

PILLARS OF PROPERTY INVESTMENT

SECRETS OF THE RICH AND
POWERFUL

WRITTEN BY
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Introduction



Peter Teo and Ian Teo are a dynamic duo who are 200% committed to adding special value to their clients through their knowledgeable, sincere and honest professional service. Both Teos have a strong passion for real estate, financial market and investments. They specialize in analyzing both macro and micro economic; to identify opportunities for enhancing the assets and wealth of their clients.



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Being in the Real Estate industry has opened our eyes to the reality and sufferings of many families.

We were sad to see honest, hardworking people struggling to keep up with their debts. That's why we spent a long time formulating this property investment guidebook for everyone.

This book contains the secrets and techniques we adopted other rich and successful investors. Today, by the end of this book, you would've learned the basic pillars used by generations to grow wealth.

We hope to empower others to make big profits through property. And to become financially free through the use of passive income.

"Leaders become great, not because of their power, but because of their ability to empower others"

John C Maxwell



Common deterring factors

Throughout our years in the industry, we came to realise many Singaporeans are holding themselves back in the world of real estate investment due to a few factors.

Like in most scenarios, the "Pareto's Rule" applies, 80% of Singaporeans will not explore the opportunities or even think about Real Estate Investments.

Here are the 3 main reasons why:

1. Busy with busy-ness. The fast pace of life in Singapore has left many Singaporeans sidelined. Most people are unable to find the time to understand and study the property market effectively.

2. Lack of Knowledge. Because of the busy-ness of life, most people focus all their time and effort to their day jobs and finding ways to make ends meet.

Property investments, like any other investments, requires expertise and knowledge to make accurate, safe and profitable decisions. If you don't have the expertise, find someone who does and can add value to you.

3. Fear of Taking Risk. Being a Singaporean, fear has somewhat been ingrained in our blood. ("Kiasi, Kiasu..etc") However, we are not encouraging risky behavior, but to take a *calculated risk*.

And the reason why most people fear is because they lack the necessary knowledge and expertise!

Think back to before you learned how to swim, the water seemed scary, and swimming was a fearful thought. However, when an instructor is there to guide you with the necessary skills and knowledge, swimming becomes less fearful and in fact enjoyable!

THAT IS LIKE PROPERTY INVESTMENTS! If you are equipped with the knowledge, you will be less fearful and enjoy the rewards of seeing your wealth grow! And better yet, if you have an "instructor" guiding you, you will not have to fear.



Typical Singaporean Property Lifecycle

You are 24-30 years old, you are getting married to your beautiful spouse and are just starting out your careers. Both of you search for a suitable place to call home. Because of your humble beginnings, the property both of you purchase, would probably also be modest. (usually a HDB BTO)

As time progresses, both your incomes also advance and progressive get higher. Now both of you are exploring options to upgrade to a home both of you dreamt about previously as a young couple. Now you have the option to *upgrade or remain*.

Due to various reasons, **80% of homeowners choose to remain** at their status quo. And of the 20% that upgrade, some make good purchases, while others do not.

In the end, the **majority of Singaporeans** end up downgrading as they reach their golden years (60 years old and above), to cash out and retire.

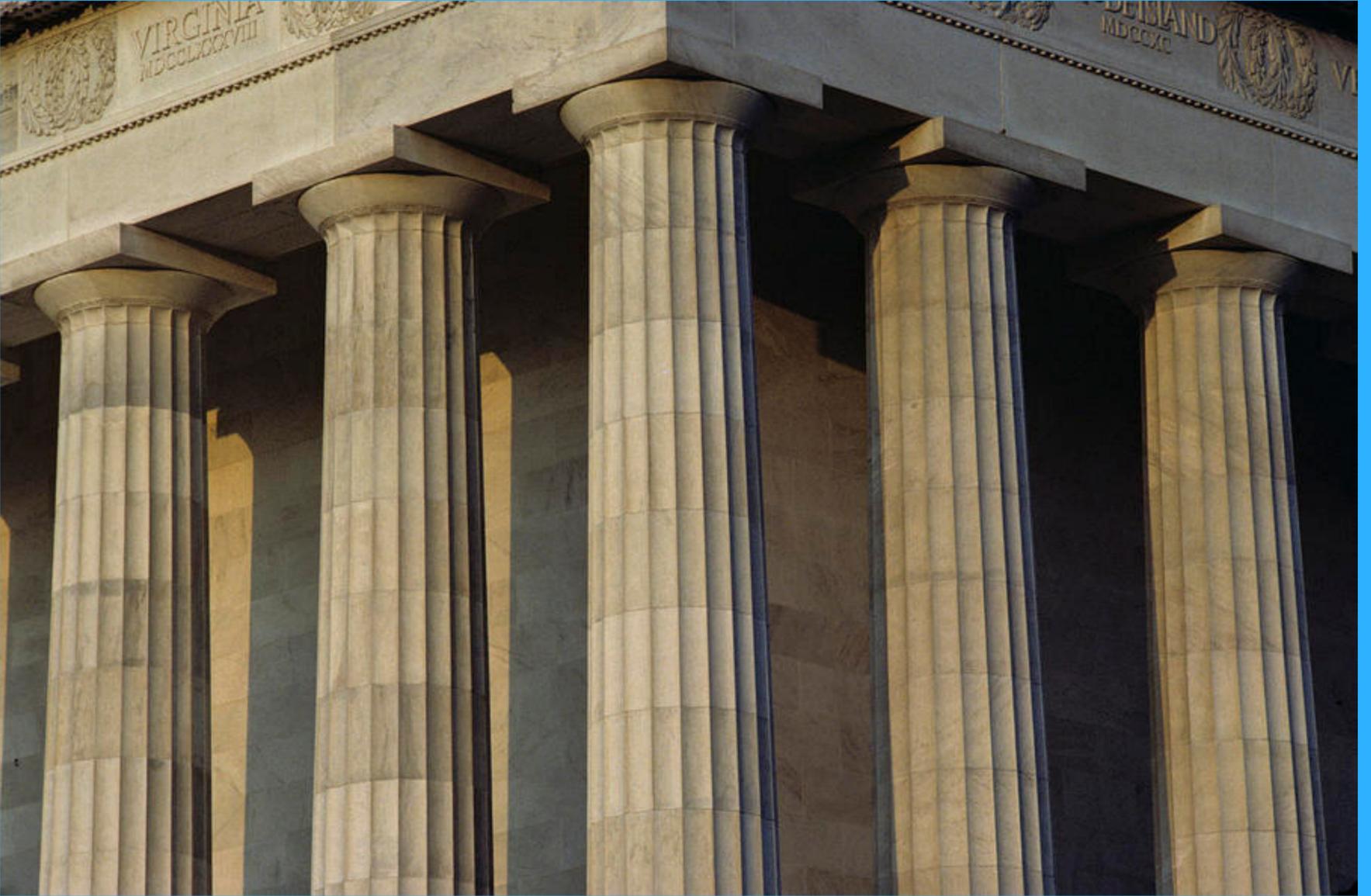
Sounds familiar? We all have experienced this scenario, whether is it personal or through experiences from our friends and relatives.

However, around **5% of the population** has discovered a way to grow their wealth through property investments. And have created a stream passive income into their retirement years.

These 5% have created a *comfortable retirement nest* for themselves and also enabled them to leave behind a *living legacy* for their loved ones!

So how did they do it? Some were lucky, but most had a mentor or friend to help them and guide them.

This is the part you've been waiting for: ***Our Pillars of Property Investment*** that we have adopted from various successful investors to empower our clients, like yourself, to grow their wealth and generate consistent, passive income.



Pillars of Property Investments

Objective Mindset: Thinking not Feeling

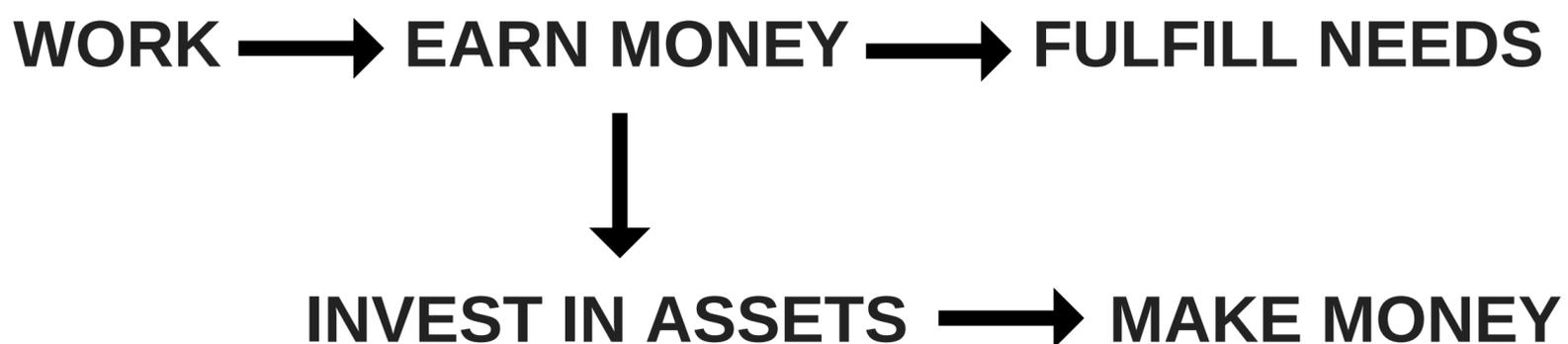
This is the most important difference between an investor and an average person. It's the ***MINDSET!*** A good investor knows his objective clearly and **does not let emotions cloud his judgement**

Not only that, but the way successful investors think about money is also different. Money is a tool to create more money. Let me quickly demonstrate.

Common mindset:

WORK → EARN MONEY → FULFILL NEEDS

Successful Investor's mindset:



A successful investor doesn't let his sentimental attachment to his money affect his decisions. If the investor identifies a good undervalued asset, he makes the right decisions to purchase as long as it's within his financial boundaries.

Selective Identification

Once you have mastered the mindset, it is time to move on to take your first step as an investor. All the way from the beginning, a successful investor quickly **identifies good assets from the lousy ones.**

Eg. Imagine you are choosing between two smartphones "APhone" and "BPhone". APhone costs \$1,000, and the resale value is \$1,500.

BPhone costs \$1,500, but the resale value is \$3,000.

If you had \$2,000 to spend, which smartphone would you purchase? ... Obviously BPhone because it gives a way better *Return on Investment (ROI)*.

Similarly, in property market, there are good assets and lousy assets. The property market comprises of **3 Main Types of Residential Properties - HDB, Condominiums and Landed Homes.**

Of these 3 types, Condos and Landed homes are the better-performing assets, especially in recent years. During each property cycle boom, private property prices shoot up 40-60% while leaving HDB prices behind.

And because private property prices always move up more than HDB prices, it has caused the price gap between private properties and HDB to increase over time.

So successful investors always put their money into private properties, as these properties yield the **best capital gain and rental gain potential!**

For more indepth insights into why private properties prices are always moving faster than HDB prices, please feel free to contact us at 8388 4881 / 9759 2826



Calculations: Numbers are your best friend

Numbers are your best friend. An important pillar for property investment is evaluating the asset or property you have chosen. You need to be able to do **different in-depth financial calculations** to analyze your property's ability to make money.

Make sure you are **well-versed** with *basic calculations* for:

- **Mortgage calculations**
- **Interest calculations**
- **Total Debt Serving Ratio (TDSR)**
- **Loan to Value (LTV) Ratio**
- **Capital Gain/ Rental Yield**
- **and many more**

An investor who is concerned with making profit in real estate should rely on a superb *investment analysis* that involves different calculations before taking any decision to buy a property.

On the same note, a successful investor constantly **reviews his existing portfolio of properties every 3-5 years. Any property that is under-performing needs to be either replaced or removed.** (Remember no sentimental attachment) With a solid investment calculation analysis done, you will be on safe ground for growing your wealth.

Future-Sighted: Peek into the future using data

Data does not lie. Data is a **powerful tool** for a trained and experienced investor. It reveals information more than just mere numbers, it actually tells a story.....of the future!

Exciting isn't it!? However, not everyone can accurately paint the story when given data. Why? Because most Singaporeans **lack the expertise and knowledge** we have gathered over the years.

We spend a good deal of time every day reading up on the current **major economies** and **understanding their market movements**. On top of that, we make sure we are up to date on our **local economy** and market here in Singapore.

It is because of our valuable investment of time into such knowledge, that we are able to paint a picture and **understand the connections and dynamics of the market**. It is with such knowledge that we are able to find opportunities to capitalize on.



Know thy Government

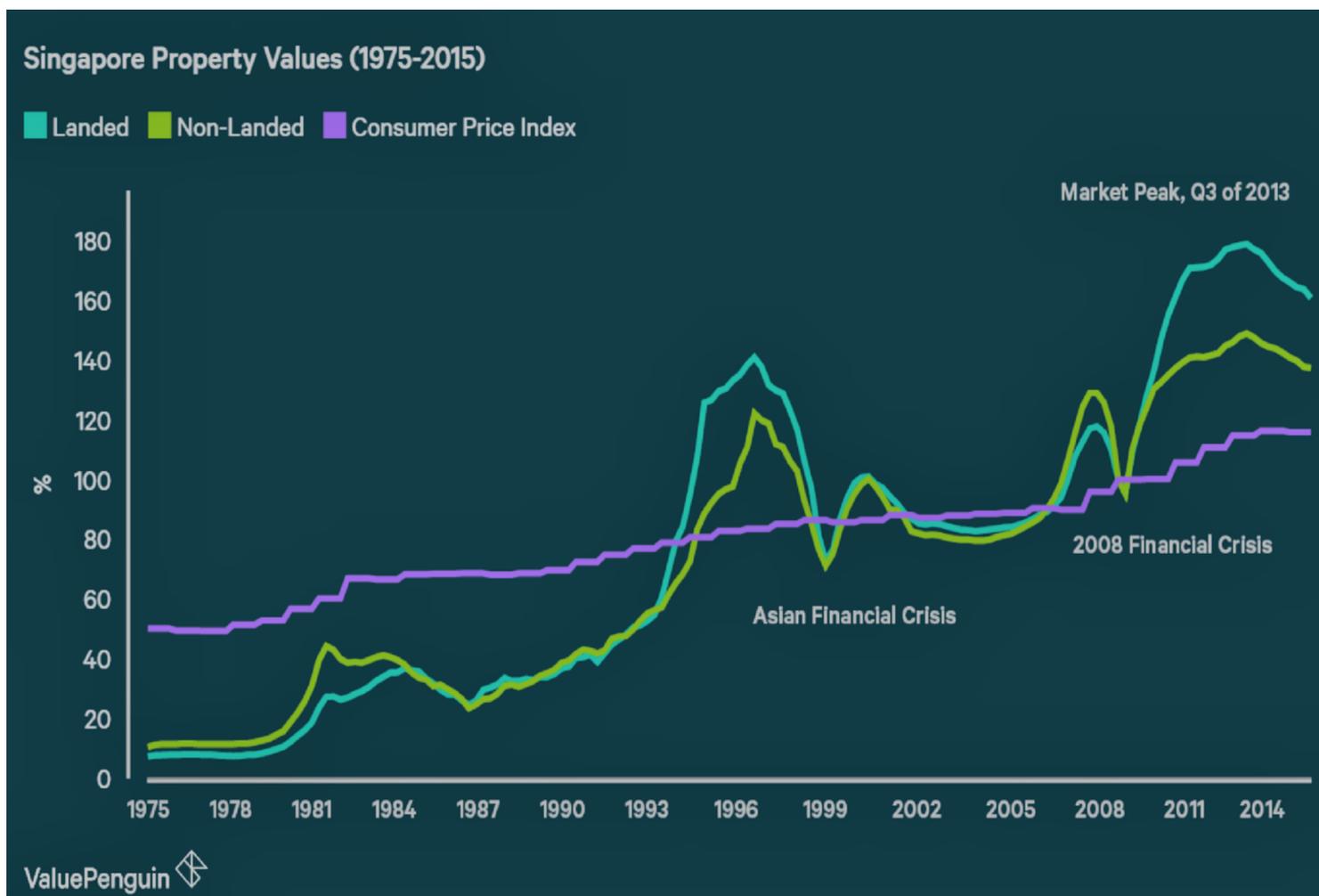
Singapore is a very small economy compared to most of the other countries in the world. As a small economy, we are **price-takers**, and follow the direction of major economies. Therefore, our government has to be **proactive to constantly adapt** to the ever-changing global and local environment.

But because of this proactiveness, government policies are always changing. And a successful needs to be up to date with government policies. But more importantly, a successful investor must **understand the rationale and direction the government is heading towards**.

Only then, can he/she make the right move to avoid potential pitfalls and take advantage of opportunities.

Opportunistic Timing

"The trend is your friend" is an old saying that has lasted the test of time, due to its relativity to investments. Even the property market moves in a certain cyclical trend.



The private properties market tends to move in an upward trend throughout the years. The new high is always higher than the previous high, and the new low is also always higher than the previous high.

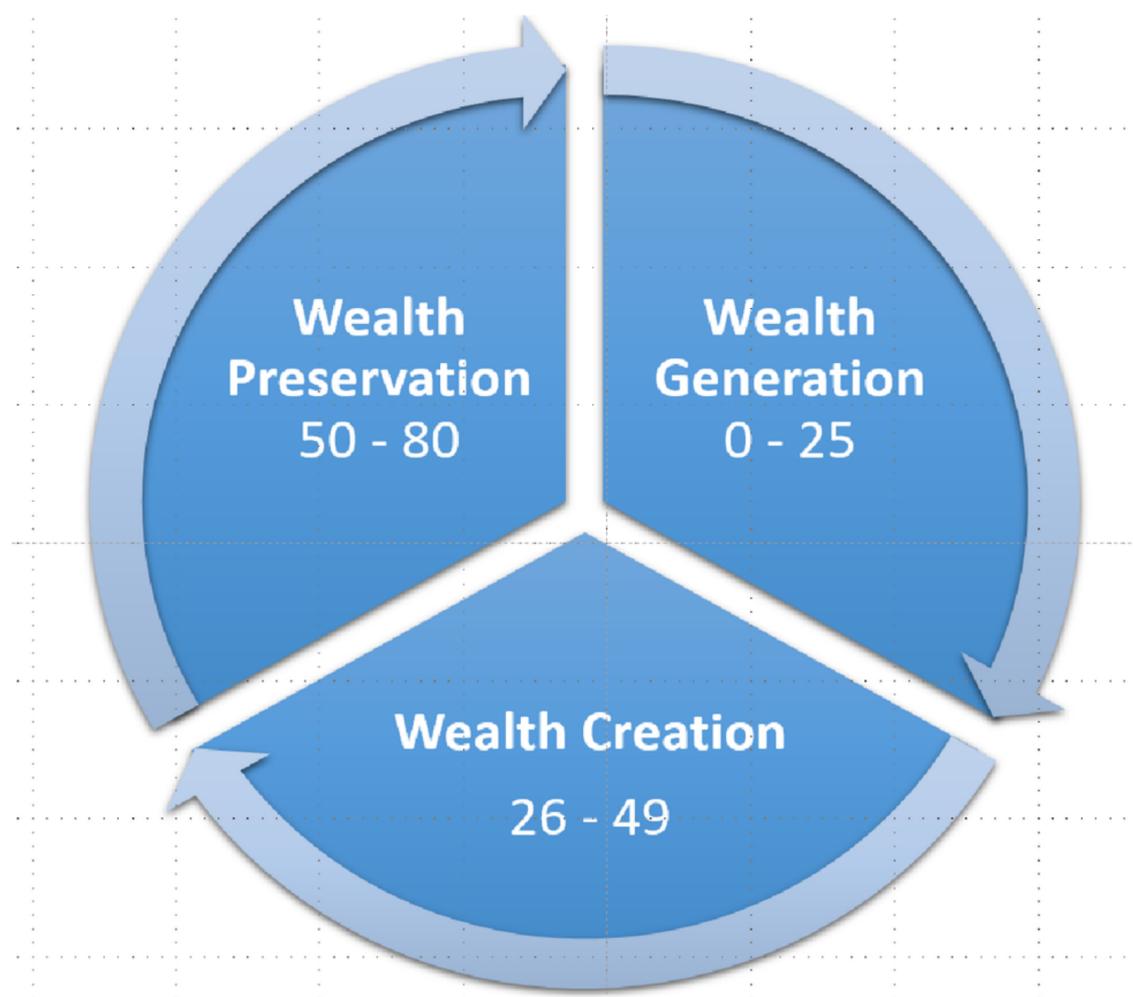
So how do we take advantage of this knowledge? One simple rule to follow, ***"Right the trend, enter during the uptick, and exit during a downturn"***

It is **not easy to identify** a reversal in the market direction. It takes years of experience and knowledge to understand the factors that will cause a turn.

A basic guide would be to identify **two-quarters of consecutive movement in the opposite direction.**



Application: Investment Lifecycle



3 Main Stages of Investment:

1. Wealth Generation (Age 0-25 years old)
2. Wealth Creation (Age 26-49 years old)
3. Wealth Preservation (Age 50-80 years old)

At every investment stage, there is a different focus, and hence a different strategy that is used.

1. Wealth Generation - Usually when most people are just starting out their careers, and do not have much to invest. Which is important to make sure every cent is placed in an asset that will give the highest possible return

2. Wealth Creation - This is the stage when most people would've worked for a few years. A successful investor would make use of the increased spare money, by making his money work for him.

The main objective at this stage is to multiply assets to prepare for retirement.

3. Wealth Preservation - By this point, if you have not owned multiple properties, it is critical to reassess your portfolio, and strategically plan for a way to preserve your wealth.

To be **successful in property investment** you need to **identify which stage** you fall into and taking the necessary steps to invest based on your current situation. If you apply the wrong strategies, you may end up losing big.

But if you know where you stand and invest the right way, you can definitely make big potential gains through property investment. And that's when you, your family and loved ones will be able to enjoy the dream life they deserve!

Property Investment, if done correctly, can be very rewarding. You will be able to change the course of your life, give your family a better lifestyle and eliminate your financial problems.

Just imagine yourself:

- **Pay up your housing loan** within a much shorter time (5-15 years), compared to the usual 30-40 years most homeowners are facing.
- Create another source of **passive income**
- Potentially make **6 figure profits** from investment after 5 years.
- **Be free from financial burdens.**
- Having the **luxury to spend more time with your family** without worry about money
- **Hedge against rising inflation rates**
- **Retire with your desired lifestyle** with multiple properties which will generate a steady stream of cash for your golden years

But,...**property investment is complicated.** Although we're sure you learned valuable info from this report, the most important thing is to be able to correctly fit our methods into your current situation.

No offense, but **most of you may NOT have** the know-how to do that.

Therefore, for a limited time, we will be extending...

1-Hour Free Consultation



This is just a simple token from us to give back after we have profited from our knowledge and strategies. We are now unselfishly going to share this knowledge with anyone who is keen to learn and take action to change their lives.

IF YOU WANT TO MAKE A CHANGE, WE WILL HELP YOU ACHIEVE IT!

During this 1-hour session, we will be analysing your current financial situation, preferences and needs. And based on these, we will tailor our strategies to your situation.

You have much to gain, and nothing to lose through a simple 1-hour consultation. **Quickly contact us today as we only take 3 consultations per week.**

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Our Testimonials

“ To me, Peter is very sincere. extremely knowledgeable and best of all, never pushy and has my interest at heart, unlike other "commission driven agents". I am 100% sold by his sharing about property investment. I entrust all my investment plan to you.”

Mr. Kee, Proud owner of an investment property.

“Ian assisted us on the purchase of our investment property. It is a pleasure working with Ian - he is prompt in his responses, takes initiative and is unfailingly polite and a total professional.

Beyond that, Ian DELIVERED RESULTS. He managed to negotiate a better price on the property than we had expected, and within a day. His effectiveness may have well made a significant difference. The very afternoon the Option was issued to us, URA issued its press release concerning its upcoming redevelopment plans for the area. If Ian had not closed the deal for us earlier that day, the seller might not be agreeable to lower her ask price. We will be glad to recommend Ian's services.”

Mr and Mrs Lay, HDB upgraders and proud owner of 2 properties.

See you soon!



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