

Property Investment with Exeter Homes: Designing a Portfolio that Works for You



If you're reading this, you're either already a property investor, or you're seriously considering becoming one. We are Victoria and Chris Travis, and we've been investing in property for almost 20 years. Over that time, we've tried a bit of everything: buying new builds, renovating older homes, purchasing sections to subdivide, and relocating both new and second-hand houses onto sites. Like most investors, we learnt by doing, taking lessons from each project and using them to strengthen our approach over time.

Eventually, we found the strategy that really clicked for us: building brand new transportable homes and focusing on infill housing as a repeatable way to grow our portfolio. Along the way, we ended up setting up this transportable housing company as well. At the time, it simply made sense; it meant we could build our own investments more efficiently, and if we were doing that, we could also build for others. What we didn't expect was how well that would take off. It's been a lot more work than we first imagined, but we genuinely love housing and the process of building, so it's a good fit for us.

So we thought it was time to take what we learnt along the way and help other investors like us to grow their portfolio. We'll be completely honest before you start reading, of course we are going to favour building new homes and relocating them to site, you did get this download from a transportable housing company after-all. But it genuinely worked for us, and we will show you how it could work for you.

Inside, we break down how experienced investors assess opportunities, set strategy, and make decisions that hold up over time. You'll find clear explanations of key concepts such as cashflow, yield, ROI, and equity. We provide some real-world investment case studies and explore the differences between second-hand and new builds.

This guide is especially useful if you're time-poor, managing multiple commitments, or starting to feel the strain of being too involved in every decision. If you're looking to grow without increasing stress, this will help you frame your next steps more clearly.

A little legal disclaimer – we are not financial advisers, and this isn't financial or legal advice. It's practical insight drawn from real projects and our own investment experience, with a focus on infill housing and turnkey delivery as a repeatable model for growth. The aim is simple: to help you think more strategically, avoid common pitfalls, and decide whether this approach aligns with your own goals and stage of investment. We highly recommend seeking independent legal and financial advice.

How Experienced Investors Assess Opportunities

Experienced investors rarely begin by asking whether a property is a “good deal.” Instead, they assess whether an opportunity fits their broader strategy, current capacity, and next stage of portfolio growth. They look beyond headline price and estimated rent and evaluate opportunities in layers: strategic fit, real-world financial performance and risk exposure.

Metrics such as cashflow, yield, ROI, and equity are treated as tools rather than objectives, each serving a specific purpose at different stages of a portfolio’s life. Predictability is valued over perfection, with consistent outcomes often preferred to higher but less certain returns, particularly when scaling. Risk is priced honestly by accounting for time, attention, and uncertainty, rather than assuming everything will go to plan.

This way of assessing opportunities creates clarity. It allows investors to quickly filter what fits and what doesn’t, avoid being distracted by isolated numbers, and choose paths that support momentum rather than friction.



The result is a portfolio built deliberately; not by chasing individual wins, but by selecting opportunities that align with how the investor wants the portfolio to function as a whole.

Most importantly, experienced investors think in systems rather than single deals. They focus on processes that can be repeated reliably, rather than outcomes that depend on ideal conditions.

Working out Your Strategic Fit

To be able to assess each opportunity, you need to identify projects that align with your goals, your financial position, and the amount of time and energy you realistically have available. Does this project fit with my strategy? Without that clarity, even investments that look solid on paper can create friction, slow progress, or quietly pull a portfolio off track. So how do you work out what your strategic fit will be?



A helpful place to start is by separating outcomes from inputs. Outcomes are what you're trying to achieve — things like income stability, long-term growth, equity release, immediate cashflow, or less hands-on involvement. Inputs are what you're bringing to the table, including available capital, borrowing capacity, time, risk tolerance, and how involved you want (or don't want) to be. When those aren't clearly defined, decisions tend to be driven by emotion.

Clear goal-setting means being honest about both your financial priorities and your capacity. Financial goals help clarify whether cashflow, capital growth, or a mix of the two matters most right now.

Capacity is about recognising how much attention you can give without creating stress or taking focus away from other parts of your life or work.

It's also important to remember that strategic fit isn't fixed. What works for your first property may not suit you once your portfolio grows. As your circumstances change, so should the way you assess opportunities. Revisiting your strategy as you move through different stages helps keep things focused, and moving forward.

When goals are clear before you look at individual deals, it becomes much easier to assess opportunities objectively, ignore distractions, and choose options that are consistent, repeatable, and aligned with long-term success.



Case Study

When Chris and I worked through our own investment strategy, we deliberately started well beyond the next purchase. We set goals across three timeframes — 20 years, 10 years, and 5 years — and worked backwards from there. Beginning with the 20-year view forced clarity around what we actually wanted our lives and finances to look like long term, rather than optimising for short-term wins. From that end point, we identified what needed to be achieved at the 10-year and 5-year marks to make the longer-term outcome realistic and achievable.

At that point, we'd owned three rental properties and had sold two of them to fund our wedding and a hot rod. Those were very conscious decisions and ones we still believe were the right call. We were able to fund the lifestyle we wanted at that stage of our lives, and that mattered to us (not every decision has to be about maximising long-term outcomes). We were young and we were having a great time. But with just one rental property left, it was clear we needed a new plan. Rather than simply replacing what we'd sold, we took the opportunity to step back and think more deliberately about what we wanted our portfolio to do next, and how we wanted it to fit into our lives long term.

Our primary objective was no longer to chase quick capital gains but to ensure that by the time we reached retirement our housing was fully paid off and producing reliable income. That meant our retirement years would afford us the same lifestyle as our income earning years. And retirement for us doesn't mean 65 so we had to factor in a few less income earning years.

Within 20 years, our aim was to have ten rental properties completely debt free, a lifestyle block debt free and secured safely for our children, a lake house and a very cool boat. Working backwards, we looked at how that could realistically happen. I'll focus on the rental properties here - if we could build up four properties in the first five years, then add another ten over the following five years, we'd give ourselves options. At the 20-year mark, we could sell down four properties and use the capital gained to clear any remaining debt on the ones we wanted to keep.

We didn't want to rely on capital gains alone though. Alongside that sell-down option, we've also chosen to pay debt down aggressively over a 20-year mortgage term, even though that means topping things up slightly from our own income along the way. In reality, we're using two strategies to reach the same end goal. If both work, we're in a much stronger position than we originally planned as all properties would be nearly debt free and we will still have capital gain wins. But if one strategy underperforms, we're not left disappointed or stuck, which feels far more comfortable than relying on a single outcome going perfectly.



To support this plan, we've focused on sites with infill potential, purchasing properties where additional dwellings could be added over time. By adding two or more homes to an existing site, we can grow the portfolio without repeatedly purchasing new land. This allows us to concentrate capital into improving yield and scale from a single asset, rather than spreading it across multiple standalone purchases. While land itself is finite, well-located infill opportunities are often underutilised. Unlocking this potential has proven to be one of the most effective ways for us to accelerate portfolio growth.

We set our strategy five years ago. We currently have four rental properties and another three lined up to be completed by the end of 2026. We are well on track to meet our goals. Prior to setting our strategy we brought and held and sold, flipped and developed with no real plan as to what we wanted to achieve; but it was fun all the same. We've now built over 100 houses since starting Exeter Homes; building really is all consuming for us!

Cashflow, Yield, ROI, and Equity

Cashflow

What it is:

Cashflow is the movement of money in and out of a property over time. While it is often described as the difference between income and expenses, in practice it also includes when that income is received and when costs fall due.

What it's really for:

Cashflow determines day-to-day stability. A property may be cashflow positive over a year but still create pressure if expenses such as rates, insurance, or maintenance are due before sufficient rental income has been received. Understanding cashflow timing helps investors ensure they have adequate liquidity to meet obligations as they arise, avoid short-term funding gaps, and reduce unnecessary stress.

Common misunderstanding:

Cashflow is frequently assessed on an annual basis only. In reality, poor cashflow timing, not poor returns, is what causes most operational issues in otherwise sound portfolios.





Yield

What it is:

Yield measures how efficiently a property generates income relative to its value or cost. It is typically expressed as a percentage and can be calculated in several ways, including gross, net, or real-world yield.

What it's really for:

Yield is a comparison tool. It helps investors assess how effectively capital is producing income and compare opportunities across different properties.

Common misunderstanding:

Many investors focus on achieving a headline yield — often a figure such as 7% — without considering the context in which that number sits. On its own, a yield figure says little about cashflow timing, risk, holding costs, or long-term strategy. Yield is most useful when assessed alongside the investor's broader goals, rather than as a standalone target.



Equity

What is it:

Equity is the difference between a property's market value and the debt secured against it.

What it's really for:

Equity enables scale and flexibility. In practical terms, equity is often accessed through refinancing. As a property increases in value or debt is reduced, an investor may be able to borrow that equity and use it as a deposit for a subsequent purchase.

Common misunderstanding:

Many investors assume that having equity automatically means they can borrow more. In reality, equity does not remove the need for affordability. Banks will still assess whether an investor has sufficient income to service any additional debt. Equity can help with deposits and loan structure, but debt servicing is what ultimately determines whether further borrowing is approved.

ROI (Return-on-Investment)

What it is:

ROI measures the return generated relative to the capital invested, considering income, growth, and costs over time.

What it's really for:

ROI is best used as a backward-looking and scenario-based tool, rather than a precise way to compare opportunities in isolation. While it provides high-level insight into how capital has performed over time, its greatest value is in strategic planning and review — helping investors assess whether past decisions aligned with their objectives and refine future strategy. Used this way, ROI supports learning and course correction.

LVR (Loan-to-Value Ratio)

What is it:

LVR (Loan-to-Value Ratio) is the percentage of the property's value that's being borrowed. It's calculated by dividing the loan amount by the property's value.

For example, if you borrow \$800,000 to buy a property worth \$1,000,000, your LVR is 80%.

When it comes to investment loans, most banks cap the LVR at 70% for rental properties.

Your own home, banks call this the owner-occupied property, is generally capped at 80% LVR.

In some instances, like on my lifestyle property, it is only 65% LVR so you need to ask your bank manager where each of your properties sits on their scale.

Debt Servicing

Debt servicing refers to your ability to repay loan commitments from your income. Lenders assess this to decide how much you can borrow.

They'll look at:

- Rental income (discounted by up to 30% to cover costs such as rates and insurance)
- Your personal income
- Living expenses and existing debts
- Loan repayments calculated at a higher "buffer" rate (not the actual rate)

If your debt servicing doesn't stack up, even with equity the bank may say no to more borrowing. That's why cash flow and income structure matter just as much as the property value.

The Bigger Picture

No single metric defines a good investment. Cashflow supports holding power, yield measures efficiency, ROI measures success, and equity drives growth. Experienced investors use each metric deliberately.

Strong portfolios are not built by maximising one number; they are built by using the right metric for the right purpose at the right time.





Infill Housing: Predictable Growth by Design

We believe the best option for property investment is infill housing because it is built around predictability. Rather than relying on new land acquisition or speculative rezoning, it concentrates portfolio growth within known planning and financial constraints.

The model typically focuses on sections of 800–1,100 square metres with an existing house already on the land, working within New Zealand's Medium Density Residential Standards (MDRS). It's a simple model, add two new dwellings to the existing site, creating three homes on one title. Where required, the existing house can be relocated within the site to enable efficient development. An existing house can often be relocated on-site with tenants out of the property for as little as two weeks.

This model works so well because you only pay for the land once. Land cost is then effectively shared across three homes, which materially improves the numbers. In practice, you often don't pay much more for a 1,000sqm site than a 500sqm site, so you're starting with an advantage from day one.

Under the MDRS rules, you're allowed to build up to three homes on a site (in some cities), provided the development meets the standards. This means you can add density without needing to subdivide upfront. Subdivision can still play a role later — for example, as part of a portfolio sell-down strategy — but the key is that the homes can be built, rented, and earning income first, with subdivision treated as a later-stage option rather than a prerequisite.

Using transportable homes further improves predictability. Site disruption is limited compared to traditional on-site builds, and programmes are significantly shorter. Transportable homes offer fixed price contracts. In many cases, total site works are completed in four to five weeks, rather than the 16 weeks per house often required for full on-site construction. That reduction in time, complexity, and disruption is a big part of why this model is so repeatable for investors.






MDRS (Medium-Density Residential Standard)

The Medium Density Residential Standards (MDRS) have changed how residential land can be developed across parts of New Zealand. In plain terms, MDRS allows more homes to be built on standard residential sites, without the long, expensive consenting processes that used to be the norm.

In areas where MDRS applies, you can generally build up to three homes, up to three storeys, as a permitted activity — provided the development meets key standards around height, setbacks, outdoor living space, and outlook. That shift alone has dramatically improved feasibility and predictability for infill development.



Before MDRS, most residential sites were limited to one household unit plus a minor dwelling. Even on large sites (say 1,100 sqm), the usual pathway to more density involved subdivision first, followed by new builds. That meant significant upfront costs well before any additional rental income was generated — which, from a cashflow perspective, was often painful.

MDRS removed the requirement to subdivide upfront. Investors can now build, rent, and generate income first, and treat subdivision as a later-stage option if and when it suits the broader strategy.

That said, MDRS does not apply everywhere, and its application can vary by council. Some cities have introduced qualifying matters or alternative planning frameworks that modify how density is enabled locally. Auckland is a good example — while it initially adopted MDRS-style rules, these were later replaced with a tailored planning approach reflecting local infrastructure and hazard considerations. The outcomes may still allow similar density, but the rules differ.

An important lending note: most banks will treat up to three homes on one site as a standard residential investment. Once you move to four or more dwellings, lending often shifts into commercial territory, which is a very different process. Three really is the magic number.

MDRS is formally required in Hamilton, Tauranga, Wellington, and Christchurch. Auckland Council was initially required to implement MDRS and has since modified how it applies through its own planning framework, with similar medium-density outcomes still enabled in many areas. Some other councils have also adopted comparable medium-density provisions through their district plans, even where MDRS itself was not mandatory, including Kāpiti Coast and Rotorua. Because this varies by location, we always check how your specific council has implemented MDRS — or equivalent provisions — before moving forward.

Second-Hand Versus New Builds

Second-hand properties and new builds can both play a role in an investment strategy, but they behave very differently over time. Existing homes can often be purchased cheaply, particularly through platforms like TradeMe, however they tend to come with higher maintenance requirements, upgrade costs, and compliance risk.

With second-hand relocatable homes, there is often more work involved than first expected. Fireplaces may need to be removed, leaving holes in walls and roofs. Roofs may need to be cut and reinstated for transport, and in some cases, houses are physically cut in half to move them. Asbestos can also be present, which means reports are required and removal can involve significant disposal costs. Many older homes have limited insulation and little or no heating. There often is no useable existing property file, meaning the house needs to be physically measured and drawn up by a draftsman for council purposes. While there are good deals out there, finding them requires research, experience, and a clear understanding of what you're taking on. In most cases, these homes will also require a substantial renovation within five to ten years.

New builds, by contrast, tend to offer far greater predictability. Maintenance is typically low in the early years, and homes are delivered compliant with current regulations, including Healthy Homes standards. That predictability becomes increasingly valuable as portfolios grow.

One of the biggest advantages of new homes is the ability to build under a fixed-price contract. This provides upfront cost certainty and allows investors to model cashflow, lending, and overall returns with much greater confidence. Fixed-price contracts reduce exposure to unexpected construction costs and minimise budget creep during delivery — a critical factor when managing multiple projects or working within a defined financial strategy. While no build is entirely risk-free, fixed-price new builds generally carry far less uncertainty than renovations or upgrades to existing homes, where final costs are often unknown until work is well underway.

Valuation is another important factor to consider. If your strategy involves building equity, a brand-new home will often achieve a higher valuation than an older property, particularly when it is well designed and quality construction. That can translate into stronger usable equity earlier in the lifecycle of the investment, which in turn supports future borrowing and portfolio growth.

New homes are also generally easier to sell. They appeal to a broader buyer pool, require less explanation around maintenance or compliance, and are typically viewed as lower risk by both purchasers and lenders. That adds greater flexibility, whether an investor plans to hold long term or simply to keep sell-down options open as part of a wider strategy.

Second-hand homes absolutely have their place, but they are typically more hands-on. The key is not just assessing the upfront purchase price but understanding the full 20-year cost of ownership. Investors who factor that long-term picture into their decision-making are far better positioned to choose the option that genuinely fits their strategy, capacity, and goals.



Limiting Risk

Limiting risk in infill projects starts well before purchase. Key checks such as geotechnical investigations, council zoning and planning rules, and confirmation that a transportable home can physically access the site are critical to avoiding costly surprises later. A site that appears straightforward on paper can carry hidden constraints that materially change feasibility, cost, and programme. Relying on assumptions, particularly where a property previously had a dwelling, is one of the most common and expensive mistakes investors make.

Case Study

We've seen first-hand how relying on assumptions can create major headaches. One example involved an investor who purchased a site where a previous home had burnt down, assuming that rebuilding would be straightforward simply because a dwelling had existed there before.

What wasn't known at the time of purchase was that the site had been heavily filled with buried rubbish, which triggered a far more complex and expensive foundation design than expected. To complicate matters further, a second-hand transportable home was purchased at a good price, only for the transport company to later confirm that it couldn't be delivered to site using standard methods. The eventual solution involved craning the house into position. At that point, the client, the house mover, and the architect had all come close to walking away from the project.



Exeter Homes stepped in, and through our experience transporting homes and managing complex builds, we were able to resolve issues others believed couldn't be overcome. While the project was ultimately completed successfully, it required a significant unplanned capital contribution. In hindsight, if the site had been properly assessed from the outset, the purchase price could have been reduced and the total cost would have shown that the project sat very close to the price of a brand-new home, without the added complexity. On top of that, the house itself is expected to require further substantial investment within the next ten years due to its age and condition.

This type of scenario often arises when investors believe they've secured a bargain, a cheap section, a deal on a second-hand house, and an apparently simple infill opportunity. In reality, without proper due diligence, those savings can quickly be eroded. Early geotech, zoning confirmation, and transport feasibility checks don't remove all risk, but they dramatically reduce the chance of unforeseen costs and protect the predictability that long-term investment strategies rely on.

Key lesson: Apparent bargains can carry hidden risks that aren't visible at purchase. Involving experienced professionals early helps identify build feasibility before money is spent. This upfront insight allows risks to be priced accurately, avoided altogether, or structured into the project from the outset, protecting cost certainty and preventing small assumptions from becoming large, expensive problems later.

What Exeter Homes Offers Investors



Exeter Homes can work with investors at the front end of the decision-making process, where risk, cost, and outcomes are largely determined. Rather than starting with a build, the focus is on understanding feasibility, constraints, and strategy before any commitments are made.

Feasibility Studies

We can begin an infill project with a feasibility assessment. This looks at whether a site can realistically support additional dwellings under current planning rules, how many homes are achievable, and what constraints may affect cost or delivery. We work with local property managers and real estate agents to gauge rental value and re-sale value so you can see how the project could stack up. The purpose of this stage is to identify issues early, stress-test assumptions, and determine whether the project aligns with the investor's broader strategy before significant capital is committed.

Feasibility Study: from \$3500.00

Concept Design

Once feasibility is confirmed, the project moves into concept design. This stage focuses on layout and house design. If you don't take up the feasibility study option, we also include town planning logistics checks here. Importantly, this process is used to lock in scope early, reducing downstream changes and improving cost certainty.

Concept Design ranges from \$5000 - \$15000 depending on scope with full custom house designs at the more expensive end of the cost. A 2-house on-site concept design will cost \$10,000.00 + GST allowing for minor changes to any of our standard plans.

We also undertake geotech in this stage unless we've advised to do during feasibility. We would suggested to do this in feasibility if you're looking to purchase a section and the vendor doesn't have a geotech. You can put in an offer pending geotechnical report so that if the ground is terrible you're not stuck – more money upfront less cost overrun later.



Preliminary Building Contract

This stage removes the unknowns. We complete the engineering reports needed to confirm exactly what can be built on your site. This work ensures the design is compliant, buildable and properly priced, so there are no assumptions or grey areas later. By the end of this stage you can have a fixed price quote. With your approval we also lodge your building consents during this stage.

In this stage you simply pay for all the reports and council fees. We advise cost of this stage when we get to concept design as every site is different and requires discussions with council and local planners to quote.

Cost Transparency and Typical Infill Budgets

For a typical infill project involving two new dwellings, investors should expect indicative build costs starting from \$195,000 for a brand new 3-bedroom home. Price depends on size, specification, and site constraints. In addition to the build itself, site works typically sit around \$250,000, covering items such as foundations, services, access, drainage, relocations, and associated civil works.

These figures are indicative and will vary by site, but they provide a realistic starting point for feasibility modelling and early finance discussions. This level of specification represents our entry-level investor range (Essentials Range), designed to deliver reliable rental performance and strong compliance outcomes without unnecessary cost.



As a guide, an Essence range three-bedroom home (Healthy Homes compliant) is approximately \$260,000 per dwelling. For a two-home infill project, this puts total project costs at approximately \$770,000, subject to site-specific factors, as opposed to \$640,000 for Essentials.

All of these considerations are worked through during the feasibility study, where we assess cost, strategy and long-term objectives.

Things to consider

Most of our homes can be upgraded to BGC Montage, a high-quality fibre-cement cladding that comes pre-finished and does not require painting, backed by a 25-year warranty.

Unlike some companies that have shifted toward plastic-based exterior products, we stand by the durability and proven performance of solid fibre cement — and it looks great too.



For approximately \$10,000 upfront, you can upgrade to this cladding and avoid repainting. BGC has a 25 year warranty minimum, with only simple maintenance required (such as periodic washing). By comparison, traditional painted exteriors typically require repainting every 7–10 years, with repaint costs often ranging from \$12,000–\$25,000, plus scaffolding costs of \$5,000–\$15,000 depending on the height of the home.

More upfront. Less later.

It's a smart long-term choice for investors focused on durability, reduced maintenance, and predictable ownership costs.

See — this is where strategy matters. If your priority is getting tenants in quickly and capital is tight, the decision is effectively made for you. But if you're holding long-term, upgrading cladding now for around \$10,000 is a no-brainer.

Why Turn-Key Works Best for Investors

For investors, turnkey should mean a genuinely end-to-end service. This includes managing council approvals and compliance, coordinating design and construction, and delivering a completed home that is ready to be handed directly to a property manager.

A true turnkey property is finished, compliant, and ready to rent from day one, including meeting Healthy Homes requirements. The investor's role is limited to strategic decisions, not day-to-day execution. When delivered properly, turnkey removes uncertainty, shortens the path to income, and allows investors to move from completion straight to tenancy without additional work or coordination.



From Exeter Homes's side we will provide a fixed price contract and a confirmed completion date. You let us know how much input you want in terms of design but honestly, most of our investors have us picking the colour scheme so they don't have to.

What Next?

Thanks for taking the time to read through this guide — we hope it's helped you better understand the numbers behind new builds and rental investments. But this is just the beginning.

We regularly share practical resources via email to help you become a more informed investor — from simple guides that break down key concepts to deeper dives into strategy, finance, and deal structuring.

You'll also find tips on managing risk, maximising returns, and navigating real-world investment scenarios. So sign up to our marketing if you haven't already. And join our socials for pictures and stories from our builds, our clients and our staff.

Right now, we're working on a detailed case study following a project currently under development. You'll get to see exactly how the numbers stack up — from site selection and planning, through construction, right to final valuations and cash flow outcomes. If you'd like to stay in the loop, sign up on our website.

Let's Get Building!

Contact us today to start your property investment journey with Exeter Homes.

[Email Our Sales Team Now!](#)

Contact Us:

Phone: 0800 613 213

Email: sales@exeterhomes.co.nz

2 Dinsdale Street, Rotorua