working, were made redundant or died? Life & Living Insurance can help ensure that you and your family are protected. Your coach can help you put together the right combination of insurance options for your situation – and your budget. For example:

- **Life Cover** helps ensure your family will be looked after financially if the worst should happen to you
- **Critical Illness** cover helps provide financial security for you and your family if you're diagnosed with one of 12 serious conditions, including cancer, stroke or a major heart attack
- **Living Expense Cover** provides help with your living expenses if you can't work due to accident or illness
- **Redundancy Cover** can be taken with Living Expenses Cover and helps ensure you can keep paying the mortgage and other bills if you're made redundant.



Talk to your ANZ Home Loan Coach or visit anz.co.nz/personal/insurance to find out more.



FINDING THE ONE

HOUSE HUNTING

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Once you've got your deposit and pre-approval sorted, you can start house hunting with confidence.

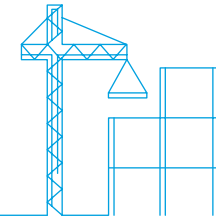
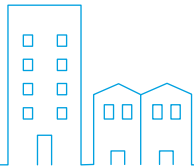


PROPERTY TYPES

Different property and land ownership types come with different considerations.



THE RIGHT PROPERTY FOR YOU



Existing houses

Existing houses are generally less complicated in terms of the purchase process and your loan.

Apartments and terraced houses

When you buy an apartment or a townhouse you may become a shared owner of any common areas of the property (i.e. a member of the body corporate).

Before making an offer, you may wish to understand the financial position of the body corporate and your responsibilities as a member. The vendor can provide this information.

Building or buying off the plans

Building a new home or buying a new home off the plans can be a great way to get the home you've always wanted. The process for building or buying off the plans comes with extra considerations. So we've created a separate Building and Renovating Handbook to help you through the journey. Download the handbook at anz.co.nz/buildingandrenovating or request one at an ANZ branch.

TYPE OF LAND OWNERSHIP

There are a number of land ownership types in New Zealand. The more commonly known types are: Freehold, Leasehold, Cross lease and Unit titles. It's important to talk to your solicitor and get their advice about these different

types and what it will mean for you while you search for your first home and before making an offer.

See settled.govt.nz for more details about the types of land ownership.

DOING YOUR HOMEWORK ON POTENTIAL PROPERTIES

Buying a home is a big commitment, so it pays to do thorough research before you make an offer.

It's a good idea to have a list of your ideals to rate a property against. Some things you may like to consider:

- Does it get good sunlight (it pays to visit at different times of the day)?
- What is the neighbourhood like (including neighbouring houses)?
- Is it close to facilities like shops or transport?
- Does it have insulation? How is it heated?
- What is the general condition of the building, roof, and outside areas? Are there any potential issues that may need to be addressed?
- Is the property insurable?

For more details about researching a property, visit settled.govt.nz.



Before you make an offer on a property, it's important to factor in the cost of house insurance. Certain regions may not only have higher premiums, but there may be some restrictions on obtaining insurance. Your coach can help you with this.



GET AN ANZ PROPERTY INSIGHTS REPORT AND KNOW A HOME'S POTENTIAL WORTH

An ANZ Property Insights Report gives you an estimate of a property's potential market value, plus recent comparable property sales in the area – helping you decide how much you're willing to pay for a particular home. The report, produced by Valocity, is worth \$49.95 and is free when you have a conditional pre-approval for an ANZ home loan.



ENGAGE A SOLICITOR

Once you've found a potential property, here's an overview of how your solicitor can help.

Purchasing by auction

A bid at auction is an unconditional offer, so be sure to talk to your solicitor first. They will advise you of all the due diligence you need to complete before the auction day.

Purchasing by offer and negotiation or tender

Your solicitor will review the Title information, LIM report and advise you if you need to consider adding any conditions to your offer. Typical conditions include:

- subject to confirming finance (obtaining full loan approval – more on page 26)
- obtaining a LIM (Land Information Memorandum) report (if you haven't already)
- being satisfied with the results of a builder's inspection.

KiwiSaver first home withdrawal

If you're using your KiwiSaver savings, you'll give your first home withdrawal forms to your solicitor, who will finalise

them and send them to your KiwiSaver scheme provider. Once your withdrawal has been approved, your provider will send your withdrawal amount to your solicitor's bank account.

Building a new home or buying off the plans

These types of contracts can be more complex, so it's important to involve your solicitor from early on. Always have your solicitor review any contracts before signing them. Our Building and Renovating Handbook has more information about these options. Download a copy at anz.co.nz/buildingandrenovating or request one at an ANZ branch.

Finalising the sale

If you are successful for any purchase method your solicitor will be responsible for transferring the property to you (conveyancing) and completing the transactions necessary for settlement (you will be able to pick up the keys following settlement).



If you don't already have a will, talk to your solicitor about putting one in place.

COMPLETE REQUIRED INSPECTIONS AND REPORTS

There are a range of inspections and reports available for a fee to help you research a property you're interested in.

Building inspections

A registered building inspector will inspect the house and check whether it is structurally sound, the condition of the wiring and if there are any water tightness issues. The cost of a builder's inspection depends on the level of detail you require and generally start at around \$350*.

Check the LIM report (Land Information Memorandum)

A LIM is a report issued by the local city or district council which provides a summary of all the information the council has on file in regards to roads, flooding or any contamination of the land, rates and resource planning consents. LIM reports are available through your local council. You can request it yourself or your solicitor can

request a copy. Depending on the type of sale, the agent may provide you with a copy of the LIM report and the Record of Title (particularly if you're buying at auction). Check with your solicitor regarding the date and contents. The cost of a LIM report can vary from around \$200-\$395* and tend to be more expensive in larger cities.

Consider ordering a property file

A property file provides any correspondence with the council regarding the property and helpful plans. A property file does not replace a LIM report and your solicitor will advise you whether one is required.

Property file costs range from \$10 to \$60* depending on the council.



The cost of inspections and reports can start to add up. So be sure it's a property you are really interested in before requesting these.

*Please note that costs quoted are estimates only and can vary depending on region and are subject to change.

UNDERSTANDING TYPES OF OFFERS

There are two options when making an offer on a property; conditional and unconditional. You should always have your solicitor check any Sale and Purchase Agreements 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 (obtaining full loan approval – more on page 26) 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 full loan approval) and ensure your solicitor 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 HOUSE WILL BE SOLD

There are four main ways to buy a house in New Zealand; and each has pros and cons. Check out our journey maps on the following pages for more information.

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 solicitor checks your Sale and Purchase Agreement before you sign it.



Experience the home buying process

You can register for a free ANZ Property Unlocked Seminar to get first-hand insights from experts including solicitors, real estate agents and ANZ Home Loan Coaches. To find a seminar near you, visit anz.co.nz/propertyunlocked.

OFFER AND NEGOTIATION

If you want to make an offer, the real estate agent or your solicitor will help you fill in a Sale and Purchase Agreement, which contains your offer and any conditions. 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.

TENDER

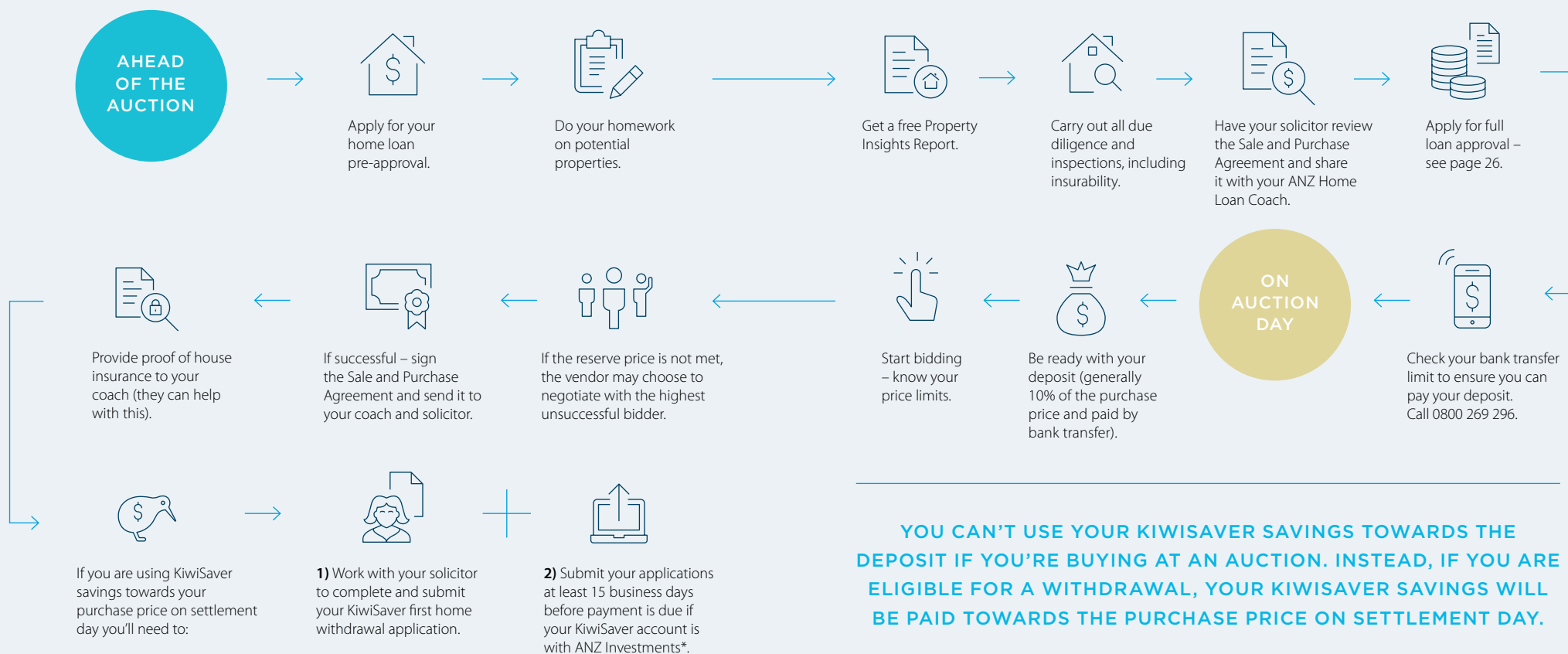
Anyone who is interested in the property submits a written offer (tender) by a certain date. Typically, all the tenders are opened at once and the vendor decides which (if any) they will accept. They may also choose to negotiate with any of the tenderers, however you might not always get this chance so consider this when making your offer.



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 home at auction, the sale is unconditional – so you need to obtain legal advice and do your due diligence (e.g. 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).

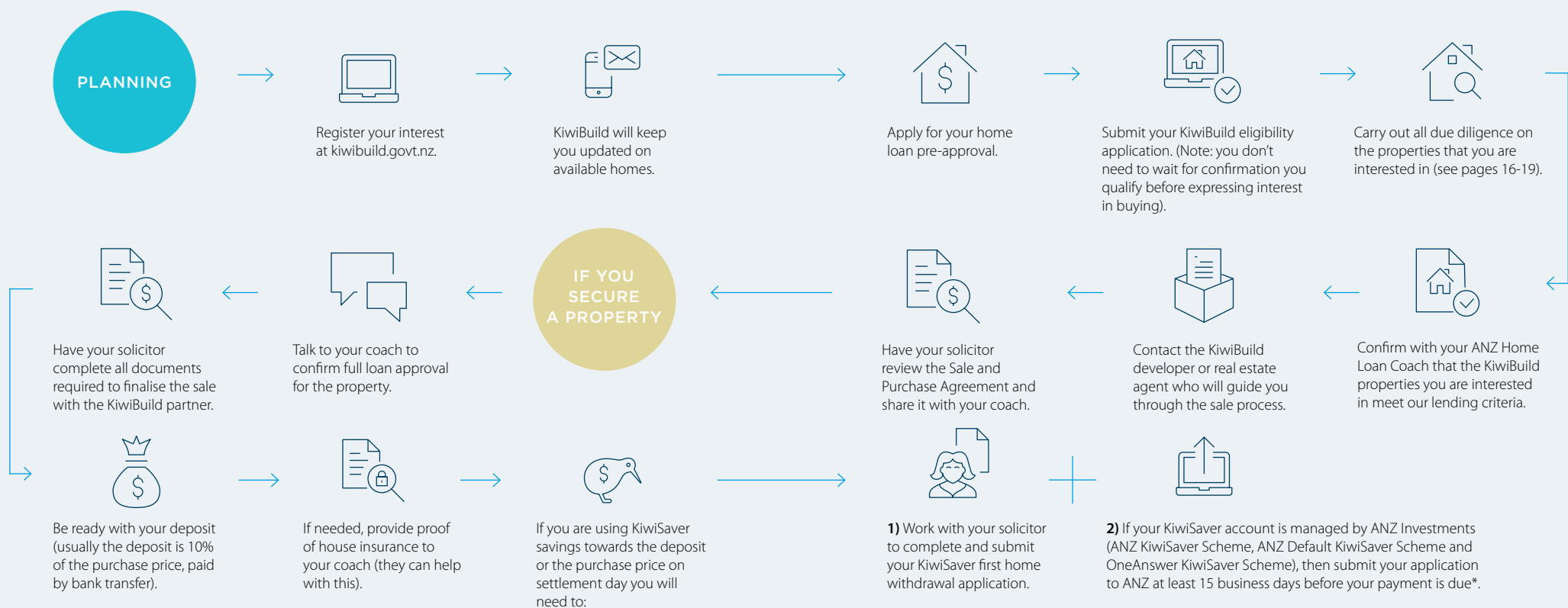


BUYING A HOME WITH KIWIBUILD

KiwiBuild is a government-led programme to assist eligible first home buyers with an opportunity to buy their first home.

Available KiwiBuild homes are sold by direct sale or ballot to individuals that meet eligibility criteria.

Visit kiwibuild.govt.nz for more information and to register.



Your ANZ home loan pre-approval is valid for up to 90 days.



If you're paying by bank transfer, make sure your bank transfer limit is high enough by checking with your coach or calling 0800 269 296.

* If you haven't lived overseas since you joined KiwiSaver, your processing time will be up to 10 business days.

APPLY FOR FULL LOAN APPROVAL

Before your offer can be unconditional, you will need to apply for full loan approval for your chosen property.

Having already validated your identity and financial position for your pre-approval, the property is the final component of your loan application.

Your ANZ Home Loan Coach will help you through the process and provide you with a letter of offer if your application is confirmed. Your letter of offer is key to the sale going ahead.

Note that in some cases, we may require a property valuation before we can confirm full approval.



BRIDGING FINANCE

'Bridging' or 'tideover' loans are a short term option for buying the next home before the current home is sold or settles.

Bridging finance will mean you'll have two loans until the sale of your existing property. So, there are several factors you may want to consider when deciding whether bridging finance is the right option:

- Can you afford it? Will you be able to meet the repayments on your existing home loan and your new bridging loan?

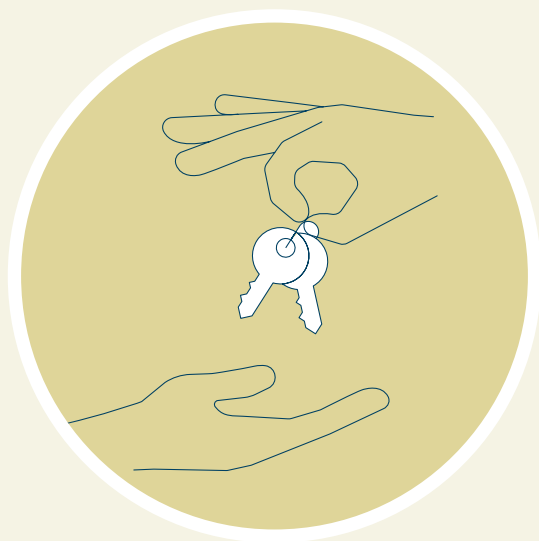
- How long will you need the new bridging loan for?
- How certain are you that the sale on your current home will happen as expected?

Talk to your ANZ Home Loan Coach about your options when buying and selling a house, and if bridging finance is right for you.



After getting legal advice make sure you sign and return all the contract papers promptly. Feel free to run any questions past your coach.





SETTLING BRINGING IT HOME

3

At the last stage of buying a home you'll confirm your home loan structure and house insurance, and complete paperwork and other tasks required to get you across the line on time.



CHOOSING THE RIGHT HOME LOAN FOR YOU

There is more to consider than just the interest rate. The way you structure your home loan may help you pay less interest and could take years off your home loan. It's important to tailor your home loan to your circumstances, as one size doesn't fit all. An ANZ Home Loan Coach can help you choose a loan structure to suit your financial situation.

ANZ Home Loan with a fixed rate	ANZ Home Loan with a floating rate	ANZ Flexible Home Loan
Know exactly how much your home loan repayments will be by fixing your rate for a set period.	Allows you to make extra repayments to pay off your home loan sooner.	Is designed for customers who are disciplined with their money. When managed carefully, this account may enable them to pay less interest and pay off their loan faster.
<p>The interest rate is fixed for a set period. During that period your repayment amount stays the same.</p> <p>When the fixed rate period ends, you can choose to fix it at another rate, or let your loan roll onto the floating rate.</p> <p>Fixed home loans generally have lower interest rates than floating or flexible home loans, but they offer less flexibility to make extra repayments.</p>	<p>The interest rate on a floating home loan can move up or down in line with market changes – which means your repayment amount can change.</p> <p>The interest rate is generally higher than fixed home loan rates but you have the flexibility to make extra repayments whenever you like – a minimum repayment amount may apply.</p>	<p>This home loan is a revolving credit facility on your ANZ transactional account, a bit like an overdraft.</p> <p>You can pay money into it whenever you like and redraw it if you need to. You're charged interest on the outstanding balance, but there are no set repayments.</p> <p>It often has the highest interest rate and a monthly fee, but it offers the most flexibility.</p>



Use our home loan repayments calculator to work out the impact of increasing your repayments at anz.co.nz/repaycalculator.

CONFIRM YOUR REPAYMENT STRUCTURE

PRINCIPAL + INTEREST LOAN

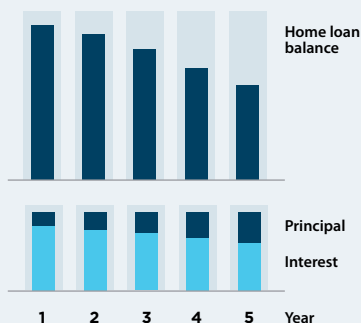
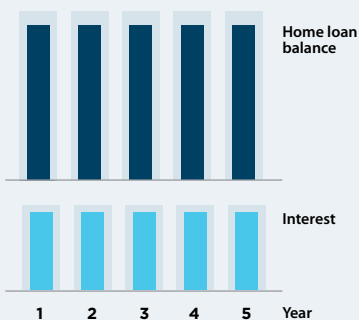


Table repayments are the most common option. Your repayments stay the same over the life of the loan (assuming your interest rate stays the same).

Here's how they work:

You generally pay more interest at the start, so initially you're not building up much equity (the amount you own) in your home. However the balance changes over time and later on you repay more principal than interest, and your equity builds up faster.

INTEREST-ONLY LOAN



Interest only repayments are exactly as the name suggests – you only pay the interest with each repayment, not paying off the original loan itself. At the end of this interest-only period, you'll revert to a principal and interest loan and your repayments will be higher. Choosing an interest-only loan can increase the total interest you will pay over the life of the loan.

If repayments are made outside of the agreed structure, this may involve certain fees and charges.

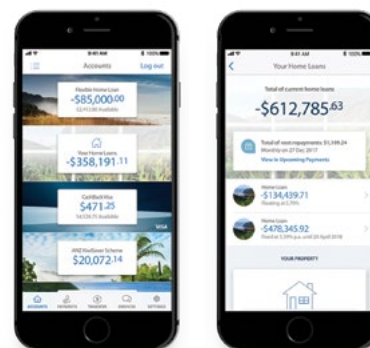
**TALK TO YOUR ANZ HOME LOAN COACH OR VISIT
ANZ.CO.NZ/PAYITFASTER TO FIND OUT HOW YOU COULD
SET UP YOUR HOME LOAN TO PAY IT OFF FASTER.**

EASY WAYS TO MANAGE YOUR HOME LOAN

A home loan is a big commitment – so once you've got one, it pays to review it from time to time.

Managing your repayments

Once your home loan account is set up with ANZ, you need to make sure the money is there for each loan repayment.



ANZ goMONEY AND INTERNET BANKING

The ANZ goMoney app and ANZ Internet Banking are easy ways to manage your ANZ accounts – for example, you can set up automatic payments to your home loan servicing account. You can also check your balance, make payments, transfer funds, pay bills and much more 24 hours a day, seven days a week.



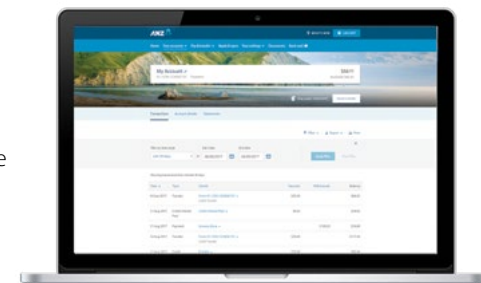
**You can view the total balance of your home loans in
ANZ goMoney and Internet Banking.**

INCREASING YOUR REPAYMENTS OR MAKING A LUMP SUM

Increasing repayments when circumstances change or making a lump sum payment could also help pay off a loan sooner. This can help you pay off your loan faster and save on interest costs. Talk to your ANZ Home Loan Coach first as there may be a charge depending on your loan type.

Reducing your repayments

If you experience financial pressure, talk to us early. We may have options to help reduce your repayments for a while.





COMPLETE PRE-SETTLEMENT TASKS

While your solicitor handles the settlement of your loan, there are a couple of things you need to think about ahead of settlement day.

INSURANCE

You will need to arrange house insurance prior to your settlement day. As we are providing a mortgage for the home, ANZ must be recorded on the policy as the interested party and you will need to provide proof of insurance to your solicitor prior to settlement. If you haven't already, it's also a good time to talk to us about other insurance options to ensure you and your family are protected – for example, ensuring that if you can't work through injury or illness, your mortgage will still be paid.

KIWISAVER AND FIRST HOME GRANT

If applicable, you'll need to submit your KiwiSaver first home withdrawal and apply for your First Home grant.

If your KiwiSaver account is with ANZ Investments we need all the required documents at least 15 business days before payment is due. If you haven't lived overseas since you joined KiwiSaver,

your processing time will be up to 10 business days.

FINAL INSPECTIONS

Before settlement make sure you carry out a final inspection of the property, which can be arranged through the real estate agent. You may want to ensure any inclusions in the Sale and Purchase Agreement remain and there has been no damage to the property since the Sale and Purchase Agreement was signed by you and the vendor. Inform your solicitor of the outcome of the inspection.

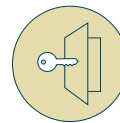
For more on what to look for in your final inspection, visit settled.govt.nz.

REMAINING FUNDS

Ensure you have transferred any remaining funds as per your solicitor's instructions prior to settlement if required. If you are sending by bank transfer, call us on 0800 269 296 to check your transfer limit.



Check in with your coach to ensure you have completed all your pre-settlement conditions and everything is on track for settlement.



SETTLEMENT DAY

Settlement day is a big milestone. It's when the purchase price (less any deposit paid) is paid to the vendor and the title transfers to you. It's probably one of the most exciting parts of the process.

On settlement day, most of the work is completed behind the scenes by your solicitor. Here's an overview of what will happen, including if you've used your KiwiSaver savings for settlement:

- Your KiwiSaver first home withdrawal, and if applicable, your First Home grant from Kāinga Ora, is paid directly to your solicitor on or before the settlement day.
- Your solicitor will notify the bank of the amount required to settle the purchase and will arrange for your loan to be drawn down and the money transferred to the vendor.

- Your solicitor will also check that the rates have been paid by the vendor and are up-to-date.
- Once they receive confirmation that the vendor has received the money, your solicitor will register the property in your name and arrange for you to receive the keys.

Once settlement has taken place, your solicitor or real estate agent will notify you, and you can then get the keys.

Congratulations, welcome to your new home.

SETTLING ON YOUR NEW HOME – PICK UP THE KEYS AND MOVE IN!



It's important to ensure your funds have cleared by the agreed time on settlement day to avoid possible penalties.



WE'RE HERE FOR THE LONG TERM

As you put your feet up and settle in to your new home, let us know how you're going. The journey doesn't end at settlement, and your ANZ Home Loan Coach may be able to tailor your loan to meet your changing needs or talk you through ways to pay off your home loan faster. We also have a helpful video on anz.co.nz to step you through it.

When the day comes that you want to renovate, buy a bigger house, to downsize, invest in another property or restructure your home loan, your coach will be there, ready to help you reach that next milestone.

HELPFUL CONTACTS

Buying a home is the biggest purchase you will ever make, so here are some useful sites to help you on your home buying journey.



Buying and selling settled.govt.nz

You'll find comprehensive, independent information here to guide Kiwis through all aspects of home buying and selling. Brought to you by the Real Estate Authority, the government agency that regulates the New Zealand real estate industry.



Find your local council lgncz.co.nz

You'll find contact details for all local councils listed here – you'll need to get hold of yours if you're after a LIM report from them.



Find a building inspector boinz.org.nz

Search for a building inspector in your area.



Get your plans sorted sorted.org.nz

You'll find free and independent tools and resources to help get your finances Sorted.



General information cab.org.nz

On the Citizens Advice Bureau website you may find answers for any general housing and land enquiries, like how body corporates work, or whether you're eligible for Energywise funding to help with insulation.



Kāinga Ora kaingaora.govt.nz

You'll find details on how to apply for the First Home grant and eligibility criteria.



Find a solicitor propertylawyers.org.nz

Search for a solicitor and pick up tips on how to find the right one for you.



KiwiBuild kiwibuild.govt.nz

Is a government programme working to provide 100,000 homes for first home buyers by 2028.



We've got ways to help make your new home warmer, drier and more energy efficient. Visit anz.co.nz/healthyhomes to find out more.

HOME BUYING JOURNEY – CHECKLIST

1. Planning – know your buying power

- ☐ Meet with your ANZ Home Loan Coach
- ☐ Outline your budget
- ☐ Work through your deposit options
- ☐ Check your KiwiSaver withdrawal and First Home grant eligibility
- ☐ If applicable, request your KiwiSaver eligibility letter
- ☐ Assess your insurance needs
- ☐ Get your home loan pre-approved

2. House hunting

Understand what to look for

- ☐ Location, size, type of home
- ☐ Understand the types of land ownership
- ☐ Do your homework on potential properties
- ☐ Get an ANZ Property Insights Report
- ☐ Engage a solicitor
- ☐ Complete required inspections and reports
 - Building inspection
 - Check the LIM report
 - Consider ordering a property file

- ☐ Understand the types of offers

Find out how the house will be sold

- ☐ Understand the pros and cons of each method
- ☐ Send your Sale and Purchase Agreement to your coach and solicitor
- ☐ Apply for full loan approval
- ☐ Make an offer or bid at auction
 - By offer and negotiation or tender: agree on your price and conditions

- Bidding at auction: remember if you bid at auction, your offer is unconditional, so you need to complete all your due diligence prior to the auction

- ☐ Meet your conditions if your offer is accepted
 - Fulfil your conditions by completing a builder's inspection, valuation or obtain the LIM report (depending on your conditions)
- ☐ Contact your coach to complete the home loan process
- ☐ Contact your solicitor so they can start preparing the documents
- ☐ Using your KiwiSaver savings?
 - Work with your solicitor to submit your KiwiSaver first home withdrawal application along with all required documents
 - Send the required documents to your KiwiSaver scheme provider at least 15 business days before payment is due*
- ☐ Apply for your First Home grant, if applicable

3. Settling – bringing it home

- ☐ Confirm your home loan and repayment structure
- ☐ Complete pre-settlement tasks
 - Complete your pre-settlement inspection
 - Confirm your insurances are in place
 - Pay the remainder of the purchase price to the required account
- ☐ Settlement day – pick up the keys and move in.



GLOSSARY

Auction

The vendor sets a reserve price, and once this price is reached, the property will be sold to the highest bidder. Sales at auction are unconditional – it's important to obtain legal advice, get full loan approval and do your due diligence before bidding.

Body Corporate

A group made up of owners in a block of flats or apartments, who maintain and repair the building and its shared spaces.

Certificate of Title

A document containing the legal description of a property, who owns it and who may have registered a mortgage against the title.

Chattels

Items included in the sale of the property and listed in the Sale and Purchase Agreement. Chattels can include items such as curtains, carpets and light fittings.

Code of Compliance Certificate

A formal statement issued under the Building Act 2004, that the building work carried out under a building consent complies with that building consent and the New Zealand Building code.

Conditional offer

An offer where you specify conditions that must be met by a certain date before the Sale and Purchase Agreement is declared unconditional. Common conditions include obtaining a satisfactory building inspector's report, confirming finance or obtaining a LIM report.

Conveyancing

Term used to describe the legal work required for completion of a property transaction – usually a sale or a purchase.

Full loan approval

Full loan approval means we've confirmed the amount we can lend you on the specific property you intend to buy.

If you want to bid at an auction, or you want to make an offer with no finance clause, you'll need to get full loan approval first.

Note, a pre-approved home loan is not full loan approval as you still need our approval for the specific property.

Land Information Memorandum (LIM) report

Issued by the local council and provides a summary of information they have on file about roads, flooding or any contamination of the land, rates and resource planning consents.

Offer and negotiation

You make an offer in writing and then negotiate with the vendor until you agree on a price and conditions. Your real estate agent or your solicitor will help you fill in a Sale and Purchase Agreement containing your offer and any conditions. The vendor 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.

Pre-approved home loan

Gives you an indication of what we will lend to you, subject to certain conditions, so you can go house-hunting with confidence. A pre-approved home loan is not a loan that has been fully approved – you will still need to get full loan approval by satisfying any conditions that need to be met.

Private sales

Private sales usually follow the same process as offer and negotiation – but the negotiations are made directly with the vendor instead of through a real estate agent, and you'll pay the deposit to your solicitor. With this type of sale you're more likely to require a property valuation report before finance can be approved.

It's important that you consult your lawyer before signing or committing to anything in a private sale.

Loan to Value Ratio (LVR)

The amount you wish to borrow as a percentage of the property's market value. LVR is calculated by dividing the amount of the loan by the value of the property. For example, if you have a deposit of \$100,000 and the property is worth \$500,000 it means you need to borrow \$400,000 and the LVR will be 80% ($\$400,000/\$500,000=80\%$).

Low Equity Premium (LEP)

A fee that is charged when you borrow more than 80% of the value of the property that's available as security for any loans you have with us. This is charged as a percentage of your loan amount on a graduated scale – the more you're borrowing against the value of the property, the higher the fee could be.

Mortgage

Sometimes used to describe a home loan. However, this is a legal document that is the security a borrower gives a lender which is registered against the title to the property being purchased. The property cannot be sold without the home loan being repaid and the mortgage removed from the title (discharge of mortgage).

Mortgagee

The lender who gives the loan to the borrower and receives the security (mortgage) in the property from the borrower.

Principal

The amount you borrow, which is used to calculate your final loan amount (i.e. including the interest you will need to pay).

Sale and Purchase Agreement

This is the written contract for sale and purchase of the property between the vendor (seller) and the purchaser (buyer) – usually handled by a real estate agent and a solicitor. The Agreement sets out the amount the property will be sold for, any conditions that must be satisfied before the sale is unconditional and settlement date.

Settlement day

The date the purchaser's lawyer pays the vendor's lawyer the purchase price and the vendor's lawyer transfers legal title to the property to the purchaser. The purchaser can get the keys on this date.

Sale by Tender

This is the process where prospective buyers submit a written offer (tender) by a certain date. The tenders are opened after that date and the vendor decides which (if any) they will accept. They may or may not choose to negotiate with any of the tenderers.

Unconditional offer

An offer with no conditions attached.

You should carry out all due diligence (e.g. LIM reports, inspections, confirming full loan approval) and ensure your solicitor 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. Your ANZ Home Loan Coach will be able to assist you with confirming full loan approval.

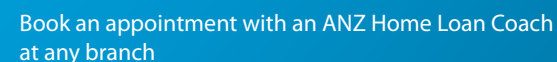
Vendor

This is the person selling the property.

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Get first-hand insights from experts including solicitors, real estate agents and ANZ Home Loan Coaches at a free ANZ Property Unlocked webinar. To register for a webinar, visit anz.co.nz/propertyunlocked.

An ANZ Home Loan Coach will help you to apply for a home loan. You're in control, because how you apply is up to you:



This brochure is for information purposes only. We recommend seeking financial advice about your situation and goals before getting a financial product. To talk to one of our team at ANZ, please call 0800 269 4663, for more information about ANZ's financial advice service or to view our financial advice provider disclosure statement see anz.co.nz/fapdisclosure

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This brochure is current as at October 2021 and the details in it are subject to change.

