



Investing in property

Get all the answers



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Creating wealth through property investment

Investing to build wealth for your security and your retirement is a wise move. Residential property is a popular investment, and with good reason. Bricks and mortar have the potential to provide investment security, capital growth and rental income. There can even be tax advantages.

If you haven't already invested in property, making a start can be easier and more achievable than you might think. The key factor is getting informed advice to help ensure you make the right investment decision. There are more choices and flexibility in obtaining finance than ever before. Don't be confused, talk to ANZ first.

ANZ will guide you through their extensive range of finance options for property investment, and then create the most appropriate finance package to suit your circumstances. This enables you to concentrate on the property itself, so you can make a better investment choice.

How much can I borrow?

Knowing what you can afford provides perspective

When you know how much you can borrow, your property search can be more targeted.

In most cases, ANZ can lend you up to 80% of the value of a property.

To find out approximately how much you can borrow, contact any ANZ branch, call 132 411, or you can use the How much can I borrow? calculator on www.anz.com

Finding your investment property

The golden rule for locating the right property is research. The more you know the market, the more likely you are to make an informed decision. It can also help when you are negotiating the price of a property.

Scour the classifieds (in newspapers and on the internet), and you'll soon know what areas you can afford. Then, intensify your search. Visit your target suburbs, attend open-for-inspections, and as many auctions as you can.

When looking at particular suburbs, take an extended walk around them to discover the 'feel' of each locality. Decide what you are really looking for in an investment property. Ask yourself questions, and look at properties from an investor's point of view, which is different to that of a home seeker.

Get to know the real estate agents in the area, and tell them what you're seeking. Sometimes they can alert you to properties not yet listed. Even a small amount of research and effort can pay big dividends.

Your loan options

Feel relaxed with a loan that's right for you

Because everyone's needs are different, ANZ's range of residential investment loans have been designed with that in mind. There's an ANZ Residential Investment Loan to suit you.

ANZ Variable Rate Residential Investment Loan
Designed to give you complete flexibility. A fully featured loan with a competitive variable rate.

- > no monthly fee
- > make extra repayments at any time to pay your loan off faster
- > pay the loan off early without incurring exit fees
- > direct loan repayments can be set up to pay your loan automatically
- > redraws allowed based on additional repayment. For any subsequent increase, normal application procedures will apply.

ANZ Fixed Rate Residential Investment Loan
Designed to give you certainty in knowing what your repayments are for your fixed period, while protecting you against any rises in interest rates.

- > no monthly fee
- > 1 year fixed rate terms available
- > if you need more cash you can minimise your repayments by agreeing with ANZ to make interest-only repayments for up to 1 year. This applies to construction loan only
- > interest rate automatically reverts to the standard variable rate after the fixed rate period expires
- > direct loan repayments can be set up to pay your loan automatically



Benefits at a glance

The following table can help guide you to the right loan option for your circumstances.

What you want	Benefits you'll enjoy	Interest rate	Solutions
<p>Flexibility</p> <p>"I want to own my own investment property sooner, but take advantage of potential tax savings along the way."</p>	<ul style="list-style-type: none"> > make extra repayments when it suits you > make increased regular repayments > redraw additional loan repayments if needed 	Variable	<ul style="list-style-type: none"> > ANZ Variable Rate Residential Investment Loan
<p>Repayment security</p> <p>"I want to get something started that my kids can benefit from later on. It's important to me to know what my repayments are going to be."</p>	<ul style="list-style-type: none"> > interest rate fixed for an agreed period of 1 year > no monthly fee > ability to make interest only payments for up to 1 year 	Fixed	<ul style="list-style-type: none"> > ANZ Fixed Rate Residential Investment Loan

Using the equity in your home

You may have found the ideal investment property, but don't have the cash savings for a deposit, or the deposit you've saved may be insufficient. An option is to consider using the equity you've built up in your home as a flexible source of funds.

An example of how much equity you would have on your property:

You have an existing ANZ Home Loan of \$50,000 and wish to purchase a \$150,000 two bedroom home as an investment property. Value of your existing property is \$220,000.

Residential home	
Step 1: Determine your current home loan position	
Value of existing property	\$220,000
Existing home loan balance	\$50,000
Step 2: Borrow up to 80% on your existing property (This will depend on the type of property)	\$176,000
Less existing loan	\$50,000
Equity available for investment purposes from existing property	\$126,000
Loan required for new/investment property	\$150,000
Shortfall	\$24,000

Interest may be tax deductible for property investment lending.

Shortfall can be met from the following:

1. Savings;
2. Mortgage over new property being purchased.

ANZ recommends that you seek advice from a Financial Adviser or your accountant.

All applications for loans are subject to ANZ's normal credit approval criteria.

Gearing and taxation

Know all the benefits

Gearing is simply another word for borrowing. A property investment can be positively geared or negatively geared. When the rental income is more than the outgoings (including loan interest), it is said to be positively geared. When the outgoings are more than the rental income, which often happens early on in an investment loan, the property is then negatively geared.

When a property is negatively geared, the difference between the income and outgoings may be tax deductible, and can be used to the investors' advantage by reducing the taxable income earned from other sources (e.g. interest, or salary and wage income).

Accountants and Financial Advisers are available to provide information and advice to help you achieve the lifestyle you want. That includes saving for a home or your children's education, retirement planning, managing debt, life insurance and income protection or simply building wealth.

NOTE: Taxation laws are complex and their application may vary according to investors' specific circumstances. Consultation with an accountant or taxation adviser is recommended to determine the implications of taxation laws to investors' specific circumstances.



Don't forget the insurance

Be secure with the protection you need

ANZ can help you with all of your insurance needs.

ANZ Loan Insurance

Some investment property owners will be unfortunate enough to experience a serious accident that could jeopardise their wealth creation.

If this were to happen, how would you manage to meet your loan repayments?

ANZ Loan Insurance is an easy way to protect you and your family against the potential financial effects of accidental death, disability and serious injury.

ANZ Home Insurance

Another large financial purchase you may make in life apart from your own home is investing in a residential property.

So it makes sense to ensure that your investment is protected with the right type of insurance cover.

At ANZ, we can provide you with comprehensive cover for your investment, giving you added security and peace of mind.

For further information on ANZ Loan and Home Insurance, visit your local ANZ branch or call the ANZ Contact Centre on 132 411.

What to bring to your loan appointment

When you're ready to meet with ANZ to discuss your options, here's a list of what you should bring so ANZ can help you.

Personal identification

Bring the following documents with you.

One of the documents must contain your photograph or signature:

- > driver's licence
- > FNPF card
- > electricity or water bill
- > rates notice

Only two of the above documents are required if you also bring:

- > birth certificate or
- > passport.

Current employment and financial position

A recent copy of the following are required to confirm your income:

- > at least three payslips or
- > tax return

Self-employed

- > profit and loss statements and balance sheets for the past two years
- > tax returns or assessment notices for the past two years (Business and Personal).

Your assets

Bring along your account statements, and a list of any other assets you have, including:

- > real estate
- > investments, including term deposits (bring receipts if you have them)
- > shares/bonds
- > term insurance.

Your liabilities

Listing liabilities in addition to assets will enable us to quickly determine how much you can afford to repay on your loan:

- > credit card accounts
- > charge accounts
- > existing loans, if any.

Frequently asked questions

Residential investment can be a complex area, and even seasoned investors sometimes need help. Here are some of the more common questions that arise.

Q. "We want to purchase a property, renovate it, then resell within a short period of time. Are we able to take out a loan and pay interest only until the property is sold?"

A. ANZ can offer you an interest only loan for up to 1 year. The major benefit of this repayment option is that you can use the money saved on principal repayments to upgrade or renovate the property and then repay the principal once the property is sold.

We suggest that you speak with your financial adviser or accountant when considering claiming tax savings.

Q. "We're not sure whether we want the repayment security of a fixed rate or the flexibility of a variable rate. Can we divide the loan into variable and fixed rate components?"

A. We are able to offer you 2 loans, one with a variable and one with a fixed component. Once we sit down together, we'll work with you to determine the break-up to best suit your needs.

Q. "Is it important to have investment property insurance?"

A. Protection of your property and assets is always important, and even more so when you are using your asset as a rental property.

ANZ Home Insurance will provide you with peace of mind and protection against your property being damaged. ANZ Home Insurance has many optional extras that will enable you to tailor the insurance to meet your specific needs.

Contact 132 411 or visit any ANZ branch for further details.

Important notices

This booklet provides general information current as at the time of production.

The information in this booklet is intended as a guide only; it is not intended to be a substitute for professional advice and should not be relied upon as such.

All applications for loans are subject to ANZ's normal credit approval criteria.

This material does not take into account your personal needs and financial circumstances and you should consider whether it is appropriate for you.

ANZ Home Insurance is issued by QBE Insurance (Fiji) Limited.

ANZ receives a commission from QBE Insurance (Fiji) Limited based on a proportion of your premium payment. ANZ receives this payment at the end of the month you make your premium payment.

How to apply

- > call the ANZ Contact Centre
local callers on 132 411
overseas callers (679) 331 6644
Monday to Friday, 8.00am to 6.00pm
- > to arrange an appointment with an
ANZ Mobile Home Loan Manager
in Nadi on Mobile 990 8295 or
in Suva on Mobile 990 8296
- > for insurance enquiries
call the ANZ Contact Centre
local callers on 132 411
overseas callers (679) 331 6644
Monday to Friday, 8.00am to 6.00pm
- > visit an ANZ branch nearest you during
business hours
Monday 9.30am to 4.00pm
Tuesday to Friday 9.00am to 4.00pm

Saturday 9.00am to 1.00pm
ANZ Centrepoint, Suva
The Shop, Waimanu Road, Suva
ANZ Queen's Road, Nadi
ANZ Namaka
ANZ Vitogo Parade, Lautoka

If you require further information, please call Toll Free on 132 411
or visit our website www.anz.com/fiji

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