Me & My Money: A Love Affair With Propertyâ?¦Is Out Of Reach For Most Of Us

Description



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This weekendâ??s rendition of Me & My Money in The Straits Times was hugely disappointing, as the main story featured a female tax adviser and her journey in property investing. She is also a self-proclaimed â??staunch believer in wealth accumulation and prefers not to dwell on the idea of frugalityâ?•.

Her first move was to buy a high-end condominium and renting it out to expats for regular income. After selling the condo in 2008, right before the property market collapsed, they went on to invest in 4 more condos and 3 landed properties. She and her husband plans to hold on to them for the long term and rely on it for an estimated monthly income of $30,000 to $50,000.

It sounds great on paper, but the truth is, how many of us can afford such a similar move?

I found it disappointing because Ms. Kylie Luoâ??s story is clearly a tale of how a rich person became even richer. Her family consists of a college lecturer, an accountant, a doctor and an auditor. How many of us can claim such a family background?



The classic tale of someone going from rags to riches will always appeal more to me, as it gives me a glimmer of hope that I too, can become financially independent one day.

For most of us Singaporeans, we are simply not that lucky to be born into a well-to-do family. Many of us struggle with low starting salaries that can barely keep up with the rising cost of living in Singapore. Pay raises are almost non-existent (or minimal) unless you get headhunted into a new job, which most of us will avoid doing too often either, since it leaves us with a record for job-hopping.

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It is NOT that easy for us to â??earn more and find different sources of revenue and incomeâ?•, which Ms. Luo claims is more important than frugality.

For many of us, buying our first property (usually a HDB) is all we can hope for, in contrast to going for a high-end condominium. How then can we go on to buy 7 more private properties?

The ten most expensive cities in the world

Singapore	WCOL index: 130 Rank movement: +5	1
Paris	WCOL index: 129 Rank movement: +6	2
Oslo	WCOL index: 128 Rank movement: +1	3
Zurich	WCOL index: 125 Rank movement: +3	4
Sydney	WCOL index: 120 Rank movement: -2	5
Caracas	WCOL index: 118 Rank movement: +3	6
Geneva	WCOL index: 118 Rank movement: +4	6
Melbourne	WCOL index: 118 Rank movement: -2	6
Tokyo	WCOL index: 118 Rank movement: -5	6
Copenhagen	WCOL index: 117 Rank movement: +5	10

Note. WCOL index (New York=100).
Source: The Economist Intelligence Unit.

Ms. Luo is incredibly lucky, but her strategy and circumstances are not something most of us will be blessed enough to have. Therefore, Iâ??d rather stick with the strategy more accessible to us â??average Singaporeansâ?•, which is to save, get sufficient coverage, spend prudently, and invest wisely.

What did you guys think of her story? Is it a strategy you can likely replicate?

With love,
Budget Babe

Category

1. Property

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