

# Is rental property investment for you?

Before you dive into getting a rental, it's important to remember that bricks and mortar is just one way to invest. Even if your heart is set on the property market, there are commercial property investments and property managed funds to consider.

Most people like residential property because it's something they understand. They probably rented once, now have their own home and feel comfortable about getting another.

If you'd like to find out more about wider investment options check our guide on **'How to invest'**, visit [bnz.co.nz/invest](https://www.bnz.co.nz/invest) or call us on **0800 ASK BNZ (275 269)**.

## No one rental property suits every investor

When it comes to buying a rental, everyone's needs, preferences, goals and strategies will be different. The main thing is to identify and work through the options ahead of time, decide what will suit you (and your partner if you're buying with someone else) and stick to your plan.

## **You'll need to be versatile**

Owning a rental can be a very hands-on way to invest. You might need to take on the roles of business manager, marketing specialist, accountant, product developer, repairs and maintenance person, customer service representative, inspector and people manager with conflict resolution skills.

If you have some or all of these talents it's a chance to put them to good use. If not, you might want to pay others to do some of the work for you - certainly in the early stages. The important thing is to consider the skills you'll need for successful rental property investment and put a good plan in place to keep you on track.

## **The gains and losses can be large**

Buying a rental property usually means borrowing a large sum of money or investing a lot of your own. A relatively small percentage change in rent, interest rates or house prices can add up to quite a lot of money gained or lost.

Owning rental property is generally regarded as a long-term type of investment. This means you need to be able to ride through the financial lows in order to still be there when and if things pick up.

As with any investment there's a chance you could lose money, especially if you're inexperienced. When done well however, rental property ownership has helped countless people to achieve their financial goals. That's why we strongly recommend you consult with an accountant, lawyer and investment adviser before investing in anything.