

living the
high
life

By the time Chris Gray was 31, he had turned a well-earned \$35,000 into a \$3.5 million property portfolio. Now in 2008, the independent property expert is preparing to invest in a further 50 properties for himself and his clients, while continuing to enjoy his relaxed and glamorous lifestyle in the beachside suburb of Coogee. The popular TV presenter, speaker, and author shares with Eastern Suburbs Living readers his story and how he discovered the key to property investment.

By Roje Adaimy

PERCHED high above the crystal blue waters of Coogee beach, Chris Gray spends most of his day with a laptop in hand and BlackBerry beside his ear. From the back deck of his luxury home, he negotiates multi-million dollar deals for both himself and his clients – and does it with the utmost confidence.

Between the phone calls and emails, you might even find him cruising the streets in the latest model Ferrari, waterskiing, or perhaps sailing overseas with family and friends.

But the life of leisure Chris now leads is a far cry from the life he led six years ago. The self-confessed “lifestyler” left his full-time position as an accountant in a global firm, where he worked a typical nine-to-five day to earn just an average salary. He was chasing a life of luxury so he could spend more time doing the things he loved, with the people he loved.



REAL ESTATE personality

Now, running his own company with no full-time staff, he strategises and builds property portfolios for high-income CEOs – as well as himself. But it took years of hard work, smart investment, and a clever wealth-making strategy to allow Chris to reach a point of financial freedom.

Arriving in Australia at the tender age of 18, Chris Gray – along with thousands of other backpackers from Britain – spent days-on-end working his way around the country, with a food budget of just three dollars a day.

It wasn't until he headed back to reality at home that he realised there was more to life than routine, deciding to search for a place of his own. And just four years down the track, at just 22, Chris purchased his first ever property.

“Most people are trying to get rich by saving money, but really the quickest way to get rich is to spend money”

“To go rent a property in those days it was more expensive than buying – so it was cheaper to buy,” he says. Chris found that mortgage repayments on a one-bedroom unit would leave him practically poor, yet offer no comfort of living. A three-bedroom house, on the other hand, looked a lot more appealing.

“I worked out that if I had a 3-bedroom house and had two people renting, it was actually cheaper to live in a 3-bedroom house than it was in a one-bedroom unit because you shared everything three ways,” Chris says. “I thought as long as I can get a mortgage, it's actually going to cost me a third of the amount to live in a much bigger house, and it will obviously grow [in price] a lot quicker.”

It was this logical way of thinking that gave Chris the confidence to continue to invest in property, and develop a strategy that was practically foolproof. “I'm good with numbers,” he says. “Even when I was kid, fairly lazy at school, numbers would just click.

Most people are emotional, thinking that for instance a million dollars is a lot of money, hence, a big decision. I just look at the logic – what has the property done in the past, where are we in the cycle, and what's likely to happen.”

In the last six months alone, Chris has purchased seven units for himself – costing about \$4.5 million and doubling his portfolio. Deciding to take on a bigger project, he also bought a block on Dudley Street in Coogee, which he was able to turn around in just four months and earned himself a healthy profit.

“In the next year, I will try and buy another \$4 or \$5 million worth of property,” he says. “I'm able to do that because I've worked at it for ages – I haven't bought anything for about 4 years because the market has been flat, but now it has started to take off, so I'm taking advantage.”

Chris says that almost anyone can make money in the real estate game, they just need to learn how to make better decisions and take risks when necessary. “The biggest factor with any kind of wealth creation is that you have got to have a reason,” he says.

“But if your reason isn't big enough, then nothing is going to change. You need to sacrifice now, so you can afford to do that in the next two or three years. The sooner you sacrifice, the sooner you get the rewards.”

After talking to thousands of people through his seminars and workshops on property investment, Chris believes that most people don't invest in property because they're scared about interest rates, bad tenants or no tenants, what's going to happen in the market in the short-term, and the financial stability of having a job. “So they stay in a glut and become renters for life,” he says. “But you need get over those things. Most of those things, if you've got the knowledge, just become emotional issues and nothing more.”

Chris will spend anywhere between \$20,000 and \$30,000 a year on mentors and coaches to help him learn more about life and business. He believes that investing in knowledge is one of the smartest things you can do.

“Just by making a better decision, you can make a tremendous difference,” he says. “If you read a book and pick up one idea, that could save you thousands of dollars. So what if you read 10 books? They might cost you \$300, but I think you will save more than \$300 from what you learnt. It's just that most people don't do it.

“Most people are trying to get rich by saving money, but really the quickest way to get rich is to spend money,” Chris says.

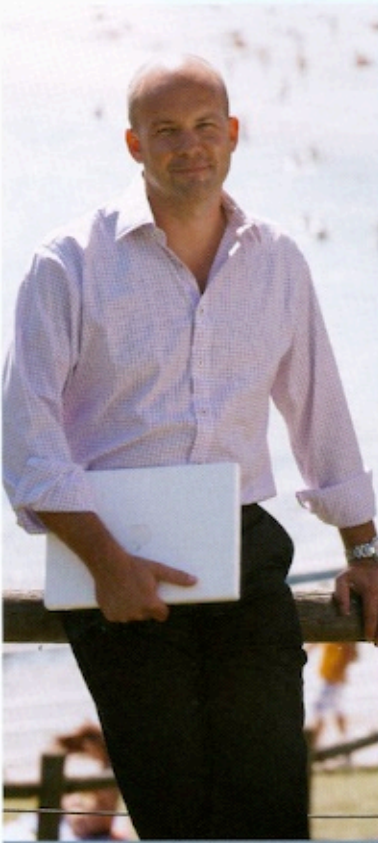
Despite owning numerous units in New South Wales, Queensland and in the UK, Chris' luxury multi-million dollar home with pool and sauna in South Coogee is a rental – costing him about \$1750 a week.

“When it comes to living, I actually prefer renting luxury properties, which are about half the price of units from a rental return perspective,” he says. “If you buy a unit around here, you get around four and a half to five per cent return. But if you rent a property over \$1 million, it'll often cost you only about two to three per cent. So I can then afford to rent a \$5-\$10 million property using the return from the units I own and still come out better off than if I bought.”

His investments have also afforded him the opportunity to join the exclusive P1 International club, which allows him to rent a different luxury car every couple of weeks – whether it is a Ferrari or Lamborghini, Hummer or Bentley. “Just like renting a luxury house, renting a car is a fraction of the cost of ownership – without the hassle!” Chris says.

Chris continues to work as an on-screen property expert on Channel Nine one day a week, in between his regular speaking, seminar appearances and promotions for his book Go For Your Life: How To Turn Your Weekdays Into Weekends Through Property Investing. And according to Chris, it's the perfect balance.

“I can work as much as I want. I still enjoy speaking and live seminars, but my main energy now is a niche business – building property portfolios for high-income earners like CEOs who don't have the time or knowledge,” he says.



HAVE SOME QUESTIONS ABOUT PROPERTY INVESTMENT? ASK CHRIS!

Each week, exclusively for Eastern Suburbs Living, property expert Chris Gray will be on hand to answer any of your questions relating to property investment and wealth-creation.

Simply send in your details and query to editorial@redhousegroup.com.au. Chris' answers will be published the following week – so be sure to keep an eye out!