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ANZ helps Kiwis into healthy homes

ANZ today announced a Healthy Home Loan Package to Kiwis who build or upgrade their houses to good sustainable standards.

ANZ's Healthy Home Loan Package includes a 0.70 per cent discount off the standard fixed home loan rate, 1.00 per cent off the standard floating and flexible home loan rates, and fee waivers across a range of accountsⁱ.

The fixed rate discount would mean a one-year rate of 3.75 per cent at today's rates.

ANZ's Healthy Home Loan Package will be available for new builds or upgrades to a Homestar rating of six or above. Homestar is a comprehensive, independent tool rating the health, warmth and efficiency of New Zealand houses.

On a scale of one–10, a rating of six or above is considered a high standard of sustainability and energy efficiency.

"Most existing New Zealand homes only achieve a two or three rating, and new homes – even though they're built to the Building Code – will only achieve three or four," said Antonia Watson, Managing Director Retail and Business Banking, ANZ New Zealand.

"We'd like to play our part in raising those standards, and creating more homes that are warmer, drier and healthier.

"The idea of building sustainably is not yet mainstream in New Zealand. It's viewed as an expensive luxury, rather than the basic standard it should be.

"Our housing market will gradually catch up with international standards, but we don't want to wait for that – we want to create better homes now.

"The New Zealand Green Building Council has calculated that it costs about 1.5 per cent more to build a three-bedroom house meeting the six Homestar rating compared to a similar house built to code, but about \$500 less a year to runⁱⁱ.

"A Healthy Home Loan Package on the average home will save a customer another \$1000 a year or so in interest costs. It's our way of helping deal with some of the short-term costs so Kiwis can enjoy the long-term benefits."

Ms Watson launched the Healthy Home Loan package today at the Homestar six-rated Alba apartments in Takapuna attended by Hon James Shaw, Minister for Climate Change.

Hon James Shaw said concessional interest rate programmes such as the ANZ Healthy Home Loan package have the potential to make a huge impact on the quality of New Zealand's housing stock.

"Upgrading our homes so that they're warm, dry, and energy efficient will reduce health costs, improve homeowners' finances, and help cut New Zealand's greenhouse gas emissions," Mr Shaw said.

Researchⁱⁱⁱ commissioned by ANZ showed 37 per cent of those surveyed rated warmth and dryness as the most important factor when building or renovating a home, ranking well ahead of sustainability at 17 per cent.

Seventy-eight per cent said cost was the biggest barrier to building sustainably, well ahead of the availability of builders (23%), the return on investment (23%) and a lack of knowledge about sustainable building (20%).

The package is the latest in ANZ’s range of initiatives to help Kiwis live in healthier homes. Last year, the bank pledged \$100 million for interest-free home lending to help insulate Kiwi homes. ANZ also supports HomeFit, a tool designed by the New Zealand Green Building Council to help Kiwis find out how healthy their homes are.

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ⁱ The Healthy Home Loan package*:

	Benefit Type	Benefit Amount
Home loans (discounts don't apply to tideover (bridging) loans)	Fixed rate discount	-0.70%
	Floating rate discount	-1.00%
	Flexible rate discount	-1.00%
	Flexi monthly account fee	Waived
	Home loan application fee	Waived; please ensure you ask on application
Current account	Freedom monthly account fee	Waived
Credit card	Credit card annual fee	One year

* Account eligibility, lending criteria, terms, conditions and fees and exclusions apply.

ⁱⁱ eCubed Building Workshop Ltd, Homestar Value Case Study, Cost Benefit Analysis. 22 May 2018. Based on an Auckland home capital home outlay of \$435,547 (excluding land). 30 year mortgage and 2 year interest rate as at 19 February 2019.

ⁱⁱⁱ Research was conducted by TRA and involved a 15 minute online survey of n =533 people in the core home loan market. Participants were 18 years or over, either with a home loan or planning to get one in the next two years. n=200 were looking to build and / or renovate their home in the next two years. The sample was nationally representative and spread across the main bank relationship.