

Podcast Episode

Season 1, Episode 3: Benjamin Cha, Chief Executive of Grosvenor Group Asia

Pacific

From the Voices of ULI

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00:00:04 --> 00:00:08: Hi, I'm Scott Dunn and welcome to the first season
00:00:08 --> 00:00:10: of Voices of ULIA podcast.
00:00:10 --> 00:00:12: Brought to you by the Urban Land Institute,
00:00:12 --> 00:00:18: Asia Pacific. In conversation with thought leaders and industry experts,
00:00:18 --> 00:00:21: I'll be asking them to reflect personally on their career
00:00:21 --> 00:00:22: journeys,
00:00:22 --> 00:00:25: particularly on the actions that they've made that have had
00:00:26 --> 00:00:30: significant impact on land use and development today and what
00:00:30 --> 00:00:34: their vision holds for the future of our communities that
00:00:34 --> 00:00:38: we live in. In today's episode,
00:00:38 --> 00:00:40: we'll be talking to Benjamin Shaw,
00:00:40 --> 00:00:44: who is the CEO of Grosvenor Asia Pacific.
00:00:44 --> 00:00:47: Ben, welcome to voices of you all.
00:00:47 --> 00:00:50: I I wanted to start a little bit with your
00:00:50 --> 00:00:51: early days.
00:00:51 --> 00:00:53: Where was it that you grew up and what were
00:00:54 --> 00:00:55: some of those influences
00:00:55 --> 00:00:58: that you had early in your career that really helped
00:00:58 --> 00:01:01: you think about urbanization and real estate development.
00:01:03 --> 00:01:05: To be here with you Scott.
00:01:05 --> 00:01:09: I grew up in the United States and Hong Kong
00:01:09 --> 00:01:14: so very much a bicultural childhood bicultural actually hold my
00:01:14 --> 00:01:18: whole life in terms of early influences urbanization,
00:01:18 --> 00:01:21: I'd probably point to two things.
00:01:21 --> 00:01:23: One is just a lot of travel,

00:01:23 --> 00:01:26: seeing different cities, different places,
 00:01:26 --> 00:01:30: especially both in the US and elsewhere,
 00:01:30 --> 00:01:33: but in particular in Asia when I started.
 00:01:33 --> 00:01:36: As a fresh grad in the Jordan grass and management
 00:01:36 --> 00:01:37: training program,
 00:01:37 --> 00:01:42: and I was crowded with with another empty from Hongkong
 00:01:42 --> 00:01:43: Land,
 00:01:43 --> 00:01:46: I was I was counted to Mandarin Hotel group and
 00:01:46 --> 00:01:49: he was quoted to Hongkong Land and we were sent
 00:01:49 --> 00:01:52: to go live and work in in Beijing.
 00:01:52 --> 00:01:55: Towards sort of some of the things that you learned
 00:01:55 --> 00:01:57: from the maths and program.
 00:01:58 --> 00:02:01: So we were. We were doing a lot of feasibility
 00:02:01 --> 00:02:02: studies,
 00:02:02 --> 00:02:03: a lot of site inspection.
 00:02:03 --> 00:02:07: We were learning about the laws at the time around
 00:02:07 --> 00:02:09: ownership and development,
 00:02:09 --> 00:02:11: and you know those are the early days in terms
 00:02:11 --> 00:02:13: of property development in China.
 00:02:13 --> 00:02:15: So we've learned a lot about the markets,
 00:02:15 --> 00:02:19: learn a lot about how an international firm which has
 00:02:19 --> 00:02:23: you know which has had and had this still does
 00:02:23 --> 00:02:25: have interests all over the world.
 00:02:25 --> 00:02:28: But in particular in different parts of Asia would look
 00:02:28 --> 00:02:28: at.
 00:02:28 --> 00:02:32: Markets like China, which at the time were were very
 00:02:32 --> 00:02:36: young and and and only just starting to modernize.
 00:02:36 --> 00:02:38: Urbanize see new office towers,
 00:02:38 --> 00:02:43: new hotels, different typologies in terms of the built
 environment,
 00:02:43 --> 00:02:46: start to see you know the beginnings of of some
 00:02:46 --> 00:02:47: pretty significant,
 00:02:47 --> 00:02:50: but what would ultimately be pretty significant population
 growth,
 00:02:50 --> 00:02:55: infrastructure growth, transportation connectivity, etc.
 00:02:55 --> 00:02:58: You're in China, kind of as this first wave of
 00:02:58 --> 00:03:01: transformation was starting to happen.
 00:03:01 --> 00:03:05: Where you had this amazing amount of requirement just to
 00:03:05 --> 00:03:10: house people to create employment centers to build things at
 00:03:10 --> 00:03:11: that time?
 00:03:11 --> 00:03:13: What were some of the projects that you were working
 00:03:13 --> 00:03:13: on?
 00:03:14 --> 00:03:17: Yep, so I worked on a couple of number of

00:03:17 --> 00:03:18: different projects.

00:03:18 --> 00:03:23: But in Shanghai in particular Mandarin at the time was

00:03:23 --> 00:03:28: looking at joint venturing with Portman Group on what was

00:03:28 --> 00:03:31: one of the first generation of mixed use.

00:03:31 --> 00:03:33: You know hotel, residential, office,

00:03:33 --> 00:03:36: retail, mixed use projects. Obviously Nanjing Road so you know

00:03:36 --> 00:03:38: it's obviously still standing today.

00:03:38 --> 00:03:40: Back then that was first generation.

00:03:40 --> 00:03:43: We were looking at at getting involved in that project

00:03:43 --> 00:03:47: when they were rebranding the hotel and also looking at

00:03:47 --> 00:03:49: other projects with Department Group.

00:03:49 --> 00:03:54: Projects in Shanghai. Similar projects that didn't come to fruition

00:03:54 --> 00:03:58: or were acquisitions in Beijing and then similar formats usually

00:03:59 --> 00:04:02: smaller scale in other cities in mainland China.

00:04:02 --> 00:04:05: So you know good exposure to as you were referring

00:04:05 --> 00:04:06: to earlier.

00:04:06 --> 00:04:08: Kind of first generation mixed use projects.

00:04:08 --> 00:04:12: First generation mixed use developments.

00:04:12 --> 00:04:16: Multicomponent residential hotel office retail projects.

00:04:16 --> 00:04:20: The first Plaza 66 came up during that generation.

00:04:20 --> 00:04:23: Shouldn't ND would come up a few years later,

00:04:23 --> 00:04:25: but also of that vintage?

00:04:25 --> 00:04:28: How much was it important that the long term plan

00:04:28 --> 00:04:29: for that neighborhood?

00:04:29 --> 00:04:33: That district played a role in terms of your decisions

00:04:33 --> 00:04:35: on moving forward?

00:04:35 --> 00:04:39: Good question. I don't think the vocabulary back then was

00:04:39 --> 00:04:43: necessarily what it is today in terms of planning.

00:04:43 --> 00:04:49: But platters still had similar ideas and concepts in terms

00:04:49 --> 00:04:50: of,

00:04:50 --> 00:04:53: you know, a project and whether it be an office

00:04:53 --> 00:04:55: tower or shopping mall or whatever.

00:04:55 --> 00:04:58: The concepts we don't, so you know back then,

00:04:58 --> 00:05:00: the language wasn't really what it was today.

00:05:00 --> 00:05:03: But people still cared about hey,

00:05:03 --> 00:05:05: this needs to connect with the rest of the city,

00:05:05 --> 00:05:09: the street, the transportation. I think perhaps there was less

00:05:09 --> 00:05:13: sensitivity to it because developers didn't necessarily think that way.

00:05:13 --> 00:05:18: Again in mainland China, certainly you know shouldn't ND

00:05:18 --> 00:05:22: was
 00:05:22 --> 00:05:25: one of the first where was very pedestrian oriented,
 00:05:25 --> 00:05:26: very street facing, open air and many,
 00:05:26 --> 00:05:29: many places. Most of the places,
 00:05:29 --> 00:05:30: at least in the very initial phases of development that
 00:05:30 --> 00:05:33: was back then.
 00:05:33 --> 00:05:34: That was a completely different approach that wasn't a
 00:05:34 --> 00:05:38: project
 00:05:38 --> 00:05:40: that we were directly involved with,
 00:05:40 --> 00:05:41: but seeing it seeing it come to life was was
 00:05:41 --> 00:05:43: exceptional.
 00:05:43 --> 00:05:48: And you know back then it was in today.
 00:05:48 --> 00:05:50: You know, still very much a.
 00:05:50 --> 00:05:52: A groundbreaking project. We, as Grosvenor we have the
 00:05:52 --> 00:05:55: pleasure
 00:05:55 --> 00:05:56: of partnering with Sean in Nanjing.
 00:05:56 --> 00:05:58: They they take a lot of the same approach to
 00:05:58 --> 00:06:00: different projects around may not trying to have done so
 00:06:00 --> 00:06:04: for a long,
 00:06:04 --> 00:06:05: long time. But you know,
 00:06:05 --> 00:06:08: examples of where plating had a role to play.
 00:06:08 --> 00:06:09: I think we're. Where parents kind of everywhere we went
 00:06:10 --> 00:06:14: it would,
 00:06:14 --> 00:06:18: you know, private sector developers didn't always
 00:06:18 --> 00:06:22: necessarily think beyond
 00:06:22 --> 00:06:27: the building boundary.
 00:06:27 --> 00:06:28: I found it fascinating during that that time period where
 00:06:28 --> 00:06:32: you'd have these single developments or a project like
 00:06:32 --> 00:06:35: shanked,
 00:06:35 --> 00:06:38: NDR, Jinji Lake, or you know these kind of milestone
 00:06:38 --> 00:06:41: projects that someone took a little bit of an adventurous
 00:06:41 --> 00:06:44: approach,
 00:06:44 --> 00:06:47: often adopted a very international idea brought in.
 00:06:47 --> 00:06:50: Usually people from from around the world to help in
 00:06:50 --> 00:06:54: terms of executing on these projects.
 00:06:54 --> 00:06:57: Then they would come off exceptionally well and all of
 00:06:57 --> 00:07:00: a sudden it became this kind of gold standard to
 then repeat 'cause you had hundreds of cities kind of
 going through the same sort of transformation also.
 And everybody wanted attendees, everybody wanted Jinji
 Lake and I
 guess I speak about that in terms of trying to
 deal with the quality of these projects as they get

00:07:00 --> 00:07:02: replicated in multiple cities.

00:07:03 --> 00:07:05: Yeah, no, you're absolutely right.

00:07:05 --> 00:07:07: D bowl. You know very much tried to take a

00:07:07 --> 00:07:09: cookie cutter approach.

00:07:09 --> 00:07:13: Uhm, I think along the way as I think you're

00:07:13 --> 00:07:18: suggesting some of the authenticity or the sensitivity too.

00:07:18 --> 00:07:21: This surrounding environment. May have gotten lost.

00:07:21 --> 00:07:24: Uhm? But I think, yeah,

00:07:24 --> 00:07:27: I mean the the positive way to look at it

00:07:27 --> 00:07:30: is that people saw that a certain formula or certain

00:07:30 --> 00:07:34: approach to quality and sensitivity to their surrounding environment worked

00:07:34 --> 00:07:36: and try to do it elsewhere.

00:07:36 --> 00:07:38: I think the negatives are obviously I think is you're

00:07:38 --> 00:07:39: alluding to,

00:07:39 --> 00:07:42: you know just transplanting something that worked in one place

00:07:42 --> 00:07:45: to another city with a different historical,

00:07:45 --> 00:07:50: architectural, built environment context. Didn't,

00:07:50 --> 00:07:53: you know, wasn't a guarantee of success and also.

00:07:53 --> 00:07:55: It's kind of a little bit of a Disneyland approach,

00:07:55 --> 00:07:57: which you kind of build the same thing no matter

00:07:57 --> 00:07:58: where you are in the world,

00:07:58 --> 00:08:00: and that that has a lot of limitations.

00:08:01 --> 00:08:05: You know? Discovery Bay, I think is an incredible example.

00:08:05 --> 00:08:08: Early on I I lived in Discovery Bay for a

00:08:08 --> 00:08:09: couple years,

00:08:09 --> 00:08:12: so I kind of understand the nuances in terms of

00:08:12 --> 00:08:15: lower carbon pedestrianization no cars.

00:08:15 --> 00:08:19: So maybe what was special about that kind of development

00:08:19 --> 00:08:20: model?

00:08:20 --> 00:08:22: And how did you take some of those parts and

00:08:22 --> 00:08:24: then be able to expand that?

00:08:24 --> 00:08:26: There's other types of projects,

00:08:26 --> 00:08:29: yeah, I mean, I had had the privilege and pleasure

00:08:29 --> 00:08:31: of working on a number of projects with in Discovery

00:08:31 --> 00:08:32: Bay and it was.

00:08:32 --> 00:08:34: It was always hugely exciting,

00:08:34 --> 00:08:39: but also a real eye opener in terms of the

00:08:39 --> 00:08:44: challenges of mixed use at a very large scale.

00:08:44 --> 00:08:49: And the complexity of having to deliver a service amenity

00:08:49 --> 00:08:55: product in in a very large scale residential environment and

00:08:55 --> 00:08:59: all of the in particularly infrastructure,
00:08:59 --> 00:09:05: transportation, ferries, buses. You know the restrictions on private car
00:09:05 --> 00:09:06: ownership,
00:09:06 --> 00:09:08: golf carts, getting people in.
00:09:08 --> 00:09:12: It was a real eye opener and and and a
00:09:12 --> 00:09:14: real wake up call.
00:09:14 --> 00:09:18: In many ways, on the less glamorous kind of nitty
00:09:18 --> 00:09:21: gritty of how do you actually deliver quality in a
00:09:21 --> 00:09:24: in in that format in in a large scale,
00:09:24 --> 00:09:27: mixed use format. In particular,
00:09:27 --> 00:09:29: I think mixed use that has it.
00:09:29 --> 00:09:34: It's very heavy in terms of residential and also in
00:09:34 --> 00:09:35: terms of you know,
00:09:35 --> 00:09:37: how do you deliver that financially?
00:09:39 --> 00:09:40: You know very, very challenging,
00:09:40 --> 00:09:43: but you have to run and build the infrastructure.
00:09:43 --> 00:09:46: And also have the cash flow,
00:09:46 --> 00:09:50: which doesn't necessarily generate a lot of cash flow sometimes
00:09:50 --> 00:09:52: is is is loss making and then be able to
00:09:52 --> 00:09:55: continue to build a place that sort of Discovery Bay
00:09:55 --> 00:09:59: encapsulated. So residential development for strata sale,
00:09:59 --> 00:10:04: selling residential units by phase was a way to generate
00:10:04 --> 00:10:09: cash flow to continue to build infrastructure in a normal
00:10:09 --> 00:10:10: urban environment.
00:10:10 --> 00:10:14: The infrastructure is usually delivered by the government.
00:10:14 --> 00:10:15: Transportation is run by, you know,
00:10:15 --> 00:10:19: the subway company MTR. In the case of Hong Kong.
00:10:19 --> 00:10:24: Uhm, but having it be such large scale and it
00:10:24 --> 00:10:26: was just it was.
00:10:26 --> 00:10:28: It was a phenomenal privilege and opportunity.
00:10:28 --> 00:10:30: But also it was it was.
00:10:30 --> 00:10:34: It was a real eye opener in terms of complexity.
00:10:34 --> 00:10:39: Uhm, you know that the district councillor Discovery Bay became
00:10:39 --> 00:10:43: very anti development which gummed up a lot of the
00:10:43 --> 00:10:47: work of HK are in terms of delivering certain things
00:10:47 --> 00:10:51: to residents transportation always complex,
00:10:51 --> 00:10:53: phasing always complex. So
00:10:53 --> 00:10:54: I was going to ask you about
00:10:54 --> 00:10:56: a boat West Cologne actually.
00:10:56 --> 00:10:58: I mean maybe could you could talk a little bit

00:10:58 --> 00:10:58: about your role.

00:10:58 --> 00:11:01: I know that the museum is opening up.

00:11:01 --> 00:11:05: In November, I mean that must be incredibly proud moment

00:11:05 --> 00:11:07: for you in terms of that actually happening.

00:11:07 --> 00:11:10: 'cause West Kelowna as a district as being you know,

00:11:10 --> 00:11:14: talked about planned for quite some time now,

00:11:14 --> 00:11:17: so maybe talk a little bit about your role and

00:11:17 --> 00:11:19: how it's progressing now.

00:11:19 --> 00:11:22: So I sit on the board of both the West

00:11:22 --> 00:11:24: Kowloon Cultural District,

00:11:24 --> 00:11:26: so it's the main governing body for the entire district.

00:11:26 --> 00:11:28: And then I also sit on the board of the

00:11:28 --> 00:11:29: M Plus Museum,

00:11:29 --> 00:11:32: which is obviously it's specific to the M Plus.

00:11:32 --> 00:11:34: Museum which which will open in November.

00:11:34 --> 00:11:36: So just to be clear,

00:11:36 --> 00:11:42: the ICC and the office tower there is the shopping

00:11:42 --> 00:11:42: mall.

00:11:42 --> 00:11:46: The airport from airport station Mgr,

00:11:46 --> 00:11:51: but that that's outside of the West Kowloon Cultural District

00:11:51 --> 00:11:52: is adjacent to it.

00:11:52 --> 00:11:54: And the high speed rails also adjacent to but not

00:11:54 --> 00:11:56: part of West common cultural districts.

00:11:56 --> 00:12:01: So they're not sort of within the best Kowloon Cultural

00:12:01 --> 00:12:02: District mandate,

00:12:02 --> 00:12:06: but they are absolutely important in terms of.

00:12:06 --> 00:12:11: The district connecting with. Close the high speed rail which

00:12:11 --> 00:12:16: connects with with Shenzhen and Guangzhou and mainland

00:12:16 --> 00:12:19: China,

00:12:16 --> 00:12:19: but also in terms of ICC.

00:12:19 --> 00:12:22: And just where you know less colon is on the

00:12:22 --> 00:12:22: waterfront,

00:12:22 --> 00:12:24: its face is the harbor.

00:12:24 --> 00:12:27: It's a 40 hectare district.

00:12:27 --> 00:12:32: And it it connect that I see the high speed

00:12:32 --> 00:12:32: rail,

00:12:32 --> 00:12:36: the street access to even you know.

00:12:36 --> 00:12:38: Eventually Canton Rd, for example.

00:12:38 --> 00:12:42: This is how this district connects with the rest of

00:12:42 --> 00:12:46: this part of the Calvin Peninsula and the population and

00:12:46 --> 00:12:49: the life of the rest of Hong Kong.

00:12:49 --> 00:12:50: Yes, it's taken a long,

00:12:50 --> 00:12:53: long time. It has been delayed multiple times,
 00:12:53 --> 00:12:56: and it's been, and it will continue to be a
 00:12:56 --> 00:12:58: very very super long term project.
 00:12:58 --> 00:13:01: And I think anything of the scale by nature will
 00:13:01 --> 00:13:02: be long term.
 00:13:02 --> 00:13:06: Part of it though, does have to do with the
 00:13:06 --> 00:13:13: ambition and also the original Norman Foster designed the
 00:13:13 --> 00:13:13: master
 00:13:13 --> 00:13:16: plan,
 00:13:16 --> 00:13:18: the MLP for the project,
 00:13:18 --> 00:13:20: and what the district this is a little bit,
 00:13:20 --> 00:13:22: but this is definitely not a little bit.
 00:13:22 --> 00:13:26: This is definitely before my time,
 00:13:26 --> 00:13:27: the commitment of the district in terms of key design
 00:13:27 --> 00:13:31: decisions.
 00:13:31 --> 00:13:35: So just give you. To actually just give you one
 00:13:35 --> 00:13:39: design decision which is ambitious,
 00:13:39 --> 00:13:44: transformative, but also has has created a lot of delays,
 00:13:44 --> 00:13:45: the Norman foster plan called for making the district primarily
 00:13:45 --> 00:13:49: pedestrian,
 00:13:49 --> 00:13:52: so that one principle immediately moved,
 00:13:52 --> 00:13:54: all roads, carpark, vehicular access,
 00:13:54 --> 00:13:59: with the exception of fire access,
 00:13:59 --> 00:14:02: Eva Underground moved everything. Underground,
 00:14:02 --> 00:14:03: right? So and Scott, you'll notice much better than I
 00:14:03 --> 00:14:08: do,
 00:14:08 --> 00:14:13: right? You do that on Harbourfront land on Harbourfront
 00:14:13 --> 00:14:20: landfill
 00:14:20 --> 00:14:24: in your construction times is going to be much longer.
 00:14:24 --> 00:14:30: The geotechnical, the physical infrastructure that you have to
 00:14:30 --> 00:14:34: develop
 00:14:34 --> 00:14:37: in order to support that as a design principle is
 00:14:37 --> 00:14:41: enormous and keep in mind you have multiple existing
 00:14:41 --> 00:14:44: subway
 00:14:44 --> 00:14:48: lines crisscrossing the basement, so if they build around that
 00:14:48 --> 00:14:52: stuff but in terms of what that will do in
 00:14:52 --> 00:14:54: terms of place making in in making a district which
 00:14:54 --> 00:14:57: is pedestrian friendly primarily pedestrian?
 00:14:57 --> 00:14:58: Early again, but there there is on grade vacul access.
 00:14:58 --> 00:14:59: There will be electric minibuses.
 00:14:59 --> 00:15:02: There's no mono rail or anything like that.
 00:15:02 --> 00:15:05: And then of course there's the VA emergency and fire
 00:15:05 --> 00:15:08: access,

00:14:58 --> 00:15:00: but otherwise it's going to be.

00:15:00 --> 00:15:01: It's going to be pedestrian,

00:15:01 --> 00:15:03: completely pedestrian oriented

00:15:03 --> 00:15:06: so you think the cost benefit was is going to

00:15:06 --> 00:15:07: be worth it then.

00:15:07 --> 00:15:10: Well, I think as a as a gift to Hong

00:15:10 --> 00:15:12: Kong as a project for Hong Kong,

00:15:12 --> 00:15:14: the outcome will be phenomenal.

00:15:14 --> 00:15:17: It has been painful, will continue to be painful in

00:15:17 --> 00:15:20: terms of delivering this project in terms of costs.

00:15:20 --> 00:15:23: I don't. I'm not sure a private sector developer would

00:15:23 --> 00:15:26: have the appetite or the private sector developer,

00:15:26 --> 00:15:32: shareholders, owners and financial ability to kind of withstand or

00:15:33 --> 00:15:38: commit to something like this would really pass any.

00:15:38 --> 00:15:40: For most boards, but from a from a city from

00:15:40 --> 00:15:42: Hong Kong point of view from a city point of

00:15:42 --> 00:15:42: view,

00:15:42 --> 00:15:44: from a built environment point of view,

00:15:44 --> 00:15:48: I think it's a hugely powerful commitment and decision.

00:15:48 --> 00:15:49: We

00:15:49 --> 00:15:52: talked about the model of development and that that initial

00:15:52 --> 00:15:55: village center and that idea of bringing people together I

00:15:55 --> 00:15:58: guess gets into the also an idea in terms of

00:15:58 --> 00:16:00: some of these earlier developments about the,

00:16:01 --> 00:16:04: you know, the neighborhood revitalization.

00:16:04 --> 00:16:06: And how do you attract people in those kind of

00:16:07 --> 00:16:07: places?

00:16:07 --> 00:16:08: We talked a little bit.

00:16:08 --> 00:16:12: Washington D and you know more of the the adaptive

00:16:12 --> 00:16:13: reuse.

00:16:13 --> 00:16:15: Some of the arts and culture and how you use

00:16:15 --> 00:16:17: culture to draw people together.

00:16:17 --> 00:16:20: And I think this is something that you know in

00:16:20 --> 00:16:24: your current role was grown or that's a component to

00:16:24 --> 00:16:24: it.

00:16:24 --> 00:16:27: And maybe if you can talk a little bit about

00:16:27 --> 00:16:28: how your role is,

00:16:28 --> 00:16:31: is CEO now and and how you think about our

00:16:31 --> 00:16:34: culture and community within the work that you do?

00:16:34 --> 00:16:39: Sure, so it's it's very near and dear to.

00:16:39 --> 00:16:44: Grosvenor, to to take a holistic approach.

00:16:44 --> 00:16:47: To all the projects that we do across the globe,
00:16:47 --> 00:16:50: this has a lot to do with kind of our
00:16:50 --> 00:16:53: company DNA and history in terms of.
00:16:53 --> 00:16:54: The West End of London,
00:16:54 --> 00:17:00: Mayfair, Belgravia, in particular. So the sensitivity,
00:17:00 --> 00:17:05: the level of commitment. The experience the track record the
00:17:05 --> 00:17:06: you know.
00:17:06 --> 00:17:11: Working with a very wide range of tenants or partners
00:17:11 --> 00:17:14: of the local council.
00:17:14 --> 00:17:18: Uh, that's very much part of the Grosvenor DNA.
00:17:18 --> 00:17:21: We take that approach, even if it's a single building.
00:17:21 --> 00:17:26: We recently started investing into Ginza in Tokyo,
00:17:26 --> 00:17:28: so that was three and a half years ago.
00:17:28 --> 00:17:30: We now have two investments.
00:17:30 --> 00:17:34: We're looking at a third in this part of Tokyo,
00:17:34 --> 00:17:37: and the approach is is very much is very similar.
00:17:37 --> 00:17:39: We want to know where we're investing.
00:17:39 --> 00:17:40: We want to know what's going on.
00:17:40 --> 00:17:44: We want our assets or investments to be sensitive to.
00:17:44 --> 00:17:48: Streetscape, the neighborhood, DJ's and buildings.
00:17:48 --> 00:17:52: Buildings across the street. We want to know what's
00:17:52 --> 00:17:53: happening
00:17:52 --> 00:17:53: in terms of.
00:17:53 --> 00:17:58: The demographic. Other owners, the local population.
00:17:58 --> 00:18:00: What NGOs are active? What does the needs of that
00:18:01 --> 00:18:02: community or does it needs?
00:18:02 --> 00:18:05: Or are there any groups in particular that that might
00:18:05 --> 00:18:08: be recipients of some of our philanthropic giving?
00:18:08 --> 00:18:10: So so we take a holistic approach,
00:18:10 --> 00:18:13: going back to your question about arts and culture.
00:18:13 --> 00:18:14: You know, in in Mayfair,
00:18:14 --> 00:18:17: we have a lot of arts and culture,
00:18:17 --> 00:18:20: whether it's private sector, whether it's institutional,
00:18:20 --> 00:18:22: I've involved in Hong Kong,
00:18:22 --> 00:18:25: obviously in a number of.
00:18:25 --> 00:18:28: Projects that are mostly so quasi government.
00:18:28 --> 00:18:31: Well I guess one of them is Jockey Club not
00:18:31 --> 00:18:33: government which are adaptive.
00:18:33 --> 00:18:38: Reuse formats where traditional building background in
00:18:38 --> 00:18:42: particular.
00:18:38 --> 00:18:42: So that's mean these types of projects are there a
00:18:42 --> 00:18:43: lot of fun,
00:18:43 --> 00:18:45: but certainly without. You know,

00:18:45 --> 00:18:48: with this hunk of drug club uncle government,

00:18:48 --> 00:18:51: without government support, that you know the business case in

00:18:51 --> 00:18:54: terms of private sector development is is usually quite challenging.

00:18:55 --> 00:18:58: Something I wanted to talk about in terms of cycles

00:18:58 --> 00:19:02: of the market and being able to smooth out some

00:19:02 --> 00:19:03: of those cycles.

00:19:03 --> 00:19:05: So a lot of the cycles you know,

00:19:05 --> 00:19:08: pressured from from financial markets in terms of how it

00:19:08 --> 00:19:09: goes up and down,

00:19:09 --> 00:19:12: and you can see against the backdrop of what's happening

00:19:12 --> 00:19:15: in China right now where they haven't had this kind

00:19:15 --> 00:19:15: of real.

00:19:15 --> 00:19:17: Pressure on a development cycle.

00:19:17 --> 00:19:20: If you look at London and how it's transformed over

00:19:21 --> 00:19:23: time and then you compare it to kind of what

00:19:23 --> 00:19:27: we started with in terms of the transformation of a

00:19:27 --> 00:19:29: lot of the Asian cities and how they've grown very

00:19:29 --> 00:19:32: quickly and they're starting to go through these cycles now,

00:19:32 --> 00:19:36: so maybe he talked a little bit about that experience

00:19:36 --> 00:19:39: in terms of what Grosvenor is being through as a

00:19:39 --> 00:19:40: company,

00:19:40 --> 00:19:44: the commitment to be having a long term view.

00:19:44 --> 00:19:50: Quality and commitment to thinking holistically about an asset building

00:19:50 --> 00:19:50: project.

00:19:50 --> 00:19:53: I think these you know,

00:19:53 --> 00:19:57: and I would extend this a thinking about neighborhood and

00:19:57 --> 00:19:59: community and thinking holistically,

00:19:59 --> 00:20:03: I would. I would put environmental sensitivity into that category

00:20:03 --> 00:20:05: into that bucket if you will.

00:20:05 --> 00:20:08: These things exactly, everything we're talking about is very much

00:20:08 --> 00:20:09: part of the legacy.

00:20:09 --> 00:20:11: The history of the DNA,

00:20:11 --> 00:20:15: the philosophy, and the culture of Grosvenor after.

00:20:15 --> 00:20:17: 300 plus years and you know,

00:20:17 --> 00:20:20: I think we we take great pride in that it

00:20:20 --> 00:20:23: permeates everything we do across the globe.

00:20:23 --> 00:20:27: I'm pretty safe. It's saying that what's happened in China

00:20:27 --> 00:20:28: in one generation,

00:20:28 --> 00:20:30: and you know, in the past 30 years,

00:20:30 --> 00:20:33: in terms of built environment has been historic.

00:20:33 --> 00:20:37: So what you've seen is in a very short span

00:20:37 --> 00:20:38: of time,

00:20:38 --> 00:20:42: the creation of a huge middle class and the creation

00:20:42 --> 00:20:42: of.

00:20:42 --> 00:20:48: The building, literally the building of you know dozens of

00:20:48 --> 00:20:52: amazing huge significant cities of scale you over,

00:20:52 --> 00:20:58: over 100, a hundred new centers of significant population.

00:20:58 --> 00:20:59: You know China is urbanized.

00:20:59 --> 00:21:02: You have mega cities. You have smaller cities,

00:21:02 --> 00:21:05: are quote unquote smaller cities or cities of like a

00:21:05 --> 00:21:07: million million and a half people.

00:21:07 --> 00:21:09: But that's like same population in San Francisco.

00:21:09 --> 00:21:12: Now obviously you add up Silicon Valley and Oakland,

00:21:12 --> 00:21:13: East Bay, and so on it.

00:21:13 --> 00:21:16: Obviously gets much bigger, but.

00:21:16 --> 00:21:18: So it's been absolutely historic.

00:21:18 --> 00:21:23: I think what's interesting about that pace of urbanization is.

00:21:23 --> 00:21:26: Where to next and and we're trying to figure this

00:21:26 --> 00:21:26: out as Grosvenor,

00:21:26 --> 00:21:29: we are continuing to invest in mainland China.

00:21:29 --> 00:21:33: We've we are focusing on the Greater Bay Area.

00:21:33 --> 00:21:34: In addition to Hong Kong,

00:21:34 --> 00:21:38: we are focusing on the Wired magazine River Delta region.

00:21:38 --> 00:21:42: We've invested twice in the past.

00:21:42 --> 00:21:45: 2 1/2 years. Three years in that drink.

00:21:45 --> 00:21:48: We're actively looking at projects in Shanghai.

00:21:48 --> 00:21:51: We'd love to do something in Guangzhou or Shenzhen or

00:21:51 --> 00:21:53: elsewhere in the Greater Bay.

00:21:53 --> 00:21:57: Uhm, we also recognize that urbanization and some of the

00:21:57 --> 00:22:03: old formats mixed use office developments or mixed use

00:22:03 --> 00:22:08: components,

00:22:03 --> 00:22:08: mixed use developments. Residential office hotel this

00:22:08 --> 00:22:14: typology because of

00:22:08 --> 00:22:14: technology because of lifestyle patterns work patterns

00:22:14 --> 00:22:18: because of e-commerce.

00:22:14 --> 00:22:18: They are also changing, So what format is of the

00:22:18 --> 00:22:20: future for the future?

00:22:20 --> 00:22:23: What what will happen to buildings that were built in

00:22:23 --> 00:22:24: the last generation,

00:22:24 --> 00:22:26: whether they're relevant or as strong?

00:22:26 --> 00:22:30: Are they prepared environmentally? For you know,

00:22:30 --> 00:22:32: for warming, for, for the,

00:22:32 --> 00:22:35: for the future. These are these are all part of

00:22:35 --> 00:22:38: the moving parts were certainly trying to figure it out

00:22:38 --> 00:22:40: and price continued to invest and develop.

00:22:40 --> 00:22:41: And

00:22:41 --> 00:22:42: I guess that's where

00:22:42 --> 00:22:45: I think there will be a lot more adaptive reuse.

00:22:45 --> 00:22:49: Like you said, in terms of some of these older

00:22:49 --> 00:22:52: Gray buildings and then to your point earlier on adding

00:22:53 --> 00:22:56: value that it seems to me that the cities that

00:22:56 --> 00:22:59: are investing and you could see this in the last

00:22:59 --> 00:23:02: five or six years that are investing more in the

00:23:02 --> 00:23:05: environmental aspects of the city and the cities that are

00:23:05 --> 00:23:09: getting that mixed right and allowing for that bitter bigger

00:23:09 --> 00:23:10: fabric.

00:23:10 --> 00:23:15: And I ideally attract better quality developers into those cities.

00:23:15 --> 00:23:18: To be able to participate in that building out of

00:23:18 --> 00:23:20: this next evolution of river form,

00:23:20 --> 00:23:23: absolutely, I would agree with that wholeheartedly.

00:23:23 --> 00:23:25: I mean, there's a shift going on in China right

00:23:25 --> 00:23:28: now with the development community and on balance sheets

00:23:28 --> 00:23:29: and

00:23:28 --> 00:23:29: those kind of things.

00:23:29 --> 00:23:32: But ultimately people will survive.

00:23:32 --> 00:23:33: They'll come out of it,

00:23:33 --> 00:23:38: and there will be a continued their strong fundamentals in

00:23:38 --> 00:23:41: terms of the growth of middle Class A flight to

00:23:41 --> 00:23:42: quality,

00:23:42 --> 00:23:44: improvement of the urban environment.

00:23:44 --> 00:23:46: So in all of that.

00:23:46 --> 00:23:48: There is a lot of competition between us.

00:23:48 --> 00:23:50: Yes, you know all of these cities,

00:23:50 --> 00:23:53: so is there certain things that would help in terms

00:23:53 --> 00:23:56: of what cities could do to attract developers?

00:23:56 --> 00:23:57: Know? Certainly I think. Well,

00:23:57 --> 00:23:59: I think first of all I'd say a lot of

00:23:59 --> 00:24:01: the city governments are doing a lot of the right

00:24:01 --> 00:24:01: thing,

00:24:01 --> 00:24:04: so they're making their cities greener.

00:24:04 --> 00:24:09: They're making their cities more livable for local populations.

00:24:09 --> 00:24:11: Infrastructure build I think speaks for itself.

00:24:11 --> 00:24:15: If you look at the connectivity between cities as well

00:24:15 --> 00:24:19: as connectivity and transport infrastructure within cities,
00:24:19 --> 00:24:21: I think both are impressive.
00:24:21 --> 00:24:25: I think we would love to see local governments continue
00:24:25 --> 00:24:26: to do that.
00:24:26 --> 00:24:30: We would we would like to see local governments to
00:24:30 --> 00:24:35: continue to make cities less car dependent to continue to
00:24:35 --> 00:24:36: make cities greener,
00:24:36 --> 00:24:42: decarbonize. But I think the commitment from the central
government
00:24:42 --> 00:24:45: and local governments is is pretty strong.
00:24:45 --> 00:24:48: We'd love to see, I think in certain cities a
00:24:48 --> 00:24:51: little bit more control in terms of office supply,
00:24:51 --> 00:24:56: a lot of cities are oversupplied in terms of office.
00:24:56 --> 00:24:57: That's probably a little bit at the margin.
00:24:57 --> 00:25:01: UM, but, uh, I think we're we're very positive in
00:25:01 --> 00:25:02: terms of what?
00:25:02 --> 00:25:05: You know what, what, what local governments are doing.
00:25:05 --> 00:25:06: We just encourage them to do you know,
00:25:06 --> 00:25:08: to do more? Keep pushing the envelope.
00:25:09 --> 00:25:11: So voices of Vuelie
00:25:12 --> 00:25:16: ties in with the mission for Urban Land Institute,
00:25:16 --> 00:25:19: which is really around shape the future of the built
00:25:19 --> 00:25:22: environment for transformative impact in communities
worldwide.
00:25:22 --> 00:25:25: Ben, what does this statement mean to you?
00:25:26 --> 00:25:29: Uhm, it it means a ton to me.
00:25:29 --> 00:25:31: I think it's it. It means the world to me.
00:25:31 --> 00:25:32: It's a it's a powerful mandate.
00:25:32 --> 00:25:36: It's a relevant mandate and it's an exciting mandate.
00:25:36 --> 00:25:39: So cities are where it's happening.
00:25:39 --> 00:25:41: I don't think that'll change.
00:25:41 --> 00:25:45: I think Asia is a place that has a ton
00:25:45 --> 00:25:46: of activity,
00:25:46 --> 00:25:48: but there's a ton of exciting,
00:25:48 --> 00:25:52: interesting things that are happening everywhere in the world
outside
00:25:52 --> 00:25:53: of Asia,
00:25:53 --> 00:25:55: in Asia, North America, Europe.
00:25:55 --> 00:25:57: Elsewhere, I think the line mission is.
00:25:57 --> 00:26:00: Is is compelling? Again, it's it's powerful,
00:26:00 --> 00:26:03: it's relevant, it's exciting and fun.
00:26:04 --> 00:26:09: Yeah, I think the integrated disciplined nature of ULI is
00:26:09 --> 00:26:09: quite

00:26:09 --> 00:26:11: compelling in terms of being able to bring a lot
00:26:11 --> 00:26:12: of different
00:26:12 --> 00:26:16: stakeholders to help to solve some of the complex
challenges
00:26:16 --> 00:26:19: that we're facing in our communities.
00:26:19 --> 00:26:22: And it's being explosive the way
00:26:22 --> 00:26:25: in which the cities have transformed over the last 20
00:26:25 --> 00:26:27: years as being incredible.
00:26:27 --> 00:26:30: And I think over the next 20 years to see
00:26:30 --> 00:26:32: what will happen is we're incredible
00:26:32 --> 00:26:35: place to participate in that.
00:26:35 --> 00:26:35: Yeah,
00:26:35 --> 00:26:37: totally agree. Absolutely great. So
00:26:37 --> 00:26:39: Ben thank you
00:26:39 --> 00:26:40: very much for joining us.
00:26:40 --> 00:26:41: So I'm voices of your life today.
00:26:41 --> 00:26:42: It was a great discussion.
00:26:42 --> 00:26:45: We covered many parts of Asia and it'll be incredibly
00:26:45 --> 00:26:48: exciting to see where we go from here.
00:26:48 --> 00:26:50: Thank you Scott. It's been a pleasure,
00:26:50 --> 00:26:50: a real pleasure.
00:26:53 --> 00:26:56: Thank you Ben for joining us on this episode of
00:26:56 --> 00:27:00: Voices of Uli and thank you everyone for listening.
00:27:00 --> 00:27:03: You're probably listening to this podcast at the ULI Asia
00:27:03 --> 00:27:08: Pacific Reimagine and I hope you're enjoying this unique
interactive
00:27:08 --> 00:27:12: event and find inspiration in reimagining conventional ideas
about our
00:27:12 --> 00:27:15: city's business and the life in the ever changing world
00:27:15 --> 00:27:16: of real estate.
00:27:20 --> 00:27:21: In the next episode will be
00:27:21 --> 00:27:27: interviewing Hiromori son, who's the director and executive
Vice president
00:27:27 --> 00:27:31: of Maury Building and the chair of you like Japan.

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