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Melanie Bajrovic is frustrated at not securing a job in her field after two year of hunting and with good reason; the 26-year-old holds an MBA with a specialization in marketing, has completed several unpaid internships and gained professional experience doing short-term contracts at advertising and marketing agencies in Niagara Falls, where she is from.

Bajrovic moved to Toronto a year ago when her employer, a regional Arts Council where she held a marketing position and earned \$400 weekly, went bankrupt. She has since worked brief stints at various marketing and public relations firms here, but nothing that paid well or lasted long.

"I did a lot of free work too," she says. "I'd say, 'Look, try me for three months and I'll work for free! If you like me, hire me, and if not, good bye.' That's not great either, but I think that's how desperate we are; we're asking to work for free."

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Jeff Muzzerall, director of the Corporate Connections Centre at University of Toronto Rotman School of Management, describes Bajrovic as part of a generation that faces an increasingly frenetic world, where change happens so quickly, it is now often a different place upon graduation than it was on the first day.

"If you're entering your MBA in 2006 at peak employment and seeing a 94 per cent placement rate within three months of graduating and you're graduating in '08 into the greatest depression since the First World War and you're expecting similar results, that's not going to happen."

But Bajrovic is not to be pitied. Painful as chronic underemployment may be, she hasn't allowed it to cause her financial insecurity.

She began working at 14 and has saved almost all of what she earned ever since.

At 18, she began taking bar jobs, for years handing over every pay cheque to her mother and saving 75 per cent of her tips until she opened up a savings account of her own.

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She paid the tuition for her undergraduate degree, a Bachelor of Business Administration from Brock University, class of '07, and kept full-time hours at the bar throughout her education. She "lived for free" with her parents as a student and continued to after she graduated.

She worked for two years in jobs in her field in Niagara Falls after graduating, all the while only barely cutting down night shifts at the bar and continuing to save 100 per cent of her pay cheques and 75 per cent of her tips. When hours at the bar were insufficient, Bajrovic could take shifts at the local restaurant her parents own.

"I was always, always working."

When she went for her MBA in 2009 at Niagara University in New York state, she again paid her tuition in full and graduated without debt — and six months early, the result of excellent grades.

With the money Bajrovic saved between her undergrad. and MBA, she was able to purchase two houses in Niagara Falls the first year of her MBA.

"Yep, I own two homes," she laughs. "It's from the bar; I saved all my money. I don't want to be a waitress forever, but it's been my only secure income. So no matter what I was doing, I was always doing that, just saving everything."

She paid a low down payment of \$10,000 for the first home and \$30,000 on the second, both of which she began renting out immediately to tenants, who cover the monthly mortgage and insurance payments. When one home required a \$30,000 renovation, Bajrovic's parents helped foot the bill.

"My parents have always helped me a lot, and my family is really big on real estate; they encouraged me to invest in property," she says.

Bajrovic works at a Yorkville bar weeknights and drives back to Niagara Falls most weekends to waitress at her parents' restaurant. She continues to save the most of her earnings, about \$2,000 a month, leaving herself \$100 a week to live on, from which she pays for gas, car insurance, a cell phone and cigarettes. She keeps her social life to a minimum. She puts away \$1,600 a month toward a third house, which she hopes to buy later this year.

The properties she owns are her retirement plan.

"I don't know much about RRSPs or those kinds of things, but, with property, is how I plan to retire. Once I got that first house, I felt like I could settle down a bit; that helped my nerves. Because there's really no certainty anymore, no job security."

In the meantime, the search for employment in her field is akin to a day job. The jobs she wanted most, she never heard back from or was told to start at the bottom. When she applied for jobs at the bottom, she was told her MBA made her overqualified. A few places called back and wanted to pay her \$30,000 a year.



Melanie Bajrovic at the Duke of York pub in Toronto. (Jan. 28, 2012)

Nick Kozak/For The Toronto Star

At this point, she would take those offers.

"It sucks that the only places that will hire me right now are bars. But they're also great money, and I hate to say it, but they're probably better money than some entry-level jobs," she says. "I don't regret my MBA; it was something I always wanted to do. I thought it was important, something that would allow me to break through the glass ceiling. I still keep a positive outlook though.

"I'll get a job."

Her budget

Melanie Bajrovic is a saver. And as a result, the 26-year-old owns two homes and plans on buying a third this spring.

No matter what's going on in her life, she always has a restaurant job. She could be doing an unpaid internship, working full time as a marketing manager at an arts council in Niagara Falls or treating the job hunt like a full-time job in itself, she takes as many serving shifts as possible and she saves no less than 75 per cent of her earnings.

Bajrovic has almost always lived with family and, so, avoided paying for rent and food. She saved all the tuition money for both her undergrad, and MBA and graduated debt free.

Bajrovic lives with her grandmother in Scarborough during the week and works evenings at a bar in Yorkville. She drives home most weekends to pick up shifts at her parents' restaurant; this is extra money, cash she can use for entertainment.

Her total monthly earnings come to \$2,000, of which Bajrovic says she saves \$1,600, deposited directly into a "regular old" savings account. Right now, Bajrovic is saving toward a third house, which she wants to purchase in the spring. The down payment is \$10,000 and she only has half. At her current savings rate, Bajrovic is confident she will be able to purchase the home.

"I can live on the \$400 a month right now. That covers my cell phone bill, car insurance, gas, cigarettes," she says. "I have a credit card too, but I pay that off in full every month."

Rona Birenbaum, a financial planner with Toronto-based firm Caring for Clients, describes Bajrovic's financial behaviour as "very diligent, very disciplined."

He also has some advice.

"Before she buys that third house, she needs to do some . . . analysis," says Birenbaum says.

People often get into trouble with rising interest rates, he adds.

"It's possible that, in five years, interest rates will be one per cent or two per cent higher, and the size of your mortgage five years from now could not be dramatically different from now, but your interest could be 50 per cent higher."

Rather than investing in a third home in Niagara Falls, Bajrovic may be better off saving over a longer period for real estate in Toronto, Birenbaum believes.

"In five years, she could have a job making \$60,000, and, if she wants to make Toronto her home, then she might want to invest in Toronto real estate, which is a lot more expensive than Niagara Falls," Birenbaum said. "But she also needs to do a projection of what her two houses may need over the next five years. She may be wise to hold her savings for repairs to protect the value of those homes."

The other thing Bajrovic would be wise to keep in mind, Birenbaum says, is that once she does get a well-paying job offer in her field, Bajrovic will likely move to a higher tax bracket, which would affect her liquidity.

"I think her desire to be a real estate baron is wonderful, but if she is too aggressive about it, it could interfere with her personal goals," Birenbaum says. "Unloading real estate is not easy; you can't just cash it out."