



Webinar

ULI & PwC Emerging Trends in Real Estate?? Global Report Panel Discussion ??? Young Leaders??? Perspective

Date: April 08, 2024

00:00:00 --> 00:00:03: This is our first webinar discussion on the report specifically
00:00:03 --> 00:00:04: for Young Leaders.
00:00:04 --> 00:00:07: So it's really good to see so many of you
00:00:07 --> 00:00:08: registered today.
00:00:09 --> 00:00:12: I'm Joe Udrea and I'm, I help manage the research
00:00:12 --> 00:00:14: and advisory services for Uli Europe.
00:00:15 --> 00:00:18: The first thing I'd like to do before we get
00:00:18 --> 00:00:21: started is on behalf of Uli to thank PwC for
00:00:21 --> 00:00:26: their collaboration on all three regional emerging trends
reports published
00:00:26 --> 00:00:28: at the back end of last year, as well As
00:00:29 --> 00:00:30: for the latest collaboration.
00:00:30 --> 00:00:34: For this global report, I'm very pleased to present the
00:00:34 --> 00:00:37: key findings of this year's report, which examines the global
00:00:37 --> 00:00:42: challenges and opportunities facing the real estate industry
and analysis
00:00:42 --> 00:00:46: the developing impacts on regions and sectors from around
the
00:00:46 --> 00:00:46: world.
00:00:47 --> 00:00:50: We'll then transition to our panel discussion where we'll delve
00:00:50 --> 00:00:54: deeper into the implications of these longer term trends for
00:00:54 --> 00:00:56: young leaders in the real estate industry.
00:00:57 --> 00:01:01: Our panellists will provide insights on navigating the long
term
00:01:01 --> 00:01:06: structural trends, adapting to the changing environmental
landscape of the
00:01:06 --> 00:01:10: industry and reimagining the future of real estate.
00:01:11 --> 00:01:13: Just to note, we'll also have some time at the
00:01:14 --> 00:01:16: end to answer questions from the audience.
00:01:16 --> 00:01:19: So feel please feel free to drop any questions in
00:01:19 --> 00:01:21: the chat where our panellists will pick them up later

00:01:21 --> 00:01:22: on in the hour.

00:01:26 --> 00:01:29: So the Emerging Trends in Real Estate global report is

00:01:30 --> 00:01:33: a report published jointly by PwC and ULI and it

00:01:33 --> 00:01:38: brings together the findings from the three regional reports which

00:01:38 --> 00:01:41: I mentioned was published at the end of 2023.

00:01:41 --> 00:01:44: So it reflects the views of thousands of senior real

00:01:44 --> 00:01:48: estate professionals and that research is undertaken by a survey,

00:01:48 --> 00:01:51: round tables and interviews and it's seen as a key

00:01:51 --> 00:01:55: indicator of sentiment in the real estate investment and development

00:01:55 --> 00:01:56: trends.

00:01:56 --> 00:02:00: And this is a global report put together, putting together

00:02:00 --> 00:02:03: the three regional reports and it was supplemented with recent

00:02:03 --> 00:02:06: interviews on the outlook for the year ahead.

00:02:06 --> 00:02:09: So the plan for this session is for me to

00:02:09 --> 00:02:11: give you a brief highlight of the global report and

00:02:12 --> 00:02:14: then I'll hand it over to Ariana Moss, who will

00:02:14 --> 00:02:17: introduce the panel and moderate the discussion.

00:02:17 --> 00:02:19: So on to the highlights.

00:02:20 --> 00:02:23: Senior real estate players that we spoke to for this

00:02:23 --> 00:02:27: global edition of emerging Trends believe that there's a good

00:02:27 --> 00:02:30: prospect of renewed investment activity on the back end of

00:02:30 --> 00:02:34: greater clarity on monetary policy in the US, Europe and

00:02:34 --> 00:02:35: Asia Pacific.

00:02:35 --> 00:02:38: And the hope is that buyers and sellers are starting

00:02:38 --> 00:02:42: to become reconciled to an elevated interest rate environment and

00:02:42 --> 00:02:45: will therefore find that middle ground on pricing that's been

00:02:45 --> 00:02:47: so elusive over the past two years.

00:02:48 --> 00:02:51: But what is complicated in this picture is the fact

00:02:51 --> 00:02:55: that many real estate investors are grappling with some of

00:02:55 --> 00:02:59: the more fundamental challenges around the industry's role in society

00:02:59 --> 00:03:02: and in making buildings fit for purpose in what is

00:03:02 --> 00:03:05: an uncertain current and future environment.

00:03:10 --> 00:03:13: So with alignment on pricing comes the belief that real

00:03:13 --> 00:03:16: estate can recover from one of the worst investment downturns

00:03:16 --> 00:03:17: in recent years.

00:03:18 --> 00:03:22: And although any upswing in activities are expected to become

00:03:22 --> 00:03:25: much more evident in 2025 than in 2024, and if
00:03:25 --> 00:03:29: there is to be an improvement in investment markets in
00:03:29 --> 00:03:32: 2024, it's going to come from a very low base.
00:03:33 --> 00:03:38: As this slide shows, global transaction activity in 2023
slumped
00:03:38 --> 00:03:40: to its lowest level since 2012.
00:03:41 --> 00:03:46: The latest data from MSCI shows that transactions involving
income
00:03:46 --> 00:03:51: producing real estate fell by 48% in 2023 to 615
00:03:51 --> 00:03:55: billion, which is a 17% fall on the 2022 total.
00:03:56 --> 00:04:00: No region has escaped that slowdown, although MSCI
figures show
00:04:00 --> 00:04:03: that some of the major markets in Asia have been
00:04:03 --> 00:04:06: shown to be more resilient than in Europe and North
00:04:06 --> 00:04:07: America.
00:04:07 --> 00:04:10: And so they continue to do so according to those
00:04:10 --> 00:04:12: that we spoke to via interviews for this global report.
00:04:14 --> 00:04:16: So while it still feels like a transition period in
00:04:17 --> 00:04:20: the capital markets, there are signs that the market is
00:04:20 --> 00:04:20: waking up.
00:04:21 --> 00:04:24: But there's still a fair degree of caution among real
00:04:24 --> 00:04:27: estate players who have also indicated that diversification of
risk,
00:04:27 --> 00:04:30: both by market and sector will be critically important.
00:04:33 --> 00:04:37: Given that all three regional additions of emerging trends
identified
00:04:37 --> 00:04:41: interest rate movements as the top industry concern, as you
00:04:41 --> 00:04:44: can see here, it is understandable that some clarity on
00:04:44 --> 00:04:47: monetary policy since the turn of the year has brought
00:04:47 --> 00:04:49: a measure of relief.
00:04:49 --> 00:04:53: Interviews for this Global report noted that as one interview
00:04:53 --> 00:04:56: we put it a change in tone towards the asset
00:04:56 --> 00:04:59: class, albeit a more +1 in the US and Asia
00:04:59 --> 00:05:00: than it is in Europe.
00:05:01 --> 00:05:06: Industry leaders across all three regions acknowledge that
geopolitical that
00:05:06 --> 00:05:10: the geopolitical backdrop to investment is fraught with
uncertainty and
00:05:10 --> 00:05:14: many yet over and may yet override the stability of
00:05:14 --> 00:05:15: inflation and interest rates.
00:05:16 --> 00:05:19: The wars on Ukraine and the Gaza Strip, as well
00:05:19 --> 00:05:22: as the 60 plus elections due to be held around
00:05:22 --> 00:05:25: the world in 2024, including and perhaps the most most
00:05:25 --> 00:05:29: importantly, the US elections, are all weighing on that

sentiment.

00:05:30 --> 00:05:33: And this is already a period of daunting challenges for

00:05:33 --> 00:05:37: the industry, not least with the colossal amount of real

00:05:37 --> 00:05:40: estate debt that needs to be refinanced this year and

00:05:40 --> 00:05:43: next, which amounts to 1.2 trillion U.S.

00:05:43 --> 00:05:44: dollars in the US alone.

00:05:45 --> 00:05:48: And the deployment of so-called rescue capital will clearly be

00:05:48 --> 00:05:50: a big part of the global narrative.

00:05:50 --> 00:05:51: In 2024.

00:05:53 --> 00:05:58: For North America and Europe, housing affordability was

00:05:58 --> 00:05:59: identified, unsurprisingly,

00:05:59 --> 00:06:05: as a key pain point.

00:06:05 --> 00:06:09: This structural concern relates to longer term systematic

00:06:09 --> 00:06:16: issues within

00:06:16 --> 00:06:21: the real estate market influenced by factors such as income

00:06:21 --> 00:06:25: levels, population growth, urbanization trends and housing

00:06:25 --> 00:06:28: supply dynamics which

00:06:28 --> 00:06:31: tend to persist and require broader interventions from

00:06:31 --> 00:06:35: meaningful change

00:06:35 --> 00:06:38: over longer time horizon through the industry.

00:06:38 --> 00:06:41: Though the industry has been in wait and see mode

00:06:41 --> 00:06:45: over the past two years because of the short term

00:06:45 --> 00:06:49: cyclical forces, many are looking to the long term and

00:06:49 --> 00:06:50: all three regions of emerging trends reveal.

00:06:50 --> 00:06:54: Of the emerging trends, additions reveal that many of the

00:06:54 --> 00:06:58: more progressive real estate players have been using this

00:06:58 --> 00:07:02: time

00:07:02 --> 00:07:03: to challenge long held assumptions about the market

00:07:03 --> 00:07:09: dynamics, pricing

00:07:09 --> 00:07:14: and risks.

00:07:14 --> 00:07:18: And the clear message is that the driver of investor

00:07:18 --> 00:07:22: and occupier behaviour is no longer about the traditional

00:07:22 --> 00:07:23: property

00:07:23 --> 00:07:28: sectors, but is increasingly centred around the 3DS which

00:07:28 --> 00:07:33: have

00:07:33 --> 00:07:38: been identified in this report.

00:07:38 --> 00:07:43: So those are demographics, digitalisation and

00:07:43 --> 00:07:48: decarbonisation which are reinforcing

00:07:48 --> 00:07:53: the investment case for diversification across alternative real

00:07:53 --> 00:07:58: estate sectors,

00:07:58 --> 00:08:03: most notably and perhaps another D data centres which is

00:08:03 --> 00:08:08: only likely to accelerate under the influence of increasing

00:08:08 --> 00:08:13: demand

00:08:13 --> 00:08:18: for generative AI.

00:07:25 --> 00:07:29: And it's no coincidence that industry concerns around housing affordability,

00:07:29 --> 00:07:34: highlighted again in all three regional editions of emerging trends,

00:07:34 --> 00:07:38: are translating into far greater investor intention on an increasingly

00:07:38 --> 00:07:41: diverse range of living sub sectors.

00:07:42 --> 00:07:46: Tough market conditions made for slow progress on ESG compliance,

00:07:46 --> 00:07:49: but there's also a strong belief that the green agenda

00:07:50 --> 00:07:53: is a genuine new force for change in real estate.

00:07:53 --> 00:07:57: And many are clearly seeing that decarbonisation A thematic approach

00:07:58 --> 00:08:01: to real estate as an opportunity rather than just an

00:08:01 --> 00:08:05: obligation that is and will continue to drive capital flows.

00:08:05 --> 00:08:08: Our interviews suggest that this is going to open up

00:08:08 --> 00:08:11: a whole new world of real estate products which overlap

00:08:11 --> 00:08:13: between real estate and infrastructure.

00:08:14 --> 00:08:18: The transition to a much more diverse operational and complex

00:08:18 --> 00:08:21: real estate market, together with the ongoing relative decline in

00:08:21 --> 00:08:25: traditional real estate sectors and the merging of real estate

00:08:25 --> 00:08:28: and infrastructure has been a key feature for quite some

00:08:28 --> 00:08:29: time.

00:08:29 --> 00:08:31: And many suggest that it's been a trend has been

00:08:31 --> 00:08:34: happening in plain sight, to the extent that its significance

00:08:35 --> 00:08:36: can sometimes be missed.

00:08:38 --> 00:08:41: As the report refers to the great reset, which was

00:08:41 --> 00:08:45: described in the US and Canadian editions of Emerging Trends,

00:08:46 --> 00:08:49: it goes beyond the real the industry adapting to a

00:08:49 --> 00:08:52: new era of higher for longer interest rates.

00:08:52 --> 00:08:55: It's an opportunity for a radical rethink of what will

00:08:55 --> 00:08:58: make real estate fit for purpose in the long term.

00:08:59 --> 00:09:02: And cutting across all of this are the changing demands

00:09:02 --> 00:09:03: of the occupier.

00:09:03 --> 00:09:07: Another part of the same equation you could say, which

00:09:07 --> 00:09:09: has been a key theme for over recent years is

00:09:09 --> 00:09:12: how do you create income growth when there is that

00:09:12 --> 00:09:16: blank comfortable blanket of yield compression which is no longer

00:09:16 --> 00:09:17: guaranteed.

00:09:18 --> 00:09:23: And this driving and this is driving greater sophistication of

00:09:23 --> 00:09:27: the end product, for instance enabling the shift into operational

00:09:27 --> 00:09:31: real estate and laterally the push towards Co location contrasting

00:09:31 --> 00:09:35: uses on the same sites such as industrial and housing.

00:09:37 --> 00:09:41: Occupier driven change is also arguably often unfolding gradually in

00:09:41 --> 00:09:46: plain sight, but it invariably ends up with significant consequences

00:09:46 --> 00:09:50: across all sectors requiring a rethink of delivery models for

00:09:50 --> 00:09:51: real estate.

00:09:52 --> 00:09:55: And examples of this are everywhere, from the impact of

00:09:55 --> 00:09:59: e-commerce and retail, the impact of dispersed hybrid work on

00:09:59 --> 00:10:02: the office sector and robotics on the logistics sector.

00:10:03 --> 00:10:06: And all of these are historic examples, largely linked to

00:10:07 --> 00:10:07: technology.

00:10:07 --> 00:10:11: Looking forward, you can envision similarly significant changes driven by

00:10:11 --> 00:10:14: artificial intelligence and of course decarbonisation.

00:10:16 --> 00:10:18: So with that in mind, our research team has sought

00:10:19 --> 00:10:22: to consider how the industry can work more closely with

00:10:22 --> 00:10:25: occupiers and other industries and the creation of a real

00:10:25 --> 00:10:28: estate ecosystem that can pave the way for buildings to

00:10:28 --> 00:10:31: be fit for purpose over the coming decade.

00:10:32 --> 00:10:35: And the interview suggests that the real estate, the relationship

00:10:35 --> 00:10:39: between building owners and occupiers, will need to become much

00:10:39 --> 00:10:42: more entwined and much more of a partnership.

00:10:42 --> 00:10:46: And the expectation is for greater collaboration, dialogue and interaction

00:10:46 --> 00:10:48: in these business relationships.

00:10:49 --> 00:10:51: And there's also a lot in it for landlords.

00:10:51 --> 00:10:55: If landlords consider true partnerships with occupiers and they're thinking

00:10:55 --> 00:10:59: about the challenges beyond the physical building in an office,

00:10:59 --> 00:11:02: in an office context, for example, this this approach could

00:11:02 --> 00:11:05: be looking at the needs of the workforce and then

00:11:05 --> 00:11:08: the context of logistics and real retail sectors.

00:11:09 --> 00:11:12: Such an approach could expand beyond a single location to

00:11:12 --> 00:11:16: the wider needs, including energy uses and storage of supply

00:11:16 --> 00:11:17: chain and customers.

00:11:20 --> 00:11:22: So to conclude and before I hand it over to

00:11:22 --> 00:11:25: Ariana for the panel, the real estate industry is clearly
00:11:25 --> 00:11:27: still in transition.
00:11:27 --> 00:11:31: There's some gap between buyers and sellers expectations
and this
00:11:31 --> 00:11:34: is still ever present and this still ever present and
00:11:34 --> 00:11:37: difficult to manage threat from the geopolitical events.
00:11:37 --> 00:11:40: But also there's a lot of impatient capital and some
00:11:40 --> 00:11:44: evidence and expectation of a ramp up in transaction activity.
00:11:44 --> 00:11:48: And the real estate industry is being buffeted by structural
00:11:48 --> 00:11:52: changes and the mega trends of digitalization, urbanization
and climate
00:11:52 --> 00:11:53: change.
00:11:54 --> 00:11:57: And with that great reset we mentioned may require that
00:11:57 --> 00:12:01: real estate businesses no longer simply view themselves as
owners
00:12:01 --> 00:12:05: of physical assets whereby the needs of the end customer
00:12:05 --> 00:12:08: represent a risk to be reduced through long leases or
00:12:08 --> 00:12:10: a transfer to other parties.
00:12:11 --> 00:12:13: So Ariana, I think that's quite a lot to think
00:12:13 --> 00:12:16: about and I look forward to hearing the views of
00:12:16 --> 00:12:16: the panel's.
00:12:17 --> 00:12:19: With that, I hand it over to you.
00:12:19 --> 00:12:20: Thank you.
00:12:22 --> 00:12:24: Thank you very much, Joey.
00:12:24 --> 00:12:26: We'll come back to a few points of what you've
00:12:26 --> 00:12:26: just.
00:12:26 --> 00:12:27: Presented.
00:12:30 --> 00:12:31: My name is Ariana, Mass.
00:12:31 --> 00:12:36: I'm working for Berlin Hoop and I'm working on a
00:12:36 --> 00:12:39: cross-border team in charge.
00:12:39 --> 00:12:42: Of all the deals that are cross-border internationally across all
00:12:43 --> 00:12:47: asset classes, although Speaking of across all asset classes,
speaking
00:12:47 --> 00:12:48: as a very conservative.
00:12:48 --> 00:12:49: Covered Bond Bank.
00:12:49 --> 00:12:51: I think Jan, you will be smiling about the asset
00:12:52 --> 00:12:52: classes.
00:12:52 --> 00:12:53: We'll come to that later.
00:12:53 --> 00:12:56: What asset classes you see as emerging and how you
00:12:56 --> 00:12:58: would like to redefine them maybe and we'll come to
00:12:59 --> 00:13:00: that later with that.
00:13:00 --> 00:13:03: Also introducing right away the two panelists today.
00:13:03 --> 00:13:09: Jan Kowalski, you are working for Unibay, the Denco

Westfield

00:13:09 --> 00:13:14: since 2019 and you have various responsibilities across the company

00:13:15 --> 00:13:20: and for the transactions and investment activities and since 2022,

00:13:20 --> 00:13:24: you also oversee the development activities.

00:13:24 --> 00:13:27: And I think this will be very interesting to hear

00:13:27 --> 00:13:31: from you focusing on the Greenfield and brownfield opportunities to

00:13:31 --> 00:13:32: explain that.

00:13:32 --> 00:13:32: Deeper to us.

00:13:32 --> 00:13:39: Later on, but first also introducing Lelia Mulow from PCA

00:13:39 --> 00:13:40: Stream.

00:13:41 --> 00:13:45: Lydia, you are a trained engineer and architect.

00:13:45 --> 00:13:48: You've been training in France and in the United States

00:13:48 --> 00:13:51: and in 2020 you have joined PCA Stream.

00:13:52 --> 00:13:56: PCA Stream is an urban planning and architecture practice which

00:13:56 --> 00:13:58: is based in Paris.

00:13:58 --> 00:14:01: And there you are, part of the Applied Research and

00:14:01 --> 00:14:02: Innovation team.

00:14:02 --> 00:14:07: And in your role as environmental strategy lead, you helped

00:14:07 --> 00:14:13: to develop ambitious environmental programs linking engineering and design for

00:14:13 --> 00:14:16: each of the fund's projects.

00:14:16 --> 00:14:17: Now this is interesting.

00:14:18 --> 00:14:18: Maybe.

00:14:18 --> 00:14:21: I think we would love to hear from you because

00:14:21 --> 00:14:25: what I read here you work on issues including carbon

00:14:25 --> 00:14:30: footprint reduction, reuse of materials, energy sobriety, thermal comfort and

00:14:30 --> 00:14:32: heat island effect reduction.

00:14:33 --> 00:14:36: Help us understand what do you do in everyday life

00:14:36 --> 00:14:39: and how can we contribute and help as young leaders?

00:14:41 --> 00:14:43: Thank you, Ariana for your introduction.

00:14:44 --> 00:14:48: So as as you mentioned the firm I work for,

00:14:48 --> 00:14:52: PCA Stream works on on a wide range of projects.

00:14:53 --> 00:14:58: We do a lot of offices, especially a few headquarters,

00:14:58 --> 00:15:02: but we also have some urban projects.

00:15:02 --> 00:15:06: And no matter what the scale of the project is,

00:15:06 --> 00:15:10: one of the key aspects of my role is to

00:15:10 --> 00:15:15: re at the beginning of the project, redefine what the

00:15:15 --> 00:15:20: environmental goals of the projects are and how can we

00:15:20 --> 00:15:23: realistically set ambitious goals.

00:15:23 --> 00:15:25: And as we we work on on new builds on

00:15:26 --> 00:15:30: renovation and obviously the amount of energy renovation versus a

00:15:30 --> 00:15:33: new building is going to consume is not necessarily going

00:15:33 --> 00:15:36: to be the same especially working in the context of

00:15:36 --> 00:15:39: Paris because we have a lot of listed building that

00:15:40 --> 00:15:42: are part of the national heritage.

00:15:42 --> 00:15:44: So for example this a lot of facades that you

00:15:44 --> 00:15:45: can't modify.

00:15:45 --> 00:15:48: So at the start of the project the idea is

00:15:48 --> 00:15:51: to be OK, what are our goals in term of

00:15:51 --> 00:15:51: carbon.

00:15:51 --> 00:15:55: So what's what is the footprint of the building is

00:15:55 --> 00:15:58: going to be, what's our goals in terms of energy

00:15:58 --> 00:15:59: consumption?

00:16:00 --> 00:16:03: And also look at other indicators that are maybe a

00:16:04 --> 00:16:08: little bit less stabilized, which will be water consumption impact

00:16:08 --> 00:16:13: on biodiversity and also impact on local climates or what

00:16:13 --> 00:16:16: we could also called the heat island effect.

00:16:16 --> 00:16:19: So high is the building geometry and material I can

00:16:19 --> 00:16:21: inflict on the temperature around the building.

00:16:22 --> 00:16:24: And the idea is to really educate our client and

00:16:24 --> 00:16:27: have a conversation with them so that they understand why

00:16:27 --> 00:16:28: we set this goal.

00:16:28 --> 00:16:32: Like what goals are set by the national regulation, the

00:16:32 --> 00:16:35: EU regulation, but also how can we sometimes go for

00:16:35 --> 00:16:39: more ambitious goal and how can we be transparent about

00:16:39 --> 00:16:42: whether we reach these goals or not.

00:16:42 --> 00:16:45: So more like which methodology should we implement through the

00:16:45 --> 00:16:48: project to check that at each phase we're moving towards

00:16:48 --> 00:16:49: completing these.

00:16:51 --> 00:16:54: And so that's kind of a more like indicator and

00:16:54 --> 00:16:56: a methodology kind of aspect.

00:16:56 --> 00:16:58: And then another part of my job is once we

00:16:58 --> 00:17:01: set this goal, start to define what concrete solution we're

00:17:01 --> 00:17:04: going to implement in a given building to reach them.

00:17:04 --> 00:17:08: So that's when there'll be a mix of identifying low

00:17:08 --> 00:17:12: carbon materials or kind of making a list of what's

00:17:12 --> 00:17:15: already in the building and what we can reuse, which

00:17:16 --> 00:17:19: we check actors and kind of make that a sort

00:17:19 --> 00:17:23: of of program for that particular building to be on
00:17:23 --> 00:17:26: track to reach these goals that we said earlier.
00:17:31 --> 00:17:32: Thank you Elena.
00:17:32 --> 00:17:33: I apologise.
00:17:34 --> 00:17:36: Very surprisingly my iPad was running out of battery so
00:17:36 --> 00:17:38: I just jumped over the phone.
00:17:38 --> 00:17:41: I hope this is functioning well for you guys technologically.
00:17:43 --> 00:17:47: In your work most do you work together with the
00:17:47 --> 00:17:52: occupiers or with the building owners or the even building
00:17:52 --> 00:17:56: creators like Yannis, where we may hear from him On
00:17:56 --> 00:17:58: the contrary side in the moment.
00:18:00 --> 00:18:03: So yeah, we it's every project is different because for
00:18:03 --> 00:18:07: example, at the moment I'm working on a courthouse, which
00:18:07 --> 00:18:10: is a public project and we are working very closely
00:18:10 --> 00:18:12: with the Ministry of Justice.
00:18:12 --> 00:18:15: So what is the future of justice in France and
00:18:15 --> 00:18:18: what eventual ambition do we want to give to public
00:18:18 --> 00:18:19: buildings.
00:18:19 --> 00:18:22: So really our clients and the owner of the building
00:18:22 --> 00:18:25: over several years, but we're also really working closely with
00:18:25 --> 00:18:26: the occupiers.
00:18:26 --> 00:18:31: So we're going regularly to the exacting existing courthouse
and
00:18:31 --> 00:18:35: we meeting with lawyers, we're meeting with judge to
understand
00:18:35 --> 00:18:37: also what they expect.
00:18:37 --> 00:18:40: And for example, it's a building that is quite ambitious
00:18:41 --> 00:18:43: in term of energy consumption.
00:18:43 --> 00:18:45: So the goal is to have no air conditioning in
00:18:45 --> 00:18:46: office.
00:18:46 --> 00:18:48: And we want to make sure that Occupiers are not
00:18:48 --> 00:18:49: stressed about that.
00:18:49 --> 00:18:52: Like they understand that the building will be designed to
00:18:52 --> 00:18:54: remain comfortable even in the summer.
00:18:55 --> 00:18:57: So there's a lot of like back and forth.
00:18:57 --> 00:19:00: And like my point of view is like it's always
00:19:00 --> 00:19:04: better a project where you can talk to your occupiers.
00:19:05 --> 00:19:09: That's not always a reality because there's also a number
00:19:09 --> 00:19:13: of building that are being commercialized having find a an
00:19:13 --> 00:19:16: occupier by the time we kind of finished up like
00:19:16 --> 00:19:20: start construction and and that's a bit different.
00:19:20 --> 00:19:23: So I would say every every project is different and

00:19:23 --> 00:19:27: some of the project that may be very interesting that

00:19:27 --> 00:19:30: we worked on whether headquarters of company like Exile or

00:19:30 --> 00:19:34: or Facebook that that work in the past because headquarters

00:19:34 --> 00:19:37: is a very defining symbol for a company.

00:19:37 --> 00:19:41: And it's also interesting to understand better the image that

00:19:41 --> 00:19:44: this particular occupier is wanting to project on its own

00:19:44 --> 00:19:45: client.

00:19:45 --> 00:19:47: So I think that makes for richer and a bit

00:19:47 --> 00:19:49: like more coherent project.

00:19:51 --> 00:19:52: Thank you, Lilia.

00:19:52 --> 00:19:57: Staying on that discussion of occupier, of building owners

00:19:57 --> 00:20:02: and

00:20:02 --> 00:20:06: also of the building creators, the developers, as we've said,

00:20:06 --> 00:20:10: we heard from Joey that they need to become, there's

00:20:10 --> 00:20:14: a high need for them to become more intertwined.

00:20:14 --> 00:20:18: Jan, switching over to you, how close do you work

00:20:18 --> 00:20:21: with the occupiers of your buildings and where do you

00:20:21 --> 00:20:26: see the emerging trends and the impact?

00:20:26 --> 00:20:27: In these days, thanks again.

00:20:27 --> 00:20:29: Thanks for the question.

00:20:29 --> 00:20:30: Thanks for the invitation as well.

00:20:30 --> 00:20:34: Pleasure to be with you.

00:20:34 --> 00:20:38: Well, we obviously it's always I think as was as

00:20:38 --> 00:20:41: was mentioned, it's always a case by case topic.

00:20:41 --> 00:20:44: There are projects which are bigger scale, smaller scale and

00:20:44 --> 00:20:47: each of them is very different in terms of how

00:20:47 --> 00:20:48: we work with the occupier and also depending like who

00:20:48 --> 00:20:51: our target audience is.

00:20:51 --> 00:20:55: Because I mean arguably I'm, I'm working primarily in the

00:20:55 --> 00:20:57: shopping centres business where your final audience is really

00:20:57 --> 00:21:00: the

00:21:00 --> 00:21:03: customer and then the occupier is, is, is, is only

00:21:03 --> 00:21:06: the part of, well not only the very important part

00:21:06 --> 00:21:11: of the value chain which is between the landlord and

00:21:11 --> 00:21:16: this final customer of of of the product you're delivering.

00:21:16 --> 00:21:18: So I think, I think there is an increasing need

00:21:18 --> 00:21:20: of bridging the understanding between between all all sectors

00:21:20 --> 00:21:24: of

00:21:24 --> 00:21:27: that of the value chain.

00:21:27 --> 00:21:31: And we do in fact work a lot with the

00:21:31 --> 00:21:34: brands we are working with us as anybody, Rodan Co,

00:21:34 --> 00:21:37: Westfield, but also for me personally on my project.

00:21:37 --> 00:21:40: We are usually pretty much in touch from the very

00:21:31 --> 00:21:35: beginning with with either our occupiers we do have in
 00:21:35 --> 00:21:37: mind or or we are trying to be as close
 00:21:37 --> 00:21:41: to the needs of the final customer as possible having
 00:21:41 --> 00:21:44: this, this, this consumer centric strategy.
 00:21:45 --> 00:21:47: And then on the second part of your question if
 00:21:47 --> 00:21:50: answered correctly, it's more on this emerging trends and like
 00:21:51 --> 00:21:53: how the, how the work is, is, is is evolving.
 00:21:55 --> 00:21:58: I think I'll gladly refer to what was said earlier
 00:21:58 --> 00:22:02: that a huge change that came into place is on
 00:22:02 --> 00:22:05: the sustainability and the and the ESG topic.
 00:22:05 --> 00:22:09: And my my observation regarding the recent years is that
 00:22:09 --> 00:22:12: maybe two or one year ago or two years ago,
 00:22:12 --> 00:22:16: three years ago, we've been quite educated in the topic,
 00:22:16 --> 00:22:19: but the discussions were still pretty vague.
 00:22:19 --> 00:22:22: I would say wasn't down to the details.
 00:22:23 --> 00:22:26: Today it's quite common to hear OK, the solution is
 00:22:26 --> 00:22:29: expensive and it's carbon heavy.
 00:22:29 --> 00:22:31: So we don't like it and it's you know you
 00:22:31 --> 00:22:33: hear it from the people who are new to the
 00:22:33 --> 00:22:36: market, but you also hear it from professionals who are
 00:22:36 --> 00:22:39: on the market for several years and they adjusted
 themselves
 00:22:39 --> 00:22:41: I think very well to this, to this new logic
 00:22:41 --> 00:22:44: maybe on the like you know referring to development roles
 00:22:44 --> 00:22:47: specifically I think we are here in the young leaders,
 00:22:47 --> 00:22:49: but development I think the the beauty I discovered of
 00:22:49 --> 00:22:52: the development is really transgenerational.
 00:22:52 --> 00:22:55: You really work with across all the all the ages
 00:22:55 --> 00:22:58: group which is really fantastic and and I think you
 00:22:58 --> 00:23:03: know everybody started to embrace quite quickly what this,
 what
 00:23:03 --> 00:23:07: the sustainability what this carbon means in practice as well
 00:23:07 --> 00:23:09: as I as I think we had like you know
 00:23:09 --> 00:23:12: sort of islands of expertise back in time like a
 00:23:13 --> 00:23:13: few years ago.
 00:23:14 --> 00:23:14: Now.
 00:23:14 --> 00:23:17: I think everybody has this discussion at the heart of
 00:23:17 --> 00:23:20: what they are doing and it's it's it's like you
 00:23:20 --> 00:23:23: know it goes hands with hand in hand with commerce,
 00:23:23 --> 00:23:27: commerce you know commercial rationale, the profitability
 and so on.
 00:23:27 --> 00:23:29: So I think this is a, this is a major
 00:23:29 --> 00:23:33: shift, definitely it's a major shift which I think the

00:23:33 --> 00:23:36: the report emphasizes all across I would say as one

00:23:36 --> 00:23:38: of the as one of the key trends.

00:23:40 --> 00:23:43: And you've mentioned a few years ago when we have

00:23:43 --> 00:23:48: started speaking about sustainability, that was before all those current

00:23:48 --> 00:23:53: markets uncertainties where we're coming in, Joy, you've presented that

00:23:53 --> 00:23:57: today interest rates, of course, inflation, we have construction costs

00:23:57 --> 00:23:58: that were rising.

00:23:58 --> 00:24:01: Although I think and you can tell us more about

00:24:01 --> 00:24:03: that in a moment, they were falling again.

00:24:03 --> 00:24:05: So I think everyone was happy for a moment.

00:24:05 --> 00:24:11: And of course the housing affordability, those classical uncertainties, there

00:24:11 --> 00:24:14: was some chatter in the market that due to those

00:24:14 --> 00:24:19: current uncertainties sustainability has been put back again on the

00:24:19 --> 00:24:23: agenda or you know putting it less elegantly, it has

00:24:23 --> 00:24:26: been downgraded in the priority list.

00:24:26 --> 00:24:29: Is that true, Jan, do you see that or would

00:24:29 --> 00:24:32: you with what you've just said that the expertise tease

00:24:32 --> 00:24:36: is being very much developed and you look exactly at

00:24:36 --> 00:24:39: what is commercial but also what is carbon light, is

00:24:39 --> 00:24:40: that the new world?

00:24:41 --> 00:24:43: Look, I I think I have a bit of a

00:24:43 --> 00:24:45: different take on it than than phrasing it in a

00:24:45 --> 00:24:48: way that it's sort of like, you know, gains or

00:24:48 --> 00:24:49: or decreases in attention.

00:24:49 --> 00:24:51: I think it it became a part of the part

00:24:52 --> 00:24:54: of the evaluation, at least at least at least on

00:24:54 --> 00:24:56: the topics I'm working on.

00:24:56 --> 00:25:00: It became a part of a discussion and it was

00:25:00 --> 00:25:02: really embraced.

00:25:02 --> 00:25:04: It was really embraced by by, by, by, by you

00:25:04 --> 00:25:07: know, by the people participating in the process.

00:25:08 --> 00:25:11: So one there are certain requirements that you need to

00:25:11 --> 00:25:14: meet similarly to the requirements you have on the on

00:25:14 --> 00:25:18: the profitability and everyone of us facing any underwriting, so

00:25:18 --> 00:25:22: working on development projects knows that knows very well this

00:25:22 --> 00:25:24: financial part of the of the equation.

00:25:24 --> 00:25:27: Then the carbon part of the equation was added to
00:25:27 --> 00:25:31: that in terms of like you know the decision making
00:25:31 --> 00:25:33: afterwards the viability.
00:25:33 --> 00:25:36: I I think it's still quite fresh to tell how
00:25:36 --> 00:25:38: it would, how it would evolve.
00:25:38 --> 00:25:41: We'll see that in time definitely it's a it's a
00:25:41 --> 00:25:44: discussion topic and a major discussion topic and a factor
00:25:44 --> 00:25:46: that influences the project.
00:25:47 --> 00:25:50: And I will say it's like you know the attention
00:25:50 --> 00:25:51: decreases or increases.
00:25:51 --> 00:25:53: It's rather that it from something that was more of
00:25:53 --> 00:25:57: a curiosity that everybody was saying that we'll be
00:25:57 --> 00:25:57: introducing
00:25:57 --> 00:25:57: and embracing.
00:25:58 --> 00:26:00: I think it's go like you know on the path
00:26:00 --> 00:26:03: to be A to be a part of everyday everyday
00:26:03 --> 00:26:06: business which is which is basically I think for for
00:26:06 --> 00:26:08: all of us especially our people.
00:26:08 --> 00:26:10: It's a very good news because I mean we are
00:26:10 --> 00:26:13: building code for ourselves for the next several years.
00:26:13 --> 00:26:16: So this, this, this and and I deeply believe that
00:26:16 --> 00:26:19: the reduction is what we should be focusing on in
00:26:19 --> 00:26:23: the 1st place of finding solution carbon reduction, then and
00:26:23 --> 00:26:26: and 1st and then, then, then you know, then work
00:26:27 --> 00:26:28: on the energies and so on.
00:26:30 --> 00:26:30: Yeah.
00:26:30 --> 00:26:33: And you've just mentioned we're building for ourselves,
00:26:33 --> 00:26:34: selves for,
00:26:33 --> 00:26:34: for our future.
00:26:34 --> 00:26:38: What can we as young leaders, what impact can we
00:26:38 --> 00:26:43: have currently in the light of those current market
00:26:43 --> 00:26:47: uncertainties
00:26:47 --> 00:26:50: as well as sustainability and that that put backwards those
00:26:52 --> 00:26:55: uncertainties that Joey just mentioned?
00:26:55 --> 00:26:56: Look here I I I believe there is a lot
00:26:56 --> 00:26:58: we can do.
00:26:58 --> 00:27:02: I I think we we are there's a lot of
00:27:02 --> 00:27:03: the discussion of the generations now and the the the
00:27:03 --> 00:27:05: generational gap.
00:27:05 --> 00:27:08: I believe we are in a very good place as
00:27:08 --> 00:27:09: as as the current like age, age group of the
00:27:09 --> 00:27:12: young leaders.
00:27:09 --> 00:27:12: Today we're in a very, very good, very good position

00:27:12 --> 00:27:16: to to to become a bridge between the older generations
00:27:16 --> 00:27:20: still being the decision makers and the younger generations
as
00:27:20 --> 00:27:23: we may understand better what they want, what they are,
00:27:23 --> 00:27:25: what they need and be able to put it in
00:27:26 --> 00:27:29: the words that are understandable also for the for, for,
00:27:29 --> 00:27:32: for for the decision makers and people that really hold
00:27:32 --> 00:27:35: hold the pen on what is going or what is
00:27:35 --> 00:27:37: going or not going to happen.
00:27:37 --> 00:27:38: So I think this is a major thing.
00:27:39 --> 00:27:42: The other one I would say we are very digitally
00:27:42 --> 00:27:45: savvy let's say and there is a lot about this
00:27:45 --> 00:27:48: digitalization that is happening on all fronts.
00:27:48 --> 00:27:51: It's both on the both on the operations, both on
00:27:51 --> 00:27:52: the on the operations.
00:27:52 --> 00:27:53: The development.
00:27:55 --> 00:27:57: I mean technology is, is, is, is everywhere.
00:27:57 --> 00:27:59: We can you know really be on the forefront of
00:27:59 --> 00:28:03: this of this change either promoting new asset classes that
00:28:03 --> 00:28:07: that that technology driven understanding or sounding well
the trends
00:28:07 --> 00:28:10: that that we can as investors play on the back
00:28:10 --> 00:28:13: of the technology and also proposing how we can enhance
00:28:13 --> 00:28:16: our assets, our value creation plans based on this
technology.
00:28:17 --> 00:28:20: And I I believe our role here is can be
00:28:20 --> 00:28:23: huge it's it's it's up to us like you know
00:28:23 --> 00:28:27: how we would position ourself and and what challenges we
00:28:27 --> 00:28:31: will we'll embrace what challenges we'll decide not to.
00:28:32 --> 00:28:32: Thank you.
00:28:32 --> 00:28:34: And we'll come back in a moment.
00:28:34 --> 00:28:35: I'm super positive on that.
00:28:35 --> 00:28:37: I think it is a, you know, there is also
00:28:37 --> 00:28:38: a great momentum for us at the moment.
00:28:39 --> 00:28:40: Perfect.
00:28:40 --> 00:28:42: We'll come back in a moment to the technology savvy.
00:28:42 --> 00:28:45: Ask the classes that you've mentioned, Elia question for you
00:28:45 --> 00:28:49: in terms of the environmental concerns, actually along the
same
00:28:49 --> 00:28:51: lines of the impact.
00:28:51 --> 00:28:54: Can we even have an impact as the young leaders
00:28:54 --> 00:28:54: on that?
00:28:54 --> 00:28:58: And if so, how can we integrate ourselves into those

00:28:58 --> 00:28:58: projects?

00:28:58 --> 00:29:01: You just mentioned you're in contact with a lot of

00:29:02 --> 00:29:04: the stakeholders with the occupiers.

00:29:04 --> 00:29:07: To hear from them, to to have their input, how

00:29:07 --> 00:29:08: can we help?

00:29:10 --> 00:29:13: So I think it's it's a very vast question, but

00:29:13 --> 00:29:18: I think the probably for me like everyone personal responsibility

00:29:18 --> 00:29:23: is to really educate themselves about environmental impacts.

00:29:23 --> 00:29:25: I think there's a lot of misinformation.

00:29:25 --> 00:29:29: There's a lot of kind of preconceived ID of what

00:29:29 --> 00:29:32: is going to be more or less carbonated.

00:29:32 --> 00:29:36: There's a lot of preconceived ID of relationship between making

00:29:36 --> 00:29:39: a sustainable building and how much it's going to cost.

00:29:41 --> 00:29:44: So I think first it's like, you know, I would

00:29:44 --> 00:29:48: say everyone like kind of dive into regulation of your

00:29:48 --> 00:29:52: country, dive into the EU regulation, the EU taxonomy is

00:29:52 --> 00:29:52: coming.

00:29:53 --> 00:29:56: I think very little people have made effort to start

00:29:56 --> 00:29:59: looking in what it implies for their company and for

00:29:59 --> 00:29:59: the client.

00:30:00 --> 00:30:03: And I think if people don't make this effort, they're

00:30:03 --> 00:30:04: going to be being taken short.

00:30:06 --> 00:30:10: I think the other thing is, is to try to

00:30:10 --> 00:30:15: take also all the stakeholders point of view because as

00:30:15 --> 00:30:19: carbon is a long term issue any kind of emission

00:30:19 --> 00:30:23: or arrive at different stage of the building.

00:30:24 --> 00:30:27: It's important to have solution that works for everyone.

00:30:27 --> 00:30:30: Like because if you know as a builder you could

00:30:30 --> 00:30:32: be like OK, I'm going to do put a lot

00:30:32 --> 00:30:34: of very carbonated materials in.

00:30:35 --> 00:30:37: But like I also need to make sure that the

00:30:37 --> 00:30:40: energy reduction that for example triple glazing is going to

00:30:40 --> 00:30:43: bring all worse, it's over 50 years and that's and

00:30:43 --> 00:30:46: that's an equation that's very different in France where we

00:30:46 --> 00:30:49: have for example nuclear power or Germany where it's going

00:30:49 --> 00:30:52: to be like more carbon heavy and then when does

00:30:52 --> 00:30:54: it make sense to to do a particular renovation.

00:30:55 --> 00:30:57: So I think it's really important to have this discussion

00:30:57 --> 00:30:59: with for example when we have client who are going

00:30:59 --> 00:31:01: to be long term investor and then they keep that

00:31:01 --> 00:31:02: asset in the portfolio.

00:31:03 --> 00:31:05: We already plan with them like when are they going
 00:31:05 --> 00:31:08: to do the next renovation even if it's not with
 00:31:08 --> 00:31:11: us but just to make sure that what we doing
 00:31:11 --> 00:31:12: in the building makes sense.
 00:31:13 --> 00:31:16: We've had they see the building aging over time.
 00:31:17 --> 00:31:19: So it's it's more like a kind of try to
 00:31:19 --> 00:31:23: take other people's perspective and see high solution makes
 sense
 00:31:23 --> 00:31:25: over 50 years not just over construction phase.
 00:31:27 --> 00:31:31: And then I think like yeah for me these these
 00:31:31 --> 00:31:34: are the two the two main points.
 00:31:36 --> 00:31:39: I would, I would also think that it's it's important
 00:31:40 --> 00:31:43: to to to see how you create value over time
 00:31:43 --> 00:31:46: in the same way like I think the maybe like
 00:31:46 --> 00:31:49: I I think another thing that I will, I will
 00:31:49 --> 00:31:52: say people to do is a little bit like question
 00:31:52 --> 00:31:57: the indicators that we've been always using especially maybe
 economical
 00:31:57 --> 00:31:58: ones.
 00:31:58 --> 00:32:01: I think in Paris right now there's a big conversation
 00:32:01 --> 00:32:05: on on housing shortage as you mentioned and there's a
 00:32:05 --> 00:32:08: lot of empty offices and a lot of people have
 00:32:08 --> 00:32:11: a hard times or kind of say economically it's very
 00:32:11 --> 00:32:14: hard to make a conversion from an office to a
 00:32:14 --> 00:32:18: housing project work because you're not going to collect the
 00:32:18 --> 00:32:19: same rent.
 00:32:20 --> 00:32:22: But the model, a lot of the model don't really
 00:32:22 --> 00:32:25: account for the fact that these offices are already empty
 00:32:25 --> 00:32:27: and have been empty for a number of months now.
 00:32:28 --> 00:32:31: And so I feel like this valuation model needs to
 00:32:31 --> 00:32:35: be questioned and then maybe more aligned with some
 carbon
 00:32:35 --> 00:32:37: objective that this firm have.
 00:32:38 --> 00:32:41: And I think that's with the EU taxonomy, because people
 00:32:41 --> 00:32:45: also going to have to make the market themselves differently
 00:32:45 --> 00:32:50: financially, whether they're investing in something that's
 actually green or
 00:32:50 --> 00:32:53: not like this, going to be some sort of new
 00:32:53 --> 00:32:54: value model I think.
 00:32:54 --> 00:32:57: And so I think it's an important to understand the
 00:32:57 --> 00:32:59: one we use today and maybe see which part of
 00:32:59 --> 00:33:01: them are obsolete and which one could evolve.
 00:33:03 --> 00:33:06: Instead of on the one hand negatively pricing and things

00:33:06 --> 00:33:09: we should actually start looking at how can we the

00:33:09 --> 00:33:13: assets that we can reposition that we can transform, how

00:33:13 --> 00:33:16: we can actually value them for the additional value that

00:33:17 --> 00:33:20: we've created or for the value that we were able

00:33:20 --> 00:33:23: to create was no value before that's you handing off.

00:33:24 --> 00:33:24: Thank you.

00:33:24 --> 00:33:29: And you tell me Jan was talking about various innovation

00:33:29 --> 00:33:33: factors in terms of digitalization etcetera.

00:33:34 --> 00:33:38: Now when it comes to innovative design concepts, tell us.

00:33:39 --> 00:33:40: How?

00:33:40 --> 00:33:43: Can innovative design concepts maybe have a few examples

00:33:43 --> 00:33:43: for us?

00:33:43 --> 00:33:46: How can they contribute to the environmental sustainability?

00:33:46 --> 00:33:49: Maybe have something more palpable for us for every day

00:33:49 --> 00:33:51: we've been talking about the courthouse.

00:33:51 --> 00:33:53: Maybe we've got some examples for us.

00:33:54 --> 00:33:58: So, yeah, I think in terms of innovative design solution,

00:33:58 --> 00:34:01: we are, we are in a time where I think

00:34:01 --> 00:34:06: the divide between technophilic people and technophobic

00:34:06 --> 00:34:10: people are like

00:34:10 --> 00:34:12: a little bit to pronounce because seeing every building is

00:34:13 --> 00:34:14: going to be a mix of OK there this, this

00:34:14 --> 00:34:15: technology is justified.

00:34:17 --> 00:34:20: They're not.

00:34:20 --> 00:34:23: So I I think for me it's there's a few

00:34:23 --> 00:34:27: of course like like I'm really interested in materials at

00:34:27 --> 00:34:31: the moment at the office we're running this series of

00:34:31 --> 00:34:33: conference on materials and we're revisiting materials that

00:34:33 --> 00:34:37: are very

00:34:37 --> 00:34:41: classic like stone, metal etcetera.

00:34:41 --> 00:34:45: But we're also looking at more modern materials like kind

00:34:47 --> 00:34:52: of neo composite composite made of of natural fibres or

00:34:52 --> 00:34:54: or composite made of recycled materials etcetera.

00:34:55 --> 00:34:58: And I think this there is some innovation in in

00:34:58 --> 00:35:02: materiality.

00:35:02 --> 00:35:05: But I think for the number of years the main

00:35:05 --> 00:35:07: materials that we're going to use are still you know

00:35:08 --> 00:35:11: concrete, steel, wood and so on.

00:35:11 --> 00:35:15: One way I would argue that we we have to

00:35:15 --> 00:35:18: encourage innovation to come to a sector because I think

00:35:18 --> 00:35:21: the the building industry is one of the slowest 1

00:35:21 --> 00:35:24: to innovate and and for example you can see that

00:35:18 --> 00:35:22: like inter material like it's usually like kind of deep

00:35:22 --> 00:35:26: tech innovation so it needs like very important fundings and

00:35:26 --> 00:35:30: that's harder to find that for example other things around

00:35:30 --> 00:35:33: climate tech that are just more like softwares.

00:35:35 --> 00:35:38: So I I think like there's there's like first OK

00:35:39 --> 00:35:43: what when new materials are coming how to be produce

00:35:43 --> 00:35:46: concrete which type of energy is hydrogen.

00:35:46 --> 00:35:50: I think external this question, but I think for me

00:35:50 --> 00:35:54: there's also kind of an innovation in methodology of how

00:35:54 --> 00:35:58: we design and especially for example, for me one of

00:35:58 --> 00:36:02: the key leverage for carbon rejection in renovation is reused.

00:36:02 --> 00:36:06: So really like trying to renovate a lot of the

00:36:06 --> 00:36:11: materials that were or products that will usually discard and

00:36:11 --> 00:36:16: I think that's more an innovation in term of methodology

00:36:16 --> 00:36:21: because in order to re ensure these materials in in

00:36:21 --> 00:36:25: say for example like we have this other projects which

00:36:25 --> 00:36:27: has listed facades.

00:36:27 --> 00:36:30: And so basically we can't really do isolation from the

00:36:30 --> 00:36:34: outside because we can't touch the facade but we wanted

00:36:34 --> 00:36:36: to drastically decrease energy consumption.

00:36:36 --> 00:36:39: So we decided that we were going to replace all

00:36:39 --> 00:36:43: windows we were with glazing that has the equivalent

00:36:43 --> 00:36:46: performance

00:36:46 --> 00:36:49: of a triple glazing, but we wanted to keep all

00:36:49 --> 00:36:53: the window frames that had like recently changed.

00:36:53 --> 00:36:57: So we had to talk a lot with our facade

00:36:57 --> 00:37:01: consultant and with the insurance to make sure that we

00:37:01 --> 00:37:06: had a protocol of tests through which we could prove

00:37:06 --> 00:37:07: again that we'll get waterproofing and water tightness

00:37:07 --> 00:37:11: keeping these

00:37:11 --> 00:37:15: window frames.

00:37:15 --> 00:37:18: And then where we had like a particular innovation is

00:37:18 --> 00:37:22: that instead of using triple glazing, which was too thick

00:37:22 --> 00:37:25: to fit in this existing frame, we work for a

00:37:25 --> 00:37:29: company, We developed this clay, this double glazing, but

00:37:29 --> 00:37:32: that

00:37:32 --> 00:37:36: has a layer of vacuum in the middle, so there's

00:37:36 --> 00:37:41: no thermal conduction between the two layer of glass.

00:37:41 --> 00:37:46: And then we perform as well as a triple glazed

00:37:46 --> 00:37:51: panel and that that just developed over time and then

00:37:51 --> 00:37:56: really involve a very unusual ecosystem, you know, because

00:37:56 --> 00:38:01: we

00:38:01 --> 00:38:06: had this, this technological innovation of the the glass panel

00:37:46 --> 00:37:49: with this vacuum layer and we had also this, this

00:37:49 --> 00:37:54: facade consultant that had to design this whole protocol which

00:37:54 --> 00:37:56: is not really what it used to.

00:37:56 --> 00:37:59: But so I think it's it's also, yeah really questioning

00:37:59 --> 00:38:02: your technology would lead to kind of design innovation.

00:38:05 --> 00:38:06: Thank you.

00:38:06 --> 00:38:09: And Jan Anaya just very charmingly mentioned that we need

00:38:09 --> 00:38:12: to encourage innovation to come to our sector.

00:38:12 --> 00:38:13: I really like that phrase.

00:38:14 --> 00:38:19: Anaya Yan talking about encouraging innovation to come to our

00:38:19 --> 00:38:19: sector.

00:38:20 --> 00:38:24: You've just spoken about the technology savvy asset classes, new

00:38:25 --> 00:38:28: asset classes and that's a little bit more.

00:38:29 --> 00:38:32: How would you like to redefine the classical form of

00:38:32 --> 00:38:35: how, for example, which is thanks to find an asset

00:38:35 --> 00:38:35: class?

00:38:38 --> 00:38:41: Well, just just to add to to what Leah was

00:38:41 --> 00:38:44: Leah I was saying I think it is very leather.

00:38:44 --> 00:38:47: Her first first point about educating ourselves I think is

00:38:47 --> 00:38:51: very, very important just to like gain some basic understanding

00:38:51 --> 00:38:54: because it's really not an obvious topic and something that

00:38:54 --> 00:38:58: we have as obvious preconceptions are not necessarily not necessarily

00:38:58 --> 00:38:58: true.

00:38:58 --> 00:39:01: I think that was a super valid point and then

00:39:01 --> 00:39:05: on this asset classes look around well let me maybe

00:39:05 --> 00:39:08: share my view by no means you know a futurist

00:39:08 --> 00:39:11: or like sort of a market expert to to to

00:39:11 --> 00:39:14: to set you any ideas for the new classifications.

00:39:14 --> 00:39:19: But I I I think there are basically two things.

00:39:19 --> 00:39:22: One is the technology is going to to to shift

00:39:22 --> 00:39:27: shift different economic factors to demand, the supply relation in

00:39:27 --> 00:39:30: the asset classes that we know that are, that we

00:39:31 --> 00:39:32: are familiar with for years.

00:39:33 --> 00:39:36: And I think that was happening for quite some long

00:39:37 --> 00:39:40: time with COVID being an absolute catalyst of certain of

00:39:40 --> 00:39:44: certain things happening and that being rise of very strong

00:39:44 --> 00:39:47: rise of e-commerce fuelling logistics warehouses and so on.

00:39:48 --> 00:39:51: While at the same time hitting strongly the the traditional
00:39:52 --> 00:39:56: retail sector which interestingly I think after COVID finds an
00:39:56 --> 00:40:00: interesting balance because I think it's it's it's it's now
00:40:00 --> 00:40:04: retail a bit the traditional retail now a bit rejuvenating
00:40:04 --> 00:40:07: and sort of finding itself in in in a balance
00:40:07 --> 00:40:10: to the to the e-commerce and then and then the
00:40:10 --> 00:40:13: the, the the second thing which is a great example
00:40:13 --> 00:40:17: of that are the offices where I think the thesis
00:40:17 --> 00:40:20: during COVID was a bit opposite meaning we we I
00:40:20 --> 00:40:23: think we all claim that or majority of us claim
00:40:23 --> 00:40:24: that.
00:40:24 --> 00:40:24: Yeah.
00:40:24 --> 00:40:27: The office occupancy will return to us pretty quickly.
00:40:27 --> 00:40:29: We'll all come back to the offices fast.
00:40:30 --> 00:40:33: And in fact, that doesn't really happen to that extent
00:40:33 --> 00:40:35: or it seems not to happen yet.
00:40:35 --> 00:40:38: To that extent, we'll see what comes.
00:40:38 --> 00:40:41: And I think the technology is the driving factor here
00:40:41 --> 00:40:44: because one, we've been able to switch from buying in
00:40:44 --> 00:40:47: the store to our mobiles to the Internet then on
00:40:47 --> 00:40:48: the offices.
00:40:48 --> 00:40:51: I mean and I think this is something we can
00:40:51 --> 00:40:56: all relate to the amount of the technology technological
00:40:56 --> 00:41:00: enablement
00:40:56 --> 00:41:00: the COVID brought to us where we suddenly couldn't come
00:41:00 --> 00:41:03: to work was just amazing within one week.
00:41:03 --> 00:41:05: I mean so many new tools, so many new ways
00:41:05 --> 00:41:07: of working as well and everybody on the same page
00:41:07 --> 00:41:09: in terms of how we work that was just fantastic.
00:41:09 --> 00:41:12: And it's and I think this is one of the
00:41:12 --> 00:41:15: aspects where the technology comes into play where we
00:41:15 --> 00:41:18: need
00:41:15 --> 00:41:18: to be very I would say aware and very vigilant
00:41:18 --> 00:41:22: of of taking our investment decision and thinking what can
00:41:22 --> 00:41:25: become more or less relevant in the future.
00:41:25 --> 00:41:29: Then I think there are certain completely new, completely
00:41:29 --> 00:41:32: new,
00:41:29 --> 00:41:32: well sort of maybe not asset classes but but but
00:41:32 --> 00:41:35: like a sub sectors of the real estate to which
00:41:35 --> 00:41:39: real estate investors can invest which which are fueled by
00:41:39 --> 00:41:41: technology which were not here previously.
00:41:41 --> 00:41:46: That's obvious examples are the data centres that's that
00:41:41 --> 00:41:46: doesn't

00:41:46 --> 00:41:50: need you know much much introduction much discussion I think

00:41:50 --> 00:41:53: on the top of the wish list in the ULI

00:41:53 --> 00:41:54: report, ULI PwC report.

00:41:54 --> 00:41:57: So that's that's an obvious one but then a lot

00:41:57 --> 00:42:00: can happen also around the energy which is currently I

00:42:00 --> 00:42:03: think only in the in the in the very starting

00:42:03 --> 00:42:04: point.

00:42:04 --> 00:42:06: But I can easily imagine that we progress with the

00:42:06 --> 00:42:09: energy storage and that can also be like you know

00:42:09 --> 00:42:11: on the verge of infrastructure and real estate.

00:42:12 --> 00:42:16: In fact then maybe, you know maybe we'll be still

00:42:16 --> 00:42:21: developing large car parks for electric cars and that will

00:42:21 --> 00:42:23: be as close by itself.

00:42:23 --> 00:42:26: But to be honest, it's quite difficult to give you

00:42:26 --> 00:42:29: to give you a specific classifications I would I would

00:42:29 --> 00:42:31: think in this two, in this two layers.

00:42:31 --> 00:42:34: So one, what are the new avenues that the technology

00:42:34 --> 00:42:36: will bring us in terms of investment?

00:42:36 --> 00:42:42: Second what supply demand relation is technology shifting going forward

00:42:42 --> 00:42:46: and then obviously the technology can bring a lot to

00:42:46 --> 00:42:50: the to to to the value creation plan to how

00:42:50 --> 00:42:54: we operate the assets that we know that that are

00:42:54 --> 00:42:55: here with us for ages.

00:42:55 --> 00:42:58: I can give you one example from from in fact

00:42:58 --> 00:43:01: my experience at URW we are we are in fact

00:43:01 --> 00:43:04: kind of you know pure nearing on the relation with

00:43:04 --> 00:43:07: tenants in terms of the in terms of the media

00:43:07 --> 00:43:10: advertising and the and the digital advertising.

00:43:12 --> 00:43:15: If you have our centres close by, you can notice

00:43:15 --> 00:43:17: like in the past several years A roll out of

00:43:17 --> 00:43:21: very large, very large digital screens, media and so on

00:43:21 --> 00:43:25: where we basically integrate the clients needs, clients meeting the

00:43:25 --> 00:43:28: the the tenant needs in terms of promotion and trying

00:43:28 --> 00:43:31: to meet that to give them good exposure to the

00:43:31 --> 00:43:33: clients that are visiting the centre.

00:43:33 --> 00:43:35: And it it it was you know it was all

00:43:35 --> 00:43:37: there previously we've been doing that.

00:43:37 --> 00:43:40: But with the technology we changed the means of how

00:43:40 --> 00:43:43: we are doing that meaning we went much more into

00:43:43 --> 00:43:45: the digital and then we kind of put it very

00:43:45 --> 00:43:49: nicely together as a separate structure which again is largely

00:43:49 --> 00:43:50: the coordination of it.

00:43:50 --> 00:43:52: The the speed at which we can act is also

00:43:52 --> 00:43:56: largely enabled by technology and that's obviously contributes to our

00:43:56 --> 00:43:57: value creation plans.

00:43:59 --> 00:44:02: And Jan for young leaders, this is those sub asset

00:44:02 --> 00:44:06: classes on sub niches or however we want to define

00:44:06 --> 00:44:09: them, the opportunities in the markets.

00:44:09 --> 00:44:13: Those are also great opportunities for the young generation in

00:44:13 --> 00:44:14: your opinion.

00:44:15 --> 00:44:17: Well, I I I believe yes, I mean as I

00:44:17 --> 00:44:22: said previously I think we are genuinely closer to understanding

00:44:22 --> 00:44:25: how the technology works because we are brought up with

00:44:25 --> 00:44:26: it.

00:44:26 --> 00:44:27: We are, we are very, very savvy.

00:44:27 --> 00:44:29: We will it's it's very and you know I think

00:44:29 --> 00:44:32: a fairly simple example are are US versus our parents

00:44:33 --> 00:44:36: and grandparents and how they can adopt the new things

00:44:36 --> 00:44:38: and how we can and for us it's instant almost

00:44:38 --> 00:44:41: like you know it's instant it's it's hassle free for

00:44:41 --> 00:44:44: them it's really needs some education and I think this

00:44:45 --> 00:44:47: is this is where we have an edge in understanding

00:44:47 --> 00:44:50: and then you know I mean always with the fresh

00:44:50 --> 00:44:53: mind I think it's it's it gives you a benefit

00:44:53 --> 00:44:57: of bringing forward the innovation seeing things that people doing

00:44:57 --> 00:45:00: the same thing for several years might have difficulty spotting.

00:45:00 --> 00:45:04: So I I would just say it requires probably courageous

00:45:04 --> 00:45:08: decisions to to venture into certain specific areas that are

00:45:08 --> 00:45:12: currently maybe you know below the radar that's one thing

00:45:12 --> 00:45:15: and then I think we are really well positioned to

00:45:16 --> 00:45:19: to to to to find our opportunities in this emerging

00:45:19 --> 00:45:20: classes.

00:45:22 --> 00:45:23: Thank you, Yan.

00:45:24 --> 00:45:29: Lelia Yun mentioned the advertisement that they are using now

00:45:29 --> 00:45:33: for service, how they are developing on that front in

00:45:33 --> 00:45:38: their shopping centres talking about those digital tools that we

00:45:38 --> 00:45:39: can use.

00:45:40 --> 00:45:45: How can the industry balance the adoption with maintaining a

00:45:45 --> 00:45:49: human centring design and the the principles in in Urban

00:45:49 --> 00:45:51: Development?

00:45:52 --> 00:45:54: I think that's a good question.

00:45:54 --> 00:45:58: It's like relatively cultural and I feel the context of

00:45:58 --> 00:46:01: your project is going to influx on that a lot

00:46:01 --> 00:46:05: because I feel, you know I think for example the

00:46:05 --> 00:46:08: origin to the office in Paris has been much greater

00:46:08 --> 00:46:12: than other maybe major cities in the world.

00:46:12 --> 00:46:15: And it's interesting because on some project that are in

00:46:15 --> 00:46:19: Paris, we have like American investors and they don't really

00:46:19 --> 00:46:23: they have a hard time understanding why so many French

00:46:23 --> 00:46:25: people come back to the office.

00:46:25 --> 00:46:27: And it's just a very different context.

00:46:27 --> 00:46:30: You know like the routine that you have your commute

00:46:30 --> 00:46:32: is, is is your experience is profoundly different.

00:46:34 --> 00:46:37: And so I I feel that there are they were

00:46:37 --> 00:46:41: there are always going to be people that are have

00:46:41 --> 00:46:43: more or less affinity to technology.

00:46:44 --> 00:46:47: But I would say in France there's there's I think

00:46:47 --> 00:46:50: a lot of people who are a bit scared by

00:46:50 --> 00:46:53: technology and and I think to some extent maybe some

00:46:53 --> 00:46:56: some are right, it depends a little bit.

00:46:56 --> 00:46:58: But so I feel like in our with our clients

00:46:59 --> 00:47:02: it's been a relatively easy discussion because they I think

00:47:03 --> 00:47:07: they've been quite reasonable about the amount of

00:47:07 --> 00:47:09: technology they

00:47:07 --> 00:47:09: want to implement in a building.

00:47:11 --> 00:47:14: You find that and then people that are super technophilic

00:47:14 --> 00:47:17: And I think then as as Jan mentioned it's probably

00:47:17 --> 00:47:21: interesting to look at other indicators like what's the long

00:47:21 --> 00:47:26: term economical and carbon impact of implementing this

00:47:26 --> 00:47:28: particular technology.

00:47:27 --> 00:47:31: So I I think for me like the maybe and

00:47:31 --> 00:47:35: and as I mentioned as well like data centre is

00:47:36 --> 00:47:40: is one of the thing which is very like hardly

00:47:40 --> 00:47:47: reconciled the necessity for consuming less energy,

00:47:47 --> 00:47:51: consuming less land.

00:47:47 --> 00:47:51: I think in France in the moment there's so in

00:47:51 --> 00:47:55: in a few like I think it's 2000, yeah same

00:47:55 --> 00:47:55: 2015.

00:47:55 --> 00:47:59: We also will have to have net 0 artificialisation.

00:47:59 --> 00:48:04: So we can't artificialise land that hasn't been constrained on yet.

00:48:04 --> 00:48:04:

00:48:05 --> 00:48:07: And I think data centre or like like people don't really know how they're going to still build data centre because most of them are the bits in the middle of nowhere.

00:48:07 --> 00:48:10:

00:48:11 --> 00:48:13: But they in areas that are less valuable and kind of further from city centres.

00:48:13 --> 00:48:14:

00:48:14 --> 00:48:18:

00:48:18 --> 00:48:20:

00:48:20 --> 00:48:24: So in area that have more chance to be natural areas.

00:48:24 --> 00:48:25:

00:48:26 --> 00:48:29: And I mean we also really interesting in a I T office but we cannot you know disregard the amount of energy that goes into developing AI models and on this I really I really don't really have an answer I I think it's it's it's competing I think these these two goals are competing.

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00:48:41 --> 00:48:44:

00:48:44 --> 00:48:47:

00:48:49 --> 00:48:52: I'm I'm not at all against AI very interesting and especially in France we had a lot of discussion since the like the founding of Mistral AI which is like a kind of an interesting new players.

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00:48:55 --> 00:48:59:

00:48:59 --> 00:49:01:

00:49:01 --> 00:49:04: It's I think it's interesting to see how Europe is positioning itself as well on technology.

00:49:04 --> 00:49:07:

00:49:07 --> 00:49:10:

00:49:10 --> 00:49:15: It should like to be less dependent on on the US and for that it implies to have localised data centre and capacity.

00:49:15 --> 00:49:16:

00:49:18 --> 00:49:21:

00:49:21 --> 00:49:26: But yeah I I didn't have the chance yet to work on on much logistics project so maybe next time I'll have a a better answer but.

00:49:26 --> 00:49:29:

00:49:30 --> 00:49:34: Go to all the logistics investors who are listening now and the contact Lalia afterwards and you can cooperate together.

00:49:34 --> 00:49:38:

00:49:40 --> 00:49:41:

00:49:41 --> 00:49:43: Yeah, I would actually.

00:49:43 --> 00:49:47:

00:49:47 --> 00:49:47:

00:49:49 --> 00:49:51:

00:49:51 --> 00:49:54: I wanted to hear from Jan also on two more things, but we have a question from one of the attendees.

00:49:54 --> 00:49:57:

00:49:57 --> 00:49:58:

00:49:59 --> 00:50:03: It is covered partially already because it says regarding the sustainability in real estate, what are the most important aspects for building and use and how can we measure the added value brought by sustainability?

00:49:59 --> 00:50:03:

00:50:03 --> 00:50:06:

00:50:06 --> 00:50:11: I haven't been coming to that question yet because I feel like we've spoken about the value that can be already considered at the beginning already of such

repositions or transformed projects.

00:50:11 --> 00:50:13: But is there any other way that you see that those measures can add value?

00:50:13 --> 00:50:17: And can be considered.

00:50:18 --> 00:50:21: Yeah.

00:50:22 --> 00:50:23: I mean like a little bit, as I said, like the like the measure you take when you use your renovation or not going to impact financially the same people.

00:50:24 --> 00:50:24: So for example, putting more complex or more elaborated materials

00:50:24 --> 00:50:27: is going to impact like the developer and the investor.

00:50:27 --> 00:50:31: But if that enables consumption savings, it's more going to be the person who occupies the building that's going to benefit from it.

00:50:31 --> 00:50:35: So it's interesting, it's important to understand like when financial

00:50:36 --> 00:50:40: repercussion or a particular solution are are going to hit just regarding like the operation phase, which of course we're a little bit less involved in because once we hand over the building, there's not much we can do.

00:50:40 --> 00:50:44: But I think where we try to anticipate strongly is user behaviour and especially for example like for passive building

00:50:44 --> 00:50:48: or semi passive building which are for example, we're going to have a particular type of solar shading deploying at the time of the day or kind of night discharge

00:50:48 --> 00:50:51: where windows going to open so that the building can kind of cool down when it's not occupied at night

00:50:51 --> 00:50:52: etcetera.

00:50:52 --> 00:50:57: This kind of technology can go quite wrong if the manager of the building doesn't understand how it's supposed to work.

00:50:57 --> 00:51:01: And I think there's been quite a few sad example of of building that was supposed to be passive that end up over consuming just because it's a it's a delicate like thermodynamics balance.

00:51:01 --> 00:51:05: So I would say kind of understanding the complexity of the system you put in place and being realistic about how bothered or not bothered and how much time there's going to, people are going to have to move in the building and understand how it functions.

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00:52:11 --> 00:52:14: And then maybe the other things that we didn't really
00:52:14 --> 00:52:14: talked about.

00:52:16 --> 00:52:21: It's also like what behaviour does your building generate.
00:52:21 --> 00:52:24: So for example how you how people commuting to the
00:52:24 --> 00:52:27: office, like is there sufficient bike parking, is there a
00:52:27 --> 00:52:30: nice shower that you can use when you arrive So
00:52:30 --> 00:52:33: you can you know do your half an hour of
00:52:33 --> 00:52:36: bike and arrive and still have a comfortable day at
00:52:36 --> 00:52:36: work.

00:52:37 --> 00:52:39: You know how many outdoor space it is.
00:52:39 --> 00:52:42: So I think there's also and also like I think
00:52:42 --> 00:52:45: that's with some of our clients who had a big
00:52:45 --> 00:52:49: reflection on what food is available in the neighbourhood and
00:52:49 --> 00:52:53: like whether it's we should implant, implement like like
00:52:54 --> 00:52:58: restaurants
00:52:54 --> 00:52:58: in that particular building because transportation, food all
00:52:58 --> 00:53:00: have also
00:52:58 --> 00:53:00: like very big carbon impacts.

00:53:00 --> 00:53:04: And there if things are painless, people are going to
00:53:04 --> 00:53:05: happily switch habit.
00:53:05 --> 00:53:07: But if it's very painful to come to the office
00:53:07 --> 00:53:10: and a bike like very little people are going to
00:53:10 --> 00:53:10: do that.
00:53:10 --> 00:53:13: So I would say like operation phase for me is
00:53:13 --> 00:53:15: a lot about these concerns as well.

00:53:17 --> 00:53:21: And then on the added value, I think it's I
00:53:21 --> 00:53:26: think for for I think for me the there's a
00:53:26 --> 00:53:27: few things.
00:53:27 --> 00:53:31: I think the EU taxonomy is going to definitely increase
00:53:31 --> 00:53:34: the value of of buildings that are compliant because there's
00:53:34 --> 00:53:38: certain funds they're just going to stop investing in portfolio
00:53:38 --> 00:53:40: that they are not compliant.
00:53:40 --> 00:53:43: And I think for occupiers it's so for for example
00:53:43 --> 00:53:46: like I hope there's no one from AXA work in
00:53:46 --> 00:53:50: the cold but like maybe they are but like working
00:53:50 --> 00:53:54: on AXA headquarters was very important because they were
00:53:54 --> 00:53:57: we
00:53:54 --> 00:53:57: are this very old company and it's an issue for
00:53:57 --> 00:54:00: us to attract young talents because we have this image
00:54:00 --> 00:54:03: of an old company when I pull start up and
00:54:03 --> 00:54:06: then so how can we do a headquarters that kind
00:54:06 --> 00:54:09: of revisit the image that we have.
00:54:09 --> 00:54:12: And I think that was a very important question because

00:54:12 --> 00:54:14: it was kind of a long term value for them

00:54:14 --> 00:54:17: as well like because hiring is is you know people

00:54:17 --> 00:54:19: are one of the main value of companies.

00:54:20 --> 00:54:22: So I would say also that like the ecosystem you

00:54:22 --> 00:54:25: create and the talent you manage to retain in a

00:54:25 --> 00:54:26: in a nice building.

00:54:28 --> 00:54:29: Thank you, Elena.

00:54:29 --> 00:54:29: We.

00:54:29 --> 00:54:30: Maybe Ariana, if I, if you know, if I can

00:54:31 --> 00:54:31: add to that.

00:54:31 --> 00:54:34: I think because the question was also about like you

00:54:34 --> 00:54:36: know the, the, the how does incremental changes can

00:54:37 --> 00:54:39: transfer

00:54:39 --> 00:54:39: into your value, how you can measure that and so

00:54:39 --> 00:54:39: on.

00:54:39 --> 00:54:43: I think well layout measures completely, completely valid.

00:54:43 --> 00:54:45: And I I would stress even more this, this element

00:54:45 --> 00:54:48: of marketability that there are some buildings that might

00:54:48 --> 00:54:52: become

00:54:48 --> 00:54:52: basically obsolete and difficult to transact in the future

00:54:52 --> 00:54:55: because

00:54:52 --> 00:54:55: environmental parties today also apart for due diligence for

00:54:55 --> 00:54:56: majority

00:54:55 --> 00:54:56: of the investors.

00:54:56 --> 00:54:59: And then a second component of that and maybe you

00:54:59 --> 00:55:02: can relate to that is, is the financing and there

00:55:02 --> 00:55:06: are also certain requirements on the side of the banks

00:55:06 --> 00:55:09: which some buildings may find quite strict and then also

00:55:09 --> 00:55:12: like to to to to allude very, very, very shortly

00:55:12 --> 00:55:14: to to how you can measure that.

00:55:14 --> 00:55:17: There are a lot of changes that you can implement

00:55:17 --> 00:55:19: that in fact have a CapEx behind it, but are

00:55:19 --> 00:55:22: influencing your income from the from that building.

00:55:22 --> 00:55:24: Generally as a, you know as a occupier you probably

00:55:24 --> 00:55:27: have a basket to allocate whether that's a store, whether

00:55:27 --> 00:55:29: that's an office, whether that's a warehouse.

00:55:30 --> 00:55:33: And if you can pay them less for energy consumption

00:55:33 --> 00:55:36: that you're having because the building is is better term

00:55:36 --> 00:55:40: approved or you use less water because there is a

00:55:40 --> 00:55:44: better circulation system or whatever that's usually can be or

00:55:44 --> 00:55:47: depending obviously on the again demand supply.

00:55:47 --> 00:55:48: But it's generalizing.

00:55:48 --> 00:55:51: It can be reflected somehow in the amount of money

00:55:51 --> 00:55:54: you're earning at the end from this specific tenant and

00:55:54 --> 00:55:57: how he allocates this box, this basket between his costs

00:55:57 --> 00:56:00: and and what he's paying you as a pure rent

00:56:00 --> 00:56:01: or like a pure income.

00:56:02 --> 00:56:04: So again, generalizing a lot, but I think it's it's

00:56:04 --> 00:56:06: a very financial topic as well.

00:56:08 --> 00:56:11: With with a lot of impact down the chain right

00:56:11 --> 00:56:14: up and occupier and in terms of him his usage

00:56:14 --> 00:56:17: as well in terms of as you say costs but

00:56:17 --> 00:56:20: also as Leila said in in terms of anticipating their

00:56:20 --> 00:56:22: behaviour as well.

00:56:22 --> 00:56:22: So this is.

00:56:22 --> 00:56:23: Exactly.

00:56:25 --> 00:56:27: Really quickly, because we have 4 minutes and there's one

00:56:27 --> 00:56:29: more question in the chat.

00:56:29 --> 00:56:31: But Jan, I did want to hear from you also

00:56:31 --> 00:56:33: on a different topic.

00:56:33 --> 00:56:37: Before the webinar you mentioned we've been talking, Joey

00:56:37 --> 00:56:40: told

00:56:40 --> 00:56:45: us about the 3DS that are occupying us a lot,

00:56:45 --> 00:56:50: a lot of the conversations in industry, digitalization, Decarbon

00:56:50 --> 00:56:55: graphics.

00:56:55 --> 00:56:57: And Jan, you mentioned deglobalization, which is a very valid

00:56:57 --> 00:56:58: point to speak about, especially talking as and to young

00:56:58 --> 00:57:01: leaders right now.

00:56:59 --> 00:57:01: Jan, tell us more about this.

00:57:01 --> 00:57:04: Well, I think it's not by no means, I'm an

00:57:04 --> 00:57:04: expert, by no means a topic for four minutes I

00:57:04 --> 00:57:07: think.

00:57:07 --> 00:57:09: So it's just very shortly.

00:57:09 --> 00:57:12: I think you know this is also a part of

00:57:12 --> 00:57:15: a trend which Lila in fact mentioned on the on

00:57:15 --> 00:57:18: the topic of the data centres and I think it

00:57:18 --> 00:57:20: would be important what what is your overall strategy.

00:57:20 --> 00:57:24: I I think we have a we have a year

00:57:24 --> 00:57:28: with a record 60 something or 60 elections all across

00:57:28 --> 00:57:30: the globes war at least into two regions, one close

00:57:30 --> 00:57:35: to me and close to my heart.

00:57:35 --> 00:57:39: And then there are so many uncertainties you need to

00:57:39 --> 00:57:42: address that it's not a surprise that business leaders and

00:57:42 --> 00:57:44: decision makers are trying to shorten the value chains.

00:57:44 --> 00:57:47: That concerns logistics a lot.

00:57:47 --> 00:57:47: That concerns data centres where you want your data to

00:57:47 --> 00:57:50: be stored and how and and probably like you know

00:57:50 --> 00:57:53: then short services that's offices and so on.

00:57:53 --> 00:57:56: So I think it's a very broad topic and it's

00:57:56 --> 00:57:59: and I think it's an interesting reverse of the paradigm

00:57:59 --> 00:58:03: because for years it was about the globalization and going

00:58:03 --> 00:58:06: where the cost was lower whereas now I think we

00:58:06 --> 00:58:09: my, I don't know how it will play out.

00:58:09 --> 00:58:12: I'm not an expert geopolitics or anything like that, but

00:58:13 --> 00:58:13: it's it.

00:58:13 --> 00:58:16: It will be interesting to watch how those big trends

00:58:16 --> 00:58:19: play out and I think it's a it's it's a

00:58:19 --> 00:58:21: factor as well to be to be aware of.

00:58:23 --> 00:58:24: Thank you, Yan.

00:58:24 --> 00:58:28: Taking a quick look at the question from Sophie, maybe

00:58:28 --> 00:58:31: Sophie, maybe you can catch up with Lady and Aftermath,

00:58:31 --> 00:58:34: because I do think that we have literally one minute

00:58:34 --> 00:58:36: left where I wanted to thank you both.

00:58:36 --> 00:58:39: See if you have anything else that you would like

00:58:39 --> 00:58:40: to share with us that's urgent.

00:58:40 --> 00:58:44: And Yana, I also want to congratulate you on the

00:58:44 --> 00:58:47: new position that you've taken also with a new Li

00:58:47 --> 00:58:51: as the new National chair for the the young leaders.

00:58:51 --> 00:58:53: And you've, I think you've done also the exec in

00:58:53 --> 00:58:53: Poland, right?

00:58:53 --> 00:58:54: Poland and check.

00:58:54 --> 00:58:56: Yes, yes, thanks a lot.

00:58:56 --> 00:58:56: Thanks a lot for that.

00:58:56 --> 00:58:59: And as I have this last opportunity to speak, thanks

00:58:59 --> 00:59:01: for all the audience for, for, for, for this one

00:59:01 --> 00:59:03: hour of patience joining us.

00:59:04 --> 00:59:06: Thank you, thank you, thank you, Lalia.

00:59:08 --> 00:59:08: Yeah.

00:59:08 --> 00:59:10: Thank you very much both for.

00:59:10 --> 00:59:14: I really enjoyed the discussion and thanks for the audience

00:59:14 --> 00:59:18: for listening and indeed like if there's any remaining question,

00:59:18 --> 00:59:22: feel free to reach through LinkedIn or any other media.

00:59:23 --> 00:59:24: Perfect.

00:59:24 --> 00:59:24: Thank you so much.

00:59:24 --> 00:59:27: I think we've heard today from Joey as well.

00:59:27 --> 00:59:30: Great Reset and Radical Rethink.

00:59:30 --> 00:59:33: Those are the two key points that I'm taking with

00:59:33 --> 00:59:35: me and Lelia Yan.

00:59:35 --> 00:59:39: As you have very much underlined, educating ourselves will be
00:59:39 --> 00:59:41: key for the next generation to come.
00:59:42 --> 00:59:43: Thank you so much.
00:59:44 --> 00:59:48: Buddy and thanks to our fabulous panelists and moderator.

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