

Make it count

Grow

SIDE HUSTLE

Yuma Soerianto

For this busy student, the games and apps that he develops generate passive income.

Side Hustle

Easy money

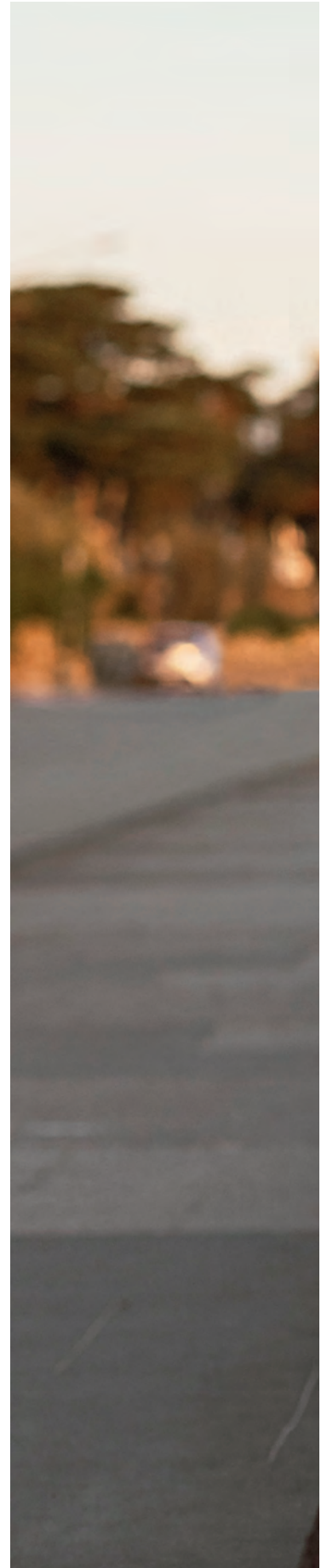
STORY BY HANNA MARTON
PHOTOGRAPHY BY CHARLIE KINROSS & CHRIS CHEN

You don't need much time or money to start earning passive income. What you do need is a good idea and a lot of passion.

Getting paid to do very little sounds way too good to be true. But more and more Australians are getting on the passive-income bandwagon as the cost of living continues to put pressure on everyday budgets. Especially among the younger cohort. A survey by Statista found that more than half of generation Y and Z respondents earned some form of passive income in 2022.

If you're new to the idea, passive income is money generated from work that can require very little effort, such as renting out assets (a car, a parking space, designer clothes), investing in stocks or sharing your skills and knowledge, via ebooks or YouTube channels, for example. While the initial set-up might take a bit of elbow grease, passive income streams can generate game-changing cash flow without draining you of the time and energy required for your day job.

Here, six Australians share how they're out-thinking the rat-race and realising their dreams with passive income.





“My apps and YouTube channel earn money while I study.”

While many teens are slinging burgers for pocket money, Melbourne-based wunderkind Yuma Soerianto, 16, develops apps and games and sells code online.

“I started coding at age six and made my first app at nine, publishing Kid Calculator, a talking calculator. Next came an app called Weather Duck, followed by one to find restaurants near you, and several more. I never expected to make money from apps; it was just something I did for fun.

To ease into monetisation, I started running simple, unobtrusive banner ads at the bottom of some of my apps. This generates quite a bit of passive income. Then I experimented with paid apps and in-app purchases. For in-app purchases, video ads appear on the entire screen and you have the option to pay to disable the ads. I don't put much work into my existing apps and can do this around my school commitments. I maintain them, which takes a couple of days about once a year or sooner if I need to fix a bug.

I also have my own YouTube channel, Anyone Can Code, where I teach people how to create apps. I earn passive income from ads; I also upload project assets and code. Viewers can watch free tutorials or pay to download those files.

Coding has changed my life. When I was 10, I won an Apple scholarship for students at the annual Worldwide Developers Conference. I was the youngest person to win that year and met Apple CEO Tim Cook; I was awarded a scholarship four more years in a row.

I've not thought much about my financial goals. Maybe I'll become a billionaire. Just joking! I'd like to earn a comfortable living and to make a difference in the world. In the meantime, I'll keep teaching others how to code via my YouTube channel and hopefully scale that up.

Coding is a skill anyone can learn regardless of experience. I started when I was six years old, only knowing how to read and write. If I could do it then, you can do it, too, if you have the passion. All you need are some good ideas.”

“We rent our home for photo shoots.”



Cinthia and Simon Wu, with their children, Charlize, 12, Indiana, 11, Harley, 9, Blaze, 7, and Arizona, 3, list their house on location-booking platform Peerspace.

Cinthia: “We never planned to rent out our family home. Last year, we listed our house for sale but the market dropped so we cancelled the auction. We left the listing online to see if anyone wanted to make an offer. Out of the blue, some filmmakers asked if they could look at the house as a potential shoot location. In the end, they didn’t use it but it planted a seed. We listed our home on Peerspace in November and the rest is history.

Our house gets booked for film and photo shoots up to five times a week for an average of five hours each. We’ve met a lot of interesting people and influencers, such as Brent Vitiello and Jack Millar from *Married at First Sight*, who recorded content at our place.”

Simon: “Cinthia is obsessively clean and tidy anyway and loves interior design and styling so the house is always ready for its close-up. People can’t believe we live here with five kids. They help us keep the house shipshape; it’s a family affair.



Renting out our home has allowed Cinthia to be a full-time mum while we earn a second, passive income, which is important in Sydney with inflation and the cost of living. We have a lot of mouths to feed. Because we get ‘kicked out’ of the house regularly, it’s forced us to get outdoors and spend more time together as a family. Sometimes we while away the time at a local pool. It’s been a real blessing.

We’ve been through hard times and lost money through a business that struggled. Location rental helped us get back on our feet and move towards our financial goals – and it’s opened our eyes to doing more of this in the future. We imagine we could make about \$50,000 in passive income a year. Selling the house is now on the backburner!”



From left: Indiana, Arizona, Cinthia, Harley, Charlize, Simon and Blaze Wu; (opposite page) their home's (@luxuryurbanoasis) airy living space and kitchen.



Can I sell the airspace above my property?

While it's an emerging (and quite complex) area of property law, it's possible to sell the rights to the air above your home. This could be to a neighbour who wants to protect their view, their access to light and air in the future or who wishes to extend a cantilevered section of building over your property. If you own an apartment building, you may be able to sell the rooftop space. Sound intriguing? Talk to a lawyer who specialises in air rights law (yes, they exist).

Adelaide-based couple Sarah Lawrie and Laura Turner earn money through advertising and affiliate marketing on their drool-worthy food blog, Wandercooks.

Sarah: “When we moved in together in 2015, we challenged ourselves to cook a new dish every night for six months. Having caught that bug of exploring new cuisines, we quit our jobs in marketing and graphic design and travelled for a year. We went to 35 countries. We’d stay with locals, make a dish from Australia then learn how to cook the host’s dish. That’s how our blog, Wandercooks, was born.

We got home and launched a graphic and web design business to tide us over until we could monetise the blog. In early 2021, Wandercooks started to take over and we made the switch to

focus on it full-time. Passive income from the blog comes from display advertising (about 85 per cent). We use Raptive, formerly AdThrive, to sell display ads – you need at least 100,000 page views each month to be eligible. If you’re just starting or have a small blog, you can sign up to Google AdSense.

Noticing there was an appetite for learning about search engine optimisation [SEO] and Google Analytics, we created ebook courses to share our knowledge with other food bloggers. We love helping them achieve their goals, which doesn’t happen overnight. These sales account for five to seven per cent of our passive income.”

Laura: “We now post one or two recipes a week, which is one to two days of work. This gives us the freedom to focus on our renovation – which is funded by our passive income – and to be there for family and friends. I take Dad to appointments and don’t need to ask for time off. Even when we worked for ourselves, clients contacted us all the time – even on our honeymoon. Now our stress levels are way down.

As for our goals? Be financially independent, finish the house, pay off our mortgage and be debt-free in three years. We reckon we can do it.”

“We’re funding a renovation with passive income from blogging.”



Laura Turner (left) and Sarah Lawrie.



When you lodge your tax return, remember to let the ATO know how much passive income you received during the financial year. There may be deductions you are eligible for as well as tax to be paid on your earnings. To ensure you set aside enough, talk to an accountant or tax professional to understand your tax obligations.



“I’m building a nest egg through passive investing.”

Mariam Mohammed, the Sydney-based co-founder of MoneyGirl, has earned an average of 12 per cent returns by investing in exchange traded funds (ETFs).

“I’m a great saver. After I graduated from uni and had been working for a few years, I sat down to work out when I would have enough savings to retire comfortably. The answer was ‘never’. So, I learnt about investing.

Micro-investing was the most accessible avenue for me to start, followed by shares. A share is a portion of ownership in one company. I played around with shares and lost money as a newbie trader. An ETF, on the other hand, offers a slice of the market, not just shares in a single company. ETFs are usually based on specific values, markets or strategies. For example, there’s an ETF that follows the share price of a group of companies regarded as climate leaders. ETFs generally pay dividends, which you can reinvest if you wish to.

I’m a passive, long-term investor. I don’t like to pick individual stocks or buy and sell often. That’s

why ETFs make sense to me; I plan on holding them for 10 years or more. I’m in no rush. I invest a steady amount and let the market do its thing. It depends on the year but I’ve earned between seven and 25 per cent annual returns; these have averaged out at about 12 per cent. Looking at the statement for my tax return, transferring funds to my investment account and checking my dashboard three or four times a year takes maybe an hour in total. It truly is low-hassle, hands-off passive investing.

I want to continue passive investing as I work so I always have multiple streams of income and peace of mind for worst-case scenarios. What I’d say to anyone who wants the same is to start small and start imperfectly. Just start!” ♦



To start investing in ETFs, open a CommSec share trading account, where you can access all ETFs listed on the ASX.

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