

# building your REIT-irement portfolio



lim jun yuan

I was riveted by the sheer simplicity of Building Your REIT-irement Portfolio. What struck me the most is it's written in an easy-to-understand way. Jun Yuan's writings are clear and concise. He has even compiled and answered the most urgent questions about REIT investing in one of his bonus chapters. My favourite chapter? How to Choose the Best REITs for Your Investment Portfolio.

After all, I'm a huge buyer of Singapore REIT shares. And this book is specially written for Singapore REITs.

If you're getting your feet wet into the deep world of Singapore REIT investing, I'd highly recommend this book to all investors, beginner or experienced!

**Willie Keng**

CFA, CEO & Founder of DividendTitan.com

Definitely a must-read for investors looking to build a passive income flow!

Especially in a Singapore context, REITs is one of the many way to build up your recurring income as a means for retirement. In his book, Jun Yuan gives a very thorough views on REITs. From the basic concepts and understandings of REITs, to the valuing / monitoring / investing aspects of REITs,

Jun Yuan has not only provide the simple ABCs (what), but also the application (how) to provide some action-able considerations.

Personally, I also like the "bonus chapters" that help to address some FAQs, and provide an overview of the various REITs that are listed on SGX.

Highly recommended to those who want to kick-start his or her journey in building up a REIT-irement portfolio.

**Dan Chang C S**

Trading Representative

PhillipCapital

I am specially honoured to help Jun Yuan with this review as he is definitely more savvy in REITs investing than me.

At first glance, the book provides a comprehensive and well-structured framework to share on various aspects of REIT investing, guiding readers throughout the whole process of buying and monitoring REITs.

Upon further reading, I am amazed of the value offered in this book such as the 9-point criteria checklist, practical case studies and 4 potential red flags we should take note of.

Long story short, this book is a must-have to help investors with the knowledge and tools needed to navigate the world of REIT investing with confidence.

**James Yeo**

Founder @ InvestKaki.com

Jun Yuan has done a superb job of uncovering the important areas that an investor should look out for when investing in Singapore REITs.

This is one book that dividend seekers at all levels will find of real value.

**Hazelle Soon**

Chief Trainer of The Joyful Investors

# **building your REIT-irement portfolio**

lim jun yuan  
founder, the singaporean investor

Building Your REIT-irement Portfolio

Copyright © 2023 by Lim Jun Yuan

ISBN: 9798851073540

All rights reserved. No part of this publication may be produced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of the author. Requests for permission should be addressed to the author at <https://www.thesingaporeaninvestor.sg/contact-me/>.

The author makes no representation or warranties with respect to the contents in this book, and specifically disclaims any implied warranties or merchantability or fitness for any particular purpose, and shall in no event be liable for any loss of profit or any other commercial damage, including but not limited to special, incidental, consequential, or other damages

# disclaimer

---

The information provided in this book is for general informational purposes only and does not constitute financial or investment advice. Investing in Real Estate Investment Trusts (REITs) involves inherent risks, and readers are advised to consult with their own financial advisors before making any investment decisions.

The author and publisher have made every effort to ensure the accuracy of the information presented in this book. However, they do not guarantee its completeness or accuracy and accept no liability for any errors, omissions, or inaccuracies. The investment strategies and techniques discussed in this book may not be suitable for all readers, and individual results may vary.

Past performance is not indicative of future results. The historical data and examples provided in this book are for illustrative purposes only and should not be relied upon as a guarantee of future performance. Investments in REITs are subject to market fluctuations and other risks, including the potential loss of principal.

The reader acknowledges that investing in REITs involves specific risks, including but not limited to interest rate fluctuations, changes in real estate market conditions, liquidity risks, and potential regulatory changes. The reader is solely responsible for conducting their own research and due diligence before making any investment decisions.

The author and publisher of this book are not registered investment advisors and do not provide personalised investment advice. The information presented in this book is based on the author's opinions and experiences and should not be construed as a recommendation or endorsement of any particular investment or strategy.

The reader agrees to hold the author and publisher harmless from any and all claims, liabilities, losses, or damages arising from the use or reliance upon the information provided in this book.

# table of contents

---

viii	foreward
xii	preface
17	chapter 1: introduction
33	chapter 2: how to choose the best REITs for your investment portfolio
55	chapter 3: valuing REITs
68	chapter 4: buying & selling of REITs
79	chapter 5: monitoring the ' <i>health</i> ' of your REIT investment
92	chapter 6: investing in a REIT ETF
105	chapter 7: conclusion
109	bonus chapter 1: answers to commonly asked questions about REIT investing
137	bonus chapter 2: a brief overview of singapore's REITs
163	about the author

# foreword

---

I am thrilled to write the foreword for Jun Yuan's exceptional book, *'Building your REIT-irement Portfolio.'*

I have embarked on two entrepreneurial journeys in my life, and over the past decade, I have dedicated my time to trading in the market and building InvestingNote, Singapore's biggest stock investing community platform.

Throughout my experience, I have witnessed the transformative power of knowledge and the strength of a supportive community in empowering investors. Within our platform, I have had the privilege of encountering remarkable individuals who have not only achieved mastery in their respective fields but have also committed themselves to making their expertise accessible to others. One such remarkable individual is Jun Yuan, a highly esteemed member of our community.

I personally had the pleasure of getting to know Jun Yuan through InvestingNote. From our very first meeting over coffee, I was immediately struck by his genuine sincerity and his eagerness to share his wealth of knowledge. As time went on, our friendship grew stronger. What impressed me more about Jun Yuan is that he is a dedicated full-time investor. We

all understand the challenges and complexities that come with investing, but Jun Yuan has managed to crack the code and build a successful life solely through his investment ventures. This accomplishment is undoubtedly the dream of many, including myself.

When Jun Yuan confided in me about his upcoming book launch, my excitement soared. I wholeheartedly believe that his book, *'Building your REIT-irement portfolio,'* will serve as an invaluable resource for anyone pursuing their investment aspirations, particularly in the REITs space. With his expertise and passion, Jun Yuan has crafted a book that offers a step-by-step guide, presenting complex concepts in a simple and easily understandable manner. I have no doubt that this book will empower readers and provide them with the tools and knowledge they need to construct their own successful REIT investment portfolios.

As a trusted member of the investing community, Jun Yuan has demonstrated his commitment to helping others succeed in their investment endeavours. He is extremely sincere in sharing his knowledge and experience and helping everyone around him. Through *'Building your REIT-irement Portfolio,'* he continues this mission, providing readers with a guide that equips them with the tools and knowledge to navigate the REIT market confidently.

I encourage you to embrace the wisdom contained within this book. Jun Yuan's expertise and dedication shine through, making complex concepts accessible and empowering readers of all backgrounds. By following his step-by-step approach, you will be well-equipped to build a robust REIT investment portfolio that aligns with your financial goals.

To Jun Yuan, thank you for your valuable contributions to the InvestingNote community and for sharing your expertise in such a simple and digestible manner. *'Building your REIT-irement Portfolio'* is a testament to your commitment to empowering others and transforming the way we approach REIT investments.

It is an honour for me to contribute this forward to Jun Yuan's book. His dedication to educating and helping others on their investment journey is commendable, and I am confident that his words will inspire readers to take action and achieve their financial goals.

Congratulations to Jun Yuan on this remarkable accomplishment!

Shanison Lin

About Shanison:

Shanison Lin is the founder of InvestingNote, the biggest stock investing community platform in Singapore. With over a decade of trading experience and holding the Chartered Market Technician (CMT) designation, Shanison is a respected figure in the Singapore financial industry.

Under his leadership, InvestingNote merged with ShareInvestor in 2023, creating one of the largest financial media technology companies in Southeast Asia (SEA). Shanison previously served as the technical lead for ShareInvestor's technology team, where he developed extensive financial platforms.

Shanison holds a Bachelor's degree in Information System from the National University of Singapore (NUS), having earned it through the Ministry of Education (MOE) scholarship program.

# preface

First and foremost, thank you for your support in my first book.

A brief introduction about myself. I am a retail trader cum investor, as well as a financial blogger at The Singaporean Investor (<https://www.thesingaporeaninvestor.sg>).

Additionally, I am an active member on the investing forum InvestingNote (<https://www.investingnote.com>) under the username @ljunyuan, where I was voted as the most popular member:



*Photo with Chief Executive Officer Shanison Lin and Chief Operating Officer Ethan Ho of InvestingNote in early-2022*

In May 2023, I had the honour of being part of the REITs Symposium (an annual event for retail investors like yourself to learn about REIT investing) as a panellist, where I shared my experiences about my REIT portfolio building process:



*Speaking as a panelist during the REITs Symposium in May 2023 with (from left): moderator Ms. Olivia Higgins (Lead Presenter & Host at MooMoo Singapore), and panelists Mr. Gabriel Yap (Executive Chairman of GCP Global), and Mr. Willie Keng (CEO & Founder of Dividend Titan) – Photo Courtesy of ShareInvestor Pte. Ltd.*

My portfolio currently consists of 10 REITs and 3 banks. The following table lists all the Singapore-listed companies I have investments in, date of initial investment, weightage in my overall portfolio, average price per share, and dividend yield (based on the individual company's latest full-year dividend payout):

## preface

	<b>Invested Since</b>	<b>Weightage</b>	<b>Average Price</b>	<b>Dividend Yield<sup>^^</sup></b>
OCBC Corporation Limited (SGX:O39)	29 Aug 2019	7.5%	S\$10.50	6.5%
CapitaLand Ascendas REIT (SGX:A17U)	13 Nov 2019	10.5%	S\$2.93	5.4%
EC World REIT (SGX:BWCU)	28 Jan 2020	5.1%	S\$0.710	6.7%
Suntec REIT (SGX:T82U)	28 Feb 2020	6.0%	S\$1.69	5.3%
CapitaLand Integrated Commercial Trust (SGX:C38U)	28 Feb 2020	7.3%	S\$2.04	5.2%
DBS Group Holdings (SGX:D05)	04 Mar 2020	8.6%	S\$24.00	8.3% <sup>**</sup>
United Overseas Bank Limited (SGX:U11)	06 Mar 2020	8.3%	S\$23.26	5.8%
Frasers Centrepoint Trust (SGX:J69U)	02 Apr 2020	3.3%	S\$1.85	6.6%
Mapletree Pan Asia Commercial Trust (SGX:N2IU)	03 Apr 2020	3.9%	S\$1.57	6.1%
Mapletree Industrial Trust (SGX:MEBU)	26 Oct 2020	20.9%	S\$2.84	4.8%
Mapletree Logistics Trust (SGX:M44U)	29 Oct 2020	6.9%	S\$1.89	4.8%
Keppel DC REIT (SGX:AJBU)	12 Oct 2021	7.9%	S\$2.20	4.6%
CapitaLand India Trust (SGX:CY6U)	16 May 2023	3.8%	S\$1.02	8.0%

<sup>^^</sup> - Dividend yield is calculated based on the individual company's latest full-year dividend payout.

<sup>\*\*</sup> - The dividend yield for DBS Group Holdings is inclusive of a 50.0 cent special dividend payout; excluding it, the yield is 6.3% based on my average price.

*My Long-Term Investment Portfolio as at 31 May 2023*

At the time of writing, the dividend yield of my entire portfolio is at 6.0%.

My inspiration for writing this book came from friends of The Singaporean Investor, many of them new to investing and want a step-by-step guide to build their REIT portfolio that generates a steady stream of income. Hence, this book is best suited for those who have little or no experience in REIT investing.

A gentle reminder though, the contents within will not get you rich overnight. In fact, it will require a lot of work on your part to research individual REITs and select those that meet a stringent set of investment criteria. Once you have invested

in them, you will need to monitor their performance to ensure that they remain healthy.

While it is not easy (as a matter of fact, nothing is easy in this life), but if you follow the steps outlined in the chapters ahead, over time, you will be able to build your own income producing REIT portfolio that provides for you when you retire.

Here are some key highlights of what you are going to learn:

- What a REIT is, pros and cons of investing in one, along with the different property types a REIT invests in.
- REITs in my investment portfolio passes through my unique list of criteria for selection (there are 9 of them in total). You will learn about them in Chapter 2.
- A simple method to determine if a REIT's current share price is trading at a '*discount*' or at a '*premium*' (it is not just looking at its current traded price), and how you can make use of this to maximise your returns.
- How to make sure the '*health*' of the REITs you are invested in continue to stay strong, along with 4 signs of potential '*red flags*' to look out for.

- In chapter 5, you will learn about the basics of investing in a REIT ETF (there are currently 5 REIT ETFs listed on the Singapore Exchange), including the pros and cons as opposed to investing in individual REITs, and 2 things to consider before you make any investment decisions on it.

Additionally, you will also find 2 bonus chapters:

- Bonus chapter 1 contains my responses to pertinent questions relating to REIT investing raised by community members in InvestingNote, and friends of The Singaporean Investor.
- Bonus chapter 2 provides an overview of the 42 REITs listed on the Singapore Exchange. The chapter looks at each REIT's asset type, business presence, and distribution payout frequency.

Let's get started...

---

## about the author

---



Meet Lim Jun Yuan, a full-time retail investor with a well-diversified portfolio comprising high-yielding companies and REITs listed on the Singapore Exchange. He also actively engages in retail trading, specialising in equities listed on the Singapore, United States, and Hong Kong stock exchanges, as well as Daily Leverage Certificates and Options.

With a passion for sharing knowledge and insights, Jun Yuan established *'The Singaporean Investor'* ([TheSingaporeanInvestor.sg](https://TheSingaporeanInvestor.sg)), a financial blog aimed at guiding newcomers in the field of investing and trading. Through this platform, he offers in-depth analyses of companies listed on the Singapore, United States, and Hong Kong markets. Additionally, he provides concise summaries of general meetings conducted by Singapore-listed companies, where he holds investments.

Recognised as the *'Most Popular Member'* on the InvestingNote investing platform, Jun Yuan actively participates in discussions under the username @ljunyuan.

about the author

Stay up to date with the latest information from The Singaporean Investor by following @thesingaporeaninvestor on Instagram and Telegram.

Are you worried about not having enough money for retirement?

You are not alone. According to the OCBC Financial Wealth Index, only 62% of people in their 20s, and 56% of people in their 30s are confident they will have enough money to retire.

But there is still time to take action. One way to ensure that you have a comfortable retirement is to invest in Real Estate Investment Trusts (REITs).

**In Building Your REIT-irement Portfolio, you will learn everything you need to build a successful REIT investment portfolio:**

- The 9 things you need to look at to determine whether a REIT is worthy of your investment
- How to use a simple method to maximise your returns from your REIT investment
- 4 signs of 'red flags' to look out for, and what you can do as a shareholder
- Everything you need to know about investing in a REIT ETF, where you get instant diversification into a basket of REITs in a single trade
- And much more...

**Lim Jun Yuan** is a full-time retail trader cum investor, and also the founder of The Singaporean Investor. He is an active member on the investing forum InvestingNote where he was voted the 'Most Popular Member' on the platform. He has also spoken in various investment events such as the REITs Symposium.

