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Property Update

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CALL OR EMAIL FOR YOUR LOCAL AREA PROPERTY REPORT

Essential information

Using KiwiSaver for Deposit Towards a First Home

A first home buyer intended to use her KiwiSaver funds for the payment of the deposit under an Agreement for Sale and Purchase she was signing to purchase her first home. However, this was not discussed with the agent or her lawyer prior to the agreement being signed.

Once her lawyer received the Agreement, they asked whether she would be using her KiwiSaver funds for the purchase. She confirmed she would be and that she intended to use these funds to pay the deposit as she did not have any savings readily available to use.

The Agreement did not include reference to the deposit being paid using KiwiSaver funds. This resulted in the first home buyer's lawyer having to enter negotiations with the vendor's lawyer to amend the terms of the Agreement in respect of the deposit, which meant she incurred additional legal fees.

Why does a special clause need to be included?

When KiwiSaver funds are used for payment of the deposit, the vendor's lawyer needs to hold these funds undisbursed until settlement, which is not the standard practice.

The standard practice is for the agency to receive the deposit funds once the agreement has become unconditional and hold them for 10 working days (or longer in the case of a Unit Titled property). After the 10 working days the agent can deduct their commission from the deposit and transfer the balance to the vendor's lawyer.

If you are paying the deposit on a property using KiwiSaver (and/or Superannuation funds), your agreement needs to include a specific clause which confirms that the vendor's lawyer will undertake to hold these funds undisbursed until settlement.

Your legal advisor can provide you with required clause wording to add to your Agreement.

Why does this matter?

To withdraw KiwiSaver funds for the deposit, a purchaser's lawyer must give the KiwiSaver provider an undertaking that the funds will be held undisbursed until settlement and that if settlement does not go ahead (due to no fault of the purchaser), then those funds will be repaid to the KiwiSaver provider.

Because a purchaser's lawyer needs to give these undertakings, they require reciprocal undertakings from the vendor's lawyer as it is the vendor's lawyer who is in control of the deposit funds once received. Having a clause in the Agreement for Sale and Purchase recording this arrangement ensures that the vendor's lawyer will comply with the requirements.

Why do the funds have to be returned if the purchase does not proceed?

If settlement does not occur through no fault of the purchaser, the deposit is refundable. The repayment undertaking confirms this and is important because KiwiSaver funds can only be used for the purchase of a property and the purchaser is not entitled to receive these funds personally.

Therefore, if the purchase does not happen, the KiwiSaver funds must be returned to the KiwiSaver provider.

Does including this specific clause create any extra risk for either party?

The inclusion of this clause does not create any extra risk for purchaser or the vendor.

Once an agreement is unconditional, a purchaser cannot withdraw their offer. The inclusion of this specific clause does not hinder the vendor's ability to enforce the Agreement in the usual way if a purchaser defaults.

Furthermore, the KiwiSaver deposit clause does not give the vendor any additional rights beyond those that already exist under the Agreement.

Conclusion

If intending to use your KiwiSaver funds for payment of your deposit, we strongly recommend that you seek legal advice before entering into any Agreement to ensure that your intentions are accurately recorded in the Agreement.

Therese Greenlees, Registered Legal Executive, Rainey Collins Lawyers https://www.raineycollins.co.nz/

Budget 2026 and the housing market

Budget 2026 has landed, and for the housing market, the story is less about what was announced and more about what it means for the conditions shaping property decisions over the next year. Finance Minister Nicola Willis framed the Budget as a responsible step forward: disciplined spending, an earlier-than-expected return to surplus in 2028/29, and a measured response to the fuel price shock from the Middle East conflict. For the property sector, the implications are real even if the housing headlines were relatively understated.

The bigger picture

Budget 2026 is a budget for a market in early recovery. The government is not trying to accelerate the cycle. It is trying not to disrupt it. The most consequential housing decisions in this Budget are structural rather than spectacular: fiscal discipline, RMA reform, council growth incentives, and a credible surplus track that gives the RBNZ room to keep rates lower for longer. Treasury's forecast of 220,000 new jobs over four years and wages growing at 3.1 per cent annually is the kind of demand backdrop that supports a gradual, durable recovery in property values.

For a market that has spent three years finding its footing, a Budget that gets out of the way is not a failure of ambition. It is exactly what the moment calls for.

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Recent Whanganui Residential Property Sales

Street	Suburb	Beds	Floor m²	Sold
Seddon Street	Aramoho	3	85	$370,000
Camellia Avenue	Aramoho	3	100	$435,000
Brunswick Road	Aramoho	3	104	$385,000
Ward Street	Aramoho	4	104	$555,000
Lewis Avenue	Aramoho	2	111	$470,000
Spier Street	Aramoho	4	115	$480,000
Field Street	Aramoho	3	130	$443,000
Lucknow Street	Aramoho	4	156	$750,000
Flemington Road	Aramoho	4	157	$757,000
Parkdale Drive	Aramoho	4	170	$535,000
Parkdale Drive	Aramoho	3	176	$771,000
Blueskin Road	Brunswick	2	118	$560,000
Cornfoot Street	Castlecliff	2	57	$303,000
Polson Street	Castlecliff	2	70	$255,000
Raupo Street	Castlecliff	3	80	$434,000
Cornfoot Street	Castlecliff	3	82	$375,000
Tainui Street	Castlecliff	3	82	$427,000
Matai Street	Castlecliff	3	90	$285,000
Karewa Street	Castlecliff	2	100	$279,000
Egmont Street	Castlecliff	3	100	$90,000
Matai Street	Castlecliff	3	101	$435,000
Hinau Street	Castlecliff	3	103	$310,000
Aotea Street	Castlecliff	4	112	$305,000
Manuka Street	Castlecliff	3	115	$445,000
Matai Street	Castlecliff	3	120	$600,000
Cornfoot Street	Castlecliff	3	135	$250,000
Kowhai Street	Castlecliff	4	137	$340,000
College Street	College Estate	3	130	$615,000
Godwin Crescent	College Estate	3	150	$760,000
Hurworth Place	College Estate	3	151	$550,000
Purnell Street	College Estate	3	151	$750,000
Jackson Street	College Estate	3	243	$942,000
Toro Street	Durie Hill	3	100	$568,500
Portal Street	Durie Hill	4	100	$512,000
Plunket Street	Durie Hill	3	110	$550,000
Plunket Street	Durie Hill	3	121	$600,000
Putiki Drive	Durie Hill	2	142	$470,000
Hutchison Crescent	Durie Hill	3	156	$700,000
Putiki Drive	Durie Hill	2	161	$731,000
Stark Street	Durie Hill	4	200	$780,000
Balgownie Avenue	Gonville	3	90	$420,000
Carlton Avenue	Gonville	3	100	$360,000
Rata Street	Gonville	3	110	$415,000
Armstrong Place	Gonville	3	110	$395,000
Saunders Place	Gonville	2	111	$370,000
Bignell Street	Gonville	3	114	$447,000
Heads Road	Gonville	3	115	$360,000
Gonville Avenue	Gonville	3	119	$620,000
Alma Road	Gonville	3	130	$603,500
Saunders Place	Gonville	3	144	$407,500
Tawhero Street	Gonville	4	194	$850,000
Carlton Avenue	Gonville	5	205	$600,000
Sarjeant Street	Gonville	5	220	$640,000
Riverbank Road	Okoia	3	230	$840,000
Tirimoana Place	Otamatea	4	169	$680,000
Great North Road	Otamatea	3	170	$672,500
State Highway	Papaiti	5	220	$555,000
Devon Road	Springvale	2	70	$370,000
Dorset Road	Springvale	2	100	$470,000
Hereford Street	Springvale	3	100	$450,000
Lindsey Crescent	Springvale	3	100	$586,000
Peakes Road	Springvale	3	100	$427,000
Surrey Road	Springvale	3	118	$537,000
Surrey Road	Springvale	3	130	$625,000
Bullock Drive	Springvale	3	180	$650,000
Peakes Road	Springvale	4	200	$975,000
Downes Avenue	Springvale	3	208	$760,000
Great North Road	St Johns Hill	2	70	$430,000
Peakes Road	St Johns Hill	2	81	$440,000
Peakes Road	St Johns Hill	2	81	$380,000
Brassey Road	St Johns Hill	2	92	$520,000
Virginia Road	St Johns Hill	3	134	$519,000
Tarata Street	St Johns Hill	2	140	$790,000
Alexa Place	St Johns Hill	2	140	$500,000
Kent Road	St Johns Hill	3	170	$362,000
Aiken Road	St Johns Hill	3	170	$690,000
Tregarth Street	St Johns Hill	3	180	$910,000
Parsons Street	St Johns Hill	4	190	$634,000
Great North Road	St Johns Hill	5	191	$615,000
Parkes Avenue	St Johns Hill	4	290	$985,000
Toi Street	Tawhero	3	104	$415,000
Toi Street	Tawhero	3	119	$745,000
Moore Avenue	Tawhero	3	130	$610,000
Poutama Place	Tawhero	3	140	$600,000
Kelsi Street	Tawhero	2	150	$635,000
Simon Street	Tawhero	3	169	$845,500
Kakaho Drive	Tawhero	3	170	$699,000
Morrell Street	Tawhero	3	177	$790,000
Akepiro Place	Tawhero	5	196	$725,000
Watt Livingstone Road	Westmere	3	217	$750,000
Bell Street	Whanganui	1	40	$230,000
Sydney Place	Whanganui	2	62	$265,000
Glasgow Street	Whanganui	2	76	$370,000
Park Place	Whanganui	3	95	$570,000
Bell Street	Whanganui	3	97	$520,000
Gloucester Street	Whanganui	3	120	$427,500
Wicksteed Street	Whanganui	4	122	$420,000
Ingestre Street	Whanganui	3	123	$628,000
Glasgow Street	Whanganui	3	160	$732,000
Campbell Street	Whanganui	3	165	$719,000
Mahoney Street	Whanganui East	2	67	$280,000
Moana Street	Whanganui East	2	70	$417,500
Clapham Place	Whanganui East	2	74	$337,000
Nile Street	Whanganui East	2	80	$435,000
Hackett Street	Whanganui East	2	90	$431,000
Salisbury Avenue	Whanganui East	3	93	$450,000
Raine Street	Whanganui East	3	94	$529,000
Anzac Parade	Whanganui East	3	100	$310,000
Duncan Street	Whanganui East	2	110	$520,000
Salisbury Avenue	Whanganui East	3	112	$430,000
Raine Street	Whanganui East	3	123	$600,000
Duncan Street	Whanganui East	3	123	$565,000
White Street	Whanganui East	3	128	$486,500
Anzac Parade	Whanganui East	4	168	$470,000
Hackett Street	Whanganui East	3	174	$540,000
Helmore Street	Whanganui East	3	190	$624,000

This sampling of recent sales was extracted from data compiled by The Real Estate Institute of NZ and represents sales from all real estate companies in the area and not just Ray White. For privacy purposes no street numbers are published here.