



# FACT SHEET PURCHASING A HOME

## Defence Force Superannuation Scheme Category A and C



### Withdrawal of Funds for First Home purchases

Defence Force Superannuation Scheme (DFSS) Category A or C members are eligible to withdraw their funds for a First Home Purchase in the following situations:

- Where they previously have not withdrawn funds from KiwiSaver or DFSS for a home purchase; **and**
- Where they previously have not owned property or no longer do so and can demonstrate to Kāinga Ora that they are in the same financial position as a first home buyer; **and**
- Where they do not own a home elsewhere; **and**
- Where the house to be purchased is to be the prime place of residence for the member and family (recognising that the member may live on board a ship or in barracks at Linton, Whenuapai, etc) and have the family live in the house.

Also refer to flow chart on page 2 for First Home Withdrawal eligibility.

The decision maker is the DFSS's Supervisor, Trustees Executors Ltd, not NZDF or Mercer.

*Note: when applying for the Home withdrawal from DFSS and KiwiSaver simultaneously, the DFSS trust deed states that "For the purposes of the KiwiSaver Rules, any withdrawal from a KiwiSaver Scheme shall be disregarded if such withdrawal is in respect of the same purchase of an estate in land".*

### How to apply for a first home purchase

To apply to withdraw the funds for a first home purchase, the member is required to complete the following forms:

- DFSS form DF15 Home Withdrawal Categories A & C applying to withdraw the funds
- Kāinga Ora form "DFSS Cat A and C – Determination for Previous Home Owner" to determine if the member meets the Kāinga Ora criteria and is deemed to be in a similar financial position to that of a first home buyer (if member has held an estate in land before but no longer have a share in property)

*Mercer will not process the DF15 form without sighting the Kāinga Ora approval letter.*

## Withdrawal of Funds for Second Home/Second Chance purchases

### Second Home Purchase eligibility

Since 1 July 2017 DFSS Category A and C members are eligible to withdraw their funds for a **“Second Home”** purchase in the following situations:

- Where they have not previously withdrawn funds from KiwiSaver or DFSS for home purchase; **and**
- Where they currently own a house in a different location to the one to which they are posted; **and**
- Where the house to be purchased is to be the prime place of residence for the member and family (recognising that the member may live on board a ship or in barracks at Linton, Whenuapai, etc ) and have the family live in the house; **and**
- Where the realisable assets held by the member (excluding the value of the DFSS Category A and C funds and equity of any property currently owned) do not exceed the regional cap applied by Kāinga Ora.

Second Home Withdrawal only applies to members of the DFSS Category A and C. They do not apply to the members of DFSS Category B or KiwiSaver for which there is different legislation applying.

### Second Chance Home Purchase eligibility

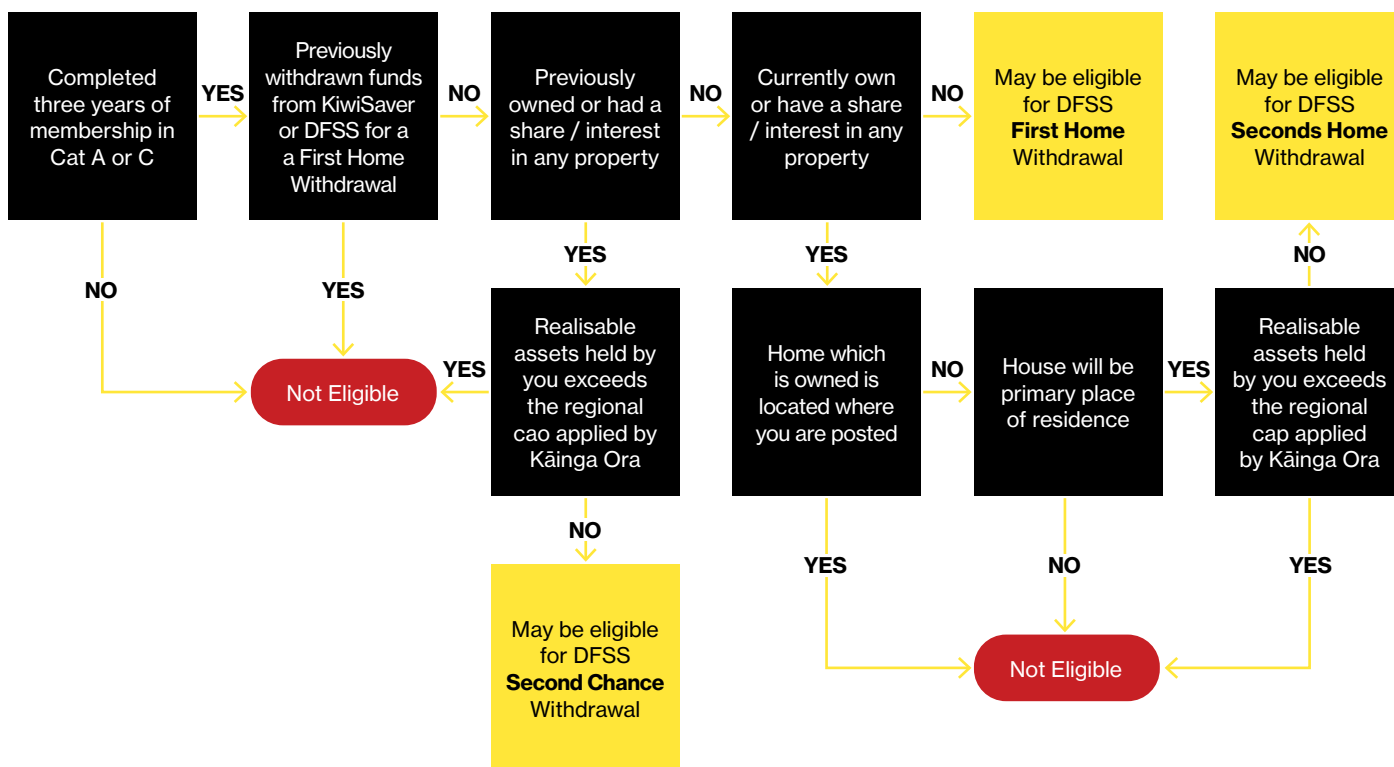
Second Home Withdrawal is different to Second Chance Home Withdrawal. DFSS Category A and C members are eligible to withdraw their funds for a **“Second Chance Home Withdrawal”** purchase in the following situations:

- Where they have not previously withdrawn funds from KiwiSaver or DFSS for home purchase
- Where they previously have owned a house and have now sold, **and**
- Where the house to be purchased is to be the prime place of residence for the member and family (recognising that the member may live on board a ship or in barracks at Linton, Whenuapai, etc ) and have the family live in the house; **and**
- Where the realisable assets held by the member (excluding the value of the DFSS Category A and C funds and equity of any property currently owned) do not exceed the regional cap applied by Kāinga Ora.

Also refer to the flow chart below to work out your eligibility.

The decision maker is the DFSS funds supervisor, Trustees Executors Ltd, not NZDF or Mercer.

### Home Withdrawal eligibility



## Kāinga Ora Regional Realisable Asset Caps

Region where home is to be purchased	Realisable Asset Caps
Auckland, Queenstown Lakes District, Thames – Coromandel District	\$175,000
Tauranga Urban Area (Tauranga City, Western Bay of Plenty District)	\$160,000
Wellington Urban Area (Kāpiti Coast District, Upper Hutt City, Porirua City, Lower Hutt City, Wellington City)	\$150,000
Kaikōura District	\$140,000
Hamilton Urban Area (Hamilton City, Waipā District, Waikato District)	\$130,000
Matamata-Piako District, Kawerau District, Napier-Hastings (Napier City, Hastings District),	\$125,000
Whangārei District	\$120,000
Taupō District, Palmerston North City, Wairarapa (Masterton District, Caterton District, South Wairarapa District)	\$115,000
Christchurch Urban Area (Waimakariri District, Christchurch City, Selwyn District), Marlborough District	\$110,000
Central Otago District, Rotorua District, Hauraki District, Horowhenua District, Kaipara District	\$105,000
Dunedin City, Mackenzie District, Southland District	\$100,000
Gisborne District	\$90,000
Hurunui District, Whanganui District	\$85,000
Ashburton District, Buller District, Clutha District, Far North District, Gore District, Grey District, Invercargill City, Ōpōtiki District, Ōtorohanga District, Rangitikei District, South Waikato District, Tararua District, Timaru District, Waimate District, Waitaki District, Waitomo District, Wairoa District, Westland District	\$80,000

\*Asset Price Caps are correct as of May 2022 and subject to change.

For the full or most up to date list please visit [kaingaora.govt.nz/home-ownership/kiwisaver-first-home-withdrawal](https://kaingaora.govt.nz/home-ownership/kiwisaver-first-home-withdrawal)

*Note: Realisable Assets do not include the value of the member's DFSS funds or the equity of any property currently owned. They are belongings that you can sell to help pay for your house. For example if you were buying a house in the rest of New Zealand region, your realisable assets cannot be worth more than \$80,000. Kāinga Ora – Homes and Communities considers the following to be realisable assets:*

- Money in bank accounts (including fixed and term deposits)
- Shares, stocks and bonds
- Investments in banks or financial institutions
- Building society shares
- Any money paid to, or held by, the real estate agent or solicitor as a deposit on the property
- A boat or caravan (if the value is over \$5,000)
- Additional vehicles (such as classic motorbikes or cars – not being used as your usual method of transport)
- Other individual assets valued over \$5,000

## How to apply for a second home purchase

To apply to withdraw the funds for the purchase of a second chance house and/or second home, the member is required to complete two forms:

- Kāinga Ora form “DFSS Cat A and C – Determination for Previous Home Owner/Current Home Owner being posted elsewhere” to determine if the member meets the Kāinga Ora criteria and is deemed to be in a similar financial position to that of a first home buyer.
- DFSS form DF15 Home Withdrawal Categories A & C applying to withdraw the funds.
- Mercer will not process the DF15 form without sighting the Kāinga Ora approval letter.
- When applying for a withdrawal of Category A/C and Category B funds, Mercer requires the “DK08 Home Withdrawal Category B” completed in addition to the one mentioned above.
- You are also required to submit written proof from NZDF of your current or pending posting region.

## Where are the forms located

On the HR Toolkit, the Force Financial Hub (DFSS Page) or when you log into your account at [www.nzdfsavings.mil.nz](http://www.nzdfsavings.mil.nz).

## Pre-approval

Prior to entering into a contract to purchase a home it is possible to obtain Kāinga Ora and Trustees Executors pre approval to withdraw funds.

## Mortgages

All Defence Community members remain eligible for free mortgage advisory services through the NZDF's preferred financial services provider, Become Wealth Ltd.

## Further information

For further information and how to apply to withdraw your funds go to the DFSS page on the:

- Force Financial Hub
- NZDF Savings Schemes' website
- Become Wealth Ltd website
- HR Toolkit
- Kāinga Ora

## Contact Details

**Mercer:** Phone **0800 333 787** or [www.nzdfsavings.mil.nz](http://www.nzdfsavings.mil.nz)

**Kāinga Ora:** Phone **0800 801 601** or email your query to [nzdf@kaingaora.govt.nz](mailto:nzdf@kaingaora.govt.nz)

**Become Wealth Ltd:** phone **0508 232 663** or [www.become.nz](http://www.become.nz)

When phoning or emailing any of the above providers be clear that your contact is about the DFSS Category A or C first home purchase facility/second home facility/second chance facility.