The Property Reality Check Scorecard

6 honest questions to find out if you're ready to invest in property.

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How to use this scorecard

Property investment can be one of the best decisions you ever make – or one of the most expensive. The difference usually comes down to how honest you are with yourself before you buy.

This scorecard takes the 6 questions from our video and breaks each one into 3 deeper questions. That's 18 short yes/no questions in total.

Step 1. Work through each section and tick Yes or No for every question.

Step 2. Each question shows you whether your answer is a potential 'red flag' answer. Count your red flags at the bottom of each section.

Step 3. Total your red flags across all 6 sections and check your result on the final page.

Just remember, this tool is not giving you financial advice. So it doesn't say whether property investment is (or isn't) the right fit for you. Instead, it's a way that you can assess whether property could be the right fit.

Always speak to a financial adviser before you make an investment decision.

REMEMBER: This scorecard isn't designed to scare you off – it's designed to make sure you invest with your eyes wide open.

Question 1 – Timeframe

Are you planning to hold the property for less than 7 years?

If you buy and sell property quickly, there's a much higher chance you lose money. The longer you hold, the more confident you can be that property becomes as a wealth-builder.

FROM THE VIDEO: Hold a property for 1 year and there's a ~30% chance it's gone down in value. Hold for 10 years and that drops to just 8%. Hold for 20+ years and it drops to 2%.

1.1 **Do you plan to sell this property within 7 years of buying it?**
Yes = red flag
◯ YES
◯ NO

1.2 **Do you have a life event coming up (in the next 7 years) – retiring, redundancy, a likely family change – that could force you to sell?**
Yes = red flag
◯ YES
◯ NO

1.3 **If the property hadn't grown in value after 5 years, would you feel pressure to sell and cut your losses?**
Yes = red flag
◯ YES
◯ NO

Red flags in **Section 1** (count your **YES** answers) ______ /3

Question 2 – Retirement

Are you already sorted for retirement?

If you're already on track to retire comfortably, property investment becomes an extra layer of risk for a reward you may not need. Know your number before you take the leap.

FROM THE VIDEO: In Wealth Plan, Ed calls this your 'Wealth Gap' – the difference between the money you'll need to retire comfortably and what you're currently on track for.

2.1 Are you already on track to retire comfortably without buying another investment property?
Yes = red flag

- ◯ YES
- ◯ NO
- ◯ I DON'T KNOW

2.2 Could you meet your retirement goals with the KiwiSaver, shares, or other investments you're already making?
Yes = red flag

- ◯ YES
- ◯ NO
- ◯ I DON'T KNOW

2.3 Is the extra money one or two properties would add to your retirement immaterial to the lifestyle you're planning?
Yes = red flag

- ◯ YES
- ◯ NO
- ◯ I DON'T KNOW

Red flags in **Section 2** (count your YES answers) ______/3

Question 3 – Cashflow expectations

Are you expecting rent to cover all your costs from day 1?

Most investment properties don't wash their own face on day one. Rents usually catch up to costs over time – but most investors need to top up the property early on.

FROM THE VIDEO: Valocity data shows only 26% of NZ properties earn enough rent to cover the mortgage on day 1 – and in Auckland it's just 1%. That's even before you consider all the other costs of investing. This assumes you use the No Cash Needed Method and borrow all the money to invest.

3.1 **Do you expect the rent to fully cover the mortgage, rates, insurance and maintenance from day one?**
Yes = red flag

○ YES
○ NO

3.2 **Would you walk away from an otherwise solid deal just because it needed a small weekly top-up in the early years?**
Yes = red flag

○ YES
○ NO

3.3 **Are you planning to buy without a cash deposit AND expecting the property to be cashflow positive from the start?**
Yes = red flag

○ YES
○ NO

Red flags in **Section 3** (count your **YES** answers) ______ /3

Question 4 – Cashflow resilience

Would a $200-a-week top-up cause you financial stress?

Interest rates move. Rents lag. Insurance jumps. The question isn't whether you'd be happy to top up – it's whether you could cope if you had to.

FROM THE VIDEO: On a $500k mortgage, a 2% rate rise adds roughly $200 a week to your costs – and you can't automatically pass that on to your tenant.

4.1 **If interest rates rose 2% and your top-up hit $200/week, would you be forced to sell?**
Yes = red flag
◯ YES
◯ NO

4.2 **Do you have $5,000 of cash in your bank account in case of emergencies?**
Yes = red flag
◯ YES
◯ NO

4.3 **Does your household currently live pay-to-pay, with little or no wiggle room in the monthly budget?**
Yes = red flag
◯ YES
◯ NO

Red flags in **Section 4** (count your **YES** answers) ------ /3

Question 5 – Long-game temperament

Would you sell if your property dropped $100k in value?

Every investment has risk, and property is no exception. But the investors who lose money are often the ones who panic and sell early.

FROM THE VIDEO: Cotality data shows 88% of recent sellers made a profit – and they'd held for ~10 years. The ones who sold at a loss had only held for ~4 years.

5.1	If your property dropped $100,000 in value in the first 2 years, would you sell to cut your losses? Yes = red flag	◯ YES ◯ NO
5.2	Do you think you'd check your property's estimated value more than once a month? Yes = red flag	◯ YES ◯ NO
5.3	Would a negative news cycle – falling prices, media panic – seriously tempt you to put the property on the market? Yes = red flag	◯ YES ◯ NO

Red flags in **Section 5** (count your YES answers) ------/3

Question 6 – Motivation

Are you buying just because it feels right?

This is the question to be most honest about. 'Property feels like the Kiwi thing to do' is not a plan – and it's how people sleepwalk into very expensive mistakes.

FROM THE VIDEO: One investor Ed mentions bought a property and sold it 18 months later for $770,000 less than they paid – because they got the renovation numbers wrong while prices fell.

6.1	**Are you mostly buying because friends, family, or people you follow are doing it – or because 'it's what Kiwis do'?** Yes = red flag	○ YES ○ NO
6.2	**Have you skipped running the numbers on this specific property you are looking at (cashflow, yield, long-term projections)?** Yes = red flag	○ YES ○ NO ○ N/A
6.3	**Have you spent more time thinking about what could go RIGHT than what could go WRONG?** Yes = red flag	○ YES ○ NO

Red flags in **Section 6** (count your **YES** answers) ------ /3

Your Score

Add your red flag tally from each of the 6 sections. Your total will be a number between 0 and 18.

Section 1 – Timeframe	---------
Section 2 – Retirement	---------
Section 3 – Cashflow expectations	---------
Section 4 – Cashflow resilience	---------
Section 5 – Long-game temperament	---------
Section 6 – Motivation	---------
TOTAL RED FLAGS (out of 18)	---------

What your score means

0–3 RED FLAGS

You've thought property investing through

Your timeframe, buffers and mindset all stack up. The next step is to talk to an Opes Partners financial adviser to create a plan about: what to buy, where, and how it fits your broader goals.

4–8 RED FLAGS

You're not far off – a few things to firm up first

Most Kiwis land here. A few tweaks – usually around buffers, timeframe, or expectations – and property could be suitable for you. An Opes Parters adviser can help you identify exactly what to shore up before you buy.

9+ RED FLAGS

Property may not be right for you (right now)

That's not a failure – it's useful information. Whether it's cashflow, timeframe, or temperament, there's work to do before property makes sense. Listen more to the Property Academy Podcast to learn more about the risks of property investing.

Your next step

Whatever your score, the most valuable thing you can do next is talk to someone who does this every day.

Opes Partners financial advisers help Kiwis build property-backed retirement plans – and they're just as happy to tell you NOT to invest if that's the right answer for your situation.

BOOK A FREE PORTFOLIO PLANNING SESSION WITH AN OPES ADVISER

opespartners.co.nz • 60-minute call • No obligation

What happens in the meeting

1. You share where you're at – income, savings, goals.
2. Your adviser calculates your Wealth Gap (the gap between the retirement you want and the one you're on track for).
3. You get a clear recommendation – invest, don't invest, or wait.