

00;00;03;29 - 00;00;25;02

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, shakers, innovators and leaders in the real estate industry.

00;00;25;05 - 00;00;53;04

HOST

In this episode of the People Property Place podcast, I sit down with Josh Liaw, CEO of elite UK REIT. He brings over 20 years of experience in real estate fund management, banking and treasury. Josh has held leadership roles in institutions such as Citibank, Standard Chartered and Lendlease, with vast experience spanning Singapore, Malaysia and the UK. We explore his journey, discussing key career moves, leading high performing teams and acquiring government backed assets.

00;00;53;06 - 00;01;16;29

HOST

We also dive into Josh's perspective on investing in the UK real estate market. The significance of being listed on the SGX and his approach to ESG principles and countercyclical investments. Plus, Josh shares personal insights on the sacrifices of working abroad and Alex is the ultimate question. Where would he invest 500 million pounds with a capital? Josh, welcome to the podcast.

00;01;16;29 - 00;01;23;00

HOST

I know you're over from Singapore for a couple of months in the UK, so I really appreciate you fitting me into your busy schedule.

00;01;23;02 - 00;01;29;04

GUEST

Thanks, Matt. Thanks for having me. Hi everyone. I'm Josh Liddell, I'm the CEO of elite UK REIT.

00;01;29;06 - 00;01;50;15

HOST

And it gives me great pleasure that you join me today. So like I said, Josh, we're kind of sat down early part of October. You're over from Singapore. We'll get on to talking a little bit about your background and story and how we how you view the market and what the opportunity is for early. But a place I always like to start these conversations is, can you cast your mind back and just talk to me around university?

00;01;50;15 - 00;01;53;07

HOST

Because if I'm not mistaken, you did economics, right?

00;01;53;08 - 00;02;18;01

GUEST

Yes, I did actually. Other quite interesting story of where I started. I'm Singaporean, I grew up in Singapore in the 80s when Singapore was coming from a third world country to where it is today as a first developed nation, but it also is very tough days, but also very frightening. And, it's no part of the world because I think we see a lot of growth and a lot of hard work, a lot of, you know, diligence in where the country was going.

00;02;18;03 - 00;02;40;18

GUEST

So I you're right. I have a degree in economics from Singapore Management University. But in single we do national service as well. So when I was doing National service, I actually took a other degree in logistics from the right university in Australia. So I'll have two degrees, but I don't use them really actively in my line of work.

00;02;40;21 - 00;02;59;04

GUEST

It's also quite interesting that I actually went to learn Japanese on my own when I was a teenager. At 14 years old and in university in my second year university, I got the scholarship and I went to study in Tokyo. Again, I don't use Japanese in my daily job, and although I'm rather fluent in it, so it's it's a very interesting story.

00;02;59;05 - 00;03;03;10

GUEST

My background, I have all these, you know, qualifications which I don't use.

00;03;03;13 - 00;03;17;04

HOST

Yeah. But also in terms of the timing, as you touched on in terms of Singapore kind of developing, moving, kind of changing into kind of a first and developed country in terms of the active service. How old were you when you had to do that?

00;03;17;05 - 00;03;20;28

GUEST

I think I was 18 or 19 years old.

00;03;20;29 - 00;03;22;07

HOST

And what did you have to do?

00;03;22;09 - 00;03;29;06

GUEST

Well, I was actually a defense artillery officer. We fired if a French missile, actually.

00;03;29;09 - 00;03;34;22

HOST

And that was based in Singapore. So based in Singapore. And you had to do that for a year and.

00;03;34;24 - 00;03;50;17

GUEST

Two and a half years in those days. Now it's two years. But back there was two and a half years. So two and a half years of your prime youth days. You have to you have to give it up to the country. But you book in every month and every Sunday night, and you book out every Friday evening for two and a half years.

00;03;50;17 - 00;03;51;26

GUEST

So it's a big sacrifice.

00;03;51;26 - 00;03;55;04

HOST

And you're like, trained in kind of military.

00;03;55;06 - 00;04;02;21

GUEST

Yes. I'm trained in M-16, two missile systems, one portable radar pistols, I think.

00;04;02;23 - 00;04;06;24

HOST

Wow. So are you kind of a reservist by proxy then? Yes. Oh, yes. Yes.

00;04;06;24 - 00;04;22;19

GUEST

So you're a reservist until the age of 50? I think if you have, officer and if you have completed ten rounds of this service, you get called up every year. You could deploy if you're overseas, you know, if they're working overseas. But there is always a limit in terms of each. You get called up.

00;04;22;22 - 00;04;29;07

HOST

And so as part of that period you also did an international logistics degree. Yes. In Australia.

00;04;29;10 - 00;04;31;05

GUEST

Yes. It's actually a correspondence course.

00;04;31;05 - 00;04;33;08

HOST

It was a correspondence course. Why did you choose that?

00;04;33;09 - 00;04;52;25

GUEST

Well, at that point in time I wasn't accepted by university yet, so I wanted to get a university degree. And that sort of was, you know, what I had right in front of me before I went to the military. I was in the, I was in the polytechnic, and I had a diploma in logistics and operations management.

00;04;52;27 - 00;04;56;18

HOST

So you didn't fancy sticking in the Army? Well, no, no.

00;04;56;18 - 00;05;04;26

GUEST

No, no, that's that's just like, you know, a rite of passage. I think not many people will stay on. It's just giving back to the country.

00;05;04;29 - 00;05;14;14

HOST

So you graduated having done your logistics degree, but you also got an economics degree. You entered into banking, if I'm not mistaken. How and why did you choose that.

00;05;14;17 - 00;05;37;01

GUEST

Well, this was another interesting story. I have actually wanted to be in public service to work in the government. So up to the very last stage I thought I was going to join the Foreign Service, but I didn't. I didn't get through around the time I was dating and this lady who is now my wife and I asked the, hey, do you wanna hang your hang out this afternoon and see the other kind?

00;05;37;06 - 00;05;55;23

GUEST

I've I've got this entry exams to city management associate program. And I said, but I can I can do this after that. I don't be waiting around for you. So why don't you just join for the exams? So I did, and I think out of 9000 candidates, they selected six. I was one of the six. She wasn't.

00;05;55;23 - 00;05;57;09

GUEST

So she married me.

00;05;57;11 - 00;06;01;09

HOST

So you so. So she told you to apply for the city rotation?

00;06;01;13 - 00;06;07;22

GUEST

Yeah, well, she said she was going to do it and I said I've nothing to do better to do for it for the morning. So I.

00;06;07;25 - 00;06;10;19

HOST

So you literally just turned off and you did. You did the exams.

00;06;10;19 - 00;06;11;18

GUEST

Yes.

00;06;11;20 - 00;06;17;18

HOST

So tell me then as a, as a kid, kind of what kind of kid were you, the academic, studious sporty?

00;06;17;20 - 00;06;41;00

GUEST

Well, yeah, I was a little sporty. I was a bit, mischievous, but definitely quite lazy and always trying to find the quickest way to do things. I worked very hard, actually, later in later years, to try to be, ahead of my peers. And then I realized I'm not particularly very academic in the sense that I try very hard, but I never did very well in exams.

00;06;41;02 - 00;07;12;23

GUEST

I the point in time. I then made a decision to actually do something a bit more special. So I stand out so that I would stand up when I graduate with my peers, with my cohort, the first year where I was in secondary one, so about 13 years old, I picked up French. I gave up after one year because not because I was bad at French, but because I felt that in Asia back in the 90s, French was not going to help me a lot, or was was going to give me the opportunities that, you know, as a language, foreign language could give me.

00;07;12;26 - 00;07;32;06

GUEST

And at that point in time, I took a rational decision. At that time, Singapore's largest economic trading partner was the United States and Malaysia and China and then with Japan. So I picked up Japanese at 14 years old on my own. And back then I, you know, we don't have all these, you know, online resources that we had.

00;07;32;08 - 00;07;43;25

GUEST

I went to the library, pick up a book, learn the script. There are three scripts in Japanese, so I picked up one script over one weekend, another script over the other weekend. And that's how I got started with library books.

00;07;43;27 - 00;07;54;09

HOST

But to get into city and to kind of pick up, pick up Japanese like that, you must have been gifted academically of sorts. Over, well over others.

00:07:54;11 - 00:08;16;05

GUEST

I, I well, so I realized much later on that even though I was not looking, I was an exam smart. And that's what you need to be to is the system. So I wasn't playing to that game. I learned later on how to be really good at exams, and I think I did very well in university. The I think the theory though that we've got two languages, it's a bit like languages.

00:08;16;06 - 00:08;27;13

GUEST

If you look at the grammar of many languages, it's a pattern, right. And the mathematics is it's the study of patterns really. So it is quite similar. That sense.

00:08;27;16 - 00:08;39;14

HOST

So if you could learn the pattern, it gives you the ability or the playbook to unlock the rest of the game. So you landed at city. And can you just talk to me about the kind of the rotations of the coverage and the role that you, that you did.

00:08;39;16 - 00:08;59;22

GUEST

Yeah. So I think as a management associate in the early you know, one year of, of my, of my journey within the bank, I had to rotate within, different departments. I went to finance, I think almost quit after week. It was really tough and quiet. We could hear a pin drop, basically. So not quite what I thought I signed up myself to do.

00:08;59;25 - 00:09;19;29

GUEST

And it gets particularly hard when I, you know, catch up with or with my cohort. Meet the other five people who was in debt. And we all like, you know, 20s, right. And you catch up at drinks and everybody's telling, telling everybody, sharing that everybody else. Oh, how great my day was. I did this, I met the client, you know, and I was like, yeah, I just did excel.

00:09;20;01 - 00:09;21;19

HOST

So it's literally just Excel.

00:09;21;21 - 00:09;34;07

GUEST

Yes. Then. But that actually was a very, very good foundation for banking because if you're unless you're doing PitchBook, you're doing running models. That's really what you, you know, need, you need to be good at.

00:09;34;09 - 00:09;37;12

HOST

And what what sector were you focused on at that particular stage.

00:09;37;12 - 00:09;57;02

GUEST

So after the rotations I when this the real estate department, I think many of your listeners, if they been to Singapore or have seen pictures of Singapore before, there's this very, you know, grandiose thing, Marina Bay Sands with a rooftop swimming pool. It looks like a little bit of a boat push on three buildings. So that was one my deck.

00:09;57;02 - 00:10;04;22

GUEST

You know, I think debt financing. Do I did when I was in the banking, and I did that well at the very early age, you know, in banking.

00;10;04;22 - 00;10;06;18

HOST

So you're responsible for kind of underwriting it.

00;10;06;23 - 00;10;14;26

GUEST

Yeah. I was, helping out with, the credit paper, you know, doing the negotiations with the lawyers. So that was.

00;10;14;26 - 00;10;18;10

HOST

Yeah, that was your first kind of route or exposure to to real estate?

00;10;18;10 - 00;10;38;00

GUEST

Yeah. But I think with, with regards to real estate financing, back in those days, I felt very privileged to be able to be, part of many of these, transactions. Why? It's because, you know, you can tell your girlfriend and you could tell your friends. Friends, or you can tell your family. Hey, you know, I was part of that building that you see over there.

00;10;38;02 - 00;10;45;21

GUEST

Whereas I got friends in aviation financing and ship financing. The ship sails away, the airplanes flies away. You never get to see it again.

00;10;45;23 - 00;11;00;27

HOST

Yeah, quite. Whereas at least you can kind of point to something kind of tangible, physical, living, breathing. I think that's why a lot of people get into real estate or like real estate. So how did you how did you all kind of role evolve? What other kind of projects did you work on?

00;11;00;29 - 00;11;23;17

GUEST

I think, after we did the that particular financing, this is in 2008, we were rubbing a heads together. I was at least and say, oh, it's going to be big this time, right? Because, you know, we've close a big deal. But then Lehman happened, Lehman crisis happened. And, the whole when, you know, paci and I think Citi, for example, I recall share price.

00;11;23;17 - 00;11;45;15

GUEST

We had \$5 to \$1. And was that this really keen sense of crisis. So I think that was where I think things started to get, you know, a bit scary again. You know, you just start out a career and what's, what's going on this war. And then I think I then what happened was that I joined the Southeast Asia Pacific team, with the CEO.

00;11;45;15 - 00;12;03;14

GUEST

And we're part of a small team to really, you know, manage the the crisis at the time. Later on, I think he left, the bank and I went to join Standard Chartered Bank. So at central Bank, I really did step up to become, a front facing banker. That's, you know, of course, my early beginnings as a junior banker behind.

00;12;03;14 - 00;12;20;01

GUEST

And that's where it really gets real in those days. I recalled that some clients didn't want to speak with me simply because you don't look enough. You don't have enough wrinkles, you don't look old enough, you haven't got enough white hair. They'll tell you are so many things like, I don't think you can get me that deal.

00;12;20;03 - 00;12;49;10

GUEST

I don't think you can get me that credit approval. Wants to be your boss, not you. So I it's quite common. You get that in in Asia, in Singapore. And I think that really spurred the on to, to try to be better to, to try to, to get to know, you know, the clients better. One thing that has taught me over, I guess, the many few years after that is that all chief executive officers or CFOs or, you know, group treasurers, important people, they all people.

00;12;49;10 - 00;13;06;16

GUEST

At the end of the day, they all have problems like you and me, right? They all have families. They all have, things to worry about. So once you sort of, you've talked with the rank and you treat them as a person, if you're sincere, they will respond, reciprocate.

00;13;06;19 - 00;13;24;09

HOST

It's great, great advice. And I think you're absolutely right. I think even over here in the UK, this country, cultural nuances and people kind of look at, look at individuals maybe earlier in their journey and don't think that they're qualified or able to maybe assist. But hopefully that is that is changing. But I love the meritocratic aspect and if you're good enough, you can find a way.

00;13;24;14 - 00;13;30;27

HOST

So in terms of some of the deals in the projects that you worked on, can you just share share some of the projects that you. Yeah.

00;13;30;27 - 00;13;53;14

GUEST

So I think my career has really come a bit, full circle. So I started with having some real estate investment trust list in Singapore. And this was really the early days of the real estate sort of, sector in Singapore. The real estate sector, real estate investment trust sector, rather just celebrated its 20th anniversary, has been around for 20 years, started in 2002 with the first listing.

00;13;53;17 - 00;14;14;17

GUEST

And I think the clients that have back then us, they're still around. They are my friends and my peers and we we constantly catch up. It's a very small, community. We do catch up, you know, talk about our past stories, you know, and, and, you know, it's it's very close knit, a community, actually. So I call it a real estate investment trust.

00;14;14;17 - 00;14;35;17

GUEST

Some developers in Singapore, but also because Singapore is a bit of a hub for the region, for Southeast Asia, you invariably need to cover another some other market in the region. I was tasked with first covering Malaysia and then Thailand, and I also set up the the lending business for real estate in Philippines for Standard Chartered Bank back in those days.

00;14;35;19 - 00;14;53;26

GUEST

Later on, we did rather well with a couple of private equity real estate names, for example. It's quite close with Blackrock and and LaSalle, some of these, names, which I think they are also in this part of the world. So then I was asked to lead the equity real estate business for. So they called it in Southeast Asia.

00;14;53;29 - 00;15;01;07

HOST

So for standard charter initially what it was kind of kind of a debt lending, senior stretch mess.

00;15;01;09 - 00;15;17;01

GUEST

Everything that, you know. But it's more than that. Back those days, we did, equity capital markets as well as debt capital markets. You see, the REIT business is is one where the real estate investment trust needs to distribute 90% of its cash flows, right? So at least 90%.

00;15;17;01 - 00;15;30;14

HOST

So that that is a, a function of being a REIT. Right. That's the legislation or the governance around it to get the kind of the tax exempt status whenever it has to. You have to distribute, right, 90% of your income. Yes. As dividends.

00;15;30;14 - 00;15;50;11

GUEST

Yes. And, it only makes sense for the REIT to, to exist as a platform if it can grow. Right. And if it's trying to grow, be it through organic, development of its assets or buying new assets, that's accretive. It needs to raise capital as it's capital hungry in nature. But that's that's the beast. Or you got to keep feeding it.

00;15;50;14 - 00;16;12;09

GUEST

So it's it's actually for the banks, very lucrative. If, the REIT is looking to buy an asset, it would need to raise equity already to raise debt. And the debt could be the form of, bonds or loans. So it's really quite a sort of, you know, collective, package that you could actually deliver as a, as a bank if you have all these elements available to you.

00;16;12;11 - 00;16;24;19

HOST

So if you've got the relationships, you can then assist them with providing the structure or the products. Yeah. To enable them to acquire, develop and drive kind of income and then distributions for for owners.

00;16;24;19 - 00;16;25;17

GUEST

That's right.

00;16;25;19 - 00;16;49;01

HOST

So that was the kind of the initial part of your role at standard charter. And I guess your role became more managing those relationships, owning those relationships and developing your relationships with the Blackrock and and Lasalle's of this world. Yes. You then touched on you moved into kind of the the real estate private equity. Yes. Aspect was that kind of carved out a separate part of, of the bank, and that was where you were doing what principal investment rather than.

00;16;49;03 - 00;16;59;09

GUEST

No, not we were we're helping these sort of set of our clients but in their banking need. So mostly you be



lending but also some advisory work from time to time.

00;16;59;11 - 00;17;05;05

HOST

And you said you kind of you grew up to kind of head up the kind of the Asia coverage.

00;17;05;07 - 00;17;05;25

GUEST

Southeast Asia.

00;17;06;00 - 00;17;13;10

HOST

And Southeast Asia coverage. And what specifically were you doing and within the kind of the private equity lending stuff?

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

GUEST

Yeah.

00;17;13;17 - 00;17;15;02

HOST

So so it was still lending.

00;17;15;04 - 00;17;17;02

GUEST

Law lending and non-recourse lending.

00;17;17;02 - 00;17;18;14

HOST

Which not just a REIT's, though.

00;17;18;18 - 00;17;19;14

GUEST

Not just REIT.

00;17;19;14 - 00;17;23;04

HOST

Finds it was broader than just kind of REIT coverage.

00;17;23;06 - 00;17;34;27

GUEST

And then I think one of my clients was Lendlease. And they they've convinced me that if I was looking to to me thinking they'll be quite good shot. So then that's where I went next.

00;17;34;29 - 00;17;38;25

HOST

And at this stage, you've been in in the banking world.

00;17;38;25 - 00;17;40;00

GUEST

For nine years.

00;17;40;00 - 00;17;51;09

HOST

Nine years or so. Yeah. And it was it that kind of classic inflection point where you're thinking, do I double

down? Do I stay on the the sell side, or do I kind of move move to the buy side?

00;17;51;11 - 00;18;10;01

GUEST

Well, it was not entirely a rational decision from a financial perspective, because if I if I see the thing, I think I would be paid handsomely. Right. And you'd be MD by now, you know, although that journey to get to the end these days may not be may not be that easy, or you may not stay at the top for for quite some time.

00;18;10;03 - 00;18;24;16

GUEST

But the, the real reason why I think one one key reason why I left banking was also because, you know, I have a young children at that point growing up and need to spend a bit more time with them. And I think that was, to me, a very wise decision.

00;18;24;18 - 00;18;33;27

HOST

So Lendlease kind of tapped you on the shoulder and said, why don't you come over to the buy side? What was the role and what did you go in to do?

00;18;34;00 - 00;18;57;10

GUEST

So my role was, head of Treasury Asia for, for Lendlease and Lendlease. I think in, in Asia it's really big in Singapore and Malaysia, the exact two markets I was covering in Saint Charles and I'm very familiar with, but also in Japan. So I spoke Japanese, never got to use it, so maybe I could try to use it, but then never really, you know, wasn't really a big business during my time as a treasurer in China.

00;18;57;10 - 00;19;20;01

GUEST

So I speak Chinese as well. So it feels like, it was a job made for me. In some ways, I speak all four languages of the four markets that I covered. So I went and joined them. And I think I also that subscribe to the ethos of the group treasurer. Then to do a lot more and to, you know, with the banks that we and, and to have deeper relationship with the banks.

00;19;20;04 - 00;19;31;14

GUEST

I thought I could do that coming from the banks, you know, coming from the sell side, you know, what are some of these thinking process that I can you know, that I know that the bank's thinking in this manner that can bring over to, to this side of the table.

00;19;31;16 - 00;19;47;23

HOST

So it was just a case of trying transferring your role effectively from, from sell side to by side and then being able to kind of utilize and leverage the understanding and experience you had. Having worked on the sell side. Yeah, to kind of maybe mitigate or help or structure. So I mean, it wasn't.

00;19;47;25 - 00;20;05;09

GUEST

Just bankers, you know, they say that the worst class clients, are those that were you they used to be bankers because they, they tend to be read their minds. But I've also been told that you can also be a very good client, in the sense that before a banker ask you for a piece of information, you really know that they need it and you give it to them.

00;20;05;16 - 00;20;15;16

GUEST

So that's, you know, you also do understand the internal processes, their own internal politics, and you try to help them as the bank can navigate their stakeholders.

00;20;15;18 - 00;20;27;01

HOST

And I guess you know how to format it, present it, pitch it as well, which makes it more straightforward. Talk to me. How did your kind of role evolve, having joined Lendlease and what other kind of projects did you get involved with?

00;20;27;06 - 00;20;47;06

GUEST

Yeah, it's quite exciting being in Lendlease because it was in the growth stage. But at the start, I think one thing you have to grapple with is the mindset shift coming from banking into the corporate side of things. I'll give you an example. In banking, I guess you can step on everybody's toes, but if you get details in you, you get the revenue and you meet the budget.

00;20;47;06 - 00;21;11;24

GUEST

The boss to tell you all. Then here's a bonus, right? And in the corporate side of things, you have to, you know, hold everyone's hand. Kumbaya. You know, everybody needs to feel good, consulted, you know, listening to. Exactly stakeholders managed, you know, and then you can't you kind of need to, do that in order to, to succeed on that side of the table.

00;21;11;27 - 00;21;34;27

GUEST

The other thing is also in the bank, you're given the revenue target, right? Say 3 million or 10 million. And the MD does not really care how you get it done. But if you can just produce 11 million, 10 million, if you hit the budget, well done. Right. And you have to do a video, you just need to meet your budget in the corporate side of things you have, you have no deal situation.

00;21;34;27 - 00;21;50;17

GUEST

You have to do every deal that there is because, you know, your colleagues have brought you these deals. They need the funding. You just need to deliver on them. There is no for answer. No, it's not the answer they can give. Although I've also learned to say yes, but which is?

00;21;50;17 - 00;22;11;03

HOST

So it's a different mindset, shift from being kind of a chief for, you know, someone who's going to go out and structure and do deals and maybe have some slightly sharper elbows to someone who's going to be a bit more collaborative. Khalijah bring people in on the journey and actually have to kind of lend their hands and do deals that maybe they wouldn't have picked, but actually fits the wider company's strategy and plans.

00;22;11;03 - 00;22;16;08

HOST

And they need to play their their part or their very small part in the wider process to get it done. Yeah.

00;22;16;11 - 00;22;38;17

GUEST

But it was look, I mean, it was still very fun. I think, back then was just me and a head associate. We're running deals are billion dollar deals for the company, including development financing for projects in Singapore, construction financing or development financing. Malaysia and bonds, secured bonds, unsecured bonds. And, you know, fixed income investors doing the roadshow.

00;22;38;20 - 00;22;59;24

GUEST

So that was all very, very helpful, very, very interesting to be able to do it on the other side of the table. I think the sometimes, as I recall back, when you were in your bank, you give it, you give the information, the term sheet to the client and things will start churning. But you don't you don't know exactly what goes behind, you know, close doors to the client.

00;22;59;24 - 00;23;19;15

GUEST

Actually, we do have a lot of internal, stakeholders manage legal, you know, business leaders, finance people in Australia. I mean, you hit office, so everybody needs to be happy. And then. So sometimes I think with certain deals people have some relationship with different banks. So they will tell you, oh, you know, we should work with this bank.

00;23;19;15 - 00;23;38;02

GUEST

I should walk that bank, this scratch my back the last time. So, you know, all these things, need to gel together and, and then it gets into a black box. Declined, for example, drafts of the prospectus or the information, the memorandum, the offering circular. And it comes out looking great, but,

00;23;38;05 - 00;23;39;04

HOST

There's a lot of process.

00;23;39;04 - 00;23;42;16

GUEST

There's a lot of process, a lot of pain, sweat, tears.

00;23;42;19 - 00;23;46;01

HOST

How did your role evolve? Lendlease.

00;23;46;03 - 00;24;11;06

GUEST

So then I think at the end of 2018, I think I put up my hand until the CEO said, you know, look, I've been doing this for four years. I think I'll like a different challenge. But also I felt that and then quite sadly, that we were we are on this treadmill that if at I think I was 35, 36 at a point in time I felt that, you know, they're quite happy with me and I was doing well.

00;24;11;08 - 00;24;33;01

GUEST

But could I be a, you know, senior treasurer at MD of Treasury at, at a much older stage? So doing the same thing? I think the answer is no, because, you know, I mean, as real as it gets is that, you know, at a 46 or 56 and you get to doing the same thing with for no value at you won't you probably want to be paid more.

00;24;33;01 - 00;24;56;28

GUEST

And if you're not doing more, you're not taking on, more on your shoulders. I think you actually put yourself at the risk of being made redundant. Someone could actually hire someone, more energetic, younger, to replace you. So I felt that it's it's not really a choice. I felt that you kind of need to put out your hand at certain points in the career, you know, reasonably hands on.

00;24;56;28 - 00;25;02;01

GUEST

Do more, because I still can. And I want to. And I have the ambition.

00;25;02;03 - 00;25;10;26

HOST

You had the ambition. You didn't want to be doing the same role for the future. Yeah. And you just wanted to kind of protect yourself, but also find something that was going to still be stimulating provided you challenge and.

00;25;10;26 - 00;25;12;10

GUEST

Learning new things. Right.

00;25;12;13 - 00;25;15;26

HOST

So you had that conversation with the chief exam. What what role did you move into?

00;25;15;26 - 00;25;44;09

GUEST

And so I think it was a very helpful conversation. And you know, I think LED is a very good company. They promote our mobility, right. And they're very adult in that sense that, you know, if sometimes I think in some companies, if you do tell your boss that I want to move on to a different role and might be taken quite badly or quite negatively, but in other companies, you know, such as the one that was at Lendlease, they take it upon themselves that you know, if we don't pull out your opportunities, you leave the organization anyway.

00;25;44;17 - 00;26;00;07

GUEST

So rather than lose you to a different organization, why don't I just give you a opportunity within the firm? And that's how I managed to stay nice. Because every turn of the way we I thought, maybe it's time to go. I think something comes along. So I think I put on my hand and said, I want to do something different.

00;26;00;07 - 00;26;22;20

GUEST

They say, okay, we'll keep going. I think your sincerity at this point in time, but let's keep a lookout. And they did. A few months later, they said, you know, somebody is moving on to to another country. Shall I take on the role as the CFO for Singapore and I think within a few months I suddenly had 33 people reporting to me, which is, I think, very interesting.

00;26;22;23 - 00;26;25;16

GUEST

So to be able to meet, such a large team.

00;26;25;19 - 00;26;27;21

HOST

And before that, how many people were you managing.

00;26;27;21 - 00;26;30;24

GUEST

Or maximum I think in the bank we had about five people.

00;26;30;26 - 00;26;36;25

HOST

So it's a big, big step change in terms of personnel and role remit, responsibility.

00;26;36;25 - 00;26;53;29

GUEST

Exactly. And understanding people management and being doing things that well. I think attrition, for example, was a issue. So you learned how to deal with it such that, you know, when when the first person quit and quits on you, it gives you a bit of, you get a bit like, unearth.

00;26;54;06 - 00;26;56;00

HOST

Your ego takes a well.

00;26;56;00 - 00;27;17;19

GUEST

Not not so much. It's more like, you know, what do I need to do? You know, you know, and it becomes, you can't because one person resigns and another person resigns, and the third person resigns the job. That's the the task that you left in the within. The team then gets spread amongst the remaining people. And then suddenly everybody feels like, you know, they're being put on the tightrope, right?

00;27;17;21 - 00;27;35;22

GUEST

So you kind of need to address that situation very quickly and very decisively. So that's what I've learned. And to this, to this day, I think that has taught me, a lot of things. But one of the one of the things that I have come up from that role is really the people management that where I'm really I'm faced if anybody quits, so be it.

00;27;35;22 - 00;27;39;18

GUEST

We have a way to deal with it. I no longer get unnerved by it.

00;27;39;20 - 00;27;53;03

HOST

But you want to make sure that you're putting the right environment in place to enable people to perform and get the best out of them. That's right. If they're not bought into the vision mission and they're not kind of aligned to the direction of the wider company, and they don't want to be there, you know? Yeah.

00;27;53;09 - 00;28;15;28

GUEST

And that's and to be honest, it's a small I think if you are dealing with the three people, you have the three personalities to deal with as well. Not everybody wants to move up. Some people are very content to, to just do the the same thing. They want to grow in the job, which is fine, because I'm not going to be, I'm not going to be able to provide to the tree, you know, for my audience every year anyway.

00;28;15;28 - 00;28;37;29

GUEST

Right. But then deal with some who really want to get ahead and very motivated. And then, you know, these are the high potentials, but you know, it not not, you know, not every path is meant for everyone. And everybody will choose their way. So understanding where people are, you know what they want in their jobs and how they want to achieve those, I think is very important.

00;28;38;02 - 00;29;22;03

HOST

A composite of the team dynamics, management, leadership. Did that come naturally to you? Did you have to work quite hard on, quick one from me? If you haven't already subscribed or followed this show on the podcast or app where you listen or watch, please do. It takes 10s and helps tremendously. I've got really big plans for people property plays podcast and that one small action really, really helps grow the show and the present and enables us to keep doing what we do.

00;29;22;04 - 00;29;31;16

HOST

So if you haven't already, please follow or like on the platform you watch or listen to. Thanks so much.

00;29;31;18 - 00;29;41;27

GUEST

The thing came naturally to me in a sense that I hadn't had no time to think about it, but to really react. If not everything you know goes past it very quickly.

00;29;41;28 - 00;29;47;04

HOST

Was it that military training that, that was instilled in you that helped?

00;29;47;07 - 00;29;51;19

GUEST

I have no idea what it is, but I just had to rise to the occasion, I guess.

00;29;51;21 - 00;29;57;22

HOST

So you rose to kind of CFO looking after Lendlease, right across the region or.

00;29;57;28 - 00;30;27;07

GUEST

Yeah. So then I think in 2019, 2018, the back part of 2018, 2019, I think, the company said, oh, with this big project, we want to do a initial public offering of a real estate investment trust of various assets listed in Singapore. And I was like, and I told the team, yeah, I think I'm quite the right person that that you were looking for, given my background banking and treasury and I was a CFO.

00;30;27;10 - 00;30;44;14

GUEST

So I put my hand and I joined the IPO team. It was a very intense ten months with regulatory filing until the memos, you know, preparing for listing till there was a lot of a lot of hard work. I think we were working every weekend for about ten months.

00;30;44;17 - 00;30;48;27

HOST

To get what the entity or the asset, the platform ready to be listed.

00;30;49;00 - 00;30;54;00

GUEST

Do. So we finally, listed in October 2019.

00;30;54;02 - 00;30;58;19

HOST

And then was it kind of a case of kind of managing that that listed REIT?

00;30;58;22 - 00;31;15;10

GUEST

After that. Yeah. So it was it wasn't the new business unit for, for the company. So we had to default like policies, you know, we could evolve here and there, but essentially all the policies had to be written right from scratch. So yeah.

00;31;15;13 - 00;31;33;00

HOST

You left Lendlease in May 2023, if I'm not mistaken. Right. And you joined elite UK. Re is CEO, chief

Executive. Can you just talk to me about why why you decided to leave and look for a new opportunity? And what was that opportunity that you go on today?

00;31;33;02 - 00;31;50;20

GUEST

For me, I think the decision was a few fold. One is I think nine is quite a long time to devote to the company. Not that it's, is a it's a bad company. It's just that I need it. I felt I need a new perspective and to think, think things differently. And the only way I can do that is if I have a new experience.

00;31;50;22 - 00;32;13;12

GUEST

I had a few offers, and then I went to to speak with my family. Asked my son, hey, are you Keith? If that went overseas for a few months to do a job? My little son said, yeah dad, I really miss you, but if that's what you want, I'll support you. And this came from a 12 year. So I was like, well, okay, this is my little baby.

00;32;13;12 - 00;32;38;16

GUEST

I didn't expect him to to be that mature, to say that. And so that I think gave me a lot of confidence. And it's not just my son, my have another son, you know, my family, my wife, they all have been supporting me on this journey. And I think I've mentioned to you that last year was a four month street in a very difficult time, and being away from family, I think there was also, you know, some sacrifices that we had to make as a family.

00;32;38;18 - 00;32;55;00

HOST

Yeah, it's no, it's no longer it's not, not no longer, but it's no, it's no individual sacrifice. It's a, it's a whole, a whole family affair, an effort to enable kind of leaders to do what they do when it comes to business. Can you just give me a little bit of context around elite UK rate and the role that you kind of stepped into?

00;32;55;02 - 00;33;21;21

GUEST

Yeah. So when I stepped into the CEO role at elite, the UK, our leverage was, I think nearing 50% in those days. So in, in Singapore context, as a real estate investment trust is regulated by the central bank MBS, you have a gearing limit of 50%, after which you you can't borrow anymore. And I think the your share price will, you know, get some, some beating back as well.

00;33;21;24 - 00;33;48;16

GUEST

So we will at the, at the edge basically. So we had to work on, you know, doing a fund raising, which I think we launched just before Christmas. And we close at the start this year, and it was a very busy time. You know, we had to do what we had to do. But I think that, to me was something that I think was very, very well respected by many of our stakeholders, investors and, you know, market watchers.

00;33;48;19 - 00;34;11;28

GUEST

They saw that we did what we had to do. It wasn't I guess nobody wants a dilutive, you know, fundraising. But we had to do it. And we used that to then sort of, you know, get our banks to support this in the refinancing. Once we had our, gearing, we set we paid our debts. We we recently refinance in July, all of our debt with no refinancing until 2027.

00;34;12;00 - 00;34;21;00

GUEST

So I think that was a very good outcome. But there was a lot of, you know, sacrifice, a lot of hard work of the team, not just me, to get to where we are today.



00;34;21;02 - 00;34;36;06

HOST

To to kind of refinance that debt, to make sure you're liquid and, and able to kind of transact and and move the business forward. For someone who hasn't heard of elite UK rate, can you just give me a little bit of context in terms of the portfolio, what's in the portfolio and how the how it's structured as well?

00;34;36;06 - 00;34;43;03

HOST

Yeah, yeah, because it's so UK REIT but it's Singaporean. Yeah is domiciled and I think there's a jersey angle to it.

00;34;43;08 - 00;35;03;26

GUEST

That's right. That's right. So it's a very curious creature really. So UK REIT this in name suggests has UK's as 150 assets, dotted around the UK. And these assets are primarily used as shop centers, you know, being leased to the Department of Works and Pension but also other government departments such as the Ministry of Defense, etc..

00;35;03;28 - 00;35;35;20

GUEST

And they use these for job in government workspaces, but entirely in the UK we are listed in pound sterling. I'll get this in past sterling cash flows in pound sterling dividends and pound sterling. But we are listed in Singapore. So that is I think quite quite I guess peculiar situation. And I think if you are investor in this market and you're keen to gain access to, I guess government cash flows there, I think there are a few rights here that has that sort of profile.

00;35;35;22 - 00;35;55;25

GUEST

You know, I wouldn't name them. But if, if, if you wanted specifically to get into the cash flows of Jobcentres, you know, given that it's, resilient, classes countercyclical, it's strange, but you have to go through Singapore, not through a long list listed entity to, to get this of exposure.

00;35;55;27 - 00;36;01;29

HOST

And so it provides retail investors or kind of sophisticated or institutional investors access.

00;36;02;05 - 00;36;03;02

GUEST

But through Singapore.

00;36;03;07 - 00;36;14;03

HOST

But through Singapore, or if they're in Singapore, access to the UK. Yeah. It's a government backed, government underwritten UK portfolio of cash flowing real estate.

00;36;14;05 - 00;36;39;27

GUEST

Yeah. If you say that and I think we often get asked this question, why would a UK REIT business in Singapore and what's the case for that. Right. The thing is, if if you or any of the listeners have been to Singapore, it's a very small country. We've run out of real estate to securities basically, and all of the 43 REIT's that's listed in Singapore, only three leads have, assets, fully in Singapore.

00;36;39;27 - 00;37;01;11

GUEST

The other 40 reads some of them have assets, some in Singapore and some elsewhere. But then there will be all these number of, REIT listed in Singapore that have exposure to various countries. For example, there for REIT listed in Singapore with the exposure to the United States, maybe to with exposure to in Asia almost entirely.

00;37;01;13 - 00;37;12;11

GUEST

And then you have like for that's entirely, you know, exposure to China and to with exposure to Europe and one us 100% UK.

00;37;12;13 - 00;37;26;25

HOST

And can you just talk to me about the portfolio, what's the value of the portfolio. And you say it's 150 properties, can you in there jobcentres predominantly you can you just give me a little bit of additional color in terms of the assets and the location and the types of. Yeah.

00;37;26;27 - 00;37;53;07

GUEST

So, I think the DWP, we've got some jobcentres, have this policy where the Jobcentres needs to be within 20 minutes of, travel bus or train travel to the Jobcentres and as such they need to be around the UK. For this. We own 136 assessors, leased the DWP of the assets that we own. The total valuation is 415 million and we just did a very recent evaluation in June this year.

00;37;53;10 - 00;38;19;09

GUEST

So that's something that's fairly recent and compared to the last valuation, which we did at year end last year actually was a slightly up 0.6% up, which I think it's it's a very small win, you know, small small increase, but at least it hasn't dropped, which is what we've saw in the last couple of years. So I think it felt like finally, things are looking a bit more stabilized with that.

00;38;19;09 - 00;38;25;02

GUEST

With the refinancing. You know, it felt that things, stabilizing for a so.

00;38;25;02 - 00;38;47;05

HOST

Out of the 150 assets, 130 odd. Jobcentres. And the characteristics of that is there's got to be one in every kind of town regionally, within a 20 minute bus or train or car ride, etc.. And so the the government effectively is the occupier is underwriting the rent. And I'm right, and saying that they pay you three months in advance.

00;38;47;05 - 00;38;47;20

HOST

That's right.

00;38;47;21 - 00;39;08;04

GUEST

They're good paymasters pays on time and three months in advance. So what we do is usually to use these rental income, they're receiving the funds. Then we use it to, bring down all temporary levels of debt. So that's probably the most efficient way of using your capital. You could take the cash and put it in 60, which we won't give you a lot.

00;39;08;04 - 00;39;26;23

GUEST

It's probably much better ticket and reduce your debt, which you have to pay a lot more into in terms of

interest. Your classic, you know, negative carry situation. And when we still need the money for working capital or we need the money for dividend payments in control back on the debt to to pay those.

00;39;26;23 - 00;39;39;24

HOST

So it makes sense just in terms of some clever structuring there and the fact that they pay three months in advance to try, isn't there quite a bit of risk having a single tenant profile against 138 150 assets or whatever it is?

00;39;39;26 - 00;39;58;27

GUEST

Well, it is in some ways if you if you if you take the view that the government is risky, but we take a different view, actually, we think that the best credit can get is actually the government credit. And our leases are not signed with, your council's design at the in the very top, right at the secretary of state level.

00;39;58;29 - 00;40;04;25

GUEST

So this is a sovereign this you could get these are sovereign cash flows, you know, in an indirect manner.

00;40;05;00 - 00;40;11;18

HOST

So it would take the the UK sovereign cash flow or the UK government to default on the portfolio for you guys not to get paid.

00;40;11;21 - 00;40;17;29

GUEST

Correct. But then I think if when that happens, I think you have much larger issues.

00;40;18;02 - 00;40;38;12

HOST

Yeah. I think you're, you're you're probably not wrong there. So in terms of the assets itself though, yes, it's government backed, but in terms of the the, the profile, you kind of looking at these assets is an ability to kind of Regier at least, and, you know, kind of drive the rental income that way or is there kind of a development or a backup business plan?

00;40;38;14 - 00;41;07;03

GUEST

I would say both. Actually. The I think one reason why our investors like the you know, elite UK suites, our portfolio is number one is government credit, right. It's government cash flows can get can get better than debt. But also it's that it's jobcentres and jobcentres. You know, there's something that's very much needed countercyclical. In fact, you know, when, when the, the, the economy is not doing so great, you know, people do use the jobcentres a bit more.

00;41;07;03 - 00;41;39;11

GUEST

So it's, you know, it's even, more cherished, in hard times, but also because of, the way, you know, your Social Security social welfare system is set up, you kind of need the jobcentres. It's resilient. It needs to be everywhere. And then from a location perspective as well. Yes. These, you know, dotted around the UK, but they tend to be in the main street or the street behind Main Street, given that they need to be close to bus and train transportation nodes or close amenities.

00;41;39;13 - 00;42;04;04

GUEST

And we we saw the in April this year, you know, Nelson market that we, we will have, sort of a broader

sort of thinking around our investment strategy. And we are open to accept other sectors, other assets, in particular living sector. So we're talking about student accommodation or deal tours in residential, especially for a bit to the residential.

00:42:04;04 - 00:42:30;09

GUEST

I think the opportunity there is is immense. For the UK. And why do we, you know, why, why do we sort of pick up living sector of, of all the different sort of sectors? Okay. I could have said, you know, logistics, I could have said, you know, retail or hotels, but I think living sector makes a lot of sense given its locations of, of these job centers or some of these assets where they are the yes, they're secondary to London.

00:42:30;12 - 00:42:42;18

GUEST

They are actually primary in the locations that they are at. So that makes a lot of sense. So of course, I think the living sector also has, you know, quite a fair bit of wind tailwind in terms of demand and supply.

00:42:42;20 - 00:42:54;21

HOST

So in terms of the backup business plan or base case, you can you can redevelop or reposition subject to planning and turn some of these assets into kind of living living assets and try and drive value that way.

00:42:54;22 - 00:43:02;15

GUEST

Yes. But I think the base case is always for us to renew, the majority of our leases, with the DWP. There has got to be.

00:43:02;18 - 00:43:09;20

HOST

Am I right in saying the DWP have got a lease event on all 136 properties of yours on one day?

00:43:09;22 - 00:43:29;25

GUEST

Yes, that's that's right. And, it's, it's think it's one slight that we put in the results slide every quarter. That's just a little bit of a reminder. And perhaps I think that's also one risk factor that investors would have in their heads. You know, when they invest in the right. And that's probably, you know, limiting where the share price, needs to be.

00:43:29;27 - 00:43:51;21

GUEST

But it is it is a reality. We inherited, these leases back in 2018 when we first bought the portfolio. Of course, we went IPO in 2020. So it's just really, dealing with the back end of, of that. But I think it's also I think you need to understand as well the nature of the leases, the nature of the properties, how they're being used, if they're being used as shop centers in regional locations.

00:43:51;21 - 00:44:20;14

GUEST

Sometimes I think these assets, I think are rather sticky in that sense. Jobcentres also counter-cyclical in terms of their use when you know the economy is not doing so well. The jobcentres are also, you know, very well utilized. So I think it's also an opportunity. I think when we really renew or view these leases in different buckets in future, I think that's also what the tenant will want to see that happen for, you know, for ourselves as well for themselves.

00:44:20;22 - 00:44:26;24

GUEST

So then nobody gets really stressed at Christmas or thinking about what cliff edge do we have to deal

with next year?

00;44;26;26 - 00;44;44;16

HOST

Yeah, I can imagine because I guess until you get those leases squared away, it must be quite challenging. But, you know, the government must be looking at alternative uses or, you know, how they can kind of rationalize or consolidate some of the portfolio. So that might be a guess, a factor to kind of think about in terms of some of these backup business plans.

00;44;44;18 - 00;44;57;20

HOST

A lot of these assets would be quite old rundown and I guess from an ESG perspective lacking from an E, how are you going to kind of managing and mitigate that?

00;44;57;20 - 00;45;20;10

GUEST

So I think, last year we we did a rigorous exercise in which we effectively remove of all these risks, and we also bank in a inflationary uplift in terms of a rental. What we then offered the tenant here was was not a rent free, but was a investment into the sustainability of the assets to increase the EPC rating.

00;45;20;12 - 00;45;41;02

GUEST

And that was taken very favorably by both sides, ourselves as well, and investors as well as them and the stakeholders, the higher ups as well. You know, these assets are triple net leases. So when they invest on the sustainability features of the of the properties, it's almost immediate win in terms of, you know, savings to the bottom line or the because of occupation.

00;45;41;02 - 00;45;59;20

GUEST

Right. And we've seen that come through as well. So we have contributed, you know, some money to to that objective. And so have they in to to sell off a green these assets because it's triple net as well. I, you know, I just woke up on this Sunday and say I want to change a light bulb so that the permission they can just barge in and do that.

00;45;59;20 - 00;46;28;15

GUEST

So we kind of need the cooperation as well. So it's actually a win win for for themselves and ourselves when it comes to the lease renewals, I think we will see a sequel of this, somewhat, which I think, will be well received, both ways as well. And to, you know, if they, able to, extend some of these leases for much longer, I think there will be definitely a case was, you know, to put up some good money to to refurbish some of these assets.

00;46;28;18 - 00;46;32;05

GUEST

Into much greener EPC rating A-rated properties as well.

00;46;32;06 - 00;46;50;21

HOST

Yeah. I guess what you'll need to just in terms of kind of getting, getting debt or satisfying your kind of loan loan covenants, as it were, but I guess, you know, looking at it from an ESG perspective, it's probably quite a strong kind of like social, impactful portfolio, just given the the kind of the Occupy and tenant and customer that they serve as well.

00;46;50;23 - 00;47;15;11

GUEST

That's right. I think the jobcentres and the the good work that the VA does in goes a long way in and, you know, alleviating poverty around the country and getting assistance to parts of the country where, you know, it's it's most needed to actually, reinvigorate economic activity in certain deprived areas as well. So it's it's a very important mission that they have.

00;47;15;13 - 00;47;26;12

HOST

Can you just talk to me about kind of maybe some of the other plans outside of residential kind of strategies? Because as a potential data center play, if I'm not mistaken, in one of your your assets and ongoing as well. Yeah.

00;47;26;14 - 00;47;50;04

GUEST

Well, actually just just last week from this podcast, you know, we put out a press release that we've submitted for planning one of our site in Blackpool. So this site is fairly large. We have operating in two buildings in one third of the space effectively, and the other two thirds a little bit of, woodlands as well as, overflow, car parking.

00;47;50;06 - 00;48;11;00

GUEST

So that's the the sort of space that it's been earmarked as a potential data center. And I think Blackpool, you know, I think, it's quite well set up in terms of its location. There's a new data cable that comes from United States that has landed onto the Blackpool beach just a couple of years ago. And this is a brand new data cable.

00;48;11;00 - 00;48;34;05

GUEST

So it's low latency, still not quite utilized, but also I think, further up in of the course of Blackpool, you actually have, you know, windfarms or other wind farms being offshore wind farms being developed by BP and then BW, which is a German, utility provider that's really been constructed with the delivery, I think, between 28 to 30, 20, 30.

00;48;34;07 - 00;49;03;21

GUEST

So then all of a sudden we see, you know, a potentially the center site with good access to the cable and good access to wind power. So I think that's a that's a very interesting solution, potentially. But I think to balance it, of course, it's actually a new area as well. And you know, I think a lot of data centers that we see in UK tend to be concentrated around the Heathrow Hounslow area, but that that EU has run out of power and you need to move further north.

00;49;03;21 - 00;49;07;23

GUEST

And I think Blackpool is probably going to be a key beneficiary of that.

00;49;07;25 - 00;49;30;29

HOST

So right, right location by luck or by judgment, just some water infrastructure coming into there and water investment coming in. You hopefully got an interesting opportunity there to turn us into an unbelievably valuable property. As someone who spends a couple of months of the year over here in the UK, but the majority of the time based in Singapore, but looking at the UK as a market, what's your take on the opportunity set at the moment?

00;49;31;01 - 00;49;59;17

GUEST

Well, I think the, the international, you know, press tends to be a bit over the negative on the UK real

estate and real UK SME as a economy or as a market. And many of you of the, readers, you know, or people overseas or in the UK especially are especially, you know, self-critical, but we forget, we tend to forget that the UK has many global champions, many large companies in fortune 500 that's, you know, represented, everywhere.

00:49:59;20 - 00:50:24;24

GUEST

I can't say you have that number of, companies in Singapore that that has the same similar level of, of, of our cloud. Right. And I think what is, important, I think, for a real estate investors is that you have, you know, a jurisdiction where your rule of law is strong, your respect, you know, for property laws and rights is upheld.

00:50:24;27 - 00:50:46;23

GUEST

And I think that's really you don't see many of that. Those markets other than UK and many of the investors that's on our unitholders registers real high, high net worth individuals as well as retail investors. The reason one one reason why they they invest in UK rates because they're very familiar with the UK setup. Sure. You know things are not that great with Brexit and all that.

00:50:46;23 - 00:51:07;07

GUEST

And the I guess just the general economic stress this country felt around the world with, in the high interest rates. But the fact is that, you know, if you want to put your money somewhere safe and you, you want to sort of, put your money somewhere safe where you feel that your property rights would be respected and uphill.

00:51:07;09 - 00:51:26;04

GUEST

I think the UK is actually a very strong market for that. And then if you slip, you if once you sort of set that as a, as a sort of, basic understanding, then I think you peel away the, the onion, the layers of onion, where you then ask yourself which sectors, which you look at, which is the most promising.

00:51:26;07 - 00:51:43;26

GUEST

I think right now, you know, I think the, the, the the phrase bits and shifts is, I think quite, quite use and I tend to agree, especially on the bits like, so I think we will we're not in that position to come in, but that's for, for, for BTR I think is going to be huge.

00:51:43;26 - 00:52:08;03

GUEST

The other sector they were quite keen on is PBS. However, I think with PBS we got to be quite careful. There are some cities which are oversupplied, some markets which are, you know, I think where the universities may be quite challenged financially. And I think with the current sort of political climate where I think, you know, visas are coming down, student numbers are coming down, foreign student numbers coming down.

00:52:08;05 - 00:52:29;06

GUEST

I think that's something that you kind of need to be watchful for. But I think from our perspective as UK read, we haven't got some of these legacies. To deal with. So we're coming in fresh. So I think for us, if we do sort of move into that sector, I think we want to do it, with the right projects, with the right, deals being done.

00:52:29;09 - 00:52:38;06

HOST

So as we kind of look forward, what is in store for the UK REIT team over here in the UK and also the team over in Singapore.

00:52:38;08 - 00:52:58;19

GUEST

When we get closer to, the lease renewals that we have in 2028, we expect that we will renew a majority of our assets. But we do expect that we will have some opportunities, coming from some of these assets as well. So what I do, you know, think, we will have to do is to, employ more people to invest in more locations.

00:52:58;22 - 00:53:15;09

GUEST

And we're talking about setting up a perhaps, you know, another, office location closer to some of our, regional assets, where we have, asset development managers looking, you know, hands and feet on the ground to take this, some of these developments a bit further.

00:53:15;11 - 00:53:26;11

HOST

So as we draw to a close, Josh, a question I ask everyone on the podcast is if I gave you 500 million pounds with of capital, other people, what property in which place would you look to allocate that capital?

00:53:26;13 - 00:53:45;22

GUEST

Well, I think the questions I actually have three answers for you, depending on your time horizon. I think if if your short term looking, you know, low risk credit, high returns, actually, I think you'll be illiquid in the media and, you know, short term in tough bonds. Right. This is what fund managers look at 12 months.

00:53:45;22 - 00:54:07;05

GUEST

You know target price all that all the buzzwords. If you look meet them. I think BTR is really an immense market with right now I don't see it. And to to that I see saturation as being very, very far down the line. And this is a real need. It is it's also a very defensive, type of non-discretionary type of income.

00:54:07;07 - 00:54:44;29

GUEST

So I do think that there's a lot of promise, a lot of potential in, in, in that space if I need to look pulls one, pulls 1 or 2 multi-generation preservation of wealth. I said, well, I think that climate change is real, and I think the demographic is changing. Meaning to see people getting older, people are having fewer children and as a result, I think UK has is is probably one of the countries in the world that is very open to immigration still compared to other other countries that, you know, perhaps, you know, almost singular in their racial makeup and all that.

00:54:45;02 - 00:55:08;12

GUEST

So the UK would perhaps, still be one of the countries that would receive more immigrants. So you then talk about urbanization, you talk about resources being, you know, being very much, rationalize. Right. And I think that, if you're looking through that sort of lenses, then you may want to even think about investing in agricultural land and move further north.

00:55:08;12 - 00:55:26;11

GUEST

I mean, you hear, you hear stories of fishermen in Japan having to fish further north, where the water's colder for fish that were for the for the, you know, typically for the South, you hear of, you know, French vineyard owners buying land in southern, UK, in Sussex.



00:55;26;11 - 00:55;28;04

HOST

Yes. Yeah. But it's a big play.

00:55;28;04 - 00:55;51;11

GUEST

Yes, yes, exactly. Because just waiting for climate change to happen or rather it's a hedge. Right. So again, I mean if, if I have 5 million pounds, I mean I think if I have that level of wealth or that wealth to deal with, it's probably not. I think that the mandate is not really to to grow that massively, but to really preserve wealth at that level.

00:55;51;11 - 00:56;04;09

GUEST

And also depending on what sort of investment horizon you have, if you have a long term view, that's, that's that. And the mid term view is your short term view. In this you possibly there's an UK. Right.

00:56;04;11 - 00:56;37;07

HOST

Well just leave and a fascinating background military service international degrees learning Japanese through to kind of banking private equity treasury rates as well as kind of running the elite UK REIT. Like I said, really interesting background story portfolio and kind of rationale and reasoning for kind of investing in what is effectively an income strip with a land bank with some, some strong kind of backup business plans as well, should, should the government not renew some of the leases.

00:56;37;07 - 00:56;45;02

HOST

So thank you for joining me today. And, really appreciate you telling me a little bit more like a story background and concerns each other.

00:56;45;05 - 00:56;47;22

GUEST

Thanks very much. I had a lot of fun.

00:56;47;24 - 00:57;11;22

HOST

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00:57;11;22 - 00:57;37;18

HOST

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00:57;37;20 - 00:57;45;13

HOST

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