**Squirrel launches high-interest on-call account to level the playing field for Kiwi savers**

**PRESS RELEASE – Thursday 26th January, 2023**

Squirrel, the mortgage company, has launched a new enhancement to its peer-to-peer term investment platform, that will offer a higher “no strings attached” interest rate than any equivalent savings account in the Kiwi market.

At launch, the new Squirrel On-Call account will offer an interest rate of 3.50% per annum. Unlike other higher-interest saving options, account holders aren’t penalised with lower rates if they make a withdrawal or don’t deposit funds during any given month.

Squirrel CEO, David Cunningham, says the launch is part of the company’s mission to upend the current state of play within our banking system, which has seen Kiwi savers forced to accept stingy returns for far too long.

“Recent data from the Reserve Bank shows that there’s about $78 billion of Kiwi savings in accounts earning an average of 1.94% returns per annum[[1]](#footnote-2). That’s a lot of money sitting there doing next to nothing for the people who have worked so hard to save it.

“Over the last 12 or so months, we’ve all watched as the Official Cash Rate (OCR) has just gone up and up and up. Mortgage rates have followed suit, of course, and so the question we’re asking – and encouraging Kiwi to be asking as well – is why haven’t savers benefited in quite the same way?

“Squirrel is here to challenge that,” says Cunningham.

The account is linked to Squirrel’s peer-to-peer term investment platform, with On-Call funds held on trust with a major New Zealand trading bank, and Squirrel passing interest earned direct to savers.

The interest rate on the On-Call account is variable, similar to a floating mortgage rate, meaning that it will rise and fall in line with movements in the OCR.

For those seeking higher returns, funds deposited in the On-Call account can be invested via Squirrel’s peer-to-peer platform, which delivered average returns of 7.06% per annum to its investors in December 2022.

Investment options on the Squirrel peer-to-peer platform include home loans, construction loans and personal loans, helping other everyday New Zealanders with their residential housing needs.

The peer-to-peer platform also offers a wide range of other benefits, including the option to sell your investment before term and layers of security to help protect your savings.

“Whatever Kiwi savers are squirreling away for – whether it’s a first home, retirement, a family holiday – we’re out to create products that offer the sort of returns they deserve, to help get everyone to their savings goals faster.

“We’ve been doing it for years with our peer-to-peer term investments, and with the launch of the Squirrel On-Call account, we’ve just created another tool for savers to have in their arsenal,” concludes Cunningham.

To find out more, visit [www.squirrel.co.nz/invest](http://www.squirrel.co.nz/invest).

**Squirrel On-Call account benefits:**

* Highest standard rate of return of any no strings attached savings account in the New Zealand market – with current returns of 3.50% per annum.
* No penalties if you make a withdrawal or don’t deposit funds in any given month. In other words, no hoops to jump through to reap maximum benefit.
* Variable interest rate, which increases (and decreases) in line with OCR movements.
* Ability to withdraw money to your main bank account in as little as 2 hours on business days. This will move to 2 hours on any day in May 2023, once banks start allowing payments to be made every day.
* No monthly account maintenance or transaction fees.
* Your money is held on Trust in a bank account with a major NZ trading bank.

**Squirrel peer-to-peer term investment benefits:**

* Higher returns –
	+ Squirrel peer-to-peer investors earned an average return of 6.78% per annum in November 2022.
* The option to sell your investment –
	+ Via Squirrel’s secondary marketplace. Over the last 12 months, it’s taken an average of 1.1 days for investors to sell and get their money out.
	+ Please note, there’s no guarantee other investors will be willing to buy your investments when you list them on our marketplace, and you may need to hold them to term. Past performance is not a guarantee of future performance.
* Layers of security in place to help protect your money –
	+ Again, while past performance isn’t a guarantee of the future, Squirrel investors have never lost a cent – thanks to our Reserve Funds, and the security of investing in residential-backed mortgages.
* The ability to get started with just $100 –
	+ You don’t need tons of money to invest with us. In fact, you can try us out for less than the cost of a standard grocery shop.
* The feel-good factor of knowing you’re helping other Kiwi with their residential housing needs.
	+ Your money’s invested in home loans and personal loans to help other Kiwi buy, build and renovate their homes.

**ENDS**

**About Squirrel:**

Squirrel, the mortgage company, is the go-to place for all things mortgages in New Zealand.

As one of Aotearoa’s largest mortgage brokers, we help people purchase over $2 billion worth of property each year. Founded in Auckland in 2008, we’ve recently joined forces with iconic Wellington-based advisery business The Home Loan Shop, extending our footprint and enabling us to help more Kiwi, all over the country, find the right mortgage solution for them.

Squirrel is also a non-bank lender, offering a raft of unique home loan solutions to borrowers who don’t quite fit traditional lending criteria. This includes our Launchpad loans for good earners who haven’t been able to save a 20% deposit, and our funding for tiny homes.

In 2022, we grew our loan book by 57% to over $120m, funded through a combination of our peer-to-peer term investment platform, managed funds, and wholesale facilities.

We’re on a mission to level the playing field for Kiwi savers and borrowers, through a combination of tailored, expert mortgage advice, and our unique lending and investment platform offering innovative, real-world lending solutions.

Squirrel is fully New Zealand owned and operated.

**www.squirrel.co.nz** | **0800 21 22 30**

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1. Source: <https://www.rbnz.govt.nz/statistics/series/exchange-and-interest-rates/costs-of-deposits> [↑](#footnote-ref-2)