



Webinar

ULI Global Webinar: Powerhouses in Question: The Evolution of Global Business Districts - APAC/Europe

Date: December 05, 2025

00:00:00 --> 00:00:03: I am very pleased and excited to share this latest
00:00:03 --> 00:00:06: version of the Global Business Districts report.
00:00:07 --> 00:00:12: Developed with the support of the Global Business District
Innovation
00:00:12 --> 00:00:16: Club, the study looks at 30 major business districts globally
00:00:16 --> 00:00:20: and what makes them competitive from a talent perspective
to
00:00:20 --> 00:00:24: investment to sustainability and mobility issues.
00:00:24 --> 00:00:28: Our previous editions were published in 2017 and 2020 and
00:00:28 --> 00:00:31: gave unique insights about global business districts.
00:00:31 --> 00:00:35: But obviously since then the world has changed quite
significantly.
00:00:35 --> 00:00:40: Work patterns have changed, urban expectations and and
global competitiveness
00:00:40 --> 00:00:44: have all shifted and business districts are really at the
00:00:44 --> 00:00:44: centre of it.
00:00:45 --> 00:00:49: This 2025 edition of the report provides a fresh assessment
00:00:49 --> 00:00:53: and independent analysis and guidance on how cities can be
00:00:53 --> 00:00:57: more prepared for the future in terms of business districts.
00:00:58 --> 00:01:01: The agenda for today's session will involve first a short
00:01:01 --> 00:01:04: presentation of the report's key findings.
00:01:05 --> 00:01:08: Following that, we'll have a panel discussion with some key
00:01:08 --> 00:01:12: stakeholders involved in global business districts who will
share their
00:01:12 --> 00:01:15: perspectives on the report and the outlook for for the
00:01:15 --> 00:01:16: business districts.
00:01:17 --> 00:01:20: There is AQ and a function in Zoom at the
00:01:20 --> 00:01:22: bottom of your screen.
00:01:22 --> 00:01:24: So if you'd like to submit any questions related to
00:01:24 --> 00:01:26: this theme or topic, please do.
00:01:26 --> 00:01:29: And if we have time, we will try to address

00:01:29 --> 00:01:31: them as part of the panel discussion later.

00:01:32 --> 00:01:36: But with that, I'd now like to introduce Mark Lemitt

00:01:36 --> 00:01:37: from EY France.

00:01:37 --> 00:01:41: He will take us through the key findings from the

00:01:41 --> 00:01:45: 2025 Global Business District Attractiveness Report.

00:01:46 --> 00:01:46: Over to you, Mark.

00:01:47 --> 00:01:50: Thank you, Simon, and good morning or good afternoon.

00:01:50 --> 00:01:52: Good evening to all of you.

00:01:52 --> 00:01:53: Thank you very much for being here.

00:01:55 --> 00:01:59: I'll very happy to present the 3rd edition of this

00:01:59 --> 00:02:03: joint venture that we have done with you and I.

00:02:03 --> 00:02:06: And I want to thank and the knowledge also the,

00:02:06 --> 00:02:11: the great support of the Global Business District Innovation Club.

00:02:11 --> 00:02:13: For those of you who don't know this alliance of

00:02:13 --> 00:02:17: the largest and most innovative business districts, please look them

00:02:17 --> 00:02:19: up on the Internet, reach out to them.

00:02:19 --> 00:02:23: They're a great group and they basically supported and finance

00:02:23 --> 00:02:27: this research, which were I'm happy to present very, very

00:02:27 --> 00:02:30: shortly because we have a great panel.

00:02:30 --> 00:02:33: So if we can move to the next slide, please,

00:02:33 --> 00:02:37: the next slide because this is the title and you

00:02:37 --> 00:02:41: kind of understand in powerhouses in question what I will

00:02:41 --> 00:02:44: be discussing and presenting this morning.

00:02:45 --> 00:02:49: Simon already mentioned that it's a, you know, we, we

00:02:49 --> 00:02:53: went around the world because that's the context and the

00:02:53 --> 00:02:57: background of the 30 largest business districts again in the

00:02:57 --> 00:03:01: 3rd edition went from 25 business districts in 2020.

00:03:01 --> 00:03:05: Last time we did publish the report and we were

00:03:05 --> 00:03:07: in the first months of the pandemic.

00:03:07 --> 00:03:12: So it was a big moment of very impressive very,

00:03:12 --> 00:03:20: you know, sometimes very difficult complex analysis, but we managed

00:03:20 --> 00:03:25: to get it through and the, the previous one covered

00:03:25 --> 00:03:27: about 2020 bit.

00:03:27 --> 00:03:30: So we, we enlarged the group of of benchmarks.

00:03:30 --> 00:03:34: We did look at 8 dimensions because you don't want

00:03:34 --> 00:03:37: to give score on a general basis.

00:03:38 --> 00:03:43: All these business districts are located in very different geographies,

00:03:43 --> 00:03:46: very different economy, real estate, people dynamic.

00:03:47 --> 00:03:49: So on the bottom of the page you see, and
00:03:49 --> 00:03:51: for those of you who are curious about the details
00:03:51 --> 00:03:54: of the report, there is AQR code at the end.
00:03:54 --> 00:03:57: And I really encourage you to deep dive into the
00:03:57 --> 00:04:01: longer form because really this is where you will find
00:04:01 --> 00:04:05: case studies and insights from, from great people that we've
00:04:05 --> 00:04:08: interviewed, 250 members from ULI who gave us a little
00:04:08 --> 00:04:11: bit of time to understand the current state and the
00:04:11 --> 00:04:14: future state of business districts.
00:04:14 --> 00:04:17: And of course, we looked at loads of data as
00:04:17 --> 00:04:19: we do at EY and ULI and I'm happy to
00:04:19 --> 00:04:21: present just some of them.
00:04:21 --> 00:04:25: So I'll, I'll just focus on what for me personally,
00:04:25 --> 00:04:28: we're the most interesting or at least this morning.
00:04:28 --> 00:04:32: I'm based in Paris this morning, the facts and figures
00:04:32 --> 00:04:35: that I really want to keep for the panel.
00:04:35 --> 00:04:37: And and of course, the panel's free to look at
00:04:37 --> 00:04:39: other aspects of this research.
00:04:39 --> 00:04:43: So let's go to the next slide and and really
00:04:43 --> 00:04:47: for us probably the first and biggest surprise of all
00:04:47 --> 00:04:55: when we interviewed 200 plus leaders, investors, developers,
occupiers, architects,
00:04:55 --> 00:05:00: managers of those business districts and asked them, are those
00:05:00 --> 00:05:05: business districts, the ones you manage, you invest in, you
00:05:05 --> 00:05:10: occupy, are there more or less attractive than in 2020?
00:05:10 --> 00:05:13: And of course there was an effect of progression and
00:05:13 --> 00:05:16: and getting back to normal, but just not the new
00:05:16 --> 00:05:17: normal.
00:05:18 --> 00:05:22: And 63% of them said, yes, those concentration of office,
00:05:22 --> 00:05:28: but also retail, housing, public equipment are more attractive
now
00:05:28 --> 00:05:29: than in 2020.
00:05:29 --> 00:05:32: So it, it kind of sets the stage of we're
00:05:32 --> 00:05:36: progressing to a positive to a changing mode.
00:05:36 --> 00:05:39: And I want to give you the reason why the
00:05:39 --> 00:05:43: positive and also some of the obstacles or challenges that
00:05:44 --> 00:05:48: they are facing before looking at 4 megatrends that we
00:05:48 --> 00:05:52: think are kind of designing or defining the future of
00:05:52 --> 00:05:53: business district.
00:05:54 --> 00:05:58: Why are these business districts still the powerhouses that
they
00:05:58 --> 00:06:01: are today and which is reflected in this number?

00:06:01 --> 00:06:04: So the next slide will give you for me, if

00:06:04 --> 00:06:06: we can go to the next slide.

00:06:06 --> 00:06:07: Kirsty, thank you very much.

00:06:07 --> 00:06:08: Thanks so much.

00:06:09 --> 00:06:13: It's it's really a concentration of 2-3 figures that I

00:06:13 --> 00:06:15: want to present this morning.

00:06:16 --> 00:06:17: The rest again is in the report.

00:06:18 --> 00:06:23: There is legacy, there is branding the Manhattan's, the cities,

00:06:23 --> 00:06:28: what's happening and and how Singapore, Hong Kong, Ladifalls, Beijing

00:06:28 --> 00:06:34: have established themselves as powerhouses in terms of the concentration

00:06:34 --> 00:06:38: of of course presence of investment and and stock and

00:06:38 --> 00:06:42: inventory of real estate in many, many shapes and forms.

00:06:42 --> 00:06:48: The enormous amount of economy power in those thirty locations.

00:06:49 --> 00:06:52: But really on the right hand side you see why

00:06:53 --> 00:06:57: companies are very, very much focused and sensitive to the

00:06:57 --> 00:07:01: development and to the future and are voting yes, they

00:07:02 --> 00:07:03: are more attractive.

00:07:04 --> 00:07:09: Talent is the number one reason 7 million people currently

00:07:09 --> 00:07:13: at when we did the study early in 20257 million

00:07:14 --> 00:07:17: people occupy, go to work, not every day.

00:07:17 --> 00:07:20: I'll give you some of that later on in the

00:07:20 --> 00:07:24: business districts in cities where you have more than 200

00:07:24 --> 00:07:25: million people.

00:07:25 --> 00:07:31: So it's first, the lure of demographics and the concentration

00:07:31 --> 00:07:35: of talent, the ability to draw talent in those real

00:07:35 --> 00:07:40: estate concentration and, and hubs of the, of the office

00:07:40 --> 00:07:44: and work where and that's the second to data that

00:07:44 --> 00:07:46: I think is fascinating.

00:07:47 --> 00:07:51: 84 of the Fortune 500, the largest companies of this

00:07:51 --> 00:07:54: world are located in the very center of those business

00:07:55 --> 00:07:58: districts in cities where you have almost half, half of

00:07:58 --> 00:08:03: the headquarters, the global headquarters of the Fortune 500.

00:08:03 --> 00:08:08: So it's about focus, concentration, power, legacy, brand money first,

00:08:08 --> 00:08:12: not saying that this legacy cannot change because they are

00:08:12 --> 00:08:13: headwinds.

00:08:13 --> 00:08:15: And 1st, I want to take you to some of

00:08:16 --> 00:08:20: the headwinds that we uncovered in the research and it's

00:08:20 --> 00:08:22: on the next slide, Kirsty, please.

00:08:25 --> 00:08:28: Headwinds that you all are experiencing and they are variations

00:08:28 --> 00:08:29: of these headwinds.

00:08:29 --> 00:08:33: When we look at geographies that are where you have

00:08:33 --> 00:08:38: more growth, less growth, more ability to get people back

00:08:38 --> 00:08:42: to work because of course, the remote work phenomenon that

00:08:42 --> 00:08:46: that developed on the back of the pandemic, that had

00:08:46 --> 00:08:51: started in some geographies before the pandemic, to be honest,

00:08:51 --> 00:08:53: is 1 big factor.

00:08:53 --> 00:08:57: And also the economy pressure that we all feel, all

00:08:57 --> 00:09:02: not only developers and investors, but also occupiers and most

00:09:02 --> 00:09:06: of most of the people we interviewed And where this

00:09:06 --> 00:09:10: information, this pressure is reflected by is the world of

00:09:11 --> 00:09:13: occupiers and the talent employed.

00:09:14 --> 00:09:22: Across the 30 business district, we've calculated an average presence

00:09:22 --> 00:09:27: of 3.4 days per week, but with big variations in

00:09:27 --> 00:09:30: Asia, we're much closer to 4.5.

00:09:31 --> 00:09:33: In most U.S.

00:09:33 --> 00:09:38: business districts, we are in the vicinity of 2.5 to

00:09:38 --> 00:09:38: 3.

00:09:39 --> 00:09:43: In Europe you have variations between the various locations and

00:09:43 --> 00:09:47: of course we've looked at high growth emerging destinations in

00:09:47 --> 00:09:51: Africa, Latin America, the Middle East, of course, where this

00:09:51 --> 00:09:52: presence is also very high.

00:09:53 --> 00:09:57: The perspective is that occupiers and thanks to great help

00:09:57 --> 00:10:01: and statistics by CBRE, the perspective is that 60% of

00:10:01 --> 00:10:05: occupiers are saying and we think that's the pretty much

00:10:05 --> 00:10:07: the trend that we have to keep in mind are

00:10:08 --> 00:10:12: expected to reduce their footprint over the next three years.

00:10:12 --> 00:10:15: Most of them have already reduced it by 15 to

00:10:15 --> 00:10:19: 20% in the past three years and will reduce it

00:10:19 --> 00:10:23: more and will apply more pressure to cost and occupancy

00:10:23 --> 00:10:25: in those business districts.

00:10:25 --> 00:10:27: Let's now deep dive into the megatrends.

00:10:27 --> 00:10:30: I'll you know, keep the fast pace and sorry for

00:10:30 --> 00:10:33: just focusing on one or two data that I think

00:10:34 --> 00:10:37: is is important for this morning or this afternoon.

00:10:37 --> 00:10:38: Sorry.

00:10:38 --> 00:10:42: Let's go to the 1st and probably the most critical

00:10:42 --> 00:10:46: of all the megatrends that came out of the research

00:10:46 --> 00:10:46: talent.

00:10:46 --> 00:10:51: The priority now is that when you're a developer and

00:10:51 --> 00:10:56: investor and owner and manager of business history to not

00:10:56 --> 00:11:00: only speak with the VP of real estate of a

00:11:00 --> 00:11:05: large medium sized company wanting to occupy office space

00:11:05 --> 00:11:09: in

00:11:09 --> 00:11:11: the hub of business in the mega cities that they're

00:11:11 --> 00:11:16: they're located in.

00:11:16 --> 00:11:19: You also want other things and you want to speak

00:11:19 --> 00:11:22: to the 2829 thirty year old average.

00:11:22 --> 00:11:26: That's the average that we have as EY as an

00:11:26 --> 00:11:29: occupier of three million, 3.5 million square meters across the

00:11:29 --> 00:11:34: globe, mostly in those business districts.

00:11:34 --> 00:11:39: Talent is what those stakeholders have to focus on and

00:11:39 --> 00:11:42: and they are not changing in moods, but the aspirations

00:11:42 --> 00:11:47: and they ask are on the left hand side very,

00:11:47 --> 00:11:50: very clear and some are accentuated in the 2025 research.

00:11:50 --> 00:11:53: I'm just pointing out to one key feature that really

00:11:53 --> 00:11:55: came out of the research as a very two very

00:11:55 --> 00:12:00: important priorities.

00:12:00 --> 00:12:04: I'll just focus on accessibility, accessibility to the residential

00:12:04 --> 00:12:08: area

00:12:08 --> 00:12:11: where distance and cost and the importance of public

00:12:11 --> 00:12:13: transportation

00:12:13 --> 00:12:17: is becoming clearer, clearer as a as a big priority,

00:12:17 --> 00:12:21: big ass, big must for most of the talent and

00:12:21 --> 00:12:25: most of the occupiers.

00:12:25 --> 00:12:29: As a consequence, safety has become also a big a

00:12:29 --> 00:12:32: big factor in some of the cities.

00:12:32 --> 00:12:35: I'm not mentioning particular geographies because you have

00:12:35 --> 00:12:40: sensitivities about

00:12:40 --> 00:12:44: safety, safety KPIs that are very different across.

00:12:44 --> 00:12:45: But we've heard from many, many stakeholders that this is

00:12:45 --> 00:12:49: an issue that they're very much taking care of.

00:12:49 --> 00:12:53: They're very worried that it could develop a bad reputation

00:12:53 --> 00:12:57: or lack of attractiveness and competitiveness down the down the

00:12:57 --> 00:13:00: road.

00:13:00 --> 00:13:04: The rest I think the panel will cover, of course,

00:13:04 --> 00:13:08: the obligation to have to establish a housing or residential

00:13:08 --> 00:13:12: business or value proposition, mixed-use and vibrancy.

00:12:58 --> 00:13:01: Again, talent is the priority.

00:13:01 --> 00:13:03: And you see with the numbers on the right hand

00:13:03 --> 00:13:04: side why it is.

00:13:04 --> 00:13:05: It's coming from the research.

00:13:05 --> 00:13:11: Megatrend #2, please, Kirsty, megatrend #2 is about the big

00:13:11 --> 00:13:16: divide among the real estate supply, the real estate dynamics.

00:13:17 --> 00:13:22: Most of the business district we've spoken with have to

00:13:22 --> 00:13:27: manage a pretty dynamic market across a big context that

00:13:27 --> 00:13:30: is very difficult to navigate.

00:13:30 --> 00:13:32: And I'm sure we'll hear a lot of that in

00:13:32 --> 00:13:33: the panel discussion.

00:13:33 --> 00:13:37: But navigating a big divide or a big gap between

00:13:38 --> 00:13:43: premium grade A offices, newer offices, renovated offices and the

00:13:43 --> 00:13:45: rest of the inventory.

00:13:45 --> 00:13:49: And that has many, many consequences, of course, in terms

00:13:49 --> 00:13:54: of financial return, managing the vacancy rates, but also the

00:13:54 --> 00:13:59: visibility, the attractiveness, the look and feel of those business

00:13:59 --> 00:14:03: issues where you probably can see more of the negativity

00:14:03 --> 00:14:07: or the obsolescence rather than the new iconic superb supply

00:14:07 --> 00:14:11: that is being developed in those business districts.

00:14:11 --> 00:14:14: Of course, cost pressure, that's the second point I want

00:14:14 --> 00:14:14: to mention.

00:14:15 --> 00:14:16: Cost pressure is key.

00:14:16 --> 00:14:19: You see on the right hand side that more than

00:14:19 --> 00:14:24: over 40% of the stakeholders, mostly occupiers that we've interviewed

00:14:24 --> 00:14:27: are saying they want fair value.

00:14:27 --> 00:14:30: I haven't mentioned the number of them who think they

00:14:30 --> 00:14:32: get fair value, but it's below 10%.

00:14:32 --> 00:14:36: So 40% think fair value right after talent is the

00:14:36 --> 00:14:41: priority, and only 9%, I remember now the numbers, only

00:14:41 --> 00:14:44: 9% think that they get fair value for what it's

00:14:45 --> 00:14:45: worth.

00:14:45 --> 00:14:48: And I think it's worth discussion next Megatrend.

00:14:48 --> 00:14:50: The rest is, of course, super interesting.

00:14:50 --> 00:14:52: I encourage you to look it up in the report

00:14:52 --> 00:14:55: as Simon, who's been a fabulous partner in crime.

00:14:55 --> 00:15:01: Megatrend #3, please, Kirsty, before we close with megatrend #4.

00:15:01 --> 00:15:04: So if you can go to the next slide, please,

00:15:04 --> 00:15:05: I'd thank you so much.

00:15:07 --> 00:15:12: A big of course factor in the development is the

00:15:12 --> 00:15:16: role of technology and it's a dual role.

00:15:16 --> 00:15:22: First, it's technology applied by the management, by the builders,

00:15:22 --> 00:15:26: by the developers, the inventors of the newer offering.

00:15:26 --> 00:15:29: And and I've spoken a lot about offices, but of

00:15:29 --> 00:15:34: course it's about retail, housing, public equipment, transportation, getting the

00:15:34 --> 00:15:37: the infrastructure in, in and out and the data to

00:15:37 --> 00:15:41: to create and to understand the customer experience.

00:15:41 --> 00:15:44: Again, it could be a 20 year old employee, could

00:15:44 --> 00:15:48: be a tourist, a shopper, a residence and 27% of

00:15:48 --> 00:15:53: the people we've interviewed think that AI is going to

00:15:53 --> 00:15:54: play a role.

00:15:54 --> 00:15:57: Why not 60 or 80 or 90%?

00:15:57 --> 00:16:00: That's probably a question I would want to ask and

00:16:00 --> 00:16:02: but Simon will ask his own questions.

00:16:02 --> 00:16:07: The other role of technology is the big ask about

00:16:07 --> 00:16:13: getting in business districts that are not only office concentrations

00:16:13 --> 00:16:18: with, with big head offices, some back office functions, but

00:16:18 --> 00:16:23: also a a full larger ecosystems where companies are able

00:16:23 --> 00:16:28: to play and leave and work with their business partners

00:16:28 --> 00:16:34: and in the innovation ecosystems with academia, with R&D centers.

00:16:34 --> 00:16:37: And this is probably a work in progress because only

00:16:37 --> 00:16:40: 19% of those we interviewed are saying that's what they

00:16:40 --> 00:16:42: get in those business histories.

00:16:42 --> 00:16:44: We get the feel of the Silicon Valley in San

00:16:44 --> 00:16:47: Francisco's financial districts, for instance.

00:16:47 --> 00:16:50: I just want to name this, but it happens.

00:16:50 --> 00:16:54: And you can apply that opinion on most business districts

00:16:54 --> 00:16:55: across the world.

00:16:56 --> 00:16:59: So the look and feel and the presence and the

00:16:59 --> 00:17:03: reality of innovation is still a work in progress.

00:17:03 --> 00:17:06: And I think we we can only hear what occupiers

00:17:06 --> 00:17:08: and stakeholders are saying.

00:17:08 --> 00:17:10: We want more of that and we want the reality

00:17:10 --> 00:17:10: of that.

00:17:11 --> 00:17:14: Let's finish with megatrend #4 please, Kirsty, if you can

00:17:14 --> 00:17:15: go to the next slide.

00:17:15 --> 00:17:18: Of course, sustainability.

00:17:18 --> 00:17:19: But just #4 why?

00:17:19 --> 00:17:24: Because we've heard from many, many interviews that is, it's,

00:17:24 --> 00:17:27: it's the, the direction, it's the the perspective.

00:17:27 --> 00:17:29: But it's complex.

00:17:29 --> 00:17:34: It's complex because it's about complex infrastructure, public transportation, low

00:17:35 --> 00:17:36: carbon mobility.

00:17:36 --> 00:17:41: It's about finding the way and the financing and the

00:17:41 --> 00:17:47: resources to apply new methodology, new techniques, new retrofitting and

00:17:47 --> 00:17:49: repurposing of buildings.

00:17:50 --> 00:17:51: And it's costly.

00:17:51 --> 00:17:55: It's costly for all stakeholders involved.

00:17:55 --> 00:17:57: It's complex also on the technical side.

00:17:58 --> 00:18:01: And you have a fascinating, I I wouldn't say it's

00:18:01 --> 00:18:02: a worry ring.

00:18:02 --> 00:18:04: It's a worrisome statistics, but the one I want to

00:18:04 --> 00:18:05: leave you with.

00:18:07 --> 00:18:11: There are many, many positive notes on the sustainability front,

00:18:11 --> 00:18:15: but only 10%, only 10% of stakeholders we've interviewed believe

00:18:15 --> 00:18:20: that those business district, the largest business district of 30

00:18:20 --> 00:18:23: that we've looked at are on track to address the

00:18:23 --> 00:18:27: big and very important climate risks that they are facing

00:18:27 --> 00:18:30: with again, big developments on that front, but but a

00:18:30 --> 00:18:32: huge work in progress.

00:18:33 --> 00:18:35: Next slide will just give you for those of you

00:18:35 --> 00:18:37: who are interested to deep dive before we go to

00:18:37 --> 00:18:38: this great panel.

00:18:38 --> 00:18:40: Thank you very much for being here.

00:18:41 --> 00:18:45: The rest of the research listen to the panel before

00:18:45 --> 00:18:49: you unload a download and and read and I'm happy

00:18:49 --> 00:18:53: been happy to present and over to you Simon and

00:18:53 --> 00:18:56: happy to jump in back if you're willing.

00:18:56 --> 00:18:58: But I think we have the best panel ever.

00:19:00 --> 00:19:00: Thank you, Mark.

00:19:00 --> 00:19:01: Thanks very much for that.

00:19:02 --> 00:19:05: And again, I just want to say a big thank

00:19:05 --> 00:19:07: you to Mark and his broader team at EY, Sarah

00:19:07 --> 00:19:11: Clement and others that have been integral to produce in

00:19:11 --> 00:19:12: this report.

00:19:12 --> 00:19:15: As Mark said, there's a QR code which will directly
00:19:15 --> 00:19:17: access the report in the chat function as well.
00:19:17 --> 00:19:20: There's a link to the report that can be downloaded.
00:19:21 --> 00:19:24: And very much encourage people to have a read of
00:19:24 --> 00:19:26: this really interesting study.
00:19:26 --> 00:19:29: And thanks again to the support of the broader Global
00:19:29 --> 00:19:32: Business District Innovation Club for all the insights and and
00:19:32 --> 00:19:35: valuable contribution that they made towards this study.
00:19:36 --> 00:19:38: With that, Kirsty, next slide, please.
00:19:39 --> 00:19:43: Please let me welcome and introduce our our panel for
00:19:43 --> 00:19:43: today.
00:19:44 --> 00:19:48: So we are basically going to be exploring some of
00:19:48 --> 00:19:52: the key themes that Mark has has talked about.
00:19:53 --> 00:19:55: What I'd like to do is, is to kick off
00:19:55 --> 00:19:59: perhaps, and if I could ask each of you briefly
00:19:59 --> 00:20:02: to kind of introduce yourself as, as, as I come
00:20:02 --> 00:20:05: to you, but maybe you could reflect a bit on
00:20:05 --> 00:20:09: some of your perspectives and what you've heard and
reflections
00:20:09 --> 00:20:11: on the material that Mark has shared and.
00:20:12 --> 00:20:15: What your perspectives are on the kind of current state
00:20:15 --> 00:20:17: of play for global business districts?
00:20:18 --> 00:20:20: Nicole, if I can come to you first, thank you.
00:20:20 --> 00:20:20: Thank you.
00:20:21 --> 00:20:21: Yeah.
00:20:21 --> 00:20:24: Thank you very much and good morning to everyone.
00:20:25 --> 00:20:27: Let me introduce myself quickly.
00:20:27 --> 00:20:29: My name is Nicole Pepch.
00:20:29 --> 00:20:30: I work for PIMCO.
00:20:31 --> 00:20:35: At PIMCO, we manage a global real estate portfolio of
00:20:35 --> 00:20:37: more than 100 billion U.S.
00:20:37 --> 00:20:38: dollars.
00:20:38 --> 00:20:43: I personally Co head our direct equity business in Europe.
00:20:44 --> 00:20:48: So in that role I oversee quite a large portfolio
00:20:48 --> 00:20:49: as well.
00:20:50 --> 00:20:53: Many of the assets that we have in the portfolio
00:20:54 --> 00:20:57: are also located in GBDS and of course, we also
00:20:57 --> 00:21:02: have quite a significant allocation to offers around 50% in
00:21:02 --> 00:21:03: Europe.
00:21:04 --> 00:21:07: And I can only really resonate what Mark told us
00:21:07 --> 00:21:11: about the different mega trends that they found in the
00:21:11 --> 00:21:15: report and that we see basically every day when we

00:21:15 --> 00:21:19: work with the assets, when we talk to tenants.

00:21:20 --> 00:21:25: It's very much about being able to offer a product

00:21:25 --> 00:21:29: these days that is able to attract tenants.

00:21:30 --> 00:21:32: We like to use the phrase a building needs to

00:21:32 --> 00:21:33: earn its commute.

00:21:34 --> 00:21:39: So that already nicely summarises all of the different

00:21:40 --> 00:21:42: elements

00:21:42 --> 00:21:48: that you have to take care of.

00:21:48 --> 00:21:53: It's about being in a vibrant surrounding, a mixed-use

00:21:53 --> 00:21:58: situation

00:21:58 --> 00:21:58: where people not only come to office, but can also

00:21:59 --> 00:22:05: live close to the office, enjoy gastronomy, et cetera, et

00:22:05 --> 00:22:06: cetera.

00:22:06 --> 00:22:09: It's about actual building quality, also about sustainability,

00:22:09 --> 00:22:13: and we'll

00:22:13 --> 00:22:14: come to that.

00:22:14 --> 00:22:16: And it's also more and more about being able to

00:22:16 --> 00:22:17: provide a digital solution, so also helping tenants in that

00:22:17 --> 00:22:19: transition.

00:22:19 --> 00:22:20: Thank you, Nicole.

00:22:20 --> 00:22:22: Stephen, if I could now come to you and and

00:22:22 --> 00:22:25: give us a bit of your perspective and maybe what

00:22:25 --> 00:22:26: Gensler are doing around global business districts around

00:22:26 --> 00:22:27: the world.

00:22:27 --> 00:22:29: Sure.

00:22:29 --> 00:22:30: Well, first of all, thanks for including me in the

00:22:30 --> 00:22:33: in in this panel.

00:22:33 --> 00:22:36: It is really great to be sort of taking the

00:22:36 --> 00:22:37: time to think about these these things.

00:22:37 --> 00:22:38: My name is Steve Pellegrinus.

00:22:38 --> 00:22:42: I'm the director of of our city's practice, the Asia

00:22:42 --> 00:22:44: Pacific, Middle Eastern, Africa.

00:22:45 --> 00:22:50: Gensler is the world's largest architecture firm and we we

00:22:50 --> 00:22:55: often work across many, many aspects of global business

00:22:55 --> 00:22:56: districts.

00:22:56 --> 00:22:57: I'm based in Dubai.

00:22:57 --> 00:23:00: I've been been based in Dubai for 17 years and

00:23:00 --> 00:23:04: was based in Singapore for 10 years before that.

00:23:04 --> 00:23:06: So a lot of my experience has been in the,

00:23:06 --> 00:23:08: in the sort of developing world.

00:23:09 --> 00:23:12: And I think what what we see in, in the

00:23:12 --> 00:23:17: sort of GBD report is something that we're seeing as

00:23:17 --> 00:23:21: as designers, as drivers for the jobs that we're being

00:23:21 --> 00:23:25: asked to do every day against their as an organization.

00:23:26 --> 00:23:30: We, we run a Research Institute where yearly we publish

00:23:30 --> 00:23:32: a design trend forecast.

00:23:33 --> 00:23:36: And a lot of what you're seeing in the, in

00:23:36 --> 00:23:39: the GBD report is actually mirrored in what we're seeing

00:23:39 --> 00:23:42: as design drivers in design projects.

00:23:42 --> 00:23:46: We're really starting to see, and I think Nicole put

00:23:46 --> 00:23:49: it really well in terms of earning the commute the,

00:23:49 --> 00:23:53: the, the workplaces in particular becoming places that, that

00:23:53 --> 00:23:56: have

00:23:56 --> 00:23:58: a, a much stronger social function.

00:23:58 --> 00:23:58: You have to really give people the reason to be

00:23:59 --> 00:24:02: there.

00:24:02 --> 00:24:05: So I think the, the observations are very much aligned

00:24:05 --> 00:24:05: with what we're seeing is the, the drivers for design

00:24:06 --> 00:24:08: projects.

00:24:08 --> 00:24:11: So I, I think it comes as no surprise to

00:24:11 --> 00:24:14: us, but I think it's really some of the, some

00:24:15 --> 00:24:18: of the things that were striking was the, the strength

00:24:18 --> 00:24:21: of support for some of those key measures and seeing

00:24:21 --> 00:24:22: some of the metrics around things like the talent side,

00:24:22 --> 00:24:25: especially.

00:24:25 --> 00:24:28: What are people going to GBDS for?

00:24:28 --> 00:24:31: They're really critical drivers for what we do every day.

00:24:31 --> 00:24:33: Thank you, Steven.

00:24:33 --> 00:24:36: And John, if I can pass over to you now

00:24:36 --> 00:24:39: your reflections on the report and and maybe share Heinz

00:24:41 --> 00:24:42: broader perspective about global business districts at the

00:24:42 --> 00:24:45: moment.

00:24:45 --> 00:24:49: Yeah, thanks, John Tanaka.

00:24:49 --> 00:24:54: I'm the head of Asia Pacific for Heinz.

00:24:54 --> 00:24:56: We invest in six countries in in Asia Pacific, we

00:24:56 --> 00:24:57: Japan, Korea, Singapore, China, Australia and India.

00:24:57 --> 00:25:03: I'd say a couple of things.

00:25:03 --> 00:25:05: 1st, the diversity of, of experiences in these global business

00:25:05 --> 00:25:09: districts within Asia.

00:25:09 --> 00:25:14: On the one hand, you, you know, you have developed

00:25:14 --> 00:25:19: markets like like Tokyo, Singapore, Hong Kong, and then

00:25:19 --> 00:25:22: you've

00:25:22 --> 00:25:25: had emerging giants like Shanghai, Beijing, Mumbai,

00:25:25 --> 00:25:25: Bangalore.

00:25:25 --> 00:25:25: And, and so to watch this journey over the last

00:25:25 --> 00:25:25: 25 years while I've been here in Asia has been

00:25:25 --> 00:25:25: amazing.

00:25:26 --> 00:25:28: I think a big part of the story has been,

00:25:28 --> 00:25:33: you know, master planning by, by city government's investment in

00:25:33 --> 00:25:37: infrastructure, especially in mass transportation, as well as over time,

00:25:37 --> 00:25:43: you know, looking towards more sustainability, Environmental Protection and, and

00:25:43 --> 00:25:46: like, as, as we can see, you know, the differences

00:25:46 --> 00:25:49: in between emerging Asia and, and developed Asia.

00:25:50 --> 00:25:51: I'll stop there.

00:25:52 --> 00:25:52: Thank you, John.

00:25:52 --> 00:25:53: Yeah.

00:25:53 --> 00:25:55: And and I think interestingly a lot of you have

00:25:55 --> 00:25:58: kind of reflected particularly on the biggest kind of mega

00:25:59 --> 00:26:01: trend that Mark talked about in terms of the talent.

00:26:01 --> 00:26:05: And that's one thing maybe I wanted to kind of

00:26:05 --> 00:26:07: move the discussion on to now.

00:26:07 --> 00:26:11: And so the report identifies talent really as the kind

00:26:11 --> 00:26:15: of ultimate currency for the competitiveness of these global business

00:26:15 --> 00:26:16: districts.

00:26:16 --> 00:26:19: And, and maybe framing it as, as Nicole, you, you

00:26:19 --> 00:26:23: pointed out and, and Steven reiterated about earning that commute,

00:26:23 --> 00:26:26: right, like the buildings, these, these districts need to earn

00:26:26 --> 00:26:29: that commute to bring in the talent.

00:26:30 --> 00:26:32: We hear a lot in the press, you know, about

00:26:32 --> 00:26:34: the, this, there's a war of a war for talent

00:26:34 --> 00:26:37: and, and people need to kind of attract the, the

00:26:37 --> 00:26:39: most kind of productive, innovative workers.

00:26:40 --> 00:26:41: These districts.

00:26:41 --> 00:26:45: What how how are they beginning to be redesigned re

00:26:45 --> 00:26:48: for re jiggered in terms of the physical environment, the

00:26:48 --> 00:26:52: user experience from the occupiers and tenants to make that

00:26:52 --> 00:26:56: experience more compelling and really in that commute to attract,

00:26:56 --> 00:26:59: you know, and retain this world class talent.

00:26:59 --> 00:27:02: Stephen, maybe just if I come bring you in just

00:27:02 --> 00:27:05: your perspective more from that kind of urban design perspective

00:27:05 --> 00:27:06: and what you're seeing.

00:27:06 --> 00:27:09: Can you give any like practical examples about that type

00:27:09 --> 00:27:12: of work that against us doing in terms of, you

00:27:12 --> 00:27:15: know, making these places more dynamic and attractive to to
00:27:15 --> 00:27:16: talent?
00:27:16 --> 00:27:16: Really.
00:27:16 --> 00:27:16: I guess.
00:27:17 --> 00:27:17: Yeah.
00:27:17 --> 00:27:19: And I think it operates on multiple levels.
00:27:19 --> 00:27:23: It does definitely operate on the district level, but it
00:27:23 --> 00:27:26: also beyond that, it becomes also, you know, stepping down
00:27:26 --> 00:27:31: and scaled into the buildings themselves, the workspaces
themselves and
00:27:31 --> 00:27:34: then the constant dialogue between those two poles.
00:27:35 --> 00:27:39: So what we're seeing is really the experience is, is
00:27:39 --> 00:27:41: the sort of core idea.
00:27:41 --> 00:27:46: If someone can't come into a a global business district
00:27:46 --> 00:27:51: and have an experiential kind of set of things happening,
00:27:51 --> 00:27:54: then this the drag for them to be there is
00:27:54 --> 00:27:55: not there.
00:27:55 --> 00:27:59: Sometimes that's also translating into workplace.
00:27:59 --> 00:28:01: So what we're seeing in workplace, and I think it's
00:28:01 --> 00:28:04: borne out in the, in the survey figures, is that
00:28:04 --> 00:28:07: people are planning on taking, taking less space, but using
00:28:07 --> 00:28:08: the space differently.
00:28:09 --> 00:28:12: And so we, we see in, in particular in the
00:28:12 --> 00:28:17: workplace design sort of, well, it's basically a revolution since
00:28:17 --> 00:28:20: COVID, the, the workplace has become a space to be
00:28:20 --> 00:28:24: social in it, it, it's a, it's a place for
00:28:24 --> 00:28:27: meeting other people more so than sitting at a desk
00:28:28 --> 00:28:29: and crunching out emails.
00:28:30 --> 00:28:34: People choose or prefer to have their own sort of
00:28:34 --> 00:28:39: space to do tasks like that where they need focus.
00:28:39 --> 00:28:42: So the workplace has become a place where you go
00:28:42 --> 00:28:45: to meet other people, you go to work in a,
00:28:45 --> 00:28:47: in a more collaborative way.
00:28:48 --> 00:28:51: And the global business district becomes an extension of
that.
00:28:52 --> 00:28:55: And so I'll, I'll, I'll use a direct example because
00:28:55 --> 00:28:58: I'm, I'm based in Dubai, the Dubai International Financial
Centre.
00:28:59 --> 00:29:03: That was, that was actually a project that is probably
00:29:03 --> 00:29:07: symptomatic of what we're seeing more and more of which
00:29:07 --> 00:29:11: is a, a privately funded business district.
00:29:11 --> 00:29:16: Now DIDIFC was, was built by a government linked
developer,

00:29:16 --> 00:29:18: but it was a private developer.

00:29:19 --> 00:29:20: Sure.

00:29:21 --> 00:29:25: And what they looked to do was to create something

00:29:25 --> 00:29:29: that was a combination of offices, extensive food and beverage,

00:29:30 --> 00:29:34: art galleries and and a range of sort of entertainment

00:29:34 --> 00:29:35: focused users.

00:29:35 --> 00:29:38: And that's actually been incredibly successful.

00:29:38 --> 00:29:42: And we've seen also in this region in the Middle

00:29:42 --> 00:29:47: East, the evolution of business districts like the Abu Dhabi

00:29:47 --> 00:29:52: Financial Centre as well, or KKFD in Riyadh, where they're

00:29:52 --> 00:29:57: following that model of, of really places that people want

00:29:57 --> 00:29:58: to be.

00:29:59 --> 00:30:01: And the, the key thing there is what they want.

00:30:02 --> 00:30:03: I want to be there.

00:30:03 --> 00:30:05: I want to sort of integrate with people there.

00:30:05 --> 00:30:09: I'm having an experience that's beyond a workplace.

00:30:09 --> 00:30:13: And that is something that we're now seeing coming back

00:30:13 --> 00:30:17: with us in new projects with sort of places geographies

00:30:18 --> 00:30:21: that are aspiring to replicate that sort of model.

00:30:22 --> 00:30:26: You absolutely still have things like the the sort of

00:30:26 --> 00:30:31: more established global business districts, let's say in places like

00:30:31 --> 00:30:35: New York, Midtown that are a much, much more organic

00:30:35 --> 00:30:39: form that evolved over a long period of time and

00:30:39 --> 00:30:41: had no real specific author.

00:30:41 --> 00:30:44: We're kind of sort of seeing a transition to more

00:30:44 --> 00:30:48: and more of these business districts that are created from

00:30:48 --> 00:30:50: scratch, particularly in the developing world.

00:30:51 --> 00:30:53: So I think that they're kind of in, in terms

00:30:54 --> 00:30:57: of the way that that works with talent that that's

00:30:57 --> 00:31:00: sort of now understood as something post COVID that that

00:31:00 --> 00:31:04: business districts are not just collections of offices, they're really

00:31:04 --> 00:31:06: actually places to be.

00:31:08 --> 00:31:08: Yeah, that's great.

00:31:09 --> 00:31:09: Thanks, Steve.

00:31:09 --> 00:31:12: And you've brought up some interesting points that I want

00:31:12 --> 00:31:15: to come back to you in terms of addressing new

00:31:15 --> 00:31:18: districts versus kind of established old districts and how they

00:31:18 --> 00:31:20: can be retrofitted and repurposed.

00:31:20 --> 00:31:24: But maybe John, Nicole, from a kind of investment management's

00:31:24 --> 00:31:28: perspective, the those elements that Stevens talked about there in

00:31:28 --> 00:31:31: terms of the kind of physical place making the building

00:31:31 --> 00:31:32: aspects.

00:31:32 --> 00:31:36: Is that something that is weighing into your investment decisions

00:31:36 --> 00:31:40: for new buildings assets then and also for your current

00:31:40 --> 00:31:42: portfolio and how you're managing those?

00:31:43 --> 00:31:46: Do you any comments from from review of you on

00:31:46 --> 00:31:50: that perspective and the role that the underlying talent attractiveness

00:31:50 --> 00:31:52: is a as a, as a driver for the, the

00:31:52 --> 00:31:55: the offices that you have in these districts?

00:31:56 --> 00:31:56: Yeah.

00:31:56 --> 00:32:00: I would say that especially for core assets, which is

00:32:00 --> 00:32:05: typically rented at higher rent levels, we more and more

00:32:05 --> 00:32:08: see that access to talent as the key driver for

00:32:08 --> 00:32:13: corporates to make their decisions when it comes to selecting

00:32:13 --> 00:32:16: real estate and an office location.

00:32:16 --> 00:32:21: And so from our experience, it's a combination of different

00:32:21 --> 00:32:23: factors that are really key.

00:32:23 --> 00:32:26: Now to get right, it starts within the premises.

00:32:27 --> 00:32:30: As Stephen already mentioned, it's a shift also there from

00:32:30 --> 00:32:35: individual workplaces to more areas where people can socialize, people

00:32:35 --> 00:32:36: can collaborate.

00:32:37 --> 00:32:42: So that's certainly something that you can handle quite easily

00:32:42 --> 00:32:43: when you own a building.

00:32:43 --> 00:32:46: But it goes beyond the actual individual building.

00:32:47 --> 00:32:51: It's how well the building integrates with the surrounding, what

00:32:51 --> 00:32:55: kind of other uses are available in the immediate surrounding.

00:32:56 --> 00:33:00: It's a lot about gastronomy offer as well, as simple

00:33:00 --> 00:33:00: as that.

00:33:00 --> 00:33:04: I think when it comes to tenant discussions, that's a

00:33:04 --> 00:33:07: big topic now that we see in all the negotiations

00:33:07 --> 00:33:09: and it goes beyond the traditional canteen.

00:33:09 --> 00:33:13: I think people are looking for more innovative astronomy offers.

00:33:15 --> 00:33:19: If you can basically offer that in your own building

00:33:19 --> 00:33:23: or whether it's next door or a few buildings down

00:33:23 --> 00:33:27: the road, that is also something that that plays a

00:33:27 --> 00:33:32: hugely important factor when it comes to making a decision

00:33:32 --> 00:33:34: as to where corporates want to be.

00:33:36 --> 00:33:37: Thank you.

00:33:37 --> 00:33:39: And John, any comments on the talent aspect?

00:33:40 --> 00:33:41: Yeah, well, yeah.

00:33:41 --> 00:33:45: And Asia, I think Mark mentioned you know about 4.5

00:33:45 --> 00:33:48: days in in the office and and so the impact

00:33:48 --> 00:33:51: of remote working is a bit different here.

00:33:53 --> 00:33:56: But Even so, you know, the flight to quality phenomena

00:33:56 --> 00:33:59: we've seen at Heinz, you know, globally and in all

00:33:59 --> 00:34:01: of our major cities in Europe and and America as

00:34:01 --> 00:34:02: well.

00:34:02 --> 00:34:05: You know, it's actually the same at case in many

00:34:05 --> 00:34:08: cities in Asia, but the reasons are different.

00:34:08 --> 00:34:11: I think some of the other Nicole and Steven mentioned

00:34:11 --> 00:34:16: the collaboration, the breaking down of silos, you know, companies

00:34:16 --> 00:34:20: are are consolidating their offices to bring people together and

00:34:20 --> 00:34:23: and enhance that kind of internal communication.

00:34:24 --> 00:34:28: The other thing I'd add though, is, is that, you

00:34:28 --> 00:34:31: know, in a place like India where you have 10

00:34:31 --> 00:34:36: million college graduates a year, you know, India's become a,

00:34:36 --> 00:34:40: a massive Center for recruiting young talent globally in, you

00:34:40 --> 00:34:43: know, these global centers of excellence.

00:34:44 --> 00:34:48: And that's just produced a, a massive demand by multinationals

00:34:48 --> 00:34:50: for, for acquiring young talent in India.

00:34:50 --> 00:34:52: The average age there is 28.

00:34:53 --> 00:34:57: And and so that's another phenomena we're we're seeing kind

00:34:57 --> 00:35:00: of different sources of, of talent, you know, when you

00:35:00 --> 00:35:02: look at it on a global basis.

00:35:04 --> 00:35:04: Thank you.

00:35:04 --> 00:35:04: Yeah.

00:35:05 --> 00:35:08: And coming back to a couple of things that Stephen,

00:35:08 --> 00:35:11: you mentioned about, you know, the, the ability to to

00:35:11 --> 00:35:14: create these places from new and afresh.

00:35:14 --> 00:35:16: And I guess in some emerging markets and and you

00:35:16 --> 00:35:19: know the Middle East, for example, Dubai, you managed to

00:35:19 --> 00:35:20: kind of curate those.

00:35:20 --> 00:35:24: And then we have more established global business districts

00:35:24 --> 00:35:25: that
00:35:25 --> 00:35:28: are already built.
00:35:28 --> 00:35:32: And I think what we've also seen is this kind
00:35:32 --> 00:35:35: of broader bifurcation in particularly in the office aspect in
00:35:35 --> 00:35:40: terms of that there's very high demand for these Grade
00:35:40 --> 00:35:42: A sustainable buildings that have modern specifications and
00:35:42 --> 00:35:44: offer those
00:35:44 --> 00:35:46: types of amenities that Nicole was saying.
00:35:46 --> 00:35:48: But then on the other side, there's a lot of
00:35:48 --> 00:35:52: stock that maybe isn't currently fit for purpose.
00:35:52 --> 00:35:55: And how do you feel that like global business districts
00:35:55 --> 00:35:59: can, can make the case for dealing with this potential
00:35:59 --> 00:36:03: kind of obsolescence issue, rising vacancy rates in some of
00:36:03 --> 00:36:04: these business district areas and, and what can be done
00:36:04 --> 00:36:05: to to address that aspect?
00:36:05 --> 00:36:08: And maybe weaving in there that one of the stats
00:36:08 --> 00:36:13: that that Mark talked about on the kind of sustainability
00:36:13 --> 00:36:16: side where I think it was only about 10% of
00:36:16 --> 00:36:21: the business district stakeholders that that were surveyed as
00:36:21 --> 00:36:26: part
00:36:26 --> 00:36:31: of this, this study said that these districts are effectively
00:36:31 --> 00:36:32: addressing the transition to net zero and managing physical
00:36:32 --> 00:36:35: risks.
00:36:35 --> 00:36:38: And so as part of that aspect, we have a
00:36:38 --> 00:36:39: lot of existing stock in many of these established global
00:36:39 --> 00:36:43: business districts.
00:36:43 --> 00:36:48: And how can these be made retrofitted and repurposed from
00:36:48 --> 00:36:50: a kind of sustainable climate perspective, but then also
00:36:50 --> 00:36:51: functional
00:36:51 --> 00:36:54: and and fit for purpose uses?
00:36:54 --> 00:36:58: I don't know maybe John, like I guess from your
00:36:58 --> 00:37:01: perspective there within your remit and region in Asia, you,
00:37:01 --> 00:37:05: you have a kind of diverse mix there covering from
00:37:05 --> 00:37:08: you know Tokyo, Seoul and then more emerging markets,
00:37:08 --> 00:37:09: whether
00:37:09 --> 00:37:13: it be some of your portfolio in, in, in India.
00:37:13 --> 00:37:16: What's your perspective in terms of how, how can obviously
00:37:16 --> 00:37:20: we know in some markets there is very high demand
00:37:20 --> 00:37:23: for these very modern high spec buildings, but what what
00:37:23 --> 00:37:24: about all this other stock that we have in in
00:37:24 --> 00:37:25: existing business district?
00:37:25 --> 00:37:25: Locations.

00:37:25 --> 00:37:28: No, that's, you know, in large cities like Seoul or,
00:37:28 --> 00:37:32: or Tokyo, you know, the, the bulk of the office
00:37:32 --> 00:37:35: stock is actually not Class A, you know, it's only
00:37:35 --> 00:37:37: about 20% Class A.
00:37:38 --> 00:37:40: And, and so the bulk of the stock is like
00:37:40 --> 00:37:43: kind of Class B, sometimes Class C assets, you know,
00:37:43 --> 00:37:45: you can see in, in Tokyo, for instance, the, the
00:37:46 --> 00:37:48: small floor plate of so many buildings in, in the
00:37:48 --> 00:37:49: city.
00:37:49 --> 00:37:53: And, and so you know, for acquisitions for investors, that's
00:37:53 --> 00:37:58: actually an opportunity to renovate, reposition many of these
00:37:58 --> 00:37:58: office
00:37:58 --> 00:37:58: buildings.
00:38:00 --> 00:38:03: And part of the upgrade is, is really the sustainability
00:38:04 --> 00:38:04: improvement.
00:38:05 --> 00:38:08: And so, you know, that's one of the things we
00:38:09 --> 00:38:12: like to do is, is to do the renovation, you
00:38:12 --> 00:38:16: know, improve all of the energy efficiency, create some
00:38:17 --> 00:38:21: Wellness
00:38:17 --> 00:38:21: space and then many times, you know, obtain some
00:38:21 --> 00:38:26: certifications
00:38:21 --> 00:38:26: on, on Wellness and, and green sustainability for these
00:38:26 --> 00:38:30: buildings.
00:38:26 --> 00:38:30: So, you know, that's an actively pursued investment strategy
00:38:30 --> 00:38:32: in
00:38:30 --> 00:38:32: many Asian cities.
00:38:34 --> 00:38:34: Yeah.
00:38:35 --> 00:38:38: And Nicole, any perspective from some of the European
00:38:39 --> 00:38:41: portfolio
00:38:39 --> 00:38:41: that PIMCO may have in terms of these, the business
00:38:41 --> 00:38:45: districts and what's been considered for those types of
00:38:45 --> 00:38:48: buildings
00:38:45 --> 00:38:48: that maybe aren't that kind of Class A stock?
00:38:48 --> 00:38:49: Yeah, of course.
00:38:49 --> 00:38:52: I mean that's a topic that everybody faces.
00:38:52 --> 00:38:54: It's not always easy.
00:38:54 --> 00:38:58: We have a few examples in the portfolio where the
00:38:58 --> 00:39:01: assets were 100% office use until now.
00:39:01 --> 00:39:06: And you know with tenants moving out, tenants reducing
00:39:06 --> 00:39:10: their
00:39:06 --> 00:39:10: space requirements, we of course facing the decision
00:39:10 --> 00:39:15: whether to
00:39:10 --> 00:39:15: continue as office or whether repurpose to other uses would
00:39:15 --> 00:39:16: make sense.

00:39:16 --> 00:39:18: And I think that's kind of a trend to convert
00:39:18 --> 00:39:21: those buildings then into mixed-use.
00:39:21 --> 00:39:26: So maybe do portion into hotel or even residential uses
00:39:26 --> 00:39:31: and reduce the overall allocation to office.
00:39:31 --> 00:39:33: But I mean obviously it comes with a lot of
00:39:33 --> 00:39:37: CapEx costs and sometimes structurally it's also quite
difficult.
00:39:37 --> 00:39:40: So it's not, you know, a set strategy that fits
00:39:40 --> 00:39:42: each and every building.
00:39:42 --> 00:39:47: So it's something that needs to be carefully analysed and
00:39:47 --> 00:39:50: doesn't work in all the cases.
00:39:50 --> 00:39:53: And I think it's also fair to say that, you
00:39:53 --> 00:39:57: know, some of the buildings are going to struggle because
00:39:57 --> 00:40:01: there's no economic repurpose case, at least not something
that
00:40:01 --> 00:40:03: we have found yet.
00:40:03 --> 00:40:06: So maybe other investors might view it differently.
00:40:08 --> 00:40:08: Yeah.
00:40:08 --> 00:40:11: And on that theme, in terms of one of the
00:40:11 --> 00:40:14: topics or ideas that come out of the rapport and
00:40:14 --> 00:40:18: it's commonly discussed about how a lot of business districts
00:40:18 --> 00:40:21: need to evolve and move away from being these traditional
00:40:21 --> 00:40:25: kind of corporate quite business focused areas to maybe
central
00:40:25 --> 00:40:28: social districts or experiential districts.
00:40:28 --> 00:40:32: And the report talks about creating more magnetic
neighborhoods that
00:40:32 --> 00:40:35: integrate that multifunctional mixed-use element.
00:40:36 --> 00:40:39: I don't know, Stephen, do you, do you have any
00:40:39 --> 00:40:42: good examples from the types of projects you may have
00:40:42 --> 00:40:45: worked on with Gensler about what, how, how can you
00:40:45 --> 00:40:48: get that mix right in terms of as, as Nicole
00:40:48 --> 00:40:51: mentioned there like retrofitting or change of use in terms
00:40:51 --> 00:40:54: of whether it be hotels, you know, we see some
00:40:54 --> 00:40:58: business districts moving into other innovative sectors,
whether it be
00:40:58 --> 00:41:02: life sciences, biotech prop tag, those kind of aspects like
00:41:02 --> 00:41:05: any, any interesting examples you can specifically refer to
and,
00:41:06 --> 00:41:08: and from some of the projects you may have been
00:41:08 --> 00:41:09: involved with?
00:41:10 --> 00:41:10: Yeah.
00:41:10 --> 00:41:14: And look at especially, I mean, we're a global organization.

00:41:14 --> 00:41:18: So we see different situations arriving in, in, in different geographies.

00:41:18 --> 00:41:19:

00:41:20 --> 00:41:23: And so our US sort of business is seeing a lot of the office to residential retrofitting.

00:41:23 --> 00:41:26:

00:41:27 --> 00:41:30: And you know, when we, we actually talk about sustainability, let's not forget the, the, the most sustainable building is the one that exists, right?

00:41:30 --> 00:41:33:

00:41:33 --> 00:41:35:

00:41:35 --> 00:41:37: So the one we don't have to build.

00:41:37 --> 00:41:41: So there, there is actually quite, quite a lot of interest in the idea of how we can reuse building stock and, and our latest design forecast talks about that.

00:41:41 --> 00:41:45:

00:41:45 --> 00:41:50:

00:41:50 --> 00:41:54: The, the, the, the reuse of buildings, the multiple uses of different buildings are, are a critical element when we look at a, a, a market like to buy as an example, there seems to be a kind of oversupply of things like office space.

00:41:54 --> 00:41:58:

00:41:58 --> 00:42:01:

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00:42:05 --> 00:42:07:

00:42:07 --> 00:42:10:

00:42:10 --> 00:42:13: But it's when you look at it a bit closer and you look at segmentation, it's not that there's too much office space, but the wrong kind of office space.

00:42:13 --> 00:42:16:

00:42:16 --> 00:42:19:

00:42:19 --> 00:42:25: And so we see very, very high demand for a grade office space, very difficult situations for older buildings that don't quite fit them all then are really structured in a way that works as an older style office building.

00:42:25 --> 00:42:29:

00:42:29 --> 00:42:33:

00:42:33 --> 00:42:38: What we've seen and our office in Dubai is, is a, is a refitted warehouse in an arts district in a former industrial area.

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00:42:52 --> 00:42:56:

00:42:56 --> 00:42:59:

00:42:59 --> 00:43:04: So it's not the, the these friends aren't present in Asia Pacific. They are, but it's it's slightly different kind of element and the speed at which things change in our geography means that you have to kind of look at what's happening in some of the older more established centers and adapt what's happening.

00:43:04 --> 00:43:05:

00:43:05 --> 00:43:07:

00:43:07 --> 00:43:11:

00:43:11 --> 00:43:18: And we do see a lot of that. We are being sort of approached to look at sometimes not even underperforming assets, but assets that are being repositioned as a lifestyle district.

00:43:18 --> 00:43:20:

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00:43:27 --> 00:43:30:

00:43:30 --> 00:43:35: And so one example recently in the Emirates, we were asked to look at a warehouse district that had a very successful outlet mall. The intent was, well, OK, yes, it's very successful as

00:43:35 --> 00:43:38: an asset, but it's an island on the edge of

00:43:38 --> 00:43:39: an industrial district.

00:43:39 --> 00:43:42: How do we make this a lifestyle district?

00:43:42 --> 00:43:45: How does this become something that as a place that

00:43:45 --> 00:43:48: people want to live, a place that people want to

00:43:48 --> 00:43:51: visit, an office environment that is a kind of creative

00:43:51 --> 00:43:52: reuse of warehousing?

00:43:53 --> 00:43:56: And that is something that we're seeing a lot more

00:43:56 --> 00:43:58: of in multiple geographies in Asia Pacific.

00:43:59 --> 00:44:02: And so we're starting to see that interest in repositioning.

00:44:02 --> 00:44:06: And I think the speed at which things have happened

00:44:06 --> 00:44:08: in a lot of Asia Pacific means that at times

00:44:08 --> 00:44:12: we have to pause, come back and reassess assets and

00:44:12 --> 00:44:14: start to think about what did we get wrong, how

00:44:15 --> 00:44:17: do we address that in these assets.

00:44:17 --> 00:44:19: And so we're seeing that kind of work as well.

00:44:19 --> 00:44:21: I see this as being kind of a groundswell.

00:44:21 --> 00:44:25: And ultimately it comes out of things like the, the,

00:44:25 --> 00:44:28: the demand for the right kind of offices, the need

00:44:28 --> 00:44:32: for repurposing, the way that people want to live.

00:44:32 --> 00:44:34: What does entertainment mean to people?

00:44:34 --> 00:44:37: All of those things are playing into a whole whole

00:44:37 --> 00:44:38: picture of this.

00:44:38 --> 00:44:40: How do we get to the central social districts?

00:44:40 --> 00:44:43: And I think that that term is a really apt

00:44:43 --> 00:44:46: 1 because the focus is on on social contact rather

00:44:46 --> 00:44:49: than, you know, sitting at a desk and sort of

00:44:49 --> 00:44:53: doing what was traditionally seen as office work.

00:44:54 --> 00:44:55: Yeah, great.

00:44:55 --> 00:44:55: Thanks Steven.

00:44:56 --> 00:45:00: And we've got a question that's coming maybe directed

00:45:00 --> 00:45:03: towards

00:45:03 --> 00:45:06: you, John, but I think Nicole, you might be able

00:45:06 --> 00:45:10: to contribute as well in terms of, so as a

00:45:10 --> 00:45:15: developer landlord, how do you make the business case, the

00:45:15 --> 00:45:17: return on investment on physical public realm improvements,

00:45:17 --> 00:45:19: programming and

00:45:19 --> 00:45:22: activations of public spaces.

00:45:22 --> 00:45:23: So some of those elements that we've talked about in

00:45:23 --> 00:45:26: this discussion that maybe are beyond the traditional asset in

00:45:26 --> 00:45:26: the building.

00:45:26 --> 00:45:26: I think as we've seen in, in the study, some

00:45:26 --> 00:45:29: of the business districts, they can easily manage this if

00:45:29 --> 00:45:32: they have complete control of the whole land, like an

00:45:32 --> 00:45:36: entire state, Canary Wharf, for example, La de France in,

00:45:36 --> 00:45:36: in Paris.

00:45:37 --> 00:45:40: But from a broader perspective, how do you make that

00:45:40 --> 00:45:42: business case in the return on investment?

00:45:43 --> 00:45:45: And is it then reflected in kind of higher rents

00:45:45 --> 00:45:49: achieved for, for your buildings or assets in, in those

00:45:49 --> 00:45:52: locations or and, and is it also reflected in capital

00:45:52 --> 00:45:54: values, those kind of aspects?

00:45:54 --> 00:45:56: Could any are you able to share any thoughts on

00:45:56 --> 00:45:59: on that John, in terms of the business case for

00:45:59 --> 00:46:03: public realm and activation of public spaces and cultural events

00:46:03 --> 00:46:05: linked to these business districts?

00:46:09 --> 00:46:13: Yeah, I, I, I would say that, you know, the,

00:46:13 --> 00:46:18: the, the investment in these types of public spaces and

00:46:18 --> 00:46:22: community events, you know, it, it is kind of creating

00:46:22 --> 00:46:23: an ecosystem.

00:46:24 --> 00:46:28: So it is difficult to quantify, but I, I think

00:46:28 --> 00:46:31: many good examples do exist.

00:46:32 --> 00:46:32: Yeah.

00:46:32 --> 00:46:37: For example, Maury Building has several projects in Tokyo where

00:46:37 --> 00:46:42: they've done massive public improvements and and community art, but

00:46:42 --> 00:46:44: they're also building a community.

00:46:44 --> 00:46:48: And I think that's where it's essential to kind of

00:46:48 --> 00:46:51: have mixed-use because you have not only the office crowd

00:46:51 --> 00:46:55: after work and enjoying a show, but residents who, who

00:46:55 --> 00:46:59: can regularly, you know, participate and, and join and, and

00:46:59 --> 00:47:02: actually kind of provide the base of, of support for

00:47:02 --> 00:47:04: these events as well.

00:47:04 --> 00:47:07: So I think it's, you know, ideally probably in a,

00:47:07 --> 00:47:10: in a more of a mixed-use environment where that, you

00:47:10 --> 00:47:14: know, you get the, the best return on your investment

00:47:14 --> 00:47:15: in, in public space.

00:47:16 --> 00:47:17: Thanks, Nicole as well.

00:47:17 --> 00:47:20: Any any comments on on that kind of business case

00:47:20 --> 00:47:23: and how does this play out in investment committee decisions

00:47:23 --> 00:47:24: or any perspectives like that?

00:47:24 --> 00:47:27: I mean, ultimately when it comes to underwriting, it's always

00:47:27 --> 00:47:30: about how certain you are that all those measures will

00:47:30 --> 00:47:31: actually write.

00:47:31 --> 00:47:35: So I would say it's much easier in cases where

00:47:35 --> 00:47:40: it's professionally managed because we also have a fair amount

00:47:40 --> 00:47:45: of negative examples where you don't find, you know, somebody

00:47:45 --> 00:47:50: willing to invest and repurpose or reposition the surroundings.

00:47:50 --> 00:47:54: So that's for me then really a key strength also

00:47:54 --> 00:47:57: for GBDS, if they play their role right.

00:47:58 --> 00:47:59: Thanks.

00:48:00 --> 00:48:03: Want to ask the panel about technology, because obviously Mark

00:48:03 --> 00:48:07: talked about the dual role of technology and the impact

00:48:07 --> 00:48:10: that that is having on these global business districts.

00:48:11 --> 00:48:14: And I think we've seen in in the report, there

00:48:14 --> 00:48:18: are many instances about the perspectives that AI is going

00:48:18 --> 00:48:21: to play both from a kind of demand side in

00:48:21 --> 00:48:24: terms of the potential impact on, on the underlying jobs

00:48:24 --> 00:48:27: that that are in these locations.

00:48:27 --> 00:48:29: But then also, as Mark talked about, in terms of

00:48:29 --> 00:48:32: the operational side, and it's being integrated as part of

00:48:32 --> 00:48:34: the systems management of these places.

00:48:36 --> 00:48:38: One of the partners of the project that we worked

00:48:38 --> 00:48:41: with in terms of like Beijing CBD, for example, they've

00:48:42 --> 00:48:45: integrated very kind of smart parking systems, which shows like

00:48:45 --> 00:48:46: real time parking spaces.

00:48:46 --> 00:48:49: It's so that helps assist with the flow and management

00:48:49 --> 00:48:51: of people in these places.

00:48:52 --> 00:48:55: And then they're integrating, you know, on robot robots in,

00:48:55 --> 00:48:59: in terms of deliveries and, and, and so it's getting

00:48:59 --> 00:49:01: all quite advanced and sci-fi.

00:49:01 --> 00:49:05: Just wanted to get your thoughts about how business districts

00:49:05 --> 00:49:09: are beginning to more leverage more advanced technologies like AI,

00:49:09 --> 00:49:13: Internet of Things, and 5G to enhance the urban experience

00:49:13 --> 00:49:17: and intelligence and management of these business districts

00:49:18 --> 00:49:20: Are open

00:49:18 --> 00:49:20: it to the panel Any anyone want to chip in

00:49:20 --> 00:49:23: with some of their perspectives on this topic?

00:49:25 --> 00:49:28: Yeah, I'll offer an observation and from a perspective of

00:49:28 --> 00:49:32: what we're being asked to provide in, in projects that
00:49:32 --> 00:49:33: are in planning now.

00:49:34 --> 00:49:38: And technology is in many respects it's just a, it's
00:49:38 --> 00:49:40: an absolute necessity.

00:49:40 --> 00:49:44: It's not differential in terms of a global business district.
00:49:44 --> 00:49:48: Every global business district is looking to leverage smart
systems.

00:49:49 --> 00:49:53: What we see more of is things like digital experience
00:49:54 --> 00:49:54: design.

00:49:55 --> 00:49:59: So we have a couple of great projects where the,
00:49:59 --> 00:50:04: the, the anchoring or the social space, and it relates
00:50:04 --> 00:50:09: to your, your previous question about public spaces as well
00:50:09 --> 00:50:14: is activated, animated through a digital experience that is
both

00:50:14 --> 00:50:15: physical.

00:50:15 --> 00:50:19: So imagine giant LED screens and, and both sort of
00:50:19 --> 00:50:24: digital art displays, but also events being sort of projected,
00:50:24 --> 00:50:28: but also the way that that combines with a user's
00:50:28 --> 00:50:29: experience of that space.

00:50:30 --> 00:50:34: So an application that helps guide people about where they
00:50:34 --> 00:50:37: can find things in a certain district, how they how
00:50:37 --> 00:50:42: they communicate about what's happening in that district.

00:50:42 --> 00:50:46: So I think that that it's kind of multidimensional from
00:50:46 --> 00:50:49: the, the bottom up in a way the, the, the
00:50:49 --> 00:50:51: way that AI is changing things.

00:50:51 --> 00:50:53: Again, it sort of mirrors a lot of what we
00:50:53 --> 00:50:55: were saying about the nature of work now.

00:50:57 --> 00:51:00: It's a lot of repetitive work is sort of made
00:51:00 --> 00:51:04: less important in a global business district.

00:51:04 --> 00:51:09: It's really the person to person contact and the entertainment
00:51:09 --> 00:51:13: elements that become stronger, more important components.

00:51:13 --> 00:51:17: So those kinds of things, they're they're sort of leading
00:51:17 --> 00:51:21: to an environment where where digital is sort of shifting
00:51:21 --> 00:51:26: from what was traditionally regarded as smart city elements
to

00:51:26 --> 00:51:26: more.

00:51:26 --> 00:51:30: How does this become a complete experience for for users?
00:51:31 --> 00:51:32: Thank you.

00:51:32 --> 00:51:35: Mark, did you want to add anything or your perspectives
00:51:35 --> 00:51:36: on this?

00:51:36 --> 00:51:38: I know it's an area you're you're quite passionate about.

00:51:38 --> 00:51:42: No, I'm, I'm passionate and, and probably, you know, hearing
00:51:42 --> 00:51:44: all of you, I fully agree.

00:51:44 --> 00:51:46: And and again, thanks for the great comments.

00:51:46 --> 00:51:49: But maybe take an occupier's hat for for just a

00:51:49 --> 00:51:50: couple of minutes.

00:51:50 --> 00:51:53: When we look at the decisions we have to make

00:51:54 --> 00:51:58: to reinvest or re establish or reinforce our presence in

00:51:58 --> 00:52:03: those global industries as the 400,000 people organization,
we we

00:52:03 --> 00:52:07: look at cost and we look at pricing points, we

00:52:07 --> 00:52:09: look at financials.

00:52:09 --> 00:52:10: That's what we are.

00:52:10 --> 00:52:14: And I guess most of compilers have the same priorities.

00:52:14 --> 00:52:17: But beyond that, to be a little bit more specific

00:52:17 --> 00:52:20: about what we pick up from our investment decisions and

00:52:20 --> 00:52:22: it's reflected in the researches.

00:52:22 --> 00:52:26: I want to insist on, on hyper accessibility, which is

00:52:26 --> 00:52:29: a notion that we very much care about.

00:52:30 --> 00:52:34: It's, it's why mostly why we believe that the central,

00:52:34 --> 00:52:39: the very central business districts have a, a life and

00:52:39 --> 00:52:40: a future.

00:52:40 --> 00:52:43: And it's, it's reflected in many, many aspects of the

00:52:43 --> 00:52:43: research.

00:52:43 --> 00:52:47: And we, we care about the priorities, the investments, the

00:52:47 --> 00:52:50: promises, the delivery of the promises by the public
authorities.

00:52:50 --> 00:52:53: We know it's hugely very costly, but you know, to

00:52:54 --> 00:52:57: give you an example, that's why we, we located in

00:52:57 --> 00:53:00: Caft in the heart of Riyadh, very new central business

00:53:01 --> 00:53:04: districts that we measured and we, we included in our

00:53:04 --> 00:53:08: panel because four or three or four metro lines have

00:53:08 --> 00:53:10: just been opened about a year ago.

00:53:11 --> 00:53:14: And this provides A reassurance and a better alternative to

00:53:14 --> 00:53:18: all the other big alternatives in Riyadh and elsewhere.

00:53:19 --> 00:53:23: And maybe something that that Steven mentioned that that I

00:53:23 --> 00:53:26: think is, is, you know, when you take a step

00:53:26 --> 00:53:29: back and you, you, you put it in simple terms,

00:53:29 --> 00:53:34: architecture, maybe it's, it's an old fashioned world that we

00:53:34 --> 00:53:38: look at, we look for visibility, surprise, the spectacular aspect.

00:53:38 --> 00:53:40: Why we'll give you another example.

00:53:40 --> 00:53:43: When in a in a country like France where we

00:53:43 --> 00:53:47: hire 2000 to 2500 people every year, that means that

00:53:48 --> 00:53:52: we have to get young candidates who think that downtown

00:53:52 --> 00:53:55: Paris, the hip and and you know, is the place

00:53:55 --> 00:53:58: to be and latte falls is not for them.
 00:53:59 --> 00:54:02: So we want to provide, we have one shot to
 00:54:02 --> 00:54:06: provide a great experience and the show that we can
 00:54:06 --> 00:54:09: put on in our big high rise looking at all
 00:54:09 --> 00:54:14: over Paris and the great architecture, the iconic architecture.
 00:54:14 --> 00:54:17: Again, maybe old fashioned words in your professional terms
 are
 00:54:17 --> 00:54:18: very important to us.
 00:54:18 --> 00:54:22: And, and finally, we talk about vibrancy.
 00:54:22 --> 00:54:26: I think declaring a state of vibrancy is, is, is
 00:54:26 --> 00:54:30: we, we understand it's, it's, it's impossible and we don't
 00:54:30 --> 00:54:35: expect public authorities, the entertainment world, the retail
 giants to,
 00:54:35 --> 00:54:37: to, to create vibrancy.
 00:54:37 --> 00:54:40: It's, it's, it's, it's got a, it's a chemistry that
 00:54:40 --> 00:54:43: is difficult to create that put it in simple terms.
 00:54:43 --> 00:54:46: And the way we, we apply it to our location
 00:54:46 --> 00:54:49: decisions is we, of course we want work, leave and
 00:54:50 --> 00:54:50: play.
 00:54:50 --> 00:54:50: That's done.
 00:54:50 --> 00:54:55: That's, that's must we want work, leave and play, learn
 00:54:55 --> 00:54:56: and create.
 00:54:56 --> 00:54:59: So I think the five words, the five verbs all
 00:54:59 --> 00:55:03: together say that we want all these five elements.
 00:55:03 --> 00:55:06: And and I think I wanted to leave you with
 00:55:06 --> 00:55:10: that because the the last two learn and create are
 00:55:10 --> 00:55:14: as important now as the other the first three.
 00:55:14 --> 00:55:17: I'll, I'll just wanted to come back and say that,
 00:55:17 --> 00:55:17: Simon.
 00:55:17 --> 00:55:20: Thank you, Mark and I, we, we're almost at the
 00:55:20 --> 00:55:23: end now, but maybe just a quick rapid fire around
 00:55:23 --> 00:55:26: just to get your perspectives because I think Mark flagged
 00:55:26 --> 00:55:28: A flashed a quote at the end there from a
 00:55:28 --> 00:55:33: leading American business district that said business districts
 that don't
 00:55:33 --> 00:55:34: change are dead.
 00:55:34 --> 00:55:36: Clinging to the status quo isn't an option anymore.
 00:55:37 --> 00:55:38: So it's quite a blunt message.
 00:55:39 --> 00:55:41: We need to innovate or become irrelevant.
 00:55:42 --> 00:55:44: So each of you just maybe in like 30 seconds,
 00:55:44 --> 00:55:47: if you had to kind of prioritize one thing or
 00:55:47 --> 00:55:50: one major area of investment or development that you should
 00:55:50 --> 00:55:53: focus on global business districts, what would that be?

00:55:54 --> 00:55:55: I'll start with John.

00:55:55 --> 00:55:56: You're I can see you on the screen.

00:55:57 --> 00:56:00: Yeah, I would just keep an eye on Shanghai.

00:56:00 --> 00:56:04: 50% of the vehicles sold there are are electric vehicles.

00:56:04 --> 00:56:07: They have one and a half million PVS on the

00:56:07 --> 00:56:07: road now.

00:56:07 --> 00:56:10: Almost all of the buses and taxis are on AV

00:56:10 --> 00:56:10: as well.

00:56:11 --> 00:56:14: So I think that's the next step, you know, connecting

00:56:14 --> 00:56:16: those EVs with the AI traffic control.

00:56:16 --> 00:56:19: You know, the streets are very quiet.

00:56:19 --> 00:56:23: The road noise level is absolutely very quiet and and

00:56:23 --> 00:56:26: the air pollution obviously is much better.

00:56:26 --> 00:56:29: So it has a tremendous impact on on the city.

00:56:30 --> 00:56:32: To Nicole, I'll keep it.

00:56:35 --> 00:56:40: For me it's about talent, so understanding better how culprits

00:56:40 --> 00:56:44: can attract talent and then using the entire toolbox to

00:56:44 --> 00:56:48: make sure that this is enabled for me, the key

00:56:48 --> 00:56:50: to success as a landlord.

00:56:51 --> 00:56:53: Thank you, Nicole and Stephen.

00:56:53 --> 00:56:54: Any final thoughts What's?

00:56:54 --> 00:56:56: Needed, yeah, I would say that.

00:56:56 --> 00:57:00: And this comes to really a personal approach to what

00:57:00 --> 00:57:04: we do thinking about the, the, the landscape of the,

00:57:05 --> 00:57:09: the global business district, Think about it as a holistic

00:57:09 --> 00:57:11: element, like a landscape.

00:57:11 --> 00:57:14: Buildings are an element within that that landscape.

00:57:14 --> 00:57:18: It's actually that lived experience, the whole lived experience

00:57:18 --> 00:57:21: in

00:57:18 --> 00:57:21: that landscape that really matters.

00:57:21 --> 00:57:24: And when we're looking at the qualitative side, it means

00:57:24 --> 00:57:28: that that space, that interstitial space in these global business

00:57:28 --> 00:57:32: districts are the, are the real, the game changers.

00:57:32 --> 00:57:35: And I think that what we're seeing in a lot

00:57:35 --> 00:57:38: of the, the business districts that are doing great things

00:57:38 --> 00:57:42: is that they've transformed their public space into, into a

00:57:42 --> 00:57:44: place that people want to be.

00:57:44 --> 00:57:46: So I think that for for us is a, is

00:57:46 --> 00:57:48: a driver in all of the work that we're doing.

00:57:49 --> 00:57:49: Great.

00:57:49 --> 00:57:51: That's a great way to wrap it up.

00:57:51 --> 00:57:53: Then I, I just want to end by saying thank

00:57:53 --> 00:57:56: you very much to each of you, Steven, Nicole, John
00:57:56 --> 00:57:59: for your participation, sharing your insights.
00:57:59 --> 00:58:02: Thank you, Mark for your great summary presentation.
00:58:03 --> 00:58:06: EY, the Global business District Innovation Club.
00:58:06 --> 00:58:09: And thank you everyone for joining and listening to these.
00:58:09 --> 00:58:11: We hope you have enjoyed the webinar.
00:58:12 --> 00:58:14: There will be a short survey that will flash up.
00:58:14 --> 00:58:17: If you could share any of your perspectives and feedback
00:58:17 --> 00:58:20: on on this webinar on the screen, you'll see that
00:58:20 --> 00:58:24: if you want to continue this conversation around the future
00:58:24 --> 00:58:27: of cities, business districts, we'll be covering this at our
00:58:27 --> 00:58:30: Europe conference, which will be in Berlin next year, 1st
00:58:30 --> 00:58:32: to 3rd of June 2026.
00:58:32 --> 00:58:34: And I think registrations will open shortly for that.
00:58:34 --> 00:58:36: So please join us there.
00:58:37 --> 00:58:40: But thank you all for joining us and encourage you
00:58:40 --> 00:58:42: to read the report, which is available to download now.
00:58:43 --> 00:58:45: Have a good rest of the day wherever you are
00:58:45 --> 00:58:46: dialing in from.
00:58:46 --> 00:58:47: Thank you all.
00:58:49 --> 00:58:49: Thank you.

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