

00;00;03;27 - 00;00;32;12

HOST

Welcome to the People Property Place podcast with me. Your host, Matthew Watts, founder and managing director of Rockbourne. This is a podcast where I share the stories, views, opinions and career journeys of the movers and shakers, innovators and leaders in the real estate industry.

00;00;32;14 - 00;00;57;09

HOST

Welcome to the People Property Place podcast. Today we are joined by Issie Armstrong, director Global Alternative Specialist at W. S Group. The DWS Group, formerly Deutscher Asset Management, is one of the world's leading asset managers and currently boasts €841 billion of assets under management as he studied real estate at the Royal Agricultural University before joining Deutsche Bank as an analyst.

00;00;57;09 - 00;01;16;05

HOST

She since held roles at Eden Rock Group, LaSalle, Aviva Investors and as a mentor for moving ahead and gain in 2021. Issie was a finalist in the Investment Weeks Women of the Year Award. Her experience spans investment, investment specialist, real estate development and asset management. Is a welcome to the podcast. Thank you.

00;01;16;05 - 00;01;17;11

GUEST

Very much. Thank you for having me.

00;01;17;12 - 00;01;31;27

HOST

Well, welcome to the studio. As you know, a place that I always like to to start these conversations because we'll come on to your role and experience at AWS at the moment, a bit later on is how did you get into real estate and why did you decide real estate was the right kind of route for you?

00;01;31;29 - 00;01;57;07

GUEST

Well, I was at school in Bruton and I was trying to find, a degree that I want to do. I want to do something vocational. I wasn't a particularly academic. And so back in the day, I went back into my careers library. No joke. Pretty much just spun round and picked up a couple of prospectuses. And the Royal Cultural College at the time is now obviously the university flick through.

00;01;57;07 - 00;02;16;06

GUEST

And I was like, oh, real estate. That sounds interesting. Maybe I'll just have a look at a friend who had gone the year before. So I went up and visited her and it felt like a very, nice extension of the school that I was in. It was very countryside focused, you know, it was on a farm to school, as in so the university was very small.

00;02;16;06 - 00;02;26;13

GUEST

It felt very kind of, you know, a natural extension. And so I went there and did my real estate degree and unfortunately came I graduated in 2008. So obviously not brilliant.

00;02;26;13 - 00;02;26;24

HOST

Timing.

00;02;26;25 - 00;02;45;11

GUEST

Great time to come out of university. And then was like, oh God, there's no APXs, you know, being handed out unless you were like the top, top candidates. I think there was maybe 1 or 2 that were naturally at siren. Most people were offered APC placement. Yeah. Obviously that was harmful to the top students.

00;02;45;11 - 00;02;57;14

HOST

Being so, is that an APC placement? Post University was like a part of a sandwich degree as part of your course post uni. So timing wise it's quite difficult. But before we get into that, did you have any real estate? Do you have anyone in the family who was in real estate?

00;02;57;17 - 00;02;59;16

GUEST

None at all. My father's in the military.

00;02;59;16 - 00;03;00;05

HOST

As is mine.

00;03;00;07 - 00;03;14;23

GUEST

Yeah, my, my mother's, was ex-military, and I'm a nurse. Zero didn't there was no exposure to real estate or investing or anything. It was pretty much just at a lack of my kind of looking at for vocational.

00;03;14;25 - 00;03;19;28

HOST

Classes, literally real estate. It wasn't really much else in terms of choice. In terms of other. I did a degree in.

00;03;19;28 - 00;03;42;26

GUEST

Economics, A-levels with history, and obviously I enjoyed the economics and business side of it. So I felt that the real estate investment may be something I could get into. And you back in the early 2000, you all the papers were talking about, you know, real estate property is a best thing to get into. Must have absorbed some of that in my kind of youthful brain and gone on.

00;03;42;26 - 00;04;00;10

GUEST

This might be a good idea. I had zero kind of knowledge of it before, you know. I knew what a real estate, you know, a house look like. You know, I didn't realize that you could invest in big offices, big boxes, had none of that knowledge and then went to Simon and was like, oh, actually, this is really interesting.

00;04;00;13 - 00;04;02;09

HOST

Eyes were open to the possibility.

00;04;02;11 - 00;04;17;08

GUEST

And, and the broadness of, of the industry completely, you know, the fact that you can actually go into rural or you could go into bourbon. Actually the degree that I did, you could, streams, you either did a rural focus or you did not. And focus on I obviously did urban, hence why I'm where I am now.

00;04;17;11 - 00;04;25;04

HOST

But a lot of people do a rural focus, don't they? And that university typically I would I say most people go

there and do a rural focus and come out of it.

00;04;25;08 - 00;04;44;18

GUEST

Yes, very much kind of land management, estate management. And then they either go into, you know, the typical South Wales Knight Frank and and work on kind of that side of the industry. Actually very few. I think you've probably spoken to a handful of us who've moved into the kind of more investment management side of, of the industry.

00;04;44;23 - 00;05;03;03

HOST

So you it wasn't like you were choosing. Were you weighing up other universities at the time in terms of getting to do real estate? It was it literally just because you saw that the culture and, the opportunity role agriculture like suited your personality and your like lived experience to that stage. So actually your your awareness of Brookes and Reading and Cambridge and Cass and Nottingham etc. wasn't really.

00;05;03;05 - 00;05;21;24

GUEST

The friend and thought about doing history because I had a history. A-level was very I think my bubble was quite small. Living in Somerset at the time, so I hadn't really, I actually hadn't really been to London before I went to siren, and then one of my friends took me on a day trip to her house, and I was like, oh my God, like this.

00;05;21;24 - 00;05;37;10

GUEST

Amazing. Like, look at all these buildings. Because I, my dad's in the Army, so we'd spent my entire year traveling the world. I had that really great experience of being very culturally aware, but being in big cities was something that I had not really, you know, quite sheltered.

00;05;37;13 - 00;05;56;08

HOST

I can definitely relate to that in terms of probably the lack of commercial input or like awareness of the insurance or stockbroking or property or banking or, you know, in terms of other options outside of like the army and military life and moving, moving every couple of years to a new, a new place. So you went to rural agriculture.

00;05;56;08 - 00;06;01;24

HOST

You did real estate came out in 2008. A brilliant time to be looking for a new job.

00;06;01;26 - 00;06;22;16

GUEST

Really difficult, very competitive. And I was, you know, I'll just take anything just to get my foot in the door and start earning some money because that was really important. You know, I wanted to stand on my own two feet. Yeah. My dad tells a great story that he, you know, I was like, my my parents were posted, in Folkestone because he's with the Gurkhas.

00;06;22;16 - 00;06;44;26

GUEST

And I basically said, right, I'm moving into London, I'm going to Bethnal Green, which back in the day was not exactly the nicest of places. It's very gentrified now. Dad drove me up and I was leasing a room. Oh no, I wasn't even was on our room on license. And despite the fact that real estate took me, I was still very naive to kind of that, you know, my personal technical side of it.

00;06;44;26 - 00;06;58;15

GUEST

And he said he sat outside, downstairs in the car hoping I'd make my change my mind and come home because it was like a not very safe place. I decided to take what I was like, nope, I'm going to stay and we'll try and make the best of this.

00;06;58;16 - 00;07;08;11

HOST

I'm going to drop you off in London, in a place you've never been to before, a once before, in an area that's not that gentrified and you don't have a job to go to, and you're going to make and it's going to make something of yourself.

00;07;08;12 - 00;07;25;05

GUEST

Yeah, I was quite naive as well, being kind of coming from that kind of very small, you know, bubble of military life and then going to, you know, girls school in Somerset and then going off to, you know, the World Culture University, which again, is an in itself a bubble kind of London. It was very, very eye opening.

00;07;25;05 - 00;07;45;12

GUEST

And I think I had to learn a lot, very, very quickly. Grew up overnight, pretty much. It did toughen me up and, and kind of, you know, I wouldn't have changed the way that I did it at all. I'm quite glad I didn't have those connections. You know, that kind of more of that foot in the door kind of allowed me to create my own path and, like, learn my lessons myself.

00;07;45;14 - 00;07;55;07

HOST

It at that time, if the job market was really, really fertile, what what would have been your ideal job? Like? What would you do? What would you have taken to go and do?

00;07;55;12 - 00;08;16;29

GUEST

I had probably gone into more of the, you know, I'd say estate, not estate agent, but the agency. Well, because I think that's where quite a few people kind of that's the path that was natural for the for the degree. And, you know, I did play around with going into that. And because I didn't really know about investment management, asset management, it was kind of a complete unknown to, to me at all.

00;08;16;29 - 00;08;38;02

GUEST

And actually my first job, you know, my job at Deutsche Bank was back office in the corporate real estate and services team, which was pretty much managing the Deutsche Bank's own portfolio of offices. But they were in their own 21 buildings across London. And, you know, there were moving, you know, head counts. You know, that was we tried to put my cracks in and where can we put showers?

00;08;38;03 - 00;08;59;23

GUEST

You know, it was pretty unglamorous, but it was the nitty gritty of, you know, actual office buildings and what it took to manage, you know, large site. You know, I never really been in a huge Winchester house at Deutsche Bank's. You know, it's obviously the moving out now, but it's kind of one of the, you know, eye catching buildings or was one of the eye catching buildings in on London wall.

00;08;59;23 - 00;09;11;08

GUEST

You know, I'd never been in such a big building before. So for me it was just like, wow. My eyes were open. But again, working in business that big just blew my mind. I just not had that experience at all.

00;09;11;16 - 00;09;15;14

HOST

So how did that role come about then? Because you left in 2008 and you started that.

00;09;15;15 - 00;09;44;25

GUEST

And I'd say it was a foot in the door job. I worked for a really small, development company down in, Greenwich. They were actually is really for me. That was a great first foot in the door because actually help me network. I was focused on, there was a Millwall, the Millwall football stadium. The company owned all the other industrial land around, and they were looking at putting a masterplan in with Lewisham Council to create a regeneration project as actually, really, really great project.

00;09;44;25 - 00;10;06;16

GUEST

It's still ongoing now they're looking at kind of not gentrifying, but creating a huge, mixed use development that would encompass, you know, all of Millwall, but a number of other industrial units. So I was helping manage those industrial units, you know, literally going around and collecting rent in cash, you know, putting in like requests for repairs and things.

00;10;06;16 - 00;10;19;25

GUEST

You know, there were sheds and they were literally tin sheds. And there were some very dubious characters that I had to deal with, you know, going cutting a 5,000 pounds in cash, I'd have to put in my bag and carry on the tube.

00;10;19;25 - 00;10;21;15

HOST

But I can only imagine.

00;10;21;17 - 00;10;39;14

GUEST

It was great. And but I, you know, I wanted to go into a big, you know, I just wanted to go into big business, you know, I kind of started to see where, oh, these are what people do. And you'd see people on the tube. I've never been on the tube before. I came to London, so I was like, wow, this is, you know, I want to be these people.

00;10;39;14 - 00;10;44;13

GUEST

How do I get there? I had a really frank conversation with the CEO, and he was great because he was like, yeah.

00;10;44;13 - 00;10;46;27

HOST

And CEO of Deutsche or the CEO if you're a little business and you.

00;10;47;02 - 00;10;47;27

GUEST

Get a little business, so.

00;10;47;27 - 00;10;52;15

HOST

That kind of a name where you'd pay your license and you're on your flat, you have some pocket money to like.

00;10;52;17 - 00;11;11;06

GUEST

Yes. It was, it was awful. Like I think they paid me like 17,000 pounds. So, you know, living in London was you. It was very fine in terms of my costs and and costs out. But. Yeah. So I just said to him, look, you know, I worked for you for six months. It's great. Thank you very much for the opportunity.

00;11;11;06 - 00;11;31;02

GUEST

But I really want to kind of climb the corporate ladder. I'm not going to do that here. And he was like, no, fair enough. You're young, you know, I was 22, 23. And he was like, look, I can put you in contact with some people and then have a conversation and yeah, I had a couple conversations and then this role came up at Deutscher, you know, it's entry level, very entry level.

00;11;31;02 - 00;11;32;04

GUEST

And so yeah, it just.

00;11;32;06 - 00;11;32;15

HOST

Took.

00;11;32;15 - 00;11;33;04

GUEST

It took it.

00;11;33;07 - 00;11;38;27

HOST

Had the opportunity. But that came because you literally drove, drove and pushed, I guess put yourself in a position to have that conversation. Right.

00;11;38;27 - 00;11;55;12

GUEST

Kind of. You know, I've always had this ambition that I wanted to do really well, but at what I'd never really established. And then once I've got my teeth into something as I write, this is my path. And how am I going to get to that? I want to go. And for me, that was as far as like, how high can I go?

00;11;55;12 - 00;12;00;24

HOST

Basically, where did you where did that come from? Not drive. Could you have you reflected or identify that before?

00;12;00;25 - 00;12;18;25

GUEST

I think I think it's school. What you know went very academic schools and they you know if you got to be your failure kind of I think that drove me because I was like, what I always want to do better and I always want to be the best. And I think is that created that, you know, competition. You always want to be better than your peers.

00;12;18;25 - 00;12;40;12

GUEST

And that kind of always drove me that it's it's not disingenuous, but my, your parents, not, you know, you know, the working class background, you know, they've done very well for themselves. My dad's kind of very highly decorated. My mum's, you know, obviously she was a, you know, in the military herself. And so at school I was not the wealthiest girl there.

00;12;40;12 - 00;12;47;19

GUEST

And I always felt that, you know, not there was not that was bullying, but it was, you know, you could see the difference between kind of.

00;12;47;19 - 00;12;49;04

HOST

Those that have and those that don't.

00;12;49;04 - 00;13;07;21

GUEST

Have. And, you know, I was very fortunate to be able to have that I do. My parents sacrificed a lot for me to have that education, which typically done me wonders because I was still I think I still was able to leverage the privilege, you know, you know, back in the day where it mattered which university you went to, what school you went to.

00;13;07;24 - 00;13;25;03

GUEST

And I think that has enabled me to open a few doors. I know a couple of conversations I've had with recruiters in, you know, over the years that back in the day. Oh, you went to siren. Oh, okay. That's great. Tick box. Especially in the real estate world. You know, maybe not so much on investment management or banking side, but.

00;13;25;08 - 00;13;43;27

HOST

Got you in the room. I can relate an awful lot to exactly what you said in terms of your mindset and experience, and also super grateful for the sacrifices my parents had as well, because it's probably very similar line there in terms of of upbringing. So you landed at Deutsche Bank in the corporate real estate team responsible for managing the assets on a freehold and leasehold basis that they owned or occupied.

00;13;43;28 - 00;13;50;03

GUEST

So most of them were lease leasehold. Okay, but I wouldn't say as managing. I was a junior in the team.

00;13;50;03 - 00;13;53;11

HOST

Managing that was managing. So you were learning, assisting.

00;13;53;14 - 00;14;08;27

GUEST

Taking the teas and coffees and not. No, but it was really interesting. I was very lucky. I had a boss who I complained to a lot about. I was very as you are when you're young, you want to, you know, the job that you're doing is never good enough. You always want to get to the next. And he was always trying to give me stuff to keep me occupied.

00;14;08;27 - 00;14;29;29

GUEST

And I remember then being exposed to the investment banking and the investment management side. And actually, by coincidence, I'd had not any direct interaction with what was DB Asset Management, but I knew of them. And so then I was like, oh, what do they do? They do real estate. Oh that's interesting. And then worked out, oh, actually, this is massive now, very naively.

00;14;29;29 - 00;14;44;08

GUEST

Oh, this is massive world I've not got any exposure to. And then walking the floors of the bank, I was just like, this is, you know, the buzz that you get off those floors, you know, it's the same buzz that you get on our floor today is that, you know, there's constant deals going on and there's constant chatter.

00;14;44;08 - 00;15;02;03

GUEST

The market knowledge, you know, it's it's always a hubbub where I felt back, you know, in the corporate real estate team, you know it was great. But it just didn't have that same buzz. And I just wanted to be part of it. And so how do I get there? And then that's when I think my strategy started. I was like, I want to get into that world.

00;15;02;03 - 00;15;27;29

GUEST

How do I do it? And that was, you know, doing, you know, the IMC in the CFA. And so I was like, right, I'm going to try and pursue this. But now I need to think about where how do I get broader experience. Because I've got real estate experience. But if I want to be, look and feel like I work in the investment world, I now need to learn about other asset classes, because then I became, you know, more attuned to the fact that there's more than just, you know, everybody hears about stocks, there's more than just stocks.

00;15;27;29 - 00;15;45;15

GUEST

It's kind of this whole broad spectrum. And I was like, well, I need to be able to talk about this. So then I moved to a small investment bank to basically, again, a very junior analyst role, where I was at my desk at 6:00 in the morning on the equity was on equity side. So complete deviation from real estate.

00;15;45;16 - 00;16;05;28

GUEST

It's great because it was that exact buzz that I was it was not pandemic the whole time, but because it was, you know, trading floor. And we were on the research side, you know, you got that you could cut the, the eye with a knife. Someone's attention was that bad. It was like the markets were horrible, but it was great because I was at my desk at 6:00 with pumping out, you know, reports for the market for 8:00.

00;16;05;28 - 00;16;20;22

GUEST

And it was this, you know, 8:00 we had to I was, you know, because of the junior that was my job to send all the reports out to all the portfolio managers in the industry. And it was to get your reports out or into their inbox first, because obviously, it's, you know, after you've read 20 equity research reports, you're kind of bored.

00;16;20;22 - 00;16;35;19

GUEST

So it's the first couple that you take notes off and you pick up the phone and maybe do a, you know, broker deal with them and then loved it. And I was I was like, actually, maybe I can make my career here. This is great. I kind of started to think about it. And then it was the 2012, you know, crash.

00;16;35;21 - 00;17;00;28

GUEST

And our entire securities department was made redundant at I can remember it. It was the same the that the December. And I was actually in New York with one of my colleagues who worked in the corporate bank, and we'd gone on holiday together because that's what's going to sound really superficial. But we were very young and were like, oh, we can fly to New York and buy some dresses for our Christmas party, because, you know, we've got a bit of money in our pockets now.

00;17;00;29 - 00;17;19;13

GUEST

And I remember getting on the plane with a BlackBerry switch on my BlackBerry and then got off the plane and, such an BlackBerry on to check my emails while I was waiting for my luggage and there was literally any moment I was like, dear colleagues, we decided to shut the securities team department. We've notified the stock exchange.

00;17;19;13 - 00;17;19;29

GUEST

And I was like.

00;17;19;29 - 00;17;21;07

HOST

Don't it up to work on Monday.

00;17;21;07 - 00;17;37;25

GUEST

But no, because you were in a consultation process, you had to turn up to work. It's hard to get to work at 6:00, obviously. No clients. No. We had to still write the reports and send them out, but we couldn't. I couldn't even send them out because we weren't sending them to anybody. But we had to prove that we were still working, and we just sat there.

00;17;37;27 - 00;18;00;23

GUEST

The whole floor of us, just like this is God awful, but it is brutal. It's brutal in that side of the industry. But there were so many people, I think five other secure in your equity research departments had already or already been made redundant. And so it was like, well, what do I do now? Like, you know, not I'm not going to be able to, you know, I'm so junior and I don't have like a fancy degree from Oxford.

00;18;00;24 - 00;18;17;19

GUEST

I'm not an economist. And a lot of the guys who'd been in the industry, you actually research side, you know, your name is everything. So you don't want to be out of the market for so long. So a lot of them took, you know, job cuts, pay cuts just to stay in the market. And I thought, I don't, you know, I'm not that kind of, you know.

00;18;17;19 - 00;18;31;16

GUEST

Well, no, I'm actually not at all. No. You know, I'm just a minion in that team. So I was like, right, okay, what am I going to do next? Like, this is the next challenge. And I thought, like, I just need to again, financially, I just need to get a job to stay in because, you know, you know, me.

00;18;31;17 - 00;18;49;23

GUEST

It's like you don't get a job without a job, so I'll I right? I need to find something. And I just saw role at Eden Rock applied for it, and I got it, and it was, you know, it's a Eden Rocks, a relatively small, firm. It's, asset management firm. So it was pretty much literally you come in and you do a bit of everything.

00;18;49;23 - 00;19;09;09

GUEST

So it's just like, if you pay me, I will do it. I'm coming. I just want to experience. You guys are nice. It was awesome because it was, you know, a couple of friends who had started the firm, and then obviously they had built that firm up and it was, you know, it sounds disingenuous, but it felt more like a group of friends just managing, you know, a lot of money.

00;19;09;09 - 00;19;25;15

GUEST

But it wasn't this in there worked incredibly hard, but it wasn't that, you know, you were just another corporate number. So I kind of felt like that's quite nice to be able to sort of land when I've just been kicked out, kind of unscrupulously it from an investment bank. It kind of felt a little bit, kind of a little bit more warm, fuzzy than.

00;19;25;22 - 00;19;38;12

HOST

Something I was gonna, you know, pick up on, as you said, you were in an environment where there are a few, maybe Oxbridge educated people who didn't want to be out of roles for a long time, and their name was everything. Have you ever felt like the imposter syndrome thing still today?

00;19;38;12 - 00;19;38;28

GUEST

Yeah.

00;19;39;00 - 00;19;41;14

HOST

And how did you deal with it then, and how do you deal with it.

00;19;41;17 - 00;19;57;16

GUEST

On a daily basis? You always have to keep on. I've got to be honest, on a daily basis, I do have to keep on reminding myself, you all good enough. And I've been lucky to have a few people throughout my career who've kind of been cheerleading, surprisingly, men. You know, I was a relatively young woman, you know, when I started.

00;19;57;16 - 00;20;16;21

GUEST

But, you know, I always tell women we're all going to stick together units in, especially in real estate, we're actually still the last bastion of kind of being, I call it the frat house, but actually they've been the worst. I think men have actually been far more supportive throughout, you know, not all of them. You know, there's been a handful of really good characters throughout my career.

00;20;16;21 - 00;20;32;11

GUEST

Who've you know, been there for me and kind of basically said, you need to act like a man. You've got to be more bolshie more push yourself, push yourself. And that that's, you know, I have to keep on. I still meet up with one of my old bosses because he's always, you know, no, do it like this. Okay, great.

00;20;32;12 - 00;20;55;01

GUEST

Because, you know, you you always second. I've always second guessed myself because you know, you have this chip on your shoulder that you've not gone to, like, the best university or that, you know, science system was great. But when you're up against it in the making of the investment management world where people have got, you know, Russell Group or, you know, they're very highly they've got PhDs and MBAs, you then start to think, question is, have, should I be in this room?

00;20;55;01 - 00;21;06;25

GUEST

Do I have the, you know, my educated enough? But actually, yes, I would say I wouldn't be doing the jobs that I do now if I, the people didn't think that. But it's that self-doubt that always seems to creep in. So you had to cheerlead yourself.

00;21;06;25 - 00;21;22;15

HOST

Some cheerlead yourself, override it, and get other people to cheer you along on on the way. So you're eating rocks? Just shy of three years. Very different environment from big kind of corporate. Yeah. Institution. But yeah, super bright individuals, sophisticated, but much smaller in terms of headcount and.

00;21;22;16 - 00;21;38;00

GUEST

Yeah. And I think it was it was great because they would I just got to do a bit of everything and you know, but I want, you know, because it was a small company, there was no corporate ladder to climb. They were like, well, you can we can pay you a bit more and we can give you a bit more responsibility.

00;21;38;00 - 00;22;02;06

GUEST

But in my head it was I want to be an MD that's, you know, that's where I want to get to. I want to, you know, obviously, I have high hopes for my career, you know, C-suite, maybe one day. But it was that, you know, I want to have that corporate title because when you, you know, when you're in a small firm, I think the guys who started the firm had gone through that already, and they'd made their name and then obviously started off their own firm, which is, you know, actually great, great plan.

00;22;02;06 - 00;22;11;03

GUEST

But it was, you know, for me. And I just wanted to, you know, I wanted to go through those rungs just to prove it to myself that I could do it.

00;22;11;05 - 00;22;13;24

HOST

Yeah. So you joined the sell, right, as a VP?

00;22;13;26 - 00;22;15;09

GUEST

Yes. Oh, no. As associate.

00;22;15;11 - 00;22;16;21

HOST

You joined us an associate.

00;22;16;23 - 00;22;47;22

GUEST

And that was in. So the sale was relatively, small or smaller than it is today. So I've done very, very well. And we were in what we call the Client capital group, which spanned everything from, product development, you know, product specialists, you know, sales, investor relations. So everybody started off when you were at the junior level, you basically just did everything to get the exposure to as much global real estate as you could.

00;22;47;22 - 00;23;05;23

GUEST

And then, as I say, at the time that I spent there, the team got more refined. And then we could, you know, channel ourselves into kind of, I'd say, more niche roles. And then for me, you know, I did a stint in, in the Chicago office, which was fantastic, you know, getting exposure to US real estate markets completely.

00;23;05;23 - 00;23;37;06

GUEST

You know, I thought that, you know, they would be fairly similar, but the size of the real estate and, you know, the volumes in which they invest in is just absolutely mind boggling. So, yeah, I had a really great time doing that when I was out there, you know, and getting to see kind of how us investors work

because, again, completely different ballgame when you're talking to us, what they think and you know, what they think about their portfolios versus a European as a typical you will see as a generalization because they're very, very different, across Europe and Middle East and apart.

00;23;37;09 - 00;23;53;13

GUEST

And then I came back and it was kind of like, what do I want to do? Do I want to go down the more salesy, you know, no, let's capital raise route or do I want to go down more like kind of product investment specialist route. So I did start off doing, more sales focused role.

00;23;53;13 - 00;24;07;26

GUEST

And, you know, when I was young, I enjoyed the prospecting. You kind of like that, you know, aggressive. Let's go out and try and meet as many people as we can. And how many relationships can we bring in? And then after a while, you know, it does get, you know, kudos to the guys who still do it. It like the stamina.

00;24;07;27 - 00;24;14;07

GUEST

You have to have to kind of cold meet people and just kind of have something to talk about. My brain just.

00;24;14;09 - 00;24;18;11

HOST

Get on the planes and trains and conferences and just go, and what raise cattle.

00;24;18;14 - 00;24;36;09

GUEST

Won't do that now, but it's less less know going and meeting and you know, having to have that first push of the door or, you know, like I call it a smile and dial. Kind of like the kicking of the door down to open the relationship. It takes a certain kind of person. And I quickly discovered I was.

00;24;36;12 - 00;24;36;29

HOST

That's not you.

00;24;36;29 - 00;24;38;03

GUEST

That's not me.

00;24;38;06 - 00;24;45;25

HOST

So at this stage, you don't you see in your IMC, right? Yeah. It was as I'm say it was it was a conscious decision not to do your emmerich's or.

00;24;46;02 - 00;25;05;12

GUEST

So I so long story short, I did try to do it, but at LaSalle it was because the team I sat in because you'd have to do a rotation they felt I wouldn't be able to do my job and do it at the same time. I think they're very much more amenable to to it now. I think you and it was just a stage of where the business was.

00;25;05;12 - 00;25;15;08

GUEST

We were very relatively smaller shops, so it was very thin in terms of resource. So giving people the luxury to do kind of stuff that sits outside of their job was.

00;25;15;10 - 00;25;20;01

HOST

In a relatively stressful job, as it was. It required an awful lot of capacity, but also.

00;25;20;07 - 00;25;37;25

GUEST

Because time and yeah, we lived and died by the capital that was raised. So it was literally all hands to the deck. And we kept raising globally. And you know, when you think about capital raising, you think, oh, you go for one meeting, you meet an investor. The amount of work that goes into some of these pitches and relationship building.

00;25;37;26 - 00;26;00;14

GUEST

Commander, one Japanese investor, very, very large, the multi-billion pound mandate or multi-billion dollar mandate and took us two years to get that to the point where we got to the final meeting. And that final meeting included 60 people. The entire Japanese contingent come over and it was obviously with Japanese investors. It's very hierarchical. Where do they sit?

00;26;00;14 - 00;26;17;13

GUEST

You know, all the documentation we needed, all the presentation. It was, you know, company effort, you know, we had and pretty much every senior person come over from all over the world to, sit in this meeting and just the extraordinary amount of work that goes into capital raising, you know, I think people just think it's, you know, a couple of phone calls.

00;26;17;15 - 00;26;18;27

HOST

Raise a lot of money, but it's not the case.

00;26;18;27 - 00;26;32;03

GUEST

It's subscription documents. Off you go. I mean, sometimes it's on the retail side where you've got, you know, I would call mom and pop investors that stuff in the way it's. But, you know, with sophisticated institutional investors, it's a whole and it's getting harder and harder now. Yeah.

00;26;32;03 - 00;26;38;09

HOST

Especially in the current climate. Yeah. You know, in terms of the allocation and, weighting to different asset classes.

00;26;38;09 - 00;26;47;06

GUEST

It's it's not nominator effective. I've the amount of times I've had that over the last three, six months just is amazing. It's like a data to real asset to like.

00;26;47;06 - 00;26;52;12

HOST

Right. So the sales piece in terms of capped rate, you didn't think that was for you at the time.

00;26;52;13 - 00;26;53;17

GUEST

Like pure pure.

00;26;53;17 - 00;26;54;20

HOST

Capsule cat case.

00;26;54;23 - 00;27;14;01

GUEST

Because I really like you know, with pure capture racing you tend to be kind of one step removed from that. The asset class, you know, because you're focused on building the relationships you know, we turf back the composite. You know the I say the more technical conversations to the investment desk. And I really liked being, you know, part of the strategic conversations.

00;27;14;01 - 00;27;34;27

GUEST

And also when you're talking about bringing new product or new strategies out or new capabilities, I liked being involved in those conversations. And, you know, actually having the, you know, a say in what the business was doing, which I kind of that's where I was like, oh, actually, I really enjoyed this part of the business. And that's actually in the middle of my time.

00;27;34;28 - 00;27;46;07

GUEST

It sounds like, okay, this is what I'm going to drive for my career, because actually now I can see something that I'm good at and actually I can really add value to that. And that is a actually quite significant career path in that.

00;27;46;11 - 00;27;56;13

HOST

For someone who's listening to this at a business go, what does she mean about product and capability? What what is a product and what is a capability? What do you mean by that?

00;27;56;13 - 00;28;22;17

GUEST

So a capability. So most asset management firms, investment management firms will have I'd say channels of different investments strategies that you can invest in. So you look at debt and equity. And then within that you'll have, you know your core real estate strategy. So you know, just buying and holding, you know, on the very high level, you go over to get more technical that no one on a real estate debt, you've got mass senior loan syndication.

00;28;22;19 - 00;29;01;06

GUEST

And so it's how do you capture those opportunities and create them into something that institutional investors can invest in. And that is normally either through a fund vehicle, which we call products. So that's you know, open ended, closed ended funds for a core value add. And then you've got things like, club programs where there's a small number of large investors who are looking at buying a single deal, or investment programs where you may have a partnership with a developer or an operator, where you're looking at building out a small portfolio and you'll crowdsource and with all intents and purposes, you know, a few, institutional investors to fund fund that, and different

00;29;01;06 - 00;29;25;09

GUEST

houses do it in different ways. You've got some, you know, managers who are just value add. They specialize in closed ended ones. They're looking for the high octane strategies, a lot of more development style, opportunities. And then you've got, I'd say the bigger houses, which have a little bit of everything, you know, core, you know, diversified corporate estate is probably like the bread and butter of the big weight estate houses because that's the one that, you know, that's the one that's going to generate the fees.

00;29;25;09 - 00;29;46;14

GUEST

When the times are bad, you do everything around the edges to kind of turbocharge those revenues. But then, you know, with solutions, it's, you know, different investors require different outcomes. So it's then how do you create something bespoke for an investor. And sometimes you've got large investors who have, you know, so much capital. But you know, going into a single fund doesn't do it for them.

00;29;46;14 - 00;30;05;00

GUEST

It doesn't give them the outcome they require. So then it's how do we build something that's suitable for their outcomes. And that's, you know, a lot you see a lot more managers these days providing that as a, a capability because, you know, you don't want to just say, oh, we've only got this. You want to provide them with, you know, exactly what they need, very tailored approach.

00;30;05;05 - 00;30;06;23

HOST

Otherwise they'll just go to a competitor.

00;30;06;24 - 00;30;08;10

GUEST

Exactly. Which we don't want them to do.

00;30;08;14 - 00;30;29;26

HOST

So it's about looking at the investor landscape or the investment landscape and then creating products or return profiles or risk. Yeah, balancing the risk or exposure to various different asset types, whether it's debt, equity, etc.. So it's about just balancing or marrying up different investors to different risk return profiles and timing and geographic exposures and.

00;30;29;26 - 00;30;47;22

GUEST

Also a lot of investors. So you look at UK pension funds, local authorities, you know, that they're very liability driven. So they will look for a liability driven strategy. And a lot of the time that will be long income because it kicks off that very nice long long term income profile and which matches obviously their cash flows that require.

00;30;47;22 - 00;31;09;17

GUEST

And so there's you know, a lot of a lot of the investing is driven off. You know, what is an investor needing. And then how do we deliver that in a, in a way that makes sense. Sorry you my phone is constantly going off, but it it just I've seen the industry change over the last ten years where it was very much that everybody just had a kind of a bog standard.

00;31;09;17 - 00;31;27;05

GUEST

You know, we have a core fund, we do value add closed ended funds. This is what we do. But it has evolved as the asset classes within real estate has evolved itself. You know, we've seen, you know, senior living becoming, you know, a more mature asset class. You've seen student how you know, student housing was something that didn't really exist when I was at university.

00;31;27;05 - 00;31;45;16

GUEST

And actually now it's, you know, in the UK, it's a really big asset class to invest in. So we'll see how logistics over the last 20 years is, if come from being kind of just industrial to actually, you know, over the pandemic became the most sought after. You know, investment to do because you have it purpose like, oh actually everything everything online.

00;31;45;16 - 00;32;10;16

GUEST

We need huge big boxes now into strategic locations to be able to deliver all this new online demand that we're seeing. And actually recently, I think since pandemic, the asset classes or, you know, the markets have moved a lot quicker than they've ever done before and more reactive. You know, I always used to think that, you know, you were moved at least a quarter behind, the liquid markets, you know, you saw something, you know, in the liquid, real estate world.

00;32;10;19 - 00;32;16;00

HOST

What's it what do you mean by liquid real estate? Well, just because obviously real estate is is not liquid.

00;32;16;00 - 00;32;20;28

GUEST

So liquid. So you're investing in equities or shares of real estate companies.

00;32;21;02 - 00;32;21;22

HOST

Rates.

00;32;21;22 - 00;32;42;09

GUEST

Rates. And also just you know developer you can buy a share of you know that way you can buy a share of their equity. And that tends to inform anything that's coming. You know in terms of pricing, you'll see that part of the industry move first. So you know that something's potentially going to happen on the direct. You know our illiquid side.

00;32;42;13 - 00;33;06;28

HOST

Is an indicator or lagging indicator. So it's interesting. Also is it partly due to global financial crash. Some of these big institutional investors don't want to get locked into a closed ended fund managed by third party. Would rather go to back a small single tracked investor in a particular asset class like logistics, rather than get tied into a vehicle managed by another institutional investor.

00;33;07;01 - 00;33;26;14

GUEST

Hence, I think the the global financial crisis completely changed, market environment in terms the way that investors thought about real estate and actually was still thinking about it because, you know, during the pandemic, the Daddy Price retail funds must have seen that, you know, in the UK the most, the majority of them closed or, you know, gated.

00;33;26;14 - 00;33;54;03

GUEST

And because there's that illiquid illiquidity mismatch between, you know, obviously pricing real estate daily, which doesn't make sense because it rarely changes on a daily basis. You have your quarterly valuations done by the RSS, but you know by rapid valuation. But you know there was that mismatch there. Now trying to create structures that help, you know, as in fund vehicle structures that help manage that mismatch premium that, you know, premium the mismatch that you get between.

00;33;54;06 - 00;34;08;26

HOST

Having a having a liquid fund based on an illiquid asset class. And also, just to your point, if you're listening to this and you're slightly confused in terms of the term retail, it's not retail asset classes. It's more about the mom and pop investors that you mentioned. So like me and you being able to if you've got

an extra five grand.

00;34;08;26 - 00;34;19;13

HOST

So you're being able to invest that exactly into commercial real estate back in a particular manager. But it's how they manage the the cash redemptions when you're like I've got to get my five K back.

00;34;19;16 - 00;34;38;05

GUEST

And this is this is the difference between mom and pop investors and institutional investors and why I prefer working with institutional investors, because they all know that, you know, there are going to be points in the market cycle that are in flux and rarely do these go right. We're going to redeem our entire holding. Sometimes you'll get investors who, you know, they have some cash flow problems.

00;34;38;05 - 00;34;57;16

GUEST

They'll take a small portion out of their fund to put a redemption in. You know, obviously it's up to the fund manager whether they redeem them or not, within the terms of the documentation, with mom and pop investors, you get a slight noise of something going wrong. And everybody, this is why you get volatility in the in the equity markets is because actually the majority of that is mom and pop investors.

00;34;57;17 - 00;35;29;01

GUEST

You know, or as you've probably seen the rise of, you know, I'd say day traders who come in and then suddenly everything starts going wrong and everybody yanks their money out, which then creates their, you know, I'd say relatively unnecessary volatility in the markets. But, you know, with, with, with liquid real estate, you've got this. You can actually create quite a nice arbitrage because you can get in and out quite quickly if there's an opportunity set that you think as you would just actually if you just want to kind of get that, you know, alpha generation, you can go into liquid real estate, get it from there.

00;35;29;01 - 00;35;45;00

GUEST

Because obviously if you're trying to do it in, in the illiquid world, you know, you've got to wait a number of years before you're going to get you're going to see that return because it's not something that you generate over a one year period. It's a, you know, normally a two, three year hold at least before you can see kind of I'd say the double digits.

00;35;45;04 - 00;35;52;03

HOST

So you move from the south to a visa that was at two. But was that a move and what was the reason behind that?

00;35;52;04 - 00;36;19;24

GUEST

That was an interesting move because actually at the time Larsen were buying the multi manager business from a Veeva Investors. Aviva investors had a corporate strategy where they wanted to be direct owners of real estate. And that was Marc versus vision for the real estate business and which is a great, you know very targeted approach from him. And so they co owned a fund a core plus European diversified fund.

00;36;19;24 - 00;36;47;24

GUEST

And so that one was the liaison with the fund managers. With Wilson with the asset managers and Aviva with the fund managers. Just because the way that the with the partnership was one had capital, one had investors. It was a marriage that was meant to be, you know, beneficial to both parties. And actually

LaSalle were wanting to wanted the whole fund naturally because, you know, it's, you know, easier to manage when you're not having to debate over assets between two firms.

00;36;47;27 - 00;37;09;10

GUEST

And but they and then Aviva were looking to sell that. So as part of the package they, they wrapped the whole thing and then, Asao bought it. I was working on something that was part of some of the deal team, and got to know some of the Aviva guys and got to see the business and actually, you know, had not worked in a multi asset business before.

00;37;09;10 - 00;37;33;13

GUEST

And I was like, oh actually you've got for the from the product and investment specialist side, it's like oh you've got massive teams actually that is a really good career path because at Nestle at the time I think it's it's you know it's changed now when you're working for a single asset class house. Think the investment specialists are probably the value that they provide is probably less than you do when you're at a, you know, a big multi-asset house.

00;37;33;14 - 00;37;54;21

GUEST

I thought, oh, great. Well, I'll have a conversation, you know, a few people, and, you know, in the realistic world, it is all about the network. And then I, there was a role for a product development director, somebody who was going to then manage the development for all of real asset. So infrastructure, private equity, on and or private debt.

00;37;54;26 - 00;37;58;07

GUEST

And I was like, well, I do product development at LaSalle.

00;37;58;09 - 00;38;00;24

HOST

Within real estate within which I can broaden my.

00;38;01;01 - 00;38;24;13

GUEST

Well, if you look on the kind of from a process point of view, it's the same. It's just the underlying asset class, which is different. And from a product development perspective, you don't necessarily need to be so close. But I was like, this is going to be a great opportunity for me to expand my knowledge of product development, because as you start talking to investors, you get to see that a lot of them are very technical.

00;38;24;13 - 00;38;45;07

GUEST

They want to know the vehicle, they want to know the terms. They want to basically get into the nitty gritty. So when you talking to when on the sell side, you're just talking very at a relatively high level about whatever product or solution you're selling. When you're on the specialist side, you have the whole spectrum. You get very technical, very, very quickly with some of these investors, and they're all very smart, obviously.

00;38;45;07 - 00;39;09;27

GUEST

Otherwise they wouldn't be in the jobs that they're in. And and so that for me was okay, well, I can take the step to see if I can then broaden my exposure. That was my logic was that, oh yeah, I'll do that. And then get to really understand the regulatory side of it, how you structure well at the key times investors look for and broaden my kind of understanding of the kind of wider investment management world and did

that.

00;39;10;04 - 00;39;27;16

GUEST

But it's quite funny. So I like to I don't like to burn my bridges in and with anybody. I mean I just good advice. Yeah. Don't don't ever do that. I'm real estate. It's such a small world. And so randomly, a guy who interviewed me ten years ago, he would what? He was working with Standard Life at the time.

00;39;27;16 - 00;39;47;10

GUEST

He didn't give me the job, which obviously I regretted because he was actually at Veeva. And I bumped into him and he was like, oh, I thought I recognized the name. And he was like, oh, that's interesting. We chatted for one who I did. I worked with him for, you know, as in, because it was part of he headed up the real assets investments specialists.

00;39;47;12 - 00;40;08;25

GUEST

He was like, I need you on my team. I was like, great, good. How do we do this? And we've even very good at internal moves. So if they think that, you know, you're more suitable in a different role, you can apply for role if it comes up and they're very kind of good at helping you transition. And so that happened within two months of me starting at Veeva though like nope, we need you in the specialist team.

00;40;08;28 - 00;40;12;19

HOST

And so the specialist team was real asset focused or.

00;40;12;25 - 00;40;29;13

GUEST

So the team was real asset focused because, Mark versi had, very wisely because that's what everybody else is doing now, is pulling together all of the private market asset classes and putting them under one roof. And basically starting to provide a single offering out to investors.

00;40;29;15 - 00;40;35;19

HOST

An asset class. You don't mean logistics, retail, office, you mean it's just an interchangeable term. So the asset.

00;40;35;19 - 00;40;54;09

GUEST

Class. So when I talk about asset class it's normally equities bonds and real asset private markets alternatives. It's you know we've got multiple names because nobody really knows what to buy because there's a broad spectrum. We've got natural capital now that sits in there. You've got private credit. It's everything that isn't bonds and equities basically gets lumped into one.

00;40;54;09 - 00;41;03;10

HOST

I'm just trying to jargon debunk. Yeah sorry I'm listening. Just to go you we talked about asset classes in terms of student accommodation and logistics. Well you know so where we go.

00;41;03;12 - 00;41;30;00

GUEST

And then go up a level. Yeah. But so I, I was responsible for the real estate investment specialist team. So I was there across Europe, and there I was overseeing, 12 different strategy, investment strategies. And so the investment specialist role is, I'd say, a really nice hybrid between salespeople who are going out. So you you're meeting with investors, you're talking about markets, you're talking about strategy.

00;41;30;01 - 00;41;58;27

GUEST

Equally. You're working hand in glove with the portfolio management team. Transaction is team on each of the funds or, you know, SMA, you know, segregated mandates which are these bespoke products or on single deals to kind of proxy we call ourselves proxy PMS because you kind of sat in between. You can represent them in meetings because you are so close to the product that you know, you, you I sat in, you know, I sit in all the IC meetings on transaction calls.

00;41;58;27 - 00;42;06;27

GUEST

I'm alive and breathe it so I can then go out and have, you know, a conversation as if I was in the markets doing the investing myself.

00;42;06;29 - 00;42;32;03

HOST

Why do you need your role? You know, some some would argue you're sat in the middle of both in terms of the investor relations management, capital raising, but also you've got deep understanding of the product and the investment and the strategy. And like the deal execution, why why do you need your your role? Why can't the fund manager or the portfolio manager who's responsible for the deal execution, asset management and business plan delivery also do the the client piece.

00;42;32;03 - 00;42;49;12

GUEST

They can and they can do it right. I say they can. Some of them do it very, very well. I've got a colleague, I've got a couple of colleagues who are, I call them exceptional hustlers. I have never seen such good hustling. For capital raising. Actually one of them, I really enjoy going out to conferences with her because she is on it.

00;42;49;12 - 00;43;11;16

GUEST

She's like, what's our strategy? To go and go and catch it? You know, go into that investor. I'm like, okay, good, I'll find one. But their job is to invest, look after the money, run the money. The job isn't to, you know, they are part and parcel of the capital raising process. But we are the first filters. And then if an investor says, hey, yeah, I really like this concept or this product, I want to now meet the investor.

00;43;11;22 - 00;43;17;19

GUEST

That's what the, the fund manager, that's when we kind of wield them in. But until that point where.

00;43;17;22 - 00;43;24;21

HOST

You're qualifying them, you're building the relationship, you're working out what their requirements are and which bucket or which product would best suit their requirements.

00;43;24;25 - 00;43;46;05

GUEST

So we can't advise them on that. What we do is basically we will understand what they need and then present them with, hey, this is what we're doing. Or, you know, actually we think that this deal might work for you. So for example, with, I, I lead a club program with RCI team and we're focused on new single deals.

00;43;46;05 - 00;44;09;01

GUEST

So then we then go out and kind of screen investors to discover which which deal would probably suit

those investors best, and that we then take the deal to them. But then also I'll give you an example where we're launching, a brand new value add fund. So myself and the PM, we're joined at each other's help in terms of the ESG strategy.

00:44:09;01 - 00:44:26;15

GUEST

The impact strategy, how everything's going to work mechanically, all the legal documents, all the marketing documents, all the roadshows. We basically live in each other's pockets because you have to do it in partnership because, you know, they have a deal focus. They want to get out and, you know, go to the assets and then, you know, understand the market.

00:44:26;15 - 00:44:38;21

GUEST

But equally, you want to have somebody who can act as if they are PM, but go and speak to investors with such conviction that they're like, okay, great. Now we want to come in. Sometimes you don't even need to see the fund manager.

00:44:38;22 - 00:44:39;21

HOST

Yeah, no, that makes sense.

00:44:39;21 - 00:44:46;13

GUEST

Because if you're a good if you're a good investment specialist, you should get them to a certain point where they don't. You know, that is the last meeting we have is with you.

00:44:46;15 - 00:44:50;08

HOST

It's just a rubber stamp. But they know they kind of know everything about and know what they're getting into.

00:44:50;08 - 00:45:07;21

GUEST

And if it was a done deal, due diligence on the company because they're not just buying, you know, the person who's investing, they're buying an entire platform, the exposure to it. And so it's our job to make sure that they understand kind of how we operate, and we can best position that for them.

00:45:07;23 - 00:45:11;21

HOST

What would you say makes a good investment specialist drive?

00:45:11;28 - 00:45:41;05

GUEST

And, I say tenacity because you you have some serious personalities. It's not a role that I'd say is always accepted. So for example, I've, I've come into AWS and I've not really had an investment specialist in the true sense of kind of doing product before. And so it's sometimes a bit of a battle of like how things are being managed and who's operating what and who's best placed, because you've got people's panels that you know, they're very close to.

00:45:41;05 - 00:45:58;09

GUEST

They want to do everything. So it's it's basically just having to keep on going back and showing your value in the chain are really kind of demonstrating that you deserve to be in that room, that you're not just, you know, another headcount that's to be paid for, that you are already out there and you basically just need to it's hard graft.

00;45;58;09 - 00;46;20;02

GUEST

Some some businesses have, you know, the specialist role I could Veeva was very good. You have the specialist role was really laid out. We had you know we sat on each of the strategy meetings. You know, we were very you know, a portfolio manager wouldn't dare go out to see an investor without having us, you know, go with them or okay it because again, that was just, you know, we were the product owners.

00;46;20;02 - 00;46;42;22

GUEST

You know, it was our, you know, the fund managers run the product or a fund that we owned. We owned it commercially. And so you have to have a bit of you have to know everything. That's that's why I find you, you, you have to be a specialist in real estate. But you have to understand structuring. You have to understand commercial terms in terms of how do you price things, where your margins are, to understand that, you know, the technical real estate, you have to understand how you do deal.

00;46;42;22 - 00;46;46;03

GUEST

Then you have a debt strategy. So it's a little bit fast.

00;46;46;10 - 00;46;56;08

HOST

It's a challenging role, right. And there's not that many of you out there. Would you say that. And it's quite a niche part in terms of the wider real estate fund management investment management market.

00;46;56;10 - 00;47;14;05

GUEST

It is. We tend to there are very few and far roles in between because I think once you get into a good one, you want to hold on to it because it is really nice. I'd say a half house because some days, for example, last week I was, in Barcelona in an RAF, a couple of weeks before I was in Mipim.

00;47;14;07 - 00;47;31;07

GUEST

I've got a couple of conferences and then I've got my road. So I go out on the roads with the fund managers to go and see, you know, when we roadshow with our with our fund products. And so I can be out on the road and doing a global roadshow in June. So it's like you can really get some decent travel, some good miles.

00;47;31;12 - 00;47;32;12

HOST

I can only imagine.

00;47;32;14 - 00;47;40;26

GUEST

Under your belt, but equally, I can be sat behind a spreadsheet and interrogating for models so kind of different from day to. Or I can be doing presentation in.

00;47;40;26 - 00;47;58;29

HOST

Terms of getting into that role, you know, can people come into it from more of a kind of a real estate investment angle, or do they typically come in for more of a kind of capital raising investor relations angle, or is it, you know, just a bit of a blend in a merge across having the commercial skills that drive the product, understanding the interpersonal skills?

00;47;59;03 - 00;48;19;15

GUEST

I think it depends on the person. So a lot of investment specialists have been portfolio managers in their previous lives, and they've kind of come across because it's easier to I think it's easier to come from the real estate or whatever asset class that they're working in, to then learn the kind of specialist, you know, all the other facets that you need to understand to be a specialist.

00;48;19;15 - 00;48;38;21

GUEST

I find it very hard for a, say, a pure sales person to come across. And really, because real estate isn't a need. People think it's an easy asset class. And I think because people live in it, they work it, they play in it, they really understand it. But not until, you know, and you don't have big investment houses doing it for people who kind of just shoot off the hip.

00;48;38;21 - 00;48;50;23

GUEST

There is hundreds of people who come together to create kind of best in class strategies. So you really want people who have, you know, lived and breathed real estate as well because, you know, it's not something that you can just.

00;48;50;29 - 00;48;51;13

HOST

Wing.

00;48;51;15 - 00;48;55;14

GUEST

Pick. Yeah, I like to say that that you could, but you, you, you just can't. You can't.

00;48;55;14 - 00;48;59;20

HOST

It's not best with the money and the people you're dealing with and just the expectations is, is vast.

00;48;59;20 - 00;49;17;24

GUEST

And especially when it's big real estate, you know, you're not talking, you know, a couple of hundred grand. This is, you know, multi billion dollars or euros or pounds or whatever currency you're in. The you know, we're investing, you know, and you see some I was looking at a deal end of last year or until the middle of last year at 1.3 billion.

00;49;17;26 - 00;49;33;08

GUEST

You know, they're not small assets. So you have to really have conviction and data behind that while you're doing that deal. Because an investor will, you know, take not take you on your work. They do their due diligence. But again, if you've made a bad call, you have to have, you know, a good reason why that's been a bad call.

00;49;33;14 - 00;49;44;10

HOST

You moved relatively recently within the last couple of years to, to DWS from Aviva. What was behind that? And can you just give me a bit of overview of AWS and your role and what you're doing with the business?

00;49;44;14 - 00;50;10;12

GUEST

So, you know, I would have stayed at a Veeva, a really great team. And actually the fund manager that I was working for on the value add fund was, you know, a dream to work with. He's actually one of the best

value investors I've ever had the pleasure of spending time with. But the Aviva group, made a decision to sell off part of the European business, you know, part of the insurance company which impacted the real estate team.

00;50;10;13 - 00;50;30;09

GUEST

And I felt that my career's always from when I've been a specialist, has always been, you know, focused on European strategies facing out to global investors. Quite hard to do that when you don't have a European team because, you know, your competitors are big real estate houses, big asset managers with, you know, what we call boots on the ground.

00;50;30;09 - 00;50;53;03

GUEST

So if you've not got the boots on the ground is quite hard to do. Real estate. Well and I felt from, kind of, you know, trying to capital raise from that side, the role was really difficult. And AWS, although probably not the brand name that you hear very much on this side of the channel. You know, in Germany, huge is obviously Deutsche Banks, as was Deutsche Bank's asset management company.

00;50;53;05 - 00;51;08;16

GUEST

And so for me, that was a good opportunity to be able and they hadn't had somebody in this role specifically that had different flavors of specialist. But, you know, they wanted somebody to come in and really own that that space, which is what I've come in to do.

00;51;08;23 - 00;51;15;22

HOST

And is your role still real estate focused or. It's broad. It's cover all those different types of asset classes that we spoke about earlier.

00;51;15;25 - 00;51;49;13

GUEST

I mean, reinstate debt and equity. Yes. But no, you can't be a true specialist if you're trying to do kind of more than one real estate, you know, real estate or infrastructure or private credit, because you really need to understand the markets that you're in, really understand kind of, you know, on a very technical level, when I'm talking this time, asset classes in terms of office, retail living, if you don't, then you can't really have those, you know, really good conversations with investors because they'll start interrogating you and they'll find out very quickly that you have this level of knowledge where you need to have this.

00;51;49;13 - 00;52;01;02

GUEST

So and especially also when you're talking to fund managers, you if you don't know your asset class, how you expected to challenge them on their decisions or kind of their opinions. If you don't have the same.

00;52;01;02 - 00;52;14;21

HOST

Can you can you shed a bit of light in terms of what investors are demanding? And do you do you kind of create the product in response to investor demand, or do you create the product and then go and find investors? And can you share a little bit of insight in terms of maybe like what that pipeline looks like?

00;52;14;23 - 00;52;35;06

GUEST

So I, I have a very strong opinion about how product funds should be created, strategy should be created, it should be investor led. Because there's the old adage, you know, we will build it. They will come does not exist in today's world. It's so competitive and actually because we used to, you know, the asset classes were very box, you know, 20 years, 25 years ago, very bog standard.

00:52:35;06 - 00:52:56:05

GUEST

You had office, you had logistics or industrial retail. And actually in the UK. No, we did real estate and estate residential, but it was pretty much those are the core asset classes that you had. Now you've got so many different kind of subsectors, niches that you can't just build something in diversified core funds. Yes, but the competition is so high in Europe.

00:52:56;11 - 00:53:17;22

GUEST

I think there's 1617 firms in the In Rev Odyssey, which is the the indices for local diversified funds. You can't compete against you know, when they've got seven 8 billion. There's no chance that you're going to you know unless you start absorbing other smaller funds there's no chance that you compete in that. So for me it's you know, what is going to be appealing to investors.

00:53:17;22 - 00:53:35;27

GUEST

What is the next big thing that you know from a value out perspective, but also what can be a long term, long term core play? And is there anything you know that we can do around the edges in terms of, you know, interesting opportunities because they don't sometimes sit in structured vehicles like open ended, closed ended funds.

00:53:35;27 - 00:53:38;00

GUEST

So those those are the kind of things you can do.

00:53:38;06 - 00:53:51;15

HOST

So talking to them, understanding what it is that they want to do and their risk profile and how they want to allocate that capital into each asset class, and then kind of curating those vehicles, as long as they're structured financially well enough to pay your fees and reward you for doing it, but also get the returns off the back of it.

00:53:51;16 - 00:54:12;19

GUEST

That's the beauty of, funds, is that they are structured in a way that you have, you know, what we call, the, the rack rates, which is kind of just, you know, your standardized fees. And often the investors will come and negotiate those off for you, but, you know, do have some margins built into that when you come to new single deals or segregated mandates where really you're creating a bespoke strategy.

00:54:12;19 - 00:54:44;17

GUEST

This is where I think a lot of houses have semi shied away from doing those over the few years because we've got very aggressive on knocking each other down because it has been so competitive. I can remember a mandate a few years ago that one other small asset manager, I wouldn't name them, but well, they basically put a fee in of 12.5 basis points for a very large mandate, which for the rest of the market that was doing, you know, some 30, it was like, okay, so you've really undercut us just to get this mandate, but then that sets a new baseline.

00:54:44;17 - 00:54:45;01

GUEST

And so.

00:54:45;01 - 00:54:49;05

HOST

An expectation. And how did you get an a basis point is a percentage of a percent.

00;54;49;05 - 00;55;11;15

GUEST

A percentage of percent. Yes. And it it then becomes, you know, how do you run a business when your margins, you know, at the end of day, we've got people to pay and it's not necessarily about, you know, with charging hundreds of basis points and where, you know, or driving Ferraris, it's actually if we're charging such thin fees, then actually how do we pay for the best talent?

00;55;11;15 - 00;55;16;13

GUEST

Because that, you know, at the end of the day, the best assets within a business are the people that work for you.

00;55;16;14 - 00;55;29;23

HOST

Sounds that you work in recruitment, you should to at least, you know, banging the drum. No, but you're absolutely right. If you're if you can have your basis points, your fee level is so low, how are you going to be able to afford, attract, retain the best talent to get the best returns for your investors as well?

00;55;29;23 - 00;55;58;28

GUEST

Fundamentally, especially now, I think, where we've got the tech industry competing against the investment management industry for talent, it's like, how would you then compete with those those firms which are kind of say the warm, fuzzy office spaces where you've got slides and got your cafeteria with the fancy food and you'll, you know, it's a relatively nice salaries compared to, I'd say in real estate, you know, you've how do you attract that talent then if you can't pay, you know, all creates an environment where young people want to come in and work.

00;55;58;29 - 00;56;03;06

GUEST

And if you can't pay them, then, you know, at the end of the day, the young people that's, you know, what? They there's.

00;56;03;06 - 00;56;09;16

HOST

Only one. As we look forward, what are you most excited about in terms of the market and where you're currently sat right now?

00;56;09;16 - 00;56;27;07

GUEST

So I think so. Since the pandemic, I've noticed a stark change where everybody's been banging on the the green drum for, you know, five, five, ten years. And it used to be kind of the footnote at the end of every presentation, kind of every conversation. It was like, oh, do you do it? Yes. How would you do it?

00;56;27;07 - 00;57;04;22

GUEST

We don't like this tick box. Since the pandemic, I've noticed every the whole and the entire industry in the investment world has suddenly turbocharged its focus on ESG, sustainability, impact. Whatever kind of cut you want to call it. And the regulations have also been changing quite significantly. So that's a really interesting part of the market to be, not only because see the opportunity set there, but from a personal perspective, actually seeing that the impact that we can have on our built environment is is fascinating because, as you probably know, real estate creates, you know, over a third of global carbon emissions.

00;57;04;25 - 00;57;11;26

GUEST

And, you know, how we can help mitigate that going forwards is, you know, for us as the industry to to challenge.

00;57;12;02 - 00;57;15;18

HOST

And that's direct response from investors wanting that product.

00;57;15;18 - 00;57;35;29

GUEST

You know, this is this is a lot of it is from a you see a lot of people in the industry want that change. Because again, you know, we've all signed up to the UN sustainable Development Goals as businesses, but also from you know, most of us in the industry, we can see the, the, the change that needs to happen, the transformation globally.

00;57;36;03 - 00;57;53;12

GUEST

So you've got people who, you know, very, very focused on it. You know, I have some colleagues who, you know, who sit in our ESG teams who are so passionate about. And it's amazing sitting there. You kind of live, you know, take off that energy. And for me, it's, you know, actually, you know, we're custodians of the built environment.

00;57;53;12 - 00;58;11;09

GUEST

If we continue to where we're going, we're just going to not leave it for children, grandchildren, you know, where we know if we don't make these changes now, which possible, we're not going to achieve any of these new targets that have been set out by, you know, cop 20, whatever it is now and the UN's all the regulations that have set out.

00;58;11;09 - 00;58;29;18

GUEST

So it's it's really important for the industry to do it. But, you know, investors, are you all saying think the Nordics and the Netherlands probably the most sophisticated. And they're challenging us? Quite a lot on the technical side of it. So we're all learning at the same time because it's brand new and it's evolving on a weekly basis.

00;58;29;18 - 00;58;46;00

GUEST

So, I mean, we we've got fund that we're currently trying to launch. It's an impact strategy. And the regulations are changed again to like, oh God. Now going to go back and change our strategy. So we're ahead of the game because you always want to stay one step ahead in terms of regulation. So you're not having to change it once you've got investors.

00;58;46;00 - 00;58;50;13

GUEST

And but it's just unheard of in the real estate industry. That stuff moves so rapidly.

00;58;50;13 - 00;59;04;26

HOST

Outside of, work. You are a mentor for game, which is girls are investors and also moving ahead. Can you tell me a little bit more about those and what they are and why you're involved, and in what capacity?

00;59;04;29 - 00;59;27;27

GUEST

So gain has been something I've been doing for a number of years, and it's basically a charity that looks

at bringing more females into the investment management industry, irregardless of that of their background, because as we know, you know, there's been a huge push for kind of, I say, more diversity within the industry. But that all starts with pipeline.

00:59:27;28 - 00:59:47;04

GUEST

No, we've got, you know, some really great senior women, but they're few and far between, especially on the real estate side. So for me, it was like I got a call that sending the elevator back down. How do you create that pipeline of young talent that don't necessarily know about the industry? And Go Girls? Some investors is a great organization that does that.

00:59:47;04 - 01:00:12;21

GUEST

They basically link you up with schools and universities, and you go in and either speak to them about your industry or just generally about the investment management industry. They also just ran a really cool investment challenge where they had, schools, basically more on the liquid market, so on equities. But you were speaking to the students because they had to put together a pitch of why their stocks were doing, you know, what their recommendations were.

01:00:12;21 - 01:00:26;25

GUEST

But it was basically just to get out there and show that, you know, actually there are women in the industry. This is how we get into the, you know, like, note what we're doing now. How did you get into the industry? What did you do? Is it hard? Is it, you know, can you stay in there long term?

01:00:26;25 - 01:00:34;27

GUEST

What's the career path. Because obviously I think a lot of people when they look at investment management, investment banking, they just think, you know, guys in suits on phones.

01:00:34;27 - 01:00:57;15

HOST

With talking lots of jargon that they can't even understand. What does that even mean? But actually, when you try and break it down and layout, lay out the steps. If you've got the yeah, the baseline intelligence, you know, an ability and application and tenacity and you can kind of push through that imposter syndrome. We've spoken about. You know, it is a very rewarding and exciting career that you should absolutely take advantage of.

01:00:57;16 - 01:01:20;07

GUEST

And I think a lot of people, because they, you know, like we were saying earlier, don't really have that exposure unless, you know, you've got family who do it. It's to create that exposure far younger age because you make, you know, quite large life decisions at GCSE, A-level. And then when you're choosing your degree that really can affect or they do impact your, your future path.

01:01:20;07 - 01:01:38;29

GUEST

So actually if you get to them early enough and say, hey, actually there is this whole career path or set of career paths that you could potentially be interested in. It's not just the, you know, a lot of people, you don't grow up and go, I want to be a real estate investment specialist. Do you want to be a doctor, a teacher, a lawyer, but because you just don't have that exposure at a young age?

01:01:38;29 - 01:01:57;03

GUEST

And so there it's basically just trying to broaden the knowledge, make them feel that they're actually there

is opportunities for them, whether it, you know, you can be accountant in, you know, can be a lawyer. You can, you know, be a salesperson. And it's not just you have to be a fund manager. So it's providing them. But also we do want female fund managers.

01;01;57;03 - 01;01;57;14

GUEST

I'm not saying.

01;01;57;15 - 01;02;15;06

HOST

Yeah, I was going to say so if you if you're a senior lady who operates within the real estate investment management space, do they go and just check out gain online. And likewise, if you're a lady, you know, who's exploring your career options at the moment or you're in the path a couple of years into it, who would want to be linked up with someone a little bit more senior?

01;02;15;10 - 01;02;17;02

HOST

They do go to gain as well.

01;02;17;07 - 01;02;39;11

GUEST

Yeah. They also have, job postings that they put on their website for all the different opportunities that that a number of companies have signed up to work with them so that they can obviously put their job postings in there to help broaden out that that pipeline. But I've done some really interesting talks with students because again, and it's also they're actually really good because it's not necessarily just girls.

01;02;39;11 - 01;03;01;18

GUEST

I've gone to some schools where the, the socio economic backgrounds of the kids are quite varied and disruptive and actually going in there. And I gave a presentation which was basically what I did was I printed out loads of £50 notes, fake notes and was like, right, we're going to play a game. I'm like, what is your, you know, put put the money where you think that stuff should go.

01;03;01;18 - 01;03;18;06

GUEST

And it really connected with them because, you know, I think a lot of younger kids who don't come from wealthy backgrounds, having cash in your hand for them was, oh my God, actually, this, you know, this for me makes it real. Where you're talking about, you know, a job where you you're on an Excel spreadsheet or in a computer.

01;03;18;08 - 01;03;21;12

HOST

Financial engineering deals, it doesn't quite connect to resources.

01;03;21;12 - 01;03;42;10

GUEST

Actually. Like I spent a think two nights cutting out £50 notes on paper. I put them in stacks though, but it was for them. That was a really great way, and I've worked with them, you and I, which is the Urban Land Institute who do this thing, I think do an urban plan with schools as well, which is also about town planning and impact of your local community.

01;03;42;10 - 01;04;06;23

GUEST

And it is quite you go in and basically you they get a big plan and they've been told that, you know, this is what's happening. You how do you want to set out your, your local area. You know, price up the houses.

Where does the social housing go? Where's the community center and everything. And actually, you know, I go in there and you got your little you they group up by themselves and you've got, you think the usual nerds, you know, they will be the ones that are going to do the best.

01;04;06;23 - 01;04;28;09

GUEST

Actually, one of the last ones that I did there was a group of girls. And you, you should never judge a book by its cover. And this is a great example of that. A very unruly, very loud group of girls hoodies. And I was like, oh, they're just going to obviously not take any notice of me because, you know, I've got quite a plummy voice considering the background.

01;04;28;11 - 01;04;47;11

GUEST

And they were the best. I was really. I was so shocked. They messed around for a bit, but the presentation at the end they gave was so phenomenal for for the group. I was like, great. Yeah. And that she some of them connected with me on LinkedIn. So I was like, this is, you know, great that you can reach out because the industry doesn't need to change.

01;04;47;11 - 01;05;08;13

GUEST

You know, I think we're changing fairly slowly in terms of the types of people and backgrounds of people that are in our industry, because, you know, you get that group think, don't you, when you've just got one specific set. So it's it's been you know, I'm really involved in trying to change that dynamic. And it's great seeing that coming through the pipeline now.

01;05;08;15 - 01;05;08;22

GUEST

I mean.

01;05;08;22 - 01;05;27;07

HOST

More people like you, get involved with these organizations. And opening people's eyes up to the possibilities within the real estate space is, is we draw to it to a close. A question I ask everyone who comes on the podcast is, if you were given 500 million pounds worth of equity, who are the people? What property and which place would you look to deploy that capital pounds?

01;05;27;07 - 01;05;57;25

GUEST

Oh, I know where you work in euros. So I for 500, I would like to do a European portfolio and I would look at what we call sustainable next generation office, which is taking stranded, grade B or below office spacing and doing a deep retrofit to make great a brand spanking new one up Brunswick, new bit of a c retrofitted office space that is suitable for, say, the future of work.

01;05;57;25 - 01;06;22;22

GUEST

Because as we know that, the office spaces sort of kind of go in the way that the retail did when e-commerce first came out. But we think that well, I think that, you know, this is going to be, you know, great locations, great assets, probably less floor space, but this is where occupiers are going to need to be to help with their sustainability strategies, but also where they want to be to be able to attract talent and keep talent.

01;06;22;24 - 01;06;27;00

HOST

And who are the people that you would get along the journey to help you with that?

01;06;27;03 - 01;06;28;00

GUEST

AWS obviously.

01;06;28;02 - 01;06;36;15

HOST

Is there anyone else from, you know, your career journey or the you look out into the market, you go, you know there are there are a leader in this space or, you know, I'd love to offer their expertise or input on it.

01;06;36;20 - 01;07;08;18

GUEST

I would, but that'd be also naming some competitors in terms of fund managers. No, there are some, you know, and also the living space, I think affordable housing, you know, from a sustainable and impact point of view, especially in the UK, so needed and actually from an investment point of view is a very good investment case. But from a personal perspective, I've been working, you know, across a number of, I say resident your built around strategies and this is the one spot in the UK which I think could do with some heavy investing.

01;07;08;18 - 01;07;25;07

GUEST

I mean, there's a number of strategies I've seen that, actually do more really well in, in that space. But it just needs more. I think a lot of people think about social housing. They think, oh, the returns aren't going to be that good. Because again, at the end of the day, we're all looking for, you know, we wouldn't be investing if we were looking for some form of return.

01;07;25;07 - 01;07;28;22

GUEST

Right? So yeah, but I think that's a really good space to be looking at.

01;07;28;24 - 01;07;43;18

HOST

Make some sense. Well, I guess one last question and I was going to say what what advice would you give to, you know, young ladies looking to kind of get into the real estate space. But I don't want to keep it as just young ladies. What what advice would you give to a young person getting into the real estate space or wanting to get into the real estate space?

01;07;43;19 - 01;07;50;07

HOST

You might struggle with imposter syndrome and might struggle with a bit of lack of direction. What would you say to that individual?

01;07;50;10 - 01;08;24;16

GUEST

I would say go do either your CFA or your, APC, because that would always stand you in good stead because people look for that kind of degrees. Unfortunately, these days everybody has them. And the next step is to do professional qualification. And actually you see more people in real estate doing IMC, CFA now as well as doing an APC, because again, in terms of the financial kind of element of of, of the industry, but I would say you know, you just have to network because it's still that it is who you know.

01;08;24;16 - 01;08;44;24

GUEST

And that's always that's stood me in good stead is, you know, people I've met throughout my career, I still, you know, speak to them now because, you know, you go to conferences, you go to meetings and, you know, we work, we move around as you know, it's a small industry. We all move around. There's very few faces that, you know, I'd say relatively new, across across all of Europe.

01;08;44;24 - 01;09;04;07

GUEST

But it would be good. I think people just trying to start out try a bit of everything, because I think until you've really unless you kind of go into asset management, you know, and that's your thing, try something a little bit of everything. And I think that I've found my perfect career because I did a little bit of everything and I think some of the best.

01;09;04;07 - 01;09;23;03

GUEST

So the current fund manager I'm working with, the moment she's, she's come from transactions. She hasn't just done a portfolio management role. And I think that makes you a better fund manager because you've got that a different aspect. You've not just done one thing. So I think having a broader exposure across your career path is always I don't know.

01;09;23;03 - 01;09;28;11

GUEST

That's from my personal perspective, because it just gives you that understanding of what other people do as well. I think.

01;09;28;12 - 01;09;43;23

HOST

Yeah, makes complete sense. But Izzy, thank you so much for joining me on the podcast today. I've really, really enjoyed the conversation and certainly learned an awful lot. And no doubt, the people listening to this will do as well. So all the best with 2023 and excited to see what you and the team got to keep you on that.

01;09;43;28 - 01;09;49;25

GUEST

Right. Thank you very much.

01;09;49;28 - 01;10;10;01

HOST

Thanks for listening to this episode of the People Property Place podcast. If you found it insightful, feel free to share it with a friend or colleague. Subscribe. Give us a rating like or comment. It helps tremendously. It'd be great to hear from you on LinkedIn. I'm super open minded to recommendations of which guests you think we should get on the podcast, or areas of the market that we should explore further.

01;10;10;06 - 01;10;42;23

HOST

So do drop me a message. The People Property Plays podcast is powered by Rob on the team recruit experience, talent for real estate, private equity firms, investment managers, rates, property companies and advisory firms across the investment asset management, development, fund management, ESG cap market, investor relations and general practice space. So if you're considering your career options at the moment or looking to attract top talent is going to work for you, head over to the website [Twitter cockburn.com](https://twitter.com/cockburn.com), where you can find a wealth of resource to aid your search.

01;10;42;25 - 01;10;45;19

HOST

Have a great day wherever you are and I look forward to catch you next time.