

Home Loan Agreement

Disclosure date: *Date of loan agreement*

Borrower(s)

We agree to lend the **home loan** to:

Mr & Mrs A Borrowers

Guarantor(s)

The **home loan** is guaranteed by:

Mr & Mrs Guarantors

Important:

Your home loan is made up of the following component(s):

As applicable a typical loan agreement will state the various components of the home loan, such as:

- (a) **Revolving portion**
- (b) **Discounted revolving portion**
- (c) **Table portion fixed component for a fixed term of *sample date***
- (d) **Table portion fixed component for a fixed term of *sample period* with a fixed rate lock option – *\$sample amount***
- (e) **Table portion fixed component for a fixed term of *sample period* with an interest only period – *\$sample amount***
- (f) **Table portion fixed component for a fixed term of *sample period* with an interest only period and a fixed rate lock option – *\$sample amount***
- (g) **Table portion variable component – *\$sample amount***
- (h) **Table portion offset variable component – *\$sample amount***
- (i) **Table portion variable component discounted for *sample period* – *\$sample amount***
- (j) **Table portion variable component capped for *sample period* – *\$sample amount***
- (k) **Table portion variable component with an interest only period – *\$sample amount***
- (l) **Table portion offset variable component with an interest only period – *\$sample amount***
- (m) **Table portion variable component discounted for *sample period* with an interest only period – *\$sample amount***
- (n) **Table portion variable component capped for *sample period* with an interest only period – *\$sample amount***
- (o) **Table portion construction component with an interest only period – *\$sample amount***
- (p) **Table portion construction component discounted for *sample period* with an interest only period – *\$sample amount***

The following fees are included in your home loan:

- (a) *Fee A – \$XX amount*

You have already paid the following fees relating to your home loan:

- (a) *Fee B – \$XX amount*

Your home loan agreement

1. Please read this **home loan agreement** carefully. It contains key information about your **home loan** disclosed in accordance with the Credit Contracts and Consumer Finance Act 2003 as at the **disclosure date**. The amounts disclosed are estimates based on the interest rates set out in this **home loan agreement**. We also assume that you will make all payments when due. The interest rates, fees and charges (and, as a consequence, repayment amounts and other disclosures) may change after the **disclosure date**.
2. Kiwibank's Home Loan Terms and Conditions apply to your **home loan**. We have enclosed a copy of the terms and conditions. Kiwibank's Home Loan Terms and Conditions are also available from any Kiwibank branch or at kiwibank.co.nz.
3. Throughout this **home loan agreement** you will see words in bold. These are words with a specific meaning. You can find out the meaning of these words in Kiwibank's Home Loan Terms and Conditions.

Key time limits

- Please sign and return this **home loan agreement** to us as soon as possible. If you do not sign and return this **home loan agreement** to us within 10 **business days** of the **disclosure date**, then we have no obligation under your **home loan documents** to lend any amount to you.
- If the first advance under your **home loan** is not made within 90 days of the **disclosure date**, then we have no obligation under your **home loan documents** to lend any amount to you.

Home loan components

- The components that make up your **home loan** are set out below:

This section of the home loan agreement will reflect the various component of the structure of the loan or loans

The format of this section of the agreement will look something like the table below.

<i>\$sample revolving</i>	
Component type:	Revolving portion.
Maximum credit limit:	<i>\$sample amount</i> . This is the maximum amount you may borrow under your revolving portion at any time.
Initial unpaid balance:	Nil (as at the disclosure date).
Annual interest rate:	<i>Sample interest rate</i> % per annum variable.
Repayment type:	Full payment of principal and interest by the end of the term .
Payments:	You must make payments to ensure that your revolving portion does not exceed the maximum credit limit .
Term:	Until we give you notice .
Additional conditions precedent to loan:	In addition to any other conditions specified in any document , Kiwibank's obligations to make the loan available to the borrower are subject to the condition precedent that it must have received and be satisfied at its absolute discretion with all the following matters: (a) This facility is a top up of \$sample Limit Change to existing account number 38- <i>sample</i> Linked Account Number

Table portion advances

- You have more than one component in your **table portion**. The total advances for all components of your **table portion** are set out below.

Table portion total advances:	<i>\$sample amount</i>
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Table portion advances, interest and repayments

- You have more than one component in your **table portion**. The total advances, interest charges and repayments for all components of your **table portion** are set out below.

Table portion total advances:	<i>\$sample amount</i>
Table portion total interest charges:	<i>\$sample amount</i> *
Table portion total repayments:	<i>\$sample amount</i> *

*Excludes any construction component as total interest charges and repayments cannot be calculated where the advance dates are unknown.

Security

9. Any **mortgage** and any other securities set out below secure all **amounts owing** and your other obligations under the **home loan documents**.

Mortgage

Address:	<i>The address of the property will be notified here</i>
Type of interest:	<i>Description of land interest</i>
Computer register number(s):	<i>Unique number</i>
Mortgagor(s):	<i>Name(s) of mortgagors</i>

Security Agreement

Type of agreement:	<i>Agreement name</i>
Secured property:	<i>The property referred to in the agreement.</i>
Debtor(s):	<i>Name(s) of debtors</i>

Guarantee

Limit:	<i>Guarantee limit amount</i>
Debtor(s):	<i>Debtors name</i>
Guarantor(s):	<i>Guarantors name</i>

10. All **property** that you provide to us as security for your obligations under your **home loan documents** must have a clear title. Unless we have agreed in writing, this **home loan agreement** allows it, or the law requires it, there must not be any mortgages, charges or other encumbrances, over any **property**. By signing this **home loan agreement** the person(s) giving us a **mortgage**, agree to mortgage the **property** to us.
11. Your obligations under your **home loan documents**, and any other amounts you owe us under any other agreements, are secured by the security you gave or will give us now or in the future. However, we may agree with you that certain types of debt are not secured by a particular security. If we do so, that security will not secure that debt.
12. If we sell the **property** and the sales proceeds we receive are less than the amount you owe us, you will still be liable to pay us the shortfall. If you give security over any of the **property** to any other person without our prior written consent, you may default under your **home loan documents** and we could ask you to repay all **amounts owing**. If you did not pay us the amounts you owe us, we could sell any **property** that is subject to a security.
13. Your obligations under your **home loan documents**, and any other amounts you owe us under any other agreements, are secured by any other security you gave or will give us now or in the future. However, we may agree with you that certain types of debt are not secured by a particular security. If we do so, that security will not secure that debt. If we sell the **property** and the sales proceeds we receive are less than the amount you owe us, you will still be liable to pay us the shortfall. If you give security over any of the **property** to any other person without our prior written consent, you may default under your **home loan documents** and we could ask you to repay all **amounts owing**. If you did not pay us the amounts you owe us, we could sell any **property** that is subject to a security.

Method of charging interest

14. If you have a **table portion**, interest on it is calculated on a daily basis by applying the **daily interest rate** to the **daily balance** of each component of your **table portion**. If you have an **offset variable component**, any credit balances of your **offset everyday banking and savings and investments accounts** will be taken into account for interest calculation purposes, and the amount of interest you will be charged on the **offset variable component** will be reduced if you have a credit balance in those accounts. Interest will be charged from the day you first borrow money under your **table portion** until your **table portion** is fully repaid.
15. If you have a **revolving portion**, interest on it is calculated on a daily basis by applying the **daily interest rate** to the **daily balance** of your **revolving portion**. Interest will be charged from whenever you borrow money under your **revolving portion** until your **revolving portion** is fully repaid.
16. The **daily interest rate** is the **interest rate** divided by 365. Interest on any **table portion** is debited to your **home loan** on the **regular payment date**. Interest on any **revolving portion** is debited to your **home loan** on the last day of each calendar month during the **term**. However, when you repay your **home loan** in full, interest is charged up to but excluding the day that the payment is credited to your **home loan**.

Credit fees and charges

17. Please refer to the enclosed Personal Banking Fees and Limits brochure for the fees payable under or in connection with your **home loan**. In addition to those fees, if we incur any **costs** in relation to your **home loan**, then you must pay us the amount of those **costs**.

Default interest and default fees

18. If you do not pay an amount when due under your **home loan** or exceed the **maximum credit limit** of your **revolving portion**, we will charge you interest at the **default rate** on that overdue / over limit amount calculated on a daily basis by applying the **daily default rate** to that overdue / over limit amount each day from the date that amount was due or you exceeded your **maximum credit limit** (as applicable) until the date it is fully repaid or you are within your **maximum credit limit** (as applicable). The **daily default rate** is the **default rate** divided by 365. Default interest is debited to your **home loan** on the **regular payment date** or the last day of each calendar month. If we ask you to repay any part of your **table portion** early, we will only charge default interest on the amounts that are unpaid after their original due date. We may add any default interest that is due but unpaid to the principal amount of any portion of your **home loan**.
19. We will charge you a default fee (as set out in the enclosed Personal Banking Fees and Limits brochure) if you are in default and we have demanded repayment of the **amounts owing**.

Early repayment

20. Please refer to the enclosed Kiwibank Home Loan Terms and Conditions and Personal Banking Fees and Limits brochure which sets out the **fixed rate break costs** and fees that will be payable if you repay all or part of a **fixed component** early. **Fixed rate break costs** are a genuine estimate of our loss resulting from a change in the payment terms of a **fixed component** calculated by taking into account our **costs** of having to break our funding arrangements. **Fixed rate break costs** are calculated as set out in Kiwibank's Home Loan Terms and Conditions. We do not use the formula prescribed in the Credit Contracts and Consumer Finance Regulations 2004.

Continuing disclosure

21. If you have a **table portion**, we will send you an account statement at least every six months. If you have a **revolving portion**, we will send you an account statement at least every 45 days.

If this home loan agreement is signed on or after 6 June 2015, then the statement of right to cancel below applies to your home loan:

Statement of right to cancel

22. You are entitled to cancel your **home loan** for a short period after your **home loan** disclosure documents are given to you.

How to cancel

23. If you want to cancel your **home loan**, you must give written notice to us that you intend to cancel.
- (a) If your **home loan** disclosure documents were handed to you directly, you must give that notice to us within 5 working days after you receive the documents.
 - (b) If your **home loan** disclosure documents were sent to you by electronic means (for example, email), you must give that notice to us within 7 working days after the electronic communication was sent.
 - (c) If your **home loan** disclosure documents were mailed to you, you must give that notice to us within 9 working days after they were posted.

Saturdays, Sundays, and national public holidays do not count as working days.

24. To cancel, you must:
- (a) give written notice to us in person by dropping it into any Kiwibank branch, or by posting to the postal address or by faxing the fax number on the first page of this **home loan agreement**; and
 - (b) return any advances and any other property to us that you received under the **home loan documents**.

What you may have to pay if you cancel

25. If you cancel your **home loan**, we can charge you:
- (a) the amount of any reasonable expenses we had to pay in connection with your **home loan** and its cancellation (including legal fees and fees for credit reports, etc); and
 - (b) interest for the period from the day you received each advance until the day you repaid it to us.

If this home loan agreement is signed before 6 June 2015, then the statement of right to cancel below applies to your home loan:

Statement of right to cancel

26. The Credit Contracts and Consumer Finance Act 2003 gives you a right, for a short time after the terms of this contract have been disclosed to you, to cancel the contract.

How to cancel

27. If you want to cancel this contract you must give written notice to the creditor.
28. You must also return to the creditor any advance and any other property received by you under the contract.

Time limits for cancellation

29. If the disclosure documents are handed to you directly, you must give notice that you intend to cancel within 3 working days after you receive the documents.
30. If the disclosure documents are sent to you by electronic means (for example, e-mail), you must give notice that you intend to cancel within 5 working days after the electronic communication is sent.
31. If the documents are mailed to you, you must give the notice within 7 working days after the day they were posted.
32. Saturdays, Sundays and national public holidays are not counted as working days.

What you may have to pay if you cancel

33. If you cancel the contract the creditor can charge you –
- (a) the amount of any reasonable expenses the creditor had to pay in connection with the contract and its cancellation (including legal fees and fees for credit reports, etc); and
 - (b) interest for the period from the day you received the advance until the day you repay the advance.
34. This statement only contains a summary of your rights and obligations in connection with the right to cancel. If there is anything about your rights or obligations under the Credit Contracts and Consumer Finance Act 2003 that you do not understand, if there is a dispute about your rights, or if you think the creditor is being unreasonable in any way, you should seek legal advice immediately.

Other information about us

35. We are registered as a financial service provider under the Financial Service Providers (Registration and Dispute Resolution) Act 2008. We are registered under the name Kiwibank Limited. Our registration number is 19941.
36. Our dispute resolution scheme is the Banking Ombudsman. If you have a complaint that we have been unable to resolve, you can contact the Banking Ombudsman at:

Postal Address: Freepost 218002, PO Box 25327, Featherston Street, Wellington 6146
Website: <http://www.bankomb.org.nz>
Email: help@bankomb.org.nz
Freephone: 0800 805 950

Unforeseen hardship

37. If you are unable to reasonably keep up with your payments or other obligations under your **home loan** because of illness, injury or loss of employment, the end of relationship, or other reasonable cause you may be able to apply to us for a hardship variation.
38. To apply for a hardship variation, you need to:
- (a) Make an application to us in writing; and
 - (b) Explain your reasons for the application; and
 - (c) Request one of the following:
 - o An extension of the term of your **home loan**; or
 - o A postponement of the dates on which payments are due under your **home loan documents**; or
 - o Both of the above; and

- (d) Drop the application into any Kiwibank branch.
39. We encourage you to contact us as early as possible if you are experiencing financial difficulties. There are limits on when and how often you can apply for a hardship variation, so please talk to us about these.

Insurance requirements

- 40. House insurance is required.
- 41. Mortgage redemption insurance is required.
- 42. Builders' risk insurance is required.

Special conditions

Kiwibank First Home Loan

43. This **home loan** is being provided to you as part of the Kiwibank First Home Loan programme. By accepting this **home loan** you:
- (a) confirm that you do not already own a home (whether individually or jointly with another person);
 - (b) agree to use the proceeds of your **home loan** to purchase the property at sample address;
 - (c) agree to live at the property at sample address until all **amounts owing** under your **home loan** have been repaid to us;
 - (d) agree that you will not use any of the proceeds of your **home loan** to purchase an investment property or refinance any property; and
 - (e) agree that you will not use any of the proceeds of your **home loan** to pay survey costs.
44. Because you have a **construction component** in your **table portion**, you must:
- (a) ensure that construction is carried out in accordance with the construction contract we approved;
 - (b) if the property at *sample address* consists of a stratum estate or a cross lease estate, give us evidence that separate titles have been issued for each estate;
 - (c) give us copies of all consents required from statutory authorities;
 - (d) keep us informed of progress at regular intervals during construction;
 - (e) provide us evidence that you have taken out builders' risk insurance with our interest as mortgagee noted on the policy;
 - (f) send us a certificate of practical completion from your builder (with a completed application for a code compliance certificate and confirmation that it has been lodged with the relevant building consent authority attached) before your final drawdown;
 - (g) send us copies of all code compliance certificates within three months of your final drawdown; and
 - (h) ensure that construction is completed within 12 months of your initial drawdown.
45. You also agree that if Kainga Ora - Homes and Communities is not satisfied with progress during construction, it may step in and complete construction, with all costs arising from completing construction being added to the **amounts owing**.
46. We may require you to obtain a registered valuer's certificate showing the current market value of the property at sample address and the cost to complete construction each time you want to borrow an amount under your **construction component**.
47. We may require you to obtain a registered valuer's certificate showing the current market value of the property at sample address once the construction is fully completed.
48. You must provide us additional quotes for the following items excluded from the construction contract we approved:
- (a) *sample*
49. Because you have a **construction component** in your **table portion**, you must:
- (a) ensure that construction is carried out in accordance with the construction contract we approved;
 - (b) if the property at *sample address* consists of a stratum estate or a cross lease estate, give us evidence that separate titles have been issued for each estate;
 - (c) give us copies of all consents required from statutory authorities;

- (d) keep us informed of progress at regular intervals during construction;
 - (e) provide us evidence that you have taken out builders' risk insurance with our interest as mortgagee noted on the policy;
 - (f) send us a certificate of practical completion from your builder (with a completed application for a code compliance certificate and confirmation that it has been lodged with the relevant building consent authority attached) before your final drawdown;
 - (g) send us copies of all code compliance certificates within three months of your final drawdown; and
 - (h) ensure that construction is completed within 12 months of your initial drawdown.
50. You also agree that if Kainga Ora - Homes and Communities is not satisfied with progress during construction, it may step in and complete construction, with all costs arising from completing construction being added to the **amounts owing**.
51. We may require you to obtain a registered valuer's certificate showing the current market value of the property at sample address and the cost to complete construction each time you want to borrow an amount under your **construction component**.
52. We may require you to obtain a registered valuer's certificate showing the current market value of the property at sample address once the construction is fully completed.
53. You must provide us additional quotes for the following items excluded from the construction contract we approved:
- (a) *Sample*

Construction component

54. Because you have a **construction component** in your **table portion**, you must:
- (a) ensure that construction is carried out in accordance with the construction contract we approved;
 - (b) if the property at sample address consists of a stratum estate or a cross lease estate, give us evidence that separate titles have been issued for each estate;
 - (c) give us copies of all consents required from statutory authorities;
 - (d) keep us informed of progress at regular intervals during construction;
 - (e) provide us evidence that you have taken out builders' risk insurance with our interest as mortgagee noted on the policy;
 - (f) send us a certificate of practical completion from your builder (with a completed application for a code compliance certificate and confirmation that it has been lodged with the relevant building consent authority attached) before your final drawdown;
 - (g) send us copies of all code compliance certificates within three months of your final drawdown; and
 - (h) ensure that construction is completed within 12 months of your initial drawdown.
55. We may require you to obtain a registered valuer's certificate showing the current market value of the property at *sample address* and the cost to complete construction each time you want to borrow an amount under your **construction component**.
56. We may require you to obtain a registered valuer's certificate showing the current market value of the property at sample address once the construction is fully completed.
57. You must provide us additional quotes for the following items excluded from the construction contract we approved:
- (a) *Sample*.

Next steps

58. Before we can make the first advance to you under your **home loan**:
- (a) we must have received signed originals or copies of this **home loan agreement**, any **mortgage**, any security and any **guarantee**;
 - (b) you must have put in place the insurance required by this **home loan agreement** and any **mortgage**; and
 - (c) you must have met any pre-settlement requirements that we ask you or your solicitor to satisfy in our letter of instruction to your solicitor, our letter of offer to you, or in any other document between you and us.

Signed by Kiwibank:

Signed for and on behalf of **Kiwibank Limited**
by its authorised signatory

Authorised signatory

Signed by the borrower(s):

Signed for and on behalf of
Sample Signing sample
in the presence of:

Director

Director

Witness signature

Full name

Address

Occupation

- 1. Where signed by two directors, the signatures do not need to be witnessed.
- 2. Where signed by only one director (where there is only one director), the signature must be witnessed.

Signed by *Sample Signing sample*
as partner of *Sample Signing sample*
in the presence of:

Signature

Witness signature

Full name

Address

Occupation

Signed by *Sample Signing sample*
as trustee of *Sample Signing sample*
in the presence of:

Signature

Witness signature

Full name

Address

Occupation

Signed for and on behalf of
Sample Signing sample
as trustee of *Sample Signing sample*
in the presence of:

Director

Director

Witness signature

Full name

Address

Occupation

1. Where signed by two directors, the signatures do not need to be witnessed.
2. Where signed by only one director (where there is only one director), the signature must be witnessed.

The Common Seal of
Sample Signing sample
was affixed in the presence of:

Signatures of trustees/authorised signatories

Names of trustees/authorised signatories

Witness signature

Full name

Address

Occupation

Signed by
Sample Signing sample
in the presence of:

Signature

Witness signature

Full name

Address

Occupation

Signed for and on behalf of
Sample Signing sample
by his/her attorney *Sample Signing sample*
in the presence of:

Signature

Witness signature

Full name

Address

Occupation

Signed for and on behalf of
Sample Signing sample
as general partner on behalf of
Sample Signing sample
in the presence of:

Director

Director

Witness signature

Full name

Address

Occupation

1. Where signed by two directors, the signatures do not need to be witnessed.
2. Where signed by only one director (where there is only one director), the signature must be witnessed.

Signed by the guarantor(s):

Signed for and on behalf of
Sample Signing sample
in the presence of:

Director

Director

Witness signature

Full name

Address

Occupation

1. Where signed by two directors, the signatures do not need to be witnessed.
2. Where signed by only one director (where there is only one director), the signature must be witnessed.

Signed by *Sample Signing sample*
as partner of *Sample Signing sample*
in the presence of:

Signature

Witness signature

Full name

Address

Occupation

Signed by *Sample Signing sample*
as trustee of *Sample Signing sample*
in the presence of:

Signature

Witness signature

Full name

Address

Occupation

Signed for and on behalf of
Sample Signing sample
as trustee of *Sample Signing sample*
in the presence of:

Director

Director

Witness signature

Full name

Address

Occupation

1. Where signed by two directors, the signatures do not need to be witnessed.
2. Where signed by only one director (where there is only one director), the signature must be witnessed.

The Common Seal of
Sample Signing sample
was affixed in the presence of:

Signatures of trustees/authorised signatories

Names of trustees/authorised signatories

Witness signature

Full name

Address

Occupation

Signed by
Sample Signing sample
in the presence of:

Signature

Witness signature

Full name

Address

Occupation

Signed for and on behalf of
Sample Signing sample
by his/her attorney *Sample Signing sample*

Signature

in the presence of:

Witness signature

Full name

Address

Occupation

Signed for and on behalf of
Sample Signing sample
as general partner on behalf of
Sample Signing sample
in the presence of:

Director

Director

Witness signature

Full name

Address

Occupation

- 1. Where signed by two directors, the signatures do not need to be witnessed.
- 2. Where signed by only one director (where there is only one director), the signature must be witnessed.

Dated:

SAMPLE