

Applying for Eligibility

If you would like to purchase a KiwiBuild home, you must complete a KiwiBuild Pre-Qualification Application to confirm your eligibility.

This needs to be completed by everyone who will be purchasing the KiwiBuild home. This includes spouses, civil union partners or de-facto partners who will be named on the Agreement for Sale and Purchase.

Full Eligibility Criteria

To be considered eligible to purchase a KiwiBuild home, everyone named on your application must:

- be over 18 years old
- be a New Zealand citizen, permanent resident, or a resident visa holder who is “ordinarily resident in New Zealand”; or
- be applying with someone who meets the citizenship or residency requirements and you are married to or in a civil union or de facto partnership with that person
- be a first home buyer or previous homeowner
- have a total before tax income from the last 12 months of:
 - **\$120,000** or less for an individual buyer without dependents; **or**
 - **\$150,000** or less for an individual buyer with one or more dependents; **or**
 - **\$200,000** or less for two or more buyers, regardless of the number of dependents

In addition, everyone named on your application must:

- intend to own and live in your KiwiBuild home as your primary place of residence for a Minimum Ownership Period, calculated from the settlement date of your purchase:
 - at least one year for a studio or one-bedroom home
 - at least three years for a home with two-bedrooms or more
- **not** have a current legal or beneficial interest in a home in New Zealand or overseas
- **not** be married to, nor in a civil union or de facto relationship with someone who has a current legal or beneficial interest in a home in New Zealand or overseas
- **not** currently have any unregistered interest in a home, including as the beneficiary of a trust (unless it is a beneficial interest of the type permitted below)

When applying for KiwiBuild Pre-Qualification you can only be part of one application, whether that application is made on your own OR with other people. You cannot apply more than once, even if your second application is made with a different person.

Eligibility is not transferrable. If you wish to make any additions, substitutions or changes to your application, you will need to resubmit your application for consideration. There can be no additions, substitutions or changes to those listed on a pre-qualified application to those named on any subsequent Agreement for Sale and Purchase.

Where a KiwiBuild home is sold as a direct sale, applicants can make additions, substitutions or changes to their application, so long as the application is pre-qualified at the time that any Agreement for Sale and Purchase becomes unconditional.

Where a KiwiBuild home is allocated through a ballot process, only those named on the pre-qualification application at the time that the ballot closes can be named on any subsequent Agreement for Sale and Purchase.

Eligible buyers are not permitted to enter into a contract on more than one KiwiBuild home at the same time. Likewise, an eligible buyer cannot take part in a ballot and have a conditional offer under contract on a KiwiBuild home at the same time. If an eligible buyer enters into a conditional offer on a KiwiBuild home, and wishes to participate in a ballot that relates to another KiwiBuild home, they must first cancel the other offer.

One person will need to be identified as the point of contact for all communications relating to your application. Except in exceptional circumstances, the point of contact must be a named applicant. Purchasers must be at least 18 years old at the time they apply for KiwiBuild pre-qualification.

Clarifications on Eligibility Requirements

New Zealand citizenship or residency

To be eligible to buy a KiwiBuild home you must be a New Zealand citizen, a permanent resident, or a resident visa holder who is “ordinarily resident in New Zealand”. If you are applying with a spouse, civil union partner or de facto partner only one of you will need to meet these requirements.

Other visa types are not eligible, even if you normally reside in New Zealand.

Ordinarily Resident in New Zealand

If you are a resident visa holder, you are considered to be “ordinarily resident in New Zealand” if you:

- have been living in New Zealand for at least the past 12 months; **and**
- have been in New Zealand for at least 183 days in total in the past 12 months; **and**
- are a tax resident in New Zealand, meaning that you meet the criteria above and you have a long-term connection to New Zealand (e.g. you have work or family ties to the country).

Income

The total income before tax (i.e. gross income) means the combined income of everyone named on the Application who will share ownership of the home. This includes anyone who will be named on the Agreement for Sale and Purchase, even if they are not contributing any money to pay for the home. It does not include the income of any children, flatmates or boarders who will live with you in the KiwiBuild home after you purchase it.

Income includes money from any source, such as income from employment (e.g. wages, salary, bonuses, overtime pay), pensions, rental income or investments.

- If you are on a salary, benefit or pension, you will need to provide proof of your income from the IRD for the past 12 months immediately prior to the date of application in order to determine your eligibility.
- If you do not earn any income at all, you will need to provide proof of no income from the IRD.

- Some one-off and secondary sources of income are not considered part of your earnings and will not count towards the income cap. These may include:
 - secondary benefits (such as Accommodation Supplements)
 - tax credits (such as Working for Families)
 - certain types of investment income (such as KiwiSaver investments)
 - non-taxable income (such as allowances and scholarships).

If you have provided proof of irregular income, the level of income for the income cap can be re-considered at Kāinga Ora's discretion.

If you are self-employed, you must provide your earnings documents for the last complete tax year. Acceptable documents include:

- an IRD Individual Income Tax Return for the most recent complete tax year; or if required
- an IR3 Individual Tax Return prepared by an accountant (if your Individual Income Tax Return is unavailable on your myIR account).

If you have not been self-employed for a full tax year, you will need to provide an IRD Summary of Earnings for the most recent tax year.

Home Ownership

Legal or beneficial interest in a home

A home is considered: A legal or beneficial interest in land which contains a permanent dwelling that you can live in.

To be eligible to purchase a KiwiBuild home, you cannot hold a legal or beneficial interest in any home in New Zealand or overseas. Even if you are not the registered owner, you will also be ineligible if the home is relationship property. A beneficial interest in relationship property means being married to, or in a civil union or de facto partnership with the person whose name is on the title of a home. This includes homes owned in overseas countries. You will need to submit a Statutory Declaration to confirm your home ownership status when you apply for KiwiBuild eligibility.

You will need to sign a statutory declaration to confirm that you agree to these requirements. Where relevant, KiwiBuild will take measures to ensure that you have taken the required steps to comply with these conditions before your purchase is finalised.

Trusts

Applicants who have a legal or beneficial interest in a home by virtue of a trust (e.g. a family trust that owns the family home) may still be considered to be an eligible buyer.

For example, if your parents established a family trust and the trust owns your parents' home, although you are likely to have a beneficial interest in the home under the terms of the family trust, that interest alone will not automatically prevent you from being an eligible KiwiBuild buyer.

You will be considered an eligible buyer if your beneficial interest is one of the following:

- Discretionary beneficiary: a beneficiary who is entitled to be considered for an entitlement under the trust, but whose entitlement is not automatic.
- Contingent beneficiary: a beneficiary whose entitlement to a benefit under the trust depends on an event (such as reaching a certain age) and that event hasn't happened yet.

- Vested beneficiary: a beneficiary who has already received their entitlement who does not reasonably expect to be able to occupy the home to the exclusion of the person who currently occupies the home as their principal place of residence until the death of the occupier or the death of the occupier's survivor.
- Bare trustee: a bare trustee holds assets and acts as directed by the beneficiaries, or has no beneficial interest in the trust property.

Any other beneficiary of a trust, where the trust owns a home, will not be eligible.

Ownership and Occupancy

In order to be eligible to buy a KiwiBuild home, you must intend to own and live in the home as your principal place of residence for the Minimum Ownership Period, calculated from the settlement date of your purchase. Minimum Ownership Period means:

- one-year, where the home is a studio or one-bedroom dwelling; **or**
- three-years, where the home comprises a dwelling of two or more bedrooms.

You may have other people live with you, either for free, as paid guests or flatmates, but you cannot completely rent out a KiwiBuild home while you live somewhere else. You will need to sign a statutory declaration to confirm that you agree to these requirements.

There may be situations where you will need to move, rent or sell your house before the end of the required time period. This might include a sudden change in your financial situation (such as losing your job), the need to move for a job, or an unexpected change in family circumstances. In these situations, you must seek prior approval from KiwiBuild to rent or sell the KiwiBuild home before the Minimum Ownership Period is complete.

If you sell or rent the KiwiBuild home within the Minimum Ownership Period without KiwiBuild's prior consent, you will be under an obligation to pay the Crown. Before purchasing the KiwiBuild home, you will need to sign a deed enforceable by the Crown which states that you undertake to pay the Crown 30% of:

- any capital gain if you sell your KiwiBuild home within the required time period without KiwiBuild's prior consent; **and/or**
- any gross rental income if you rent out your KiwiBuild home without also living in it as your primary residence.

KiwiBuild will take measures to ensure that you comply with your obligations.