

HEARD ABOUT THE **UPCOMING RBNZ MORTGAGE CHANGES?**

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LET'S SIMPLIFY IT FOR YOU.

You may have seen announcements about the **RBNZ (Reserve Bank of New Zealand)** easing loan-to-value ratios (LVRs), but what does that actually mean? Let's break it down.

The **RBNZ** is responsible for maintaining a sound and efficient financial system in New Zealand. They do this by managing inflation and regulating banks. They also produce our banknotes and coins and operate the systems that help money move between banks.

You've probably also heard of the **OCR (Official Cash Rate)**; the RBNZ sets this rate to help control inflation (but that's a conversation for another day!).

WHAT'S CHANGING

If you're looking to purchase a home with less than a 20% deposit, this is called **low equity lending**. Banks are limited in how much of their total lending can fall into this category.

Currently, banks can lend up to **20%** of their owner-occupied lending book as low equity loans.

From **1 December 2025**, this limit will **increase to 25%**, giving banks more flexibility to help people into homes with smaller deposits.

At the same time, the **investor lending allocation** will also rise, **from 5% to 10%**.

Banks' lending books are constantly moving — people buy and sell, repay loans, or see their equity grow as property values rise. As this happens, banks need to actively manage their lending to stay within RBNZ limits.

If a bank nears its 25% cap, it **may temporarily pause accepting new low equity lending** until space frees up again.



WHY THIS MATTERS

This is where your **friendly financial adviser** comes in.

Advisers are constantly updated on each lender's policies, turnaround times, and current LVR allocations. If you go directly to a bank that has no remaining allocation for low equity loans, you might be told your application can't proceed — when in reality, another lender could help.

Working with an adviser means having someone who knows which banks have room to lend, helping you find the best path forward to getting into your home sooner.

HOW 'GET IT MORTGAGES' CAN HELP

With extensive experience transitioning from a major bank to Financial Advising- focusing on Home lending, Rebeca brings a wealth of knowledge and expertise to assist with all your lending needs. Whether you're a first-time homebuyer, an investor, or looking to refinance, she will guide you every step of the way.

Why Work with a Financial Adviser? Rebeca's access to a wide range of lenders across Aotearoa New Zealand allows her to tailor solutions to your specific needs. Unlike banks that offer limited options, Financial Advisers provide flexibility to match you with the lender whose policies align with your goals.

Common Myth Busted: Financial Advisers are paid by the banks, meaning there's no cost to you for their services. If you've been hesitant due to concerns about costs, this should not hold you back from reaching out to start a conversation.

TAKE THE FIRST STEP

The journey to achieving your property goals starts with a conversation. Whether you're exploring your options or ready to take action, Rebeca is here to help you understand your opportunities and find a solution that works for you.



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