

<b>COMPLAINT NUMBER</b>	17/292
<b>COMPLAINANT</b>	B Hogg
<b>ADVERTISER</b>	Orange Homes
<b>ADVERTISEMENT</b>	Orange Homes, Radio
<b>DATE OF MEETING</b>	28 August 2017
<b>OUTCOME</b>	No Grounds to Proceed

**Advertisement:** The Orange Homes radio advertisement said in part: “Looking to buy your first home? It can be tough finding a house that ticks all the boxes. That’s why we’ve designed KiwiSaver Eligible homes, so you can build one. Designed with first home buyers in mind, they come with all the bells and whistles you’d expect, and carry the same guarantees we’ve built our reputation on. In fact, our KiwiSaver Eligible homes give our existing homes a run for their money. View our plans at [orangehomes.co.nz](http://orangehomes.co.nz).”

**The Chair ruled there were no grounds for the complaint to proceed.**

**Complainant, B Hogg, said:** Orange Homes are advertising their ‘KiwiSaver Eligible’ homes which is misleading to first home buyers, because eligibility is dependant on the buyer and their KiwiSaver and not the house being bought. They advertise this as a separate product to their regular residential builds, but in theory any house within reason \*could\* be KiwiSaver eligible OR a house that is deemed ‘KiwiSaver Eligible’ for one buyer may not be ‘KiwiSaver Eligible’ for another. I find this to be very misleading for first home buyers - there’s also nothing on their website about what makes a house ‘KiwiSaver Eligible’ other than the fact that they’re more affordable (the three plans advertised).

**The relevant provisions were Code of Ethics - Basic Principle 4, Rule 2**

**The Chair** noted the Complaint’s concern that the advertising was misleading to quote “KiwiSaver Eligible homes” as it was not made clear why these homes were any different to any other house.

The Chair noted that the advertisement was appealing to the first time buyer who will often be releasing KiwiSaver funds in order to purchase their first property. The Chair said the KiwiSaver label was a marketing tool for packaging together certain criteria that first time buyers may be searching for.

The Chair said the radio advertisement directed consumers to the Orange Homes website, which would allow potential buyers to research the available options further and was therefore unlikely to mislead consumers.

Therefore, the Chair ruled the advertisement had been prepared with a due sense of social responsibility to consumers and there was no apparent breach of Basic Principle 4 or Rule 2 of the Code of Ethics.

Accordingly, the Chair ruled there were no grounds for the complaint to proceed.

**Chair’s Ruling:** Complaint **No Grounds to Proceed**