

Course Outline

Course Code : RE1901
Course Title : Real Estate Wealth Management
Semester : Semester 2, Academic Year 2023/2024
Faculty : Adjunct A/P Tay Kah Poh
Department : Real Estate
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Overview

Real estate assets form the largest component of household wealth (and debt) in our nation. While the media tends to focus on the wealth created through real estate investment (speculation), there is much less discussion of the real estate wealth management (REWM) process. This course aims to provide a general understanding of the REWM. Impact of economic, social and policy factors on household property wealth including a review of general economic principles such as market supply and demand, the impact of government financial and regulatory policies as well as demographic considerations such as an ageing population will be discussed.

Learning Outcomes

Through this course, student will be able to:

- Understand various types of RE classes, their characteristics and value as an asset.
- Apply all the relevant factors in evaluating the first RE investment or the first home to buy.
- Understand combinations of RE financing packages; the power and risk of leveraging in maximising ROI.
- Able to optimise use of CPF for RE investment, factoring in alternative investment options available and Retirement Needs.
- Able to evaluate various options in expanding one's RE portfolio.
- Understand investment options available beyond physical real assets (REITs, ETFs etc), and their relative pros and cons.
- Fully aware of the possible risks associated with RE investment, and the mitigating options available.
- Know the relevant policies regulating the RE sector, rationale behind and the impact of policy changes.
- Understand the macro-economic forces at work and how they determine the demand and value of RE wealth.
- Understand how socio-demographic changes affect the demand, utilization efficiency and value of RE.
- Get an overview of the various business models (development, investment, fund management, REITs etc) within the RE industry and how each complements the other to drive a vibrant RE industry.
- Learn basic skills of valuing listed RE Developers, REITs, RE Agencies, RE Holding Companies etc.

Course Prerequisite(s)

Nil

Course Preclusion(s)

Nil

General Guide & Reading

- **Policy Innovations for Affordable Housing in Singapore: From Colony to Global City** by Phang, Sock-Yong; 2018, Cham: Springer International Publishing.

- **Singapore’s Real Estate, 50 years of Transformation** by Seek Ngee Huat, Sing Tien Foo & Yu Shi Meng, World Scientific Publishing.
- **Real Estate Market Size 2019: Annual Update on the Size of the Professionally Managed Global Real Estate Investment Market**, Bert Teuben, Razia Neshat, MSCI, June 2020
- **Government Policy, Housing Finance and Housing Production in Singapore** by Lum Sau Kim in Global Housing Markets: Crises, Policies, and Institutions, Bardhan, A; Edelstein, R.H.; Kroll, C.A.; (editors), New Jersey: Wiley
- Notes, videos and additional readings as posted in Canvas

Tentative Schedule & Outline

Week	Date	Topic	Activity
1	15 – 19 Jan	RE Wealth Management	
2	22 – 26 Jan	Buying & Financing your first home	Project assigned
3	29 Jan – 2 Feb	Principles of Mortgage Financing	Tutorial 1
4	5 – 9 Feb <i>CNY: 10 – 11 Feb. Following Monday is a PH.</i>	CPF Financing	
5	12 – 16 Feb <i>12 Feb PH (see above)</i>	Upgrading	Tutorial 2
6	19 – 23 Feb	Life-cycle and Alternative RE Investments	
	24 Feb – 3 Mar	RECESS WEEK	
7	4 – 9 Mar	EXAMINATION (MID-TERM)	
8	11 – 15 Mar	Risk and REWM	<ul style="list-style-type: none"> • Tutorial 3 (Odd) • E-Quiz
9	18 – 22 Mar	Government Policy & Impact on REWM	Tutorial 3 (Even)
10	25 – 29 Mar <i>28 Mar: NUS Well-Being Day</i> <i>29 Mar: Good Friday</i>	Economic & Socio-Demographic Drivers of REWM	Tutorial 4 (Odd)
11	1 – 5 Apr	RE Business Models	<ul style="list-style-type: none"> • Tutorial 4 (Even) • Project Submission
12	8 – 12 Apr <i>10 Apr: Hari Raya Puasa</i>	Indirect RE and International Factors	
13	15 – 19 Apr	Course review (wrap-up)	
	20 – 26 Apr	READING WEEK	
	27 Apr – 11 May <i>1 May: Labour Day</i>	EXAMINATION (2 WEEKS)	

Assessment

Assessment Components	Weightage (%)
• Group Project	30
• Participation in Tutorials	10
• E-Quiz	10
• Pen & Paper Exam (Closed Book)	50
Total	100

Academic Honesty & Plagiarism

Academic integrity and honesty is essential for the pursuit and acquisition of knowledge. The University and School expect every student to uphold academic integrity & honesty at all times. Academic dishonesty is any misrepresentation with the intent to deceive, or failure to acknowledge the source, or falsification of information, or inaccuracy of statements, or cheating at examinations/tests, or inappropriate use of resources.

Plagiarism is “the practice of taking someone else’s work or ideas and passing them off as one’ own” (The New Oxford Dictionary of English). The University and School will not condone plagiarism. Students should adopt this rule - You have the obligation to make clear to the assessor which is your own work, and which is the work of others. Otherwise, your assessor is entitled to assume that everything being presented for assessment is being presented as entirely your own work. This is a minimum standard. In case of any doubt, you should consult your instructor.

Additional guidance is available at:

- <http://www.nus.edu.sg/registrar/administrative-policies-procedures/acceptance-record#NUSCodeofStudentConduct>
- <http://nus.edu.sg/osa/resources/code-of-student-conduct>

About me

Associate Prof Tay has over 30 years of real estate experience in a variety of roles – as a valuer, educator, fund manager, consultant, and broker. He has held positions with developers, private equity real estate firms, and property consultancies, and served as an independent director with a number of listed and non-listed real estate and construction companies.