

THE REIT MAN

FOR THE JOB

Deciding to pursue a lifelong entrepreneurial dream when he turned 45, John Lim went on to reshape the Asian real estate investment trust (REIT) industry.



hen John
Lim sold his

stake in ARA Asset Management Limited (ARA) to Hong Kong-based real asset manager ESR Group in 2022, it marked the conclusion of a two-decade entrepreneurial journey. Sparked by a partnership he struck with Hong Kong billionaire business magnate Dr Li Ka-Shing, Lim co-founded ARA in 2002 and grew his business into a leading Asia-based real estate fund manager. Now in semi-retirement, Lim, who has also been on Forbes Asia's Top 50 Singapore Rich list from 2009 to 2025, cites invaluable leadership lessons he learnt from his mentors and role models.

You have achieved great success despite your humble beginnings. How did you overcome the odds to realise your entrepreneurial dreams and become a major player in the real estate industry?

My father, Lim Hoon, was an educator and I grew up in a two-room HDB (Housing & Development Board) flat with my parents and five siblings. My humble beginnings form an inextricable part of who I am today. Having lived in public housing and been brought up in an environment where the values of hard work and practicality were strongly inculcated, I left behind

lofty entrepreneurial aspirations to pursue a stable job upon graduation. After all, I was an excellent student and did well in school. I had earned a Bachelor of Engineering (First Class Honours) in Mechanical Engineering, a Master of Science in Industrial Engineering, as well as a Diploma in Business Administration, all from the National University of Singapore.

My first job at DBS Land exposed me to the real estate business. My subsequent tenures at Singapore Labour Foundation (SLF) Management Services and GRA Singapore (the asset management arm of Prudential) further deepened my expertise in real estate fund management. For a good 20 years, I stayed in the industry, building my own reputation. But while I continued to be a salaried employee, the desire to strike out on my own was always at the back of my mind.

In 2002, my big break came when Dr Li Ka-Shing approached me to start a Hong Kong real estate fund management company together. While it was a welcome opportunity, I wondered if it was a huge risk to take for a 45-year-old person at the height of his career, who needed to support his aged parents and two school-going children. Not only was I giving up the stability of a well-paying job with a leading US-based fund

management company, but I would also have to sink my life savings of US\$700,000 to fund the US\$1-million venture (Cheung Kong, which Dr Li is chairman of, funded the remaining US\$300,000). But after much deliberation and with the strong support of my wife, I took the plunge.

When you set up ARA in 2002, the world was suffering from a global economic slowdown, which was made worse by the SARS (Severe Acute Respiratory Syndrome) outbreak the following year. Then there was the 2008 Global Financial Crisis. How did you navigate the ups and downs of such business cycles?

Despite the economic downturns and recessions that threatened to plague the business in its infant years, my passion, tenacity, and business acumen helped me turn those crises into opportunities. In 2003, I launched Fortune REIT (Real Estate Investment Trust), which was the first cross-border REIT in Asia. We were the first to put overseas assets into a listing on SGX (Singapore Exchange) and this helped establish ARA as a pioneer within the REIT industry.

In 2008, I spotted the potential in the retail and commercial properties in Asia, especially China, and raised capital to make acquisitions while real estate developers were selling them for a song. While several competitors went under during this time, ARA flourished – our total assets under management (AUM) grew

significantly from S\$9.9 billion to S\$17.5 billion between 2007 and 2010.

ARA's success became the springboard for further strategic collaborations. In 2013, ARA entered into a strategic alliance with The Straits Trading Company (STC), one of the oldest publicly-listed companies in Singapore, where STC took an equity stake in ARA with plans to jointly expand ARA's business over time. Other world-renowned investors in ARA include top US pension funds such as the Teachers Retirement System of Texas (TRS), NYS Common Retirement Fund (NYSC), and California Public Employees' Retirement System (CalPERS), China's CITIC Bank, and Korea's National Pension Service (NPS). When you talk about partnership, it's not just about money. The key is having the right kind of shareholders who are like-minded and share a common vision for the organisation.

Over the years, ARA's strong sense of integrity and belief in always prioritising investors' interests has never wavered, and we made sure that the same values were ingrained in the way the company was run. As a testimony to the success and strong financial performance of the company, ARA's AUM growth achieved a compound annual growth rate and an average return on equity for shareholders in excess of 30 percent per annum in the 10 years that it was listed.

But I believe that a true entrepreneur never retires. In April 2017, I took ARA private with partners new and old – world-

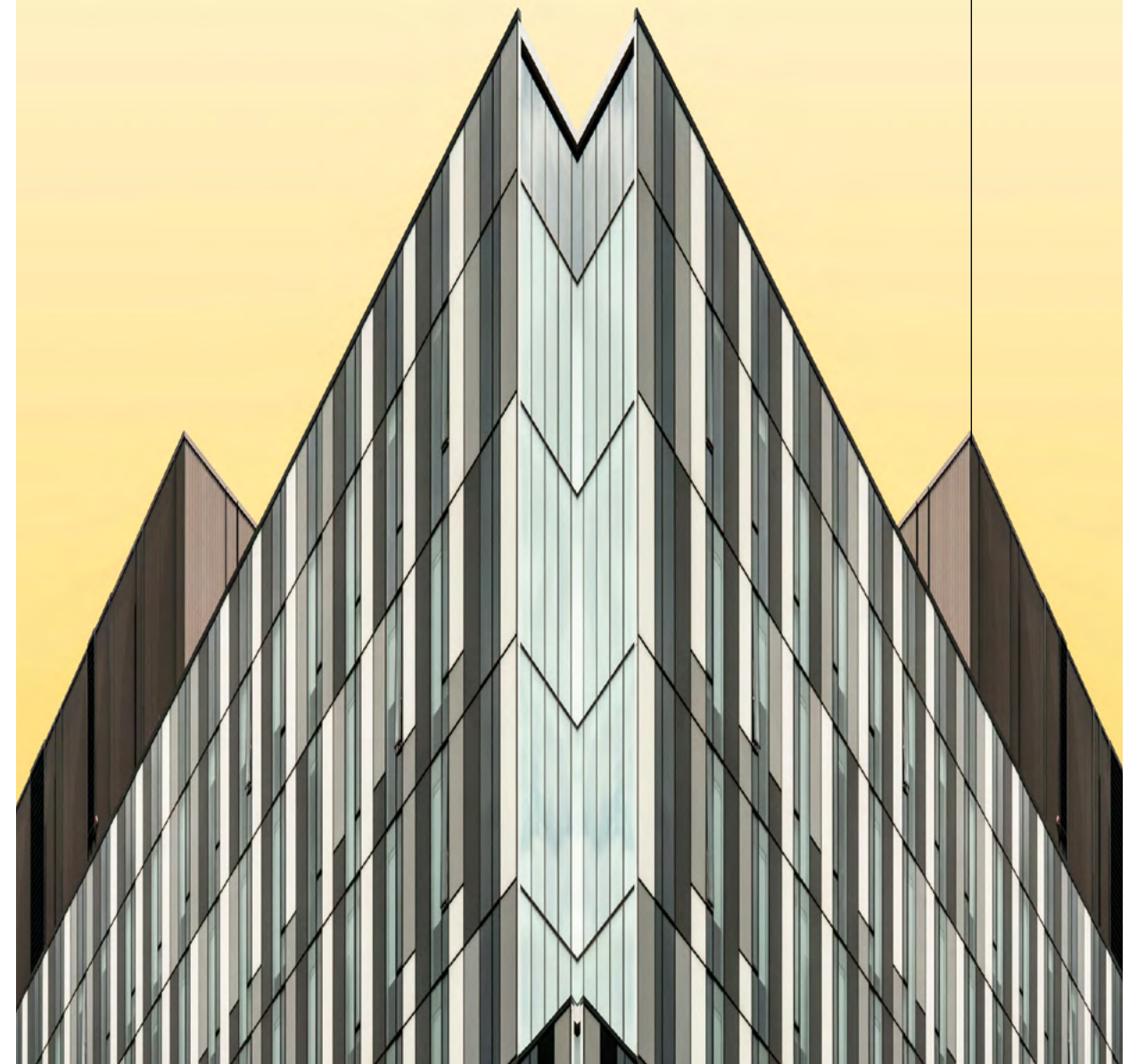
renowned private equity fund Warburg Pincus and AVIC Trust, STC, and Cheung Kong – valuing the company at approximately S\$1.8 billion. It is an astonishing rate of return considering its paltry start-up capital of US\$1 million in 2002 and this marks the beginning of a new phase of growth that will see the company expand its footprint around the globe.

Real estate is a constantly evolving industry. What major trends do you foresee shaping property investment across Asia over the next decade? Where does ARA fit into this shifting landscape?

Because of the high interest rates in the last three to four years, valuations across Asia are down. The retail sector, whether you are talking about big box, suburban, or high-end malls, is affected by e-commerce. A lot of reform is needed for the retail sector to be transformed but I do not see it happening right now. We manage about 60 malls from China all the way to Australia. The suburban malls are doing okay because they house mom-and-pop businesses and people still go there for food. But in the wider Asian context, we are not maximising the value of the real estate because a mall is typically only open from 10 am to 10 pm. What happens to the other 12 hours? It is not productive.

There are a lot of ideas for the transformation of malls. For instance, we once tried to introduce 24-hour e-gaming facilities because young people love to play video games, but organising

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and promoting that required significant effort. It is the same for office buildings with staff working from home; the market has stabilised but it is not great. Then there are warehouses, which are facing big challenges because of the new US tariffs imposed. Data centres are the only bright spot. They are growing and will likely continue to grow fast because of the surge in Artificial Intelligence development.

But will malls and office buildings disappear? I'd say no. Human beings are social. We cannot just sit at home and work without interaction, and we still need places to go to for shopping and eating. We are in the transition stage because people are starting to realise that high interest rates have caused real estate valuations to drop and they need to think about making use of real estate in a more efficient manner. At the end of the day, it's about the efficiency of the real estate.

Who were the role models or mentors who influenced your journey as a manager, entrepreneur, and leader? And now that your children are managing the family office and other ventures, what guidance have you passed on to them?

My father was a school discipline master, and I credit him for being the one to instil in me the values of discipline, focus, and hard work.

The other person who has had a great influence on me was former President of Singapore Ong Teng Cheong. I had started work at DBS Land, and had been asked to join SLF Management Services Pte Ltd as General Manager to help develop Orchid Country Club and other properties. That was where I met Ong, who was then the Secretary-General of the National Trades Union Congress and the architect for this project. In the five years I worked for him, I never once saw him lose his temper. I learnt from him to never get angry with your subordinates even when they make mistakes; instead, teach them the right thing to do so that they do not make the same mistake again. Also, be calm, think clearly about solutions, and then manage the problem along the way. Besides being an architect, Ong was also Singapore's Deputy Prime Minister at the time, and I learnt from him how the government works. I believe that understanding how civil servants operate is crucial to succeeding in business. It is important to know who

to approach and how to effectively discuss issues with them.

As for the guidance I have passed on to my two sons, the only thing I can say is: your children follow your example. Our children observe us. Whatever we do, they subconsciously follow, so you must set a good example and walk the talk. My elder son left his job as a lawyer and joined me 10 years ago to help run the family office we set up after we had sold part of our shares in ARA. He looks after our real estate investments around the world. My younger son looks after the fintech side and the portfolio investment bit. Business-wise, they think I am old-fashioned and conservative, whereas they want to be a bit more aggressive. To me, there is nothing wrong with that; children will have their own views of the world.

What key piece of advice would you offer to a university student or young professional who aspires to become an entrepreneur?

As individuals, we cannot change the world, but we can make an impact by doing meaningful things, however small, to help others. I believe in giving back to society, hence I established the Lim Hoon Foundation (LHF) to award underprivileged students scholarships and bursaries so that they can pursue their education. In 2009, LHF partnered ARA to set up the ARA-LHF Scholarship together with Singapore Management University (SMU). This has grown to become a S\$4-million endowment fund (inclusive of

dollar-for-dollar matching by the Singapore Government) to fund 12 students yearly in perpetuity. So far, 50 scholars from SMU have benefitted from the ARA-LHF Scholarship, which is now called the JLFO (John Lim Family Office)-Lim Hoon Foundation Scholarship.

Whenever I talk to these scholars, I have one simple message: domain knowledge is the most important thing. Anybody who wants to become an entrepreneur must build their domain knowledge and be a master in a particular area. If you want to start a café, first go work at Starbucks for two or three years, learn how it purchases its coffee, runs its business, manages its back of house, and trains its people. But that is a simple example. An area like real estate is much more complicated. To be really good at real estate, you need to go and work for property developers or fund managers for a few years. Only then can you say, "I want to manage my own funds." I started my own business after working for 20 years. In those two decades, I accumulated my knowledge of running a company as a general manager, looking at income statements, negotiating with partners, dealing with the government, and setting up funds. It gave me a strong foundation to start my business so nobody could hoodwink me. The key here is domain knowledge.

I have always subscribed to the importance of the Three 'Ps' – Passion, People, and Partners – for entrepreneurs to follow. This has also served as the

foundation of ARA's success. The first 'P' represents Passion for the continuous pursuit of deeper and professional knowledge, so as to train and develop the most valuable asset any company can own – its people. People is also the next 'P', and every entrepreneur must have an outstanding team of capable, talented individuals. The third and final 'P' is Partners. The support of reputable partners is vital as it opens doors to greater opportunities.

There is no magic formula for success. Instead, I have stressed time and again to my staff the need to continue to work hard and smart as a team, and maintain the highest level of trust and integrity in whatever they do. [BAM](#)