



Kia ora

Welcome to our Home Loans update. In this email we will be providing updates on:

- Changes to UMI thresholds
- RBNZ changes to LVR speed limits
- Current Turnaround Times

1. Changes to UMI thresholds

ASB is reducing its minimum UMI thresholds and for High LVR lending, effective immediately.

- ♦ The minimum UMI threshold has changed from \$1250 to **\$750 for New Customers** with >80% LVR that **do not meet the RBNZ LVR exemption criteria**.
- ♦ The minimum UMI threshold has changed from \$750 to \$500 for all other application types where the home loan is >80% LVR and **does not meet the RBNZ LVR exemption**

criteria.

2. RBNZ changes to LVR speed limits

The Reserve Bank of New Zealand have announced changes to LVR speed limits which will take effect from **1 July 2024**.

For **owner-occupied** properties, no more than **20%** (previously 15%) of each bank's new mortgage lending can be at LVRs >80%. This change increases the availability of funding for LVR >80%, allowing ASB to better support customers in this space.

For **non-owner-occupied** properties a maximum LVR of **70%** (previously 65%) will apply to lending which is secured solely by non owner-occupied property.

The maximum LVR for lending which is secured **by both owner-occupied and non owner-occupied** property will be based on:

- 80% of the owner-occupied security
- 70% of the non owner-occupied security

This change applies to:

- New home loan applications.
- New lending pre-approvals
- Home loan top-up's
- Rollover of existing applications

3. Current turnaround times

Please find an update on our current turnaround times in business days.

Queue	Turnaround times	Working on apps
GO Home Loans	13 days	11 June

**Please note where possible we will prioritise live and urgent deals.*

If you have any questions please get in touch with us or contact your AIA Business Development Manager who will be happy to help.

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Ngā mihi
The team at AIA and ASB

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