

Webinar

ULI Europe: Building a Flexible Future

Date: September 06, 2021

00:00:00 --> 00:00:02: For an awful lot of the price.

00:00:02 --> 00:00:05: It is front and center and a lot of the

00:00:05 --> 00:00:09: projects were involved with and and the and I suppose

00:00:09 --> 00:00:11: for me re purposing you know,

00:00:11 --> 00:00:13: and I think stand back and think about it.

00:00:13 --> 00:00:15: The projects we've been involved in.

00:00:15 --> 00:00:17: It's really about, I think trying to find the balance

00:00:17 --> 00:00:20: between a lot of competing interests and in the project

00:00:20 --> 00:00:22: I want to talk to you about what one called

00:00:22 --> 00:00:25: Clancy Quay, which is in our Dublin portfolio,

00:00:25 --> 00:00:30: is really about UM, kind of balancing conservation.

00:00:30 --> 00:00:33: The needs of tenants and sustainability.

00:00:33 --> 00:00:36: Along with commercial, you know making it commercially successful.

00:00:36 --> 00:00:39: So and maybe I'm Alex.

00:00:39 --> 00:00:41: You might go through to the next slide if you

00:00:41 --> 00:00:41: could.

00:00:48 --> 00:00:51: Thanks so this is this is the the site I'm

00:00:51 --> 00:00:52: talking about,

00:00:52 --> 00:00:54: so this is actually the site of a place called

00:00:54 --> 00:00:55: Clancy Barracks.

00:00:55 --> 00:00:58: It was traditionally a military barracks just about 3 kilometres

00:00:58 --> 00:01:00: from the centre of Dublin.

00:01:00 --> 00:01:03: So quite you know strategically placed you can see it's

00:01:03 --> 00:01:03: at the river.

00:01:03 --> 00:01:04: For those of you know,

00:01:04 --> 00:01:07: Dublin, the Liffey runs right through the middle of the

00:01:07 --> 00:01:07: city.

00:01:07 --> 00:01:10: So this is just about 3 kilometres West of the

00:01:10 --> 00:01:11: city center on the river.
00:01:11 --> 00:01:13: So it really interesting site.
00:01:13 --> 00:01:17: It's 14 acres. We acquired this in in 2013.
00:01:17 --> 00:01:21: As I said, prior to ourselves acquiring it,
00:01:21 --> 00:01:23: it being a military barracks and,
00:01:23 --> 00:01:27: you know at one stage was about 42 buildings on
00:01:27 --> 00:01:29: on that 14 acre site.
00:01:29 --> 00:01:31: I suppose of kind of notes and and as we
00:01:31 --> 00:01:32: went through,
00:01:32 --> 00:01:36: the project was at about 12 of those were historically
00:01:36 --> 00:01:40: listed buildings and you know with buildings dating from the
00:01:40 --> 00:01:40: 1790s,
00:01:40 --> 00:01:44: right through starting buildings, right through to the.
00:01:44 --> 00:01:49: The early part of the 20th century and so maybe
00:01:49 --> 00:01:51: Alex maybe next slide.
00:01:51 --> 00:01:54: So this is where this project is out today.
00:01:54 --> 00:01:57: So we acquired this in 2013.
00:01:57 --> 00:02:00: At that stage you can see hopefully the phases there
00:02:00 --> 00:02:04: that it was developed in phase one had been partially
00:02:04 --> 00:02:08: completed and the original plan that the original developer
had
00:02:08 --> 00:02:11: and who stepped away from the project was to make
00:02:11 --> 00:02:13: it a mixed use project.
00:02:13 --> 00:02:14: So there was built to sell.
00:02:14 --> 00:02:16: At the front there's going to be some.
00:02:16 --> 00:02:18: Some office is going to be a hotel,
00:02:18 --> 00:02:20: etc all along this 14 acre site.
00:02:20 --> 00:02:23: I suppose the first big decision for us was was
00:02:23 --> 00:02:25: was kind of reimagine it for the time we were.
00:02:25 --> 00:02:28: You know dealing with it which was to you know
00:02:28 --> 00:02:31: 2013 when Dublin was still feeling the yes was the
00:02:31 --> 00:02:34: aftermath of the financial crisis.
00:02:34 --> 00:02:36: So we re imagined it and we we we we
00:02:36 --> 00:02:39: really thought this would be a great built a ranch
00:02:39 --> 00:02:42: project and we started thinking about it in that way.
00:02:42 --> 00:02:44: So we we re plan phase one.
00:02:44 --> 00:02:47: We put in a lot of tenant amenities on site
00:02:47 --> 00:02:51: management staff and then I suppose most fundamentally
we have
00:02:51 --> 00:02:54: to think about phase two and phase two.
00:02:54 --> 00:02:57: We had all of these historic buildings we were looking
00:02:57 --> 00:02:57: at.

00:02:57 --> 00:03:01: The original planning really was not dealing with those in
00:03:01 --> 00:03:04: any meaningful way and what we did is we D
00:03:04 --> 00:03:04: densified.
00:03:04 --> 00:03:08: If that's a word, the site and we actually took
00:03:08 --> 00:03:11: density out of phase two and we actually then allowed
00:03:12 --> 00:03:12: the.
00:03:12 --> 00:03:15: Historic buildings which we refurbished.
00:03:15 --> 00:03:16: It's become the centerpiece of the site,
00:03:16 --> 00:03:18: and we use the natural open spaces at the military
00:03:18 --> 00:03:20: barracks had and you can see there in the phase
00:03:20 --> 00:03:23: two you can see some green space which would have
00:03:23 --> 00:03:25: been the the the square where the military and the
00:03:25 --> 00:03:26: cavalry would have paraded,
00:03:26 --> 00:03:29: and then from a commercial point of view we try
00:03:29 --> 00:03:32: to compensate for the lack of density in phase two
00:03:32 --> 00:03:34: by talking with the planners and kind of trading off
00:03:34 --> 00:03:36: and getting a lot more density in phase three.
00:03:36 --> 00:03:39: And you can see there that phase three scheme we've
00:03:39 --> 00:03:40: just completed.
00:03:40 --> 00:03:43: And in July 2020 the project itself is now 900
00:03:43 --> 00:03:45: units and it's it's pretty much.
00:03:45 --> 00:03:49: Fully fully fully occupied at this stage so you can
00:03:49 --> 00:03:53: see and you know there was classically this tradeoff between
00:03:53 --> 00:03:55: density commercialization,
00:03:55 --> 00:03:59: making it an interesting space for tenants that we had
00:03:59 --> 00:04:02: to deal with and conservation and next slide please Alex.
00:04:02 --> 00:04:05: Justin at the building level just wanted to quickly touch
00:04:05 --> 00:04:07: on some of the kind of the trade offs that
00:04:07 --> 00:04:08: we had to do here.
00:04:08 --> 00:04:10: You're looking at a picture of of the you know
00:04:10 --> 00:04:12: what would have been stable.
00:04:12 --> 00:04:14: So these these buildings go back to about the 1870s
00:04:14 --> 00:04:17: and you can see by the size of the doors
00:04:17 --> 00:04:19: that actually the horses used to go in on the
00:04:19 --> 00:04:23: ground level and that the good quarters and that the
00:04:23 --> 00:04:26: officers used to sleep above.
00:04:26 --> 00:04:28: So we had to look at these buildings and I
00:04:28 --> 00:04:28: suppose,
00:04:28 --> 00:04:30: as in all conservation projects,
00:04:30 --> 00:04:32: you're trying to minimize intervention.
00:04:32 --> 00:04:34: So for us that meant we ended up with a
00:04:34 --> 00:04:37: lot of units which were three and four bad because

00:04:37 --> 00:04:38: we want to minimize.

00:04:38 --> 00:04:41: The intervention which you know in the Dublin markets certainly

00:04:41 --> 00:04:42: isn't the ideal format.

00:04:42 --> 00:04:45: A lot more demanded. The studio one and two beds,

00:04:45 --> 00:04:48: but we thought within the context of the wider scheme

00:04:48 --> 00:04:49: of 900 units,

00:04:49 --> 00:04:52: we could accommodate that kind of a bigger unit.

00:04:52 --> 00:04:55: And in fact, as we've kind of worked with this,

00:04:55 --> 00:04:57: we've seen a lot more families basing themselves in these

00:04:57 --> 00:04:58: units.

00:04:58 --> 00:05:00: And it's been really popular with our residents to have

00:05:00 --> 00:05:02: these much more interesting,

00:05:02 --> 00:05:06: I suppose. Living space than the more traditional apartment space

00:05:06 --> 00:05:07: on the site,

00:05:07 --> 00:05:09: and we've seen people gravitate towards them.

00:05:09 --> 00:05:13: And then the other. I saw his big issue.

00:05:13 --> 00:05:16: We had to make was around the thermal quality so

00:05:16 --> 00:05:18: we could have under Irish building regulations.

00:05:18 --> 00:05:22: Bardell regulations have sought an exemption from,

00:05:22 --> 00:05:26: you know, having very high thermal thermal performance in the

00:05:26 --> 00:05:26: buildings.

00:05:26 --> 00:05:29: We decide ourselves not to go to the you know

00:05:30 --> 00:05:34: resident comfort was was a really important thing and hence

00:05:34 --> 00:05:35: we we actually built.

00:05:35 --> 00:05:39: I suppose a modern box box thermal box inside all

00:05:39 --> 00:05:42: of those buildings and and and got them up to

00:05:42 --> 00:05:43: the standard of.

00:05:43 --> 00:05:45: Of almost the standard of a new build,

00:05:45 --> 00:05:46: which we thought was important,

00:05:46 --> 00:05:49: and again, I think is as played out and really

00:05:49 --> 00:05:51: again I suppose it's it's really.

00:05:51 --> 00:05:54: I mean, you might go on to the next slide

00:05:54 --> 00:05:55: Alex sent.

00:05:55 --> 00:05:57: And this is how these these units look today.

00:05:57 --> 00:05:58: You can see. Obviously you know.

00:05:58 --> 00:06:00: Again, a very interesting place to live.

00:06:00 --> 00:06:04: Giving people something as something quite different looking out onto

00:06:04 --> 00:06:06: onto the central square there.

00:06:06 --> 00:06:08: But it's always the big point for me around repurposing

00:06:08 --> 00:06:10: is it's it's all a trade off.
00:06:10 --> 00:06:12: Whether that's at a master planning or is that an
00:06:12 --> 00:06:13: individual,
00:06:13 --> 00:06:16: an individual building level, particularly when you're dealing
with the
00:06:17 --> 00:06:18: older buildings and trying to,
00:06:18 --> 00:06:20: I suppose, amalgamate them into a new scheme.
00:06:20 --> 00:06:22: So imagine I might just leave it there and and
00:06:22 --> 00:06:23: and and on.
00:06:26 --> 00:06:27: Lovely, thanks so much for that.
00:06:27 --> 00:06:29: It's such an interesting scheme.
00:06:29 --> 00:06:34: I'm excited to hear your perspectives on our conversation as
00:06:34 --> 00:06:35: well.
00:06:35 --> 00:06:37: Next up, we have Vanessa Mastera if you'd like to
00:06:37 --> 00:06:38: introduce yourself.
00:06:39 --> 00:06:43: Absolutely thank you man, and thank you Peter and and
00:06:43 --> 00:06:45: thank you to everybody on this call.
00:06:46 --> 00:06:49: Uhm, choosing to spend your your lunch time with us
00:06:50 --> 00:06:54: so I'm Vanessa Muscara had a research and strategy at
00:06:54 --> 00:06:55: her upper capital.
00:06:55 --> 00:06:59: As the name suggest, we are a PAN European investor.
00:06:59 --> 00:07:02: We recently launched a core open ended fund,
00:07:02 --> 00:07:06: but really the core part of our business are closed
00:07:07 --> 00:07:11: ended value add funds which as Peter was saying earlier
00:07:11 --> 00:07:16: is all about creating value through re purposing which is
00:07:16 --> 00:07:20: today's topic. Uhm, we are majority owned by one of
00:07:20 --> 00:07:23: the biggest real estate companies on the planet,
00:07:23 --> 00:07:27: meaning it's official state corporation who in turn have an
00:07:27 --> 00:07:29: ATM of 100 billion.
00:07:29 --> 00:07:31: And just to kick off a bit like Peter,
00:07:31 --> 00:07:33: I thought I'd give you an example of what we
00:07:33 --> 00:07:35: mean by re purposing eropa.
00:07:35 --> 00:07:38: Uhm, so Alex, if you could help me on this
00:07:38 --> 00:07:40: and launch the video of.
00:07:40 --> 00:07:45: Are we passing project at in Dublin and again another
00:07:45 --> 00:07:46: doubling example?
00:07:46 --> 00:07:51: And this is Claire's department store or former department
store.
00:07:54 --> 00:07:57: So it was originally built in the 1950s.
00:07:57 --> 00:08:03: It's a 17,000 square metre UM former department store.
00:08:03 --> 00:08:06: We have consent to convert it to a 24,000 square
00:08:06 --> 00:08:10: meters mixed use space including retail offices,

00:08:10 --> 00:08:14: hotel, and FMB space. Uhm,
00:08:14 --> 00:08:16: the great thing about it is that we've used existing
00:08:16 --> 00:08:16: pools,
00:08:16 --> 00:08:21: UM and columns, so the carbon is already embodied and
00:08:21 --> 00:08:26: we managed to keep the frontage and refurbish also the
00:08:26 --> 00:08:27: stonework.
00:08:27 --> 00:08:31: The window friends have been kept including the drop down
00:08:31 --> 00:08:32: canopy's above.
00:08:32 --> 00:08:35: The shop fronts. Apparently these were found on site and
00:08:35 --> 00:08:38: not even the planners knew they were there.
00:08:38 --> 00:08:41: The internal state case has been retained and and the
00:08:41 --> 00:08:44: team room wooden paneling and also been.
00:08:44 --> 00:08:46: There's also been retained. So All in all,
00:08:46 --> 00:08:50: UM, a good story about how not to throw things
00:08:50 --> 00:08:50: away.
00:08:50 --> 00:08:54: UM, and we've in the process managed to achieve LEED
00:08:54 --> 00:08:56: Gold certification.
00:08:56 --> 00:08:59: So a lot about another re purposing story.
00:08:59 --> 00:09:02: Uh and thank you for inviting me today and looking
00:09:02 --> 00:09:03: forward to our discussion.
00:09:06 --> 00:09:08: Brilliant, thank you so much Vanessa.
00:09:08 --> 00:09:11: Next up we have Chris Chris if you'd like to
00:09:11 --> 00:09:14: introduce yourself and your projects.
00:09:14 --> 00:09:14: Yes,
00:09:14 --> 00:09:17: thank you. Good afternoon to everybody.
00:09:17 --> 00:09:20: So I'm the CEO of Extensor group which is a
00:09:20 --> 00:09:23: Belgium developer based in Brussels.
00:09:23 --> 00:09:28: We've been around for over 100 years and myself about
00:09:28 --> 00:09:29: 30%
00:09:29 --> 00:09:32: of that time and I was the CEO for the
00:09:33 --> 00:09:34: last 16 years.
00:09:34 --> 00:09:39: What we've been doing is actually and it's a speciality
00:09:39 --> 00:09:43: of the of the company to extend city fabric and
00:09:43 --> 00:09:45: also regenerate parts.
00:09:45 --> 00:09:47: Of the city city quarters,
00:09:47 --> 00:09:51: so to say. Come around this time we are in
00:09:51 --> 00:09:55: execution of two major projects,
00:09:55 --> 00:09:57: so one is in the.
00:09:57 --> 00:10:02: The centre of Luxembourg, the capital of the Grand Dutchie.
00:10:02 --> 00:10:04: It's a mixed use project.
00:10:04 --> 00:10:11: About 400,000 square meters. It's about 4,000,000 square
feet.

00:10:11 --> 00:10:13: If I don't mistake and,
00:10:13 --> 00:10:16: but that's all new construction and what I wanted to
00:10:16 --> 00:10:20: talk about specifically or my reference here for today is
00:10:20 --> 00:10:22: a project we do in Brussels.
00:10:22 --> 00:10:28: That's a regeneration project of an old multimodal logistics
platform
00:10:28 --> 00:10:33: just adjacent to the city centre that we acquired over
00:10:33 --> 00:10:34: 20 years ago,
00:10:34 --> 00:10:38: and so on. There is a little video about it.
00:10:38 --> 00:10:41: You see, a new park that we created and it's
00:10:41 --> 00:10:46: a cluster actually of old buildings that is organized around
00:10:46 --> 00:10:48: an old and you see it here,
00:10:48 --> 00:10:51: empty an old railway station.
00:10:51 --> 00:10:55: We have come done a great job on conserving the
00:10:55 --> 00:11:01: old structure and then building new volumes inside
completely in
00:11:01 --> 00:11:01: woods,
00:11:01 --> 00:11:04: in cross, laminated timber and oak.
00:11:04 --> 00:11:08: And then I think this project also ticks all the
00:11:08 --> 00:11:12: boxes in terms of circular and construction.
00:11:12 --> 00:11:16: I'll say a bit more about that in the conversation
00:11:16 --> 00:11:18: and use the examples there,
00:11:18 --> 00:11:19: so I'll leave it there,
00:11:19 --> 00:11:20: thank you.
00:11:23 --> 00:11:26: Thank you Chris. Yeah I I was saying earlier how,
00:11:26 --> 00:11:29: how beautiful those images are so I'm very excited to
00:11:29 --> 00:11:30: hear more about it.
00:11:30 --> 00:11:32: And last but not least,
00:11:32 --> 00:11:35: we have Robert. If you'd like to introduce yourself to
00:11:35 --> 00:11:36: the audience,
00:11:36 --> 00:11:37: that would be fantastic
00:11:38 --> 00:11:40: everybody. My name is Robert Bentley.
00:11:40 --> 00:11:44: I'm a director at Benoy Architects in the UK.
00:11:44 --> 00:11:45: Alex, would you be kind enough to put some slides
00:11:45 --> 00:11:46: on for me please?
00:11:51 --> 00:11:54: Thank you very much. I've just got a few slides
00:11:54 --> 00:11:57: which just explain a little bit about my journey and
00:11:57 --> 00:12:01: about the noise journey within this form of re purposing
00:12:01 --> 00:12:07: next slide please. So Ben,
00:12:07 --> 00:12:10: I are a group of architects within the Handley House
00:12:10 --> 00:12:11: family of businesses,
00:12:11 --> 00:12:13: so we have pragma uncommon land,

00:12:13 --> 00:12:16: homes, wood and what we like to do is we
00:12:16 --> 00:12:19: like to come together and effectively look at the way
00:12:19 --> 00:12:23: we can re purpose or regenerate developments in city and
00:12:23 --> 00:12:25: town centers. Are we all come from different standpoints,
00:12:25 --> 00:12:28: but together we can make we think are really compelling
00:12:28 --> 00:12:29: offer.
00:12:29 --> 00:12:32: Next slide, please. This is a journey really that I've
00:12:32 --> 00:12:35: been involved in since my first project in 2003,
00:12:35 --> 00:12:37: but the noise been involved with way before that,
00:12:37 --> 00:12:40: so when I joined in 2003,
00:12:40 --> 00:12:44: Boring opened in Birmingham. Now that is the repurposing of
00:12:44 --> 00:12:48: another area of land where a 1960s shopping center used
00:12:48 --> 00:12:48: to be,
00:12:48 --> 00:12:52: and so that's that's very much about the progression of
00:12:52 --> 00:12:53: city centre regeneration.
00:12:53 --> 00:12:57: Obviously, with the current retail journey that the world is
00:12:57 --> 00:12:58: going through,
00:12:58 --> 00:13:00: this still continues, but I think the important point about
00:13:00 --> 00:13:01: it.
00:13:01 --> 00:13:04: So everywhere is bespoke and everywhere is location and
demand
00:13:04 --> 00:13:05: driven.
00:13:05 --> 00:13:08: Next slide please. And that can very much be seen
00:13:08 --> 00:13:09: in the next two projects,
00:13:09 --> 00:13:12: so this is a project that I personally am currently
00:13:12 --> 00:13:16: delivering alongside a local authority and private developer
Moyale and
00:13:16 --> 00:13:18: and this is very much about the re purposing of
00:13:18 --> 00:13:22: an existing shopping center and regeneration of a quarter of
00:13:22 --> 00:13:22: that.
00:13:22 --> 00:13:24: Often we will talk about this project and we will
00:13:24 --> 00:13:27: talk about quantities about number of apartments about the
fact
00:13:27 --> 00:13:28: that the hotel there and all that,
00:13:28 --> 00:13:31: but actually everything starts with the ground plane for us
00:13:31 --> 00:13:33: and everything starts with the place we're making and how
00:13:33 --> 00:13:34: that's going to work,
00:13:34 --> 00:13:37: not only for the residents and the positivity that.
00:13:37 --> 00:13:40: They bring, but also about how everyone will interact with
00:13:40 --> 00:13:42: its development and then on the next slide what we
00:13:42 --> 00:13:44: can see is in Woking Ham,
00:13:44 --> 00:13:46: which is only 14 miles away.
00:13:46 --> 00:13:50: The response is very different and very specific to that,

00:13:50 --> 00:13:53: and so we've got here a much lower density development
00:13:53 --> 00:13:55: and this case we're not so urban.
00:13:55 --> 00:13:57: We're much more set around apartments.
00:13:57 --> 00:14:00: Part of that repurposing. Next slide please.
00:14:00 --> 00:14:03: And so when we come to this then we don't
00:14:03 --> 00:14:06: just come at it as architects urbanists as landscape as
00:14:06 --> 00:14:07: wayfinding experts.
00:14:07 --> 00:14:10: Of homes would as well we come with it with
00:14:10 --> 00:14:13: our sister business pregnant 'cause what we truly believe
now
00:14:13 --> 00:14:16: is that data is key to making sure we can
00:14:16 --> 00:14:20: provide a responsive design and something that's going to
stand
00:14:20 --> 00:14:21: the test of time.
00:14:21 --> 00:14:22: So we look at the building.
00:14:22 --> 00:14:24: We look at the place but we also look at
00:14:24 --> 00:14:25: the story behind it.
00:14:25 --> 00:14:28: Next slide please. And so in doing that we can
00:14:28 --> 00:14:31: then unleash a kit of parts or a toolkit to
00:14:31 --> 00:14:35: try and make that a positive regeneration and re purposing
00:14:35 --> 00:14:38: experience for the people who are going to live there
00:14:38 --> 00:14:38: and utilize.
00:14:38 --> 00:14:39: Thank you.
00:14:43 --> 00:14:46: Thanks very much, Robert. Thank you very much to all
00:14:46 --> 00:14:48: of our speakers for the introduction.
00:14:48 --> 00:14:51: I think you can all come on camera now so
00:14:51 --> 00:14:54: we can begin our conversation before we do.
00:14:54 --> 00:14:57: I just want to let the audience know that you
00:14:57 --> 00:15:01: are welcome to drop questions into the Q&A section and
00:15:01 --> 00:15:04: we will try and integrate those into our chat as
00:15:04 --> 00:15:06: we progress. If we don't get to do it as
00:15:06 --> 00:15:08: part of the organic conversation,
00:15:08 --> 00:15:12: we will also have a moment for Q&A at the
00:15:12 --> 00:15:13: end of our session.
00:15:13 --> 00:15:17: Before we close, but we do encourage you to engage.
00:15:17 --> 00:15:20: We have some fantastic speakers with an amazing projects
and
00:15:20 --> 00:15:21: experience behind them,
00:15:21 --> 00:15:24: so please do fire them at me and I'll build
00:15:24 --> 00:15:26: them into our conversation.
00:15:26 --> 00:15:29: As well for the speakers I I always caveat this
00:15:29 --> 00:15:30: before we start,
00:15:30 --> 00:15:33: but I strongly encourage that if you have a point

00:15:33 --> 00:15:34: you don't need to raise your hand,
00:15:34 --> 00:15:38: please feel free to come off mute and involved in
00:15:38 --> 00:15:42: the conversation so you know obviously no interruptions,
00:15:42 --> 00:15:44: but feel free to come off mute.
00:15:44 --> 00:15:47: Will will take your point and we can just have
00:15:47 --> 00:15:50: a really engaged session going forward.
00:15:50 --> 00:15:55: But without further ado, I think the first question that
00:15:55 --> 00:15:58: I want to pose to all of you is around
00:15:58 --> 00:16:00: the trending of repurposing.
00:16:00 --> 00:16:04: Because you know, I remember when I was a kid
00:16:04 --> 00:16:06: and I love loft conversions.
00:16:06 --> 00:16:08: You know, North America loft conversions.
00:16:08 --> 00:16:11: It was the big thing then when I got into
00:16:11 --> 00:16:12: the industry.
00:16:12 --> 00:16:15: I wanted to develop loft conversions and that was my
00:16:15 --> 00:16:17: goal and you know to you know when when you're
00:16:17 --> 00:16:18: just starting out and going.
00:16:18 --> 00:16:22: Ah, I dream of doing a loft conversion so obviously
00:16:22 --> 00:16:27: repurposing X industrial at repurposing's been around for a
long
00:16:27 --> 00:16:27: time,
00:16:27 --> 00:16:31: but we're really starting to dig into it and talk
00:16:31 --> 00:16:35: about it and it's been identified by organisations such as
00:16:35 --> 00:16:39: you Lie as emerging trends despite it having been around
00:16:39 --> 00:16:42: for quite some time. So I want to ask you.
00:16:42 --> 00:16:44: Guys, why you think that it is?
00:16:44 --> 00:16:47: Why is it coming so much to the forefront now
00:16:47 --> 00:16:51: and becoming this very talked about area of real estate
00:16:51 --> 00:16:54: and the development industry and and over over to whoever
00:16:54 --> 00:16:57: wants to start us off I'll I'll point in the
00:16:57 --> 00:16:58: future,
00:16:58 --> 00:16:58: but.
00:17:00 --> 00:17:02: I I'm happy to. I'm happy to jump in an
00:17:02 --> 00:17:03: emergency there,
00:17:03 --> 00:17:07: and I'm sure the guys will jump in and add
00:17:07 --> 00:17:07: EM.
00:17:07 --> 00:17:09: Yeah, I mean a couple of things bring to mind
00:17:09 --> 00:17:09: to me.
00:17:09 --> 00:17:12: One, I suppose is is I think we are mean
00:17:12 --> 00:17:15: for re purposing to kind of work commercially.
00:17:15 --> 00:17:18: You need almost the you know the asset class that
00:17:18 --> 00:17:21: you're repurposing from to to to be re rated and

00:17:21 --> 00:17:25: so that your basis to allow re purposing 'cause sometimes
00:17:25 --> 00:17:28: repurposing as I'm sure you guys will attest to is
00:17:28 --> 00:17:29: you know it,
00:17:29 --> 00:17:31: it's more expensive to. You know,
00:17:31 --> 00:17:33: repurpose an old building. It is to build a new
00:17:33 --> 00:17:35: building and many times around so you do need your
00:17:35 --> 00:17:36: base to adjust.
00:17:36 --> 00:17:38: So I think what we are seeing a quite a
00:17:38 --> 00:17:40: bit of in the world at the moment is that
00:17:40 --> 00:17:43: some asset classes and obviously maybe in the last five
00:17:43 --> 00:17:45: years it was retail are being re raised,
00:17:45 --> 00:17:48: particularly secondary retail, which is getting people to think I
00:17:48 --> 00:17:49: can buy that at a basis,
00:17:49 --> 00:17:53: which makes it interesting to convert it to whatever and
00:17:53 --> 00:17:54: and then.
00:17:54 --> 00:17:57: Obviously I think more topically in the last year because
00:17:57 --> 00:17:58: of kovid.
00:17:58 --> 00:18:00: Obviously people are looking at maybe offices,
00:18:00 --> 00:18:02: particularly secondary and tertiary offices.
00:18:02 --> 00:18:04: I'm saying maybe people won't want to come back to
00:18:04 --> 00:18:07: that quality of office in future should it be repurposed?
00:18:07 --> 00:18:10: So I think we've we've had over the last ten
00:18:10 --> 00:18:10: years.
00:18:10 --> 00:18:12: You know, lots of ingredients of some of our asset
00:18:12 --> 00:18:13: classes.
00:18:13 --> 00:18:15: Kind of really being repriced,
00:18:15 --> 00:18:17: which has allowed you to to kind of look at
00:18:17 --> 00:18:18: those asset classes and say,
00:18:18 --> 00:18:20: could I make it something else?
00:18:20 --> 00:18:22: And then I think you also have this kind of.
00:18:22 --> 00:18:24: I think you've kind of got a you know,
00:18:24 --> 00:18:25: and maybe this is a COVID,
00:18:25 --> 00:18:28: you know, I think this being separated by COVID just
00:18:28 --> 00:18:31: a lot more people looking at at how you build
00:18:31 --> 00:18:33: things and the sustainability.
00:18:33 --> 00:18:35: And you know less about knocking things down and more
00:18:35 --> 00:18:36: about re purposing.
00:18:36 --> 00:18:38: And I think that all that conversation is just got
00:18:38 --> 00:18:40: accelerated by what's been happening in COVID.
00:18:43 --> 00:18:43: It
00:18:43 --> 00:18:47: definitely. It was a a trend already existing before and
00:18:47 --> 00:18:51: the the big issue is probably how do we change

00:18:51 --> 00:18:53: our perspective on existing buildings?
00:18:53 --> 00:18:58: And I think I've done some that's long ago,
00:18:58 --> 00:19:01: probably 15 years ago. I've done some loft offices and
00:19:01 --> 00:19:05: loft style offices and that was actually a solution because
00:19:06 --> 00:19:06: we were poor.
00:19:06 --> 00:19:08: We didn't have the money to,
00:19:08 --> 00:19:11: you know, do it better off than just to leave
00:19:11 --> 00:19:13: it in the bear state.
00:19:13 --> 00:19:15: Nowadays it's more like if you if you have a
00:19:15 --> 00:19:17: building or you want to acquire your building.
00:19:17 --> 00:19:19: It's not a given that you can knock it down
00:19:20 --> 00:19:22: or change it in a in a substantial way,
00:19:22 --> 00:19:25: even if it's not listed monument because.
00:19:25 --> 00:19:29: There is so much more attention on preservation on using
00:19:29 --> 00:19:30: less materials,
00:19:30 --> 00:19:36: less energy on making less waste,
00:19:36 --> 00:19:41: and that's all also induced now by a strong.
00:19:41 --> 00:19:45: A tendency in the investor market because of ESG criteria,
00:19:45 --> 00:19:50: probably. Vanessa can can say more about that.
00:19:52 --> 00:19:55: Uh, yeah, absolutely. I mean really just backing up everything
00:19:55 --> 00:19:56: that's already been said.
00:19:56 --> 00:19:58: I mean, from an investment perspective,
00:19:58 --> 00:20:02: I guess it's uhm. No longer just a cyclical opportunity.
00:20:02 --> 00:20:05: It's also, uhm, you know,
00:20:05 --> 00:20:09: a structural opportunity given all the headwinds facing facing
offices
00:20:09 --> 00:20:10: and retail,
00:20:10 --> 00:20:13: UM, and in addition to that,
00:20:13 --> 00:20:17: the technology that's allowing us to lead our lives more
00:20:17 --> 00:20:18: flexibly in terms of,
00:20:18 --> 00:20:22: UM, live work, plain, and where we choose to.
00:20:22 --> 00:20:25: Use it so even as Peter was saying earlier,
00:20:25 --> 00:20:29: it it's a combination. Re Purposing is a combination of.
00:20:29 --> 00:20:31: Uhm, lots of different stakeholders,
00:20:31 --> 00:20:34: not least the planners who I think one thing we
00:20:34 --> 00:20:38: should raise in this conversation is the fluidity of what
00:20:38 --> 00:20:40: we call different sectors.
00:20:40 --> 00:20:43: So perhaps things like offices.
00:20:43 --> 00:20:44: We should no longer just call them upstairs.
00:20:44 --> 00:20:47: We should be calling them workspaces.
00:20:47 --> 00:20:51: You know where we go and collaborate and come draw
00:20:51 --> 00:20:55: ideas with our with our colleagues and feel productive and

00:20:55 --> 00:20:58: feel healthy in the time that we choose to spend
00:20:58 --> 00:21:02: there. Uhm, all things. As you say it,
00:21:02 --> 00:21:07: then excellerated by the pandemic but also an opportunity overlaid
00:21:07 --> 00:21:07: that.
00:21:07 --> 00:21:10: There's a lot of talk last year about the 15
00:21:10 --> 00:21:11: minutes city and,
00:21:11 --> 00:21:15: UM, you know achieving some of the.
00:21:15 --> 00:21:19: Uhm? Commitments the manager commit to us by the Paris
00:21:19 --> 00:21:21: Agreement by 2050 AA,
00:21:21 --> 00:21:23: or that we need to reduce our carbon emissions.
00:21:23 --> 00:21:25: So if we achieve something like.
00:21:25 --> 00:21:29: Mixed use some guidance through the UM 15 minutes city
00:21:29 --> 00:21:32: that it means that we have or.
00:21:32 --> 00:21:35: Sectors and the land uses that we require within a
00:21:35 --> 00:21:38: short distance walking distance which minimizes.
00:21:38 --> 00:21:42: The time we we need to to to use transport
00:21:42 --> 00:21:47: which makes car parking spaces redundant as well,
00:21:47 --> 00:21:49: which again is an opportunity.
00:21:49 --> 00:21:53: To re purpose so lots of opportunities.
00:21:53 --> 00:21:56: In fact, we've already got the outlook in this panel,
00:21:56 --> 00:22:00: but it does also take the planners UM.
00:22:00 --> 00:22:05: I think a bit more effort on their behalf on.
00:22:05 --> 00:22:11: Changing the the rulebook in class uses two more fluid.
00:22:11 --> 00:22:14: More fluid names, not just officers or officers.
00:22:14 --> 00:22:17: We told retail. Uhm, not exactly sure what they should
00:22:17 --> 00:22:17: be,
00:22:17 --> 00:22:20: but it should be something more fluid that reflects new
00:22:20 --> 00:22:21: ways of living and working.
00:22:23 --> 00:22:26: I think, uh, I think I I I can come
00:22:26 --> 00:22:28: in there and add to that.
00:22:28 --> 00:22:31: I think everything that's said is entirely valid and without
00:22:31 --> 00:22:33: repeating the same valid points,
00:22:33 --> 00:22:36: I think. When we come into city centers or Town
00:22:36 --> 00:22:37: Center,
00:22:37 --> 00:22:38: we look at what's needed to fix it.
00:22:38 --> 00:22:40: 'cause often were being brought there for a purpose.
00:22:40 --> 00:22:43: Whether it's because it's a vacant plot or or there's
00:22:43 --> 00:22:45: some some master plan that needs to be brought in
00:22:45 --> 00:22:48: and there's some some elements that need bringing together
to
00:22:48 --> 00:22:51: do that. That doesn't necessarily mean the buildings are
wrong.

00:22:51 --> 00:22:54: It doesn't necessarily mean the accessways or the connections are

00:22:54 --> 00:22:54: wrong,

00:22:54 --> 00:22:56: and it's so there is already a mass or a

00:22:56 --> 00:22:59: scale there that might be responding to something that's.

00:22:59 --> 00:23:01: Grown naturally over the time periods,

00:23:01 --> 00:23:04: but we need to maybe think about what goes in

00:23:04 --> 00:23:06: there so the workspace principle becomes very interesting.

00:23:06 --> 00:23:09: What fills that hole that that retail unit or that

00:23:09 --> 00:23:10: department store has left and what?

00:23:10 --> 00:23:13: What should that be? How does that in a master

00:23:13 --> 00:23:13: plan?

00:23:13 --> 00:23:17: Terminology then then bring in that concept of the 15

00:23:17 --> 00:23:19: minute city or indeed Town Center.

00:23:19 --> 00:23:21: It doesn't just have to be metropolises and they all

00:23:21 --> 00:23:23: bring their own challenge in terms of them.

00:23:23 --> 00:23:26: What is the value? So there's often a sense when

00:23:26 --> 00:23:29: we look at things that everyone goes already.

00:23:29 --> 00:23:32: Put regular Aurora hotel like in Woking,

00:23:32 --> 00:23:36: behind me here or virtually behind me here.

00:23:36 --> 00:23:39: There's also education. There's also civic function.

00:23:39 --> 00:23:40: There's also health and well being,

00:23:40 --> 00:23:43: so that you truly get that 15 minute,

00:23:43 --> 00:23:45: 20 minute city, and then you can start to play

00:23:45 --> 00:23:48: games with the fact that you then don't necessarily need

00:23:48 --> 00:23:49: private transport,

00:23:49 --> 00:23:51: and you can. You can look at the whole way

00:23:51 --> 00:23:52: that that function,

00:23:52 --> 00:23:54: so you get that that link trick.

00:23:54 --> 00:23:55: There's a couple of points,

00:23:55 --> 00:23:58: so for me that also adds to that which is.

00:23:58 --> 00:24:01: When we're looking assets, we tend to look at a

00:24:01 --> 00:24:03: united asset or a singular ownership,

00:24:03 --> 00:24:05: because when a High Street is granular,

00:24:05 --> 00:24:07: it becomes very difficult to repurpose.

00:24:07 --> 00:24:09: 'cause you're dealing with small elements,

00:24:09 --> 00:24:12: and we tend to deal with a larger scale.

00:24:12 --> 00:24:13: If it's the larger scale,

00:24:13 --> 00:24:15: usually if it's a retail asset,

00:24:15 --> 00:24:17: for instance, it has a rental income,

00:24:17 --> 00:24:19: and so we want to look at how we can

00:24:19 --> 00:24:22: minimize the loss of that rental income during the design

00:24:22 --> 00:24:23: and the build process.

00:24:23 --> 00:24:26: And so we therefore look at not necessarily knocking down

00:24:26 --> 00:24:28: a car park here to move it over to hear

00:24:28 --> 00:24:30: that even if that achieves something,

00:24:30 --> 00:24:33: so we try our hardest to work with what's already

00:24:33 --> 00:24:34: there,

00:24:34 --> 00:24:35: 'cause it's there for a reason.

00:24:35 --> 00:24:38: It's functioning and things like transport can be quite interesting

00:24:38 --> 00:24:41: because you think then can layer in additional uses.

00:24:41 --> 00:24:43: So if you've got a retail scheme.

00:24:43 --> 00:24:45: Department store, whatever it might be.

00:24:45 --> 00:24:48: It's got servicing coming in and that servicing has got prearranged.

00:24:48 --> 00:24:48: Lori routes well, that suddenly can flip into last mile deliveries and things like that.

00:24:48 --> 00:24:52: And so you can utilize some of those existing strengths.

00:24:52 --> 00:24:54: And so, so for me there's a whole whole layer

00:24:54 --> 00:24:57: cake of of reasons to do it before you even

00:24:57 --> 00:25:00: get to the environmental factors that are just so overwhelmingly

00:25:00 --> 00:25:03: compelling at the minute and have been all the way

00:25:03 --> 00:25:07: through that.

00:25:07 --> 00:25:10: If we've got a concrete structure,

00:25:10 --> 00:25:11: can we reuse it rather than knock it down and

00:25:11 --> 00:25:12: build another concrete structure utilizing the world's resources?

00:25:12 --> 00:25:14: Those are really interesting points,

00:25:14 --> 00:25:17: and as someone who works with kind of infrastructure lead repurposing region,

00:25:17 --> 00:25:20: I completely agree there's there's nuances to some of these projects that if you adapt them in in the round they had,

00:25:20 --> 00:25:23: they just add more value to what you're trying to deliver and they they just make it a more I guess a multi faceted repurposing approach.

00:25:23 --> 00:25:27: But Vanessa, you said something to me during our.

00:25:27 --> 00:25:28: During our introductory conversation the other day that really resonated

00:25:28 --> 00:25:32: with me and I I feel we've been talking a lot about the value added for investors.

00:25:32 --> 00:25:35: Value added for developers. How it becomes viable, but you know, before we talk about the actual viability.

00:25:35 --> 00:25:36: they just add more value to what you're trying to

00:25:36 --> 00:25:39: deliver and they they just make it a more I

00:25:39 --> 00:25:43: guess a multi faceted repurposing approach.

00:25:43 --> 00:25:46: But Vanessa, you said something to me during our.

00:25:46 --> 00:25:50: During our introductory conversation the other day that really resonated

00:25:50 --> 00:25:54: with me and I I feel we've been talking a

00:25:54 --> 00:25:57: lot about the value added for investors.

00:25:57 --> 00:25:59: Value added for developers. How it becomes viable,

00:25:59 --> 00:26:04: but you know, before we talk about the actual viability.

00:26:04 --> 00:26:09:

00:26:09 --> 00:26:15: Points in today's conversation, I think there's something around the

00:26:15 --> 00:26:19: the end users which you used the word customers.

00:26:19 --> 00:26:23: It's no longer consumers, but you you started talking about

00:26:23 --> 00:26:28: customers and how you know what's the draw for repurposing

00:26:28 --> 00:26:31: from an end user perspective and rob Robert,

00:26:31 --> 00:26:34: you also mentioned data driven approaches.

00:26:34 --> 00:26:38: You know how? How do we make robust areas that

00:26:38 --> 00:26:38: are fit?

00:26:38 --> 00:26:41: For, well that are seen as successes,

00:26:41 --> 00:26:44: what? What is the definition of excess from an end

00:26:44 --> 00:26:46: user perspective for these areas?

00:26:49 --> 00:26:50: So I kick off imaging.

00:26:50 --> 00:26:52: Yeah please yeah, OK so yeah,

00:26:53 --> 00:26:56: another multi faceted question it could go.

00:26:56 --> 00:26:59: All sorts of areas, but what I was trying to

00:26:59 --> 00:27:00: say is that UM,

00:27:00 --> 00:27:05: real estate is a is a stable asset class.

00:27:05 --> 00:27:10: It's very much 65% returns are driven by income.

00:27:10 --> 00:27:13: And the issue at the moment is that as a

00:27:13 --> 00:27:15: result of technology,

00:27:15 --> 00:27:18: allowing us to live more flexibly,

00:27:18 --> 00:27:23: UM, leases are getting shorter and shorter for the traditional

00:27:23 --> 00:27:24: asset classes like.

00:27:24 --> 00:27:29: Offices and retail. So as readystate investors who have a

00:27:29 --> 00:27:34: duty to you know meet demand for pension annuities or

00:27:34 --> 00:27:36: insurance claims,

00:27:36 --> 00:27:40: we can no longer afford to be passive landlords just

00:27:40 --> 00:27:44: sit on our 20 year lease UM and you know,

00:27:44 --> 00:27:48: look at it and be happy that you know the

00:27:48 --> 00:27:52: rental income is matching pension annuities.

00:27:52 --> 00:27:54: UM, the truth is that.

00:27:54 --> 00:27:57: Some lease lands getting shorter and shorter,

00:27:57 --> 00:27:59: and there's evidence there. So for example,

00:27:59 --> 00:28:02: I think if you look at you UK MSC I

00:28:02 --> 00:28:07: study that was released earlier this year looking at the

00:28:07 --> 00:28:09: UK Office universe.

00:28:09 --> 00:28:12: Actually 60% of the rental income there will be expire

00:28:13 --> 00:28:14: within the next five years.

00:28:14 --> 00:28:18: Just highlight again how Lisa is getting shorter and shorter,

00:28:18 --> 00:28:21: and So what we're seeing now in terms of a

00:28:21 --> 00:28:23: trend is that on the risk spectrum of,
00:28:23 --> 00:28:27: say, long income to traditional leases to UM,
00:28:27 --> 00:28:30: operational real estate is an even more of a shift
00:28:30 --> 00:28:33: from traditional leases to operational real estate.
00:28:33 --> 00:28:36: So to give you an example.
00:28:36 --> 00:28:42: We recently acquired a hospital in Copenhagen and we are
00:28:42 --> 00:28:49: in the process of converting that 250 BTR units targeted
00:28:49 --> 00:28:51: at senior living.
00:28:51 --> 00:28:54: And so, and there's an operator in place which,
00:28:54 --> 00:28:57: UM, whilst the underlying leases,
00:28:57 --> 00:29:01: BTR and and the average lease length is about 8
00:29:01 --> 00:29:02: years,
00:29:02 --> 00:29:07: all the amenities are linked to all the amenities and
00:29:07 --> 00:29:08: services I mean.
00:29:08 --> 00:29:12: A targeted at seniors. So instead of having a 20
00:29:12 --> 00:29:16: year long relying on a 20 year long office lease,
00:29:16 --> 00:29:20: what we have is an amalgamation of 150 BTR leases
00:29:20 --> 00:29:25: which together if you provide the right amenities and the
00:29:25 --> 00:29:26: right services,
00:29:26 --> 00:29:30: add up to a stable income stream so all this
00:29:30 --> 00:29:31: to say that yeah,
00:29:31 --> 00:29:35: we can no longer afford to call tenants tenants.
00:29:35 --> 00:29:38: We now call them customers and we really need to.
00:29:38 --> 00:29:42: Listen to what they they need to make sure that
00:29:42 --> 00:29:45: they they are sticky and they stay with us to
00:29:45 --> 00:29:48: be able to create those long income streams to give
00:29:49 --> 00:29:50: back to our investors.
00:29:53 --> 00:29:56: Very interesting yeah. An interesting shift and then Robert
00:29:56 --> 00:29:56: to you.
00:29:56 --> 00:29:58: It looks like you're gonna say something.
00:30:00 --> 00:30:03: We we we go maybe one step further,
00:30:03 --> 00:30:06: but then we're architects and we're not necessarily looking at
00:30:06 --> 00:30:08: the same dynamic in the same response that we want
00:30:08 --> 00:30:09: from from our development.
00:30:09 --> 00:30:12: We're here to serve and and and so instead,
00:30:12 --> 00:30:13: instead of the word customer,
00:30:13 --> 00:30:16: we would use the word community and and so.
00:30:16 --> 00:30:20: But that's because we're extending it beyond just our building
00:30:20 --> 00:30:23: base and we're extending it to the impact our building
00:30:23 --> 00:30:24: has beyond our front door.
00:30:24 --> 00:30:27: So I'll come back to that because I think that

00:30:27 --> 00:30:29: that's the holistic master plan for that.
00:30:29 --> 00:30:32: Actually, if you enter, rate yourself back to you've got
00:30:32 --> 00:30:33: a plot within that master plan.
00:30:33 --> 00:30:34: You need to define your brief,
00:30:34 --> 00:30:38: which would be singular. So what would we do?
00:30:38 --> 00:30:41: We? We're tending to team up with our sister business
00:30:41 --> 00:30:43: pragma and we will get an asset or a Town
00:30:44 --> 00:30:46: Center and will look at it and we will look
00:30:46 --> 00:30:49: at it from an architectural perspective or a master plan
00:30:49 --> 00:30:49: is protective.
00:30:49 --> 00:30:51: And then we will bring in height.
00:30:51 --> 00:30:52: I mean, I'm talking high level stuff here.
00:30:52 --> 00:30:53: We're talking high level planning.
00:30:53 --> 00:30:54: I don't want to do a planner.
00:30:54 --> 00:30:56: I have a disservice. Yeah,
00:30:56 --> 00:30:58: and I couldn't claim to get the same integrity into
00:30:58 --> 00:30:58: that,
00:30:58 --> 00:31:01: but we will. We will basically look at an extremely
00:31:01 --> 00:31:04: high level as to what is forthcoming in that Town
00:31:04 --> 00:31:04: Center,
00:31:04 --> 00:31:08: what the tendencies are doing within that Town Center so
00:31:08 --> 00:31:12: that we can understand the strength and what forthcoming
department
00:31:12 --> 00:31:13: will influence that pragma.
00:31:13 --> 00:31:16: Then go and do a whole stack of analysis while
00:31:16 --> 00:31:19: we're doing the architectural analysis as to where the
connectivity
00:31:20 --> 00:31:22: is working and it all comes together in workshops.
00:31:22 --> 00:31:24: One of the key things we do though during that
00:31:24 --> 00:31:27: process is listen because we're going to towns that we
00:31:27 --> 00:31:28: don't live in and that we don't know,
00:31:28 --> 00:31:31: and it's really important for us to talk to the
00:31:31 --> 00:31:32: people who are on the ground,
00:31:32 --> 00:31:34: talked to the investors who are the owners and also
00:31:35 --> 00:31:38: the investors who are stakeholders like the local authorities
and
00:31:38 --> 00:31:40: what we're trying to do in with in all of
00:31:40 --> 00:31:43: this is collate enough data of knowledge of facts of
00:31:43 --> 00:31:46: understanding the brands that are in town at the minute
00:31:46 --> 00:31:48: that might not be there in five years.
00:31:48 --> 00:31:50: That might not be there in 20 years or might
00:31:50 --> 00:31:51: be in that town,
00:31:51 --> 00:31:52: but no longer in another town.

00:31:52 --> 00:31:56: Is there locally really strong for some interesting reason?
00:31:56 --> 00:31:59: And from that we basically build a brief that we
00:31:59 --> 00:32:01: can then respond to it.
00:32:01 --> 00:32:03: So if you've got a shopping center that is the
00:32:03 --> 00:32:05: size of my window that I'm sitting in here in
00:32:06 --> 00:32:07: this virtual chat room,
00:32:07 --> 00:32:08: it might be that we need to look at this
00:32:09 --> 00:32:10: side for something else,
00:32:10 --> 00:32:11: whereas this is really strong.
00:32:11 --> 00:32:12: But there might be an anchor there,
00:32:12 --> 00:32:14: but we know we don't want to move them.
00:32:14 --> 00:32:17: 'cause then you've suddenly got a whole load of input
00:32:17 --> 00:32:18: in finances to do that.
00:32:18 --> 00:32:20: From that we can then say well over on this
00:32:20 --> 00:32:20: side.
00:32:20 --> 00:32:23: Actually, there's a whole load of forthcoming resy
development,
00:32:23 --> 00:32:25: whatever scale that might be.
00:32:25 --> 00:32:27: Or there might be a soak up of certain typology's.
00:32:27 --> 00:32:29: Well, there might be an educational development that could
utilize
00:32:29 --> 00:32:30: that,
00:32:30 --> 00:32:32: and so that data is the gathering of that information
00:32:32 --> 00:32:35: and and and pregnant really should tell you about the
analysis stuff.
00:32:35 --> 00:32:36: 'cause frankly it's in depth and far more than I
00:32:36 --> 00:32:39: could talk about.
00:32:39 --> 00:32:40: But then the output really is to create the community
00:32:40 --> 00:32:43: and to create the space in place,
00:32:43 --> 00:32:45: and so we're trying to then respond to the location,
00:32:45 --> 00:32:48: not just respond to a global or national dynamic,
00:32:48 --> 00:32:51: but actually we're in that town.
00:32:51 --> 00:32:53: That town needs a B&C because we've talked about it.
00:32:53 --> 00:32:56: We've understood it and will test those responses,
00:32:56 --> 00:32:58: because then that's the point about the retirement list.
00:32:58 --> 00:33:01: Living that Vanessa is talking about,
00:33:01 --> 00:33:03: each town needs to have a mix of different people
00:33:03 --> 00:33:06: in it to make it function to create the society
00:33:06 --> 00:33:08: in the community that looks after itself.
00:33:08 --> 00:33:11: Takes pride in its location and wants to be there
00:33:11 --> 00:33:14: and what I wrote down in my notes while you
00:33:14 --> 00:33:16: guys were chatting was.
00:33:17 --> 00:33:18: Is is a resy term really in terms of my
00:33:18 --> 00:33:20:

00:33:20 --> 00:33:22: own house that I live in and what I want.

00:33:22 --> 00:33:26: I want curb appeal. I want people to be compelled

00:33:26 --> 00:33:29: to come and interact with my development,

00:33:29 --> 00:33:32: so they want to be there and that then drives

00:33:32 --> 00:33:34: the Community and the customer to want to be there

00:33:34 --> 00:33:37: and stay there and be part of that Community going

00:33:37 --> 00:33:38: forward.

00:33:39 --> 00:33:43: Which I guess then drives that positive regeneration that you

00:33:43 --> 00:33:45: were that you were talking about.

00:33:45 --> 00:33:46: Yeah, that makes total sense

00:33:46 --> 00:33:52: something to imagine. Please Chris from experience because.

00:33:52 --> 00:33:55: As the the the city quarters that we develop or

00:33:55 --> 00:33:56: redevelop,

00:33:56 --> 00:33:57: they go on for a long time.

00:33:57 --> 00:34:01: We tend to be compelled to to manage them over

00:34:01 --> 00:34:04: several years or sometimes decades.

00:34:04 --> 00:34:07: So we we played the role of creating but also

00:34:07 --> 00:34:10: managing or trying to influence this community.

00:34:10 --> 00:34:14: And for many years and I heard the words of.

00:34:14 --> 00:34:19: Consumer involving into customer or tenant and then customer.

00:34:19 --> 00:34:22: Actually for many years we have a policy and it's

00:34:22 --> 00:34:24: called everyone's a client.

00:34:24 --> 00:34:28: It's actually everyone setting foot on one of our states

00:34:28 --> 00:34:29: is a client.

00:34:29 --> 00:34:32: It's not because they represent the tenant who pays the

00:34:32 --> 00:34:33: rent,

00:34:33 --> 00:34:34: it's also because they work there.

00:34:34 --> 00:34:39: If we can, we can provide a good client journey

00:34:39 --> 00:34:43: for everyone that is that is there,

00:34:43 --> 00:34:46: they will make it difficult for the boss to decide

00:34:46 --> 00:34:46: to move,

00:34:46 --> 00:34:49: to move away from our premises or they will.

00:34:49 --> 00:34:53: If they're happy there they will bring on their friends

00:34:53 --> 00:34:54: and they will create flows and.

00:34:54 --> 00:34:57: Give more value to to the retail,

00:34:57 --> 00:34:59: so that's that's been a very conscious policy that we've

00:35:00 --> 00:35:00: been doing.

00:35:00 --> 00:35:04: We've been working with hospitality managers over the years that

00:35:04 --> 00:35:08: have a have a budget and trying to make people

00:35:08 --> 00:35:08: happy.

00:35:08 --> 00:35:10: On site and and and all that.
00:35:10 --> 00:35:12: And I can say it works.
00:35:12 --> 00:35:15: It's also a necessity and that's that's something that Robert
00:35:16 --> 00:35:16: also said.
00:35:16 --> 00:35:20: You need actually a constant feedback loop overtime for this
00:35:20 --> 00:35:25: customer experience or journey in order for for your
community
00:35:25 --> 00:35:29: to improve and take eventually responsibility for their for their
00:35:29 --> 00:35:30: own sort.
00:35:31 --> 00:35:33: Imagine I might just add to that as well,
00:35:33 --> 00:35:35: just I mean picking up Roberts team about that community.
00:35:35 --> 00:35:38: I mean just relating it back to the example I
00:35:39 --> 00:35:41: was giving of Clancy Clancy Quay,
00:35:41 --> 00:35:44: where you know it's a 900 unit build build to
00:35:44 --> 00:35:45: rent.
00:35:45 --> 00:35:46: At the moment. I mean,
00:35:46 --> 00:35:48: I think you know for us that the kind of
00:35:48 --> 00:35:50: the journey to repurpose that is,
00:35:50 --> 00:35:51: you know. Well, we've we've.
00:35:51 --> 00:35:54: We've finished the physical side of that in terms of
00:35:54 --> 00:35:56: creating a nice place to live.
00:35:56 --> 00:35:58: I think there is a second part of that.
00:35:58 --> 00:36:00: Which were, you know, we're still working on,
00:36:00 --> 00:36:01: which is, if you kind of.
00:36:01 --> 00:36:03: Think about how people are attracted to something.
00:36:03 --> 00:36:04: One is the the physical piece,
00:36:04 --> 00:36:07: but also they need to feel some emotional attachment to
00:36:07 --> 00:36:10: it and that emotional attachment is going to be probably
00:36:10 --> 00:36:12: more delivered by the people we have working on site
00:36:12 --> 00:36:16: or the activities we have or how that particular Clancy
00:36:16 --> 00:36:19: Quay relates to its its wider community in that area.
00:36:19 --> 00:36:21: And that's all about more.
00:36:21 --> 00:36:23: It's more about the east side of the ESG.
00:36:23 --> 00:36:26: Is that social side? So I think you know is
00:36:27 --> 00:36:30: that we sometimes can get fixated as we all like
00:36:30 --> 00:36:32: to on the physical side,
00:36:32 --> 00:36:34: the buildings. 'cause it's we all like to do that,
00:36:34 --> 00:36:37: but I think it's equally important to kind of get
00:36:37 --> 00:36:38: you know,
00:36:38 --> 00:36:40: figure out what makes people emotionally attached to a place
00:36:40 --> 00:36:42: living in it and and it's more than just good
00:36:42 --> 00:36:43: physical buildings.

00:36:43 --> 00:36:46: It's it's about the community which I think is Rob's
00:36:46 --> 00:36:46: point,
00:36:46 --> 00:36:46: really.
00:36:48 --> 00:36:50: I'd be happy to add to that as well,
00:36:50 --> 00:36:51: and then if that's OK,
00:36:51 --> 00:36:53: thank you. Peter is just to say that whenever we
00:36:53 --> 00:36:55: talk about mixed use,
00:36:55 --> 00:36:57: I'm often reminded that it has two facets to it.
00:36:57 --> 00:37:00: It could be either vertically within a building or across
00:37:00 --> 00:37:01: the urban fabric,
00:37:01 --> 00:37:05: so there was some analysis done a few years ago,
00:37:05 --> 00:37:08: again highlighting that leases commercial leases and officers
are getting
00:37:08 --> 00:37:09: shorter and shorter,
00:37:09 --> 00:37:12: and in fact they're the shortest in Poland and just
00:37:12 --> 00:37:13: five years.
00:37:13 --> 00:37:14: UM, and there there was,
00:37:14 --> 00:37:16: you know, depending on the cycles,
00:37:16 --> 00:37:18: every time a new building.
00:37:18 --> 00:37:22: It's built tenants, or customers tend to move to the
00:37:22 --> 00:37:26: submarket where the new building is built because it's
shinier,
00:37:26 --> 00:37:30: it's more sustainable, but actually what the market is saying
00:37:30 --> 00:37:32: as a hold across the urban fabric is,
00:37:32 --> 00:37:35: uhm, nothing was keeping them there,
00:37:35 --> 00:37:39: they're just moving to the next modern building on the
00:37:39 --> 00:37:40: other side of Walsall.
00:37:40 --> 00:37:43: And then again five years later when a new building
00:37:43 --> 00:37:46: is built to another submarket and then again we began.
00:37:46 --> 00:37:48: So the tenants or customers are not prepared to.
00:37:48 --> 00:37:52: Pay a premium for that local community.
00:37:52 --> 00:37:55: You know. They just decide to go to the next,
00:37:55 --> 00:37:59: UM. New building, so that's an example of what not
00:37:59 --> 00:37:59: to do.
00:37:59 --> 00:38:03: Uhm, an example of what's to best is again coming
00:38:03 --> 00:38:07: back to the mixed use UM Community environment,
00:38:07 --> 00:38:10: both within the building and within 15 minutes of where
00:38:10 --> 00:38:11: you live,
00:38:11 --> 00:38:11: work and play.
00:38:13 --> 00:38:17: And I think one, I think that a really important
00:38:17 --> 00:38:21: aspect of that is what you mentioned around that.
00:38:21 --> 00:38:26: That community building that integration into the urban fabric,

00:38:26 --> 00:38:29: the community. And for me I see one thing that
00:38:29 --> 00:38:32: wasn't mentioned that goes beyond the physical as well as
00:38:32 --> 00:38:35: part of that emotional attachment there is.
00:38:35 --> 00:38:37: There is something about the heritage of a place.
00:38:37 --> 00:38:40: There is something about taking forward and and it's an
00:38:40 --> 00:38:43: emotional attachment to the history of a place.
00:38:43 --> 00:38:46: So it's not necessarily the the you know the the
00:38:46 --> 00:38:49: value that you're adding in that time and space,
00:38:49 --> 00:38:51: but it transcends time a little bit as well.
00:38:51 --> 00:38:55: There's a. There's an emotional element to being in a
00:38:55 --> 00:38:59: building that carries forward a piece of that neighborhood.
00:38:59 --> 00:39:00: A piece of that community,
00:39:00 --> 00:39:03: and that urban fabric. So I think that that's a
00:39:03 --> 00:39:05: really interesting point.
00:39:05 --> 00:39:08: I'm conscious. The time, and there's been a few questions
00:39:09 --> 00:39:12: from the audience that relate nicely into our next point,
00:39:12 --> 00:39:16: which is all about. East of ESG.
00:39:16 --> 00:39:19: But you know a lot of people are now saying
00:39:19 --> 00:39:23: that adaptive reuse and repurposing goes hand in hand with
00:39:24 --> 00:39:27: sustainability because of decarbonization Vanessa,
00:39:27 --> 00:39:30: you mentioned the Paris Accord.
00:39:30 --> 00:39:33: There's a really big focus on that.
00:39:33 --> 00:39:37: And I was hoping to talk about the embodied carbon
00:39:37 --> 00:39:40: concept of re purposing and what that means for the
00:39:40 --> 00:39:41: industry.
00:39:41 --> 00:39:43: Is it a really? Is it?
00:39:43 --> 00:39:46: Is it something that adds value to the opportunities that
00:39:46 --> 00:39:47: present themselves is?
00:39:47 --> 00:39:51: Are there particular challenges or hurdles that need to be
00:39:51 --> 00:39:54: overcome in order for this to become very much like
00:39:55 --> 00:39:57: a sustainability focused initiative?
00:39:57 --> 00:40:01: Or is it just part and parcel of what repurposing
00:40:01 --> 00:40:04: a building means to the developer or to the?
00:40:04 --> 00:40:05: The person taking it forward.
00:40:08 --> 00:40:09: I'm just reading the question.
00:40:09 --> 00:40:11: I think it's great whoever asked it.
00:40:11 --> 00:40:13: I could have had a bum.
00:40:15 --> 00:40:16: So just just for the benefit of the audience,
00:40:16 --> 00:40:17: I'll quickly read it out.
00:40:17 --> 00:40:19: 'cause I agree, I think it's a great great question,
00:40:19 --> 00:40:22: but I'm Edgar wrote what would be,
00:40:22 --> 00:40:25: in your view, the effects of zero CO2 or carbon

00:40:25 --> 00:40:29: neutral demands on the possible options for repurposing stroke.

00:40:29 --> 00:40:34: Brownfield developments in respect of uses to design and of

00:40:34 --> 00:40:36: course profitability.

00:40:36 --> 00:40:37: So over to you.

00:40:38 --> 00:40:42: I think we should all be accountable for some.

00:40:42 --> 00:40:46: The targets of 2015, 2050 is just around the corner,

00:40:46 --> 00:40:48: and to do that we need data at least from

00:40:48 --> 00:40:50: an investment perspective.

00:40:50 --> 00:40:54: It's all about comparing the required return versus the expected

00:40:54 --> 00:40:56: return on the market.

00:40:56 --> 00:40:59: Uhm, and whereas the required return just used to be,

00:40:59 --> 00:41:02: you know the some of the recipe rate plus a

00:41:03 --> 00:41:07: premium for volatility for liquidity in that market.

00:41:07 --> 00:41:10: Today we should also be adding a risk premium for

00:41:10 --> 00:41:14: transition to net zero carbon 'cause we all have to

00:41:14 --> 00:41:15: do it.

00:41:15 --> 00:41:18: Which and her and impacts our reputation as well as

00:41:18 --> 00:41:19: investors.

00:41:19 --> 00:41:22: Uhm, I know that the EU has joined something called

00:41:22 --> 00:41:26: the Energy Performance Building Directive and as a tool to

00:41:26 --> 00:41:29: help us measure how much carbon we need to produce

00:41:29 --> 00:41:34: at city sector level. There's something in place called the

00:41:34 --> 00:41:37: carbon real estate risk monitor.

00:41:37 --> 00:41:40: So that's one tool we need to use to work

00:41:40 --> 00:41:42: out at city sector level.

00:41:42 --> 00:41:44: How much we need to,

00:41:44 --> 00:41:47: how much energy we need to use and the cost

00:41:47 --> 00:41:50: retrofitting and cost that involves,

00:41:50 --> 00:41:53: which again then can be translated into risk premium to

00:41:53 --> 00:41:55: add to the required return,

00:41:55 --> 00:41:58: and only then you can compare it to the expected

00:41:58 --> 00:41:58: return,

00:41:58 --> 00:42:05: and only then will the investor know whether it's feasible

00:42:05 --> 00:42:07: or attractive.

00:42:07 --> 00:42:10: To invest in that market or not and it will

00:42:10 --> 00:42:12: very much depend by investment style.

00:42:12 --> 00:42:17: So clearly you know core investors in their passive investors

00:42:17 --> 00:42:21: you know they they keep buildings forever.

00:42:21 --> 00:42:23: In the case of open-ended funds,

00:42:23 --> 00:42:28: UM, and now that we have this additional requirement to

00:42:28 --> 00:42:30: meet the Paris Agreement targets,

00:42:30 --> 00:42:33: then it could be the existing.

00:42:33 --> 00:42:36: Assets they hold will have to be sold because you

00:42:36 --> 00:42:37: know they don't re purpose,

00:42:37 --> 00:42:41: they just hold them and they'll be selling them than

00:42:41 --> 00:42:42: evaluations too.

00:42:42 --> 00:42:44: Then this is where the opportunity comes into the value.

00:42:44 --> 00:42:48: Add investors who will take that and retrofit them to

00:42:48 --> 00:42:50: be able to meet the Paris.

00:42:50 --> 00:42:52: And we went. But it does come back to the

00:42:52 --> 00:42:53: question.

00:42:53 --> 00:42:55: It it we need data.

00:42:55 --> 00:42:59: To be able to make that calculation.

00:42:59 --> 00:43:00: Imagine

00:43:00 --> 00:43:01: I might I might jump in,

00:43:01 --> 00:43:03: and I mean just just.

00:43:03 --> 00:43:05: I mean, I'm not sure I can answer that question.

00:43:05 --> 00:43:06: Really good question. I mean,

00:43:06 --> 00:43:07: I, I think the first thing I suppose is the

00:43:07 --> 00:43:08: good news is,

00:43:08 --> 00:43:11: I think everyone's moved on to really looking at embody

00:43:11 --> 00:43:13: carbon as as being a big issue.

00:43:13 --> 00:43:16: And you know, well, we're still focused on operational.

00:43:16 --> 00:43:18: I think everyone is now kind of focusing in on

00:43:18 --> 00:43:19: embodied.

00:43:19 --> 00:43:22: I mean, interestingly, we've a couple of other kind of

00:43:22 --> 00:43:25: repurposing projects going on at the moment.

00:43:25 --> 00:43:29: We're one where we're repurposing a warehouse.

00:43:29 --> 00:43:31: Uh, and adding some space on into into an office

00:43:32 --> 00:43:34: and the other way where we're taking some old Georgian

00:43:34 --> 00:43:37: buildings and adding an office on so in the first,

00:43:37 --> 00:43:40: you know the existing space is probably 60 percent.

00:43:40 --> 00:43:43: 70% of the the end building and the new space

00:43:43 --> 00:43:43: is,

00:43:43 --> 00:43:46: you know 30%. But it is interesting when you look

00:43:46 --> 00:43:49: at the embodied carbon for that project.

00:43:49 --> 00:43:51: You know my expectation day one when I talk to

00:43:51 --> 00:43:53: our team about it was that it would be quite

00:43:53 --> 00:43:55: quite a bit lower than say are a new build

00:43:55 --> 00:43:58: project and it isn't as low as as I thought

00:43:58 --> 00:43:59: it would be,

00:43:59 --> 00:44:00: it's lower. Then you build,

00:44:00 --> 00:44:03: but it's not by a factor of of the same

00:44:03 --> 00:44:06: factor as the as the space ratio I just mentioned,
00:44:06 --> 00:44:09: so I think there's, and I think really goes back
00:44:09 --> 00:44:09: to the nest.
00:44:09 --> 00:44:11: Point is we we well,
00:44:11 --> 00:44:14: certainly I feel we've allowed to learn more as to
00:44:14 --> 00:44:16: how we manage that embody carbon better and well,
00:44:16 --> 00:44:19: repurposing gives you an opportunity to lower it.
00:44:19 --> 00:44:22: I don't think re Purposing alone will achieve that.
00:44:22 --> 00:44:23: I think it's going to be re purposing,
00:44:23 --> 00:44:27: plus some very clever use of materials and a much
00:44:27 --> 00:44:28: more you know,
00:44:28 --> 00:44:31: detail. Look at your supply chain and how you put
00:44:31 --> 00:44:31: that.
00:44:31 --> 00:44:32: That building together.
00:44:33 --> 00:44:37: I think so. I also I'm sorry I go for
00:44:37 --> 00:44:38: Chris.
00:44:38 --> 00:44:43: Thanks, I also interpret the question in terms of use
00:44:43 --> 00:44:44: of energy.
00:44:44 --> 00:44:47: Because there is a, there may be a big consumption
00:44:48 --> 00:44:51: or or production of CO2 behind after the construction.
00:44:51 --> 00:44:54: So what we try to do is we make use
00:44:54 --> 00:44:58: generally of photovoltaic panels of course,
00:44:58 --> 00:45:03: and also geothermal installations. That,
00:45:03 --> 00:45:06: in terms of of or in in projects of repurposing
00:45:06 --> 00:45:10: is of course challenging in terms of design because not
00:45:10 --> 00:45:13: every building you can make a big well under it
00:45:13 --> 00:45:18: or you make you can drill big holes inside the
00:45:18 --> 00:45:23: building so it's a it's a challenge there and in
00:45:23 --> 00:45:25: some projects we use.
00:45:25 --> 00:45:28: A city heating system that is done on a bigger
00:45:28 --> 00:45:30: scale not just on the project.
00:45:30 --> 00:45:33: Scaled down by the municipality,
00:45:33 --> 00:45:36: generally based on on waste incineration.
00:45:38 --> 00:45:41: I've been easier to apply in general if it's if
00:45:41 --> 00:45:45: it's available and and the the difficulty or the last
00:45:45 --> 00:45:49: word of the question in terms of profitability.
00:45:49 --> 00:45:53: Of course it's somebody. It's something that everybody now
00:45:53 --> 00:45:56: expects
00:45:53 --> 00:45:56: you to do as an investor or developer.
00:45:56 --> 00:46:01: But there is no market price as such for geothermal
00:46:01 --> 00:46:02: energy,
00:46:02 --> 00:46:06: so how you're going to build that to your client?

00:46:06 --> 00:46:09: That's some of the challenges there.

00:46:09 --> 00:46:12: We still have to work on on a good sustainable

00:46:12 --> 00:46:14: business model for that.

00:46:15 --> 00:46:16: From from

00:46:16 --> 00:46:19: uh, from an architectural material side of things,

00:46:19 --> 00:46:21: I think I'm. I'm not overly surprised.

00:46:21 --> 00:46:24: Peter bye bye what you're saying there because.

00:46:24 --> 00:46:26: When we've looked at repurposing and things like that you

00:46:26 --> 00:46:28: you still have a lot of work to do and

00:46:28 --> 00:46:29: I was just talking to one of my colleagues.

00:46:29 --> 00:46:32: Fundamentally, you've got a concrete structure.

00:46:32 --> 00:46:33: If you're dealing with retail,

00:46:33 --> 00:46:34: it can be quite a nice grid with the odd

00:46:34 --> 00:46:37: shear wall and things like that can be very,

00:46:37 --> 00:46:38: very helpful, but it's no,

00:46:38 --> 00:46:41: no doubt we've got a whole raft of cables and

00:46:41 --> 00:46:44: ducts and all sorts of things that that are challenging

00:46:44 --> 00:46:46: and have to be pulled through and various bits and

00:46:46 --> 00:46:50: bobs. So it's some. There's lots of elements to that

00:46:50 --> 00:46:51: and.

00:46:51 --> 00:46:53: And so you you then get into the state of

00:46:53 --> 00:46:53: well,

00:46:53 --> 00:46:54: can you reuse that concrete?

00:46:54 --> 00:46:57: Is it warranted water? The loadings and that's where you

00:46:57 --> 00:46:58: start to get to the data,

00:46:58 --> 00:46:59: and so you need to.

00:46:59 --> 00:47:01: The reality is you need to begin your re purposing

00:47:01 --> 00:47:03: story early and you need to look at your your

00:47:03 --> 00:47:05: energy use and your potential energy.

00:47:05 --> 00:47:07: Use early and see what you can reuse and you

00:47:07 --> 00:47:08: start.

00:47:08 --> 00:47:12: We start to talk about designing for adaptability and and

00:47:12 --> 00:47:12: so.

00:47:12 --> 00:47:15: The interesting thing is we're dealing with buildings now that

00:47:15 --> 00:47:17: weren't necessarily designed for reuse,

00:47:17 --> 00:47:19: and we're trying to reuse them,

00:47:19 --> 00:47:21: and so we're having to dig in deep and to

00:47:21 --> 00:47:22: find things out.

00:47:22 --> 00:47:24: And you always would re purposing and refurbishment.

00:47:24 --> 00:47:28: You find things you things you didn't necessarily expect that

00:47:28 --> 00:47:30: you would have not had had you cleared the building

00:47:31 --> 00:47:32: and started from a fresh.

00:47:32 --> 00:47:35: Hopefully they're going to be lovely things that add value
00:47:35 --> 00:47:36: and add identity to your building.
00:47:36 --> 00:47:39: Maybe that lovely old fireplace in the house that we
00:47:39 --> 00:47:41: all own that we all want to find and things
00:47:41 --> 00:47:42: like that.
00:47:42 --> 00:47:44: But but but. Fundamentally, what we're dealing with we're
dealing
00:47:44 --> 00:47:46: with buildings were nicely set up for that,
00:47:46 --> 00:47:48: with the operation of manuals,
00:47:48 --> 00:47:50: and so we can't necessarily understand what that material
was
00:47:50 --> 00:47:51: going to do or going to be there.
00:47:51 --> 00:47:53: So there's a sense of.
00:47:53 --> 00:47:56: What we do now, and there's a sense of what
00:47:56 --> 00:47:58: we do to design for the disassembly for circular use
00:47:58 --> 00:47:59: later on as well.
00:47:59 --> 00:48:01: 'cause we have a responsibility not just to deal with
00:48:01 --> 00:48:01: it now,
00:48:01 --> 00:48:05: but to to program for it later.
00:48:05 --> 00:48:07: So understanding our materials, this conversation about
material,
00:48:07 --> 00:48:09: passports and all these, all these great terms that we're
00:48:09 --> 00:48:10: not quite there yet,
00:48:10 --> 00:48:11: with by the sounds of it.
00:48:11 --> 00:48:14: And we're all trying to plug into particularly UK.
00:48:14 --> 00:48:15: And when I'm talking about it.
00:48:15 --> 00:48:17: But there are things we need to be part of
00:48:17 --> 00:48:19: and we talk about disassembling.
00:48:19 --> 00:48:21: We talk about adaptability. So is it a still frame?
00:48:21 --> 00:48:24: Can you take it apart or can you even better
00:48:24 --> 00:48:26: use it in the place it is at the minute?
00:48:26 --> 00:48:27: If you do take it apart,
00:48:27 --> 00:48:29: how can you reuse it?
00:48:29 --> 00:48:30: How can you warrant that?
00:48:30 --> 00:48:32: Still 'cause if you melt it down it's not the
00:48:32 --> 00:48:33: same steel,
00:48:33 --> 00:48:35: it's gone through a process and so its integrity is.
00:48:35 --> 00:48:38: Is changed and it might only be usable for other
00:48:38 --> 00:48:41: plant area on the roof rather than becoming a primary
00:48:41 --> 00:48:41: structure.
00:48:41 --> 00:48:45: So it's it's a lot of technical conversation and that
00:48:45 --> 00:48:48: really needs to begin right from the outset,
00:48:48 --> 00:48:49: and someone needs to own it,

00:48:49 --> 00:48:52: and that's where it's great to hear investors talking about
00:48:52 --> 00:48:54: the fact that it's just part of life now.
00:48:54 --> 00:48:55: It's something that is expected.
00:48:55 --> 00:48:58: It's something that we're leaving for legacy,
00:48:58 --> 00:49:00: and I'm moving forward, so I think it's it's great
00:49:01 --> 00:49:03: that it's it's it's part of that conversation.
00:49:05 --> 00:49:07: Thank you so much, Robert,
00:49:07 --> 00:49:10: and I think that that brings us nicely into our
00:49:10 --> 00:49:14: next and because of that I'm probably final discussion point.
00:49:14 --> 00:49:19: You mentioned starting to look at the process from the
00:49:19 --> 00:49:21: very beginning,
00:49:21 --> 00:49:23: and I think that this is something that all of
00:49:23 --> 00:49:26: you raised in one form or another during our briefing
00:49:26 --> 00:49:27: call,
00:49:27 --> 00:49:29: which I really wanted to build on.
00:49:29 --> 00:49:32: And it we've talked about some of the challenges facing
00:49:33 --> 00:49:33: re purposing,
00:49:33 --> 00:49:35: but there is an element.
00:49:35 --> 00:49:39: About very beginning phase that we haven't talked about yet.
00:49:39 --> 00:49:42: In this conversation, we've talked about the importance of
planning
00:49:42 --> 00:49:44: and some of the challenges around it.
00:49:44 --> 00:49:50: But is. You know is is that beginning area,
00:49:50 --> 00:49:54: an area of particular challenge for repurposing projects,
00:49:54 --> 00:49:57: or is it more spread out across the project?
00:49:57 --> 00:50:02: I think specifically Chris you mentioned during our catch up
00:50:02 --> 00:50:06: call about front end challenges such as planning and design.
00:50:06 --> 00:50:09: Robert, you've just mentioned about building in,
00:50:09 --> 00:50:14: you know, decarbonization and embodied carbon thought
processes into the
00:50:14 --> 00:50:15: very beginning.
00:50:15 --> 00:50:19: Are there challenges? That kind of come towards the front
00:50:19 --> 00:50:23: end of these projects that actually make or break the
00:50:23 --> 00:50:25: viability of a scheme or the.
00:50:25 --> 00:50:28: Desirability to actually take forward a scheme?
00:50:28 --> 00:50:32: Or are they all challenges that we feel could be
00:50:32 --> 00:50:36: overcome in the long term process?
00:50:39 --> 00:50:43: Maybe going further what Rocket already said come.
00:50:45 --> 00:50:46: You have to find out,
00:50:46 --> 00:50:51: and preferably from the beginning what the building is willing
00:50:51 --> 00:50:52: to do,
00:50:52 --> 00:50:54: what the existing structure is willing to do,

00:50:54 --> 00:50:57: and you cannot force it to do something it doesn't
00:50:57 --> 00:50:58: want to do.
00:50:58 --> 00:51:01: And if you would go forward with that,
00:51:01 --> 00:51:06: then you eventually will run into problems with the building
00:51:06 --> 00:51:10: and maybe you would have then something which is adapted
00:51:10 --> 00:51:12: to the new use you want to give it.
00:51:12 --> 00:51:16: With which is no longer good for the long term
00:51:16 --> 00:51:17: value of the building,
00:51:17 --> 00:51:21: and that's something particularly that we experienced with
the gamma
00:51:21 --> 00:51:25: ray team with his old railway station that we've redone.
00:51:25 --> 00:51:29: You can make a shopping center out of it theoretically,
00:51:29 --> 00:51:32: but the building didn't want to do that.
00:51:32 --> 00:51:35: And so we had to adapt the Rita.
00:51:35 --> 00:51:38: It's mixed, use its office and its its food and
00:51:38 --> 00:51:40: beverage and its retail outlets and all that.
00:51:40 --> 00:51:45: But eventually we have to adapt the retail space that
00:51:45 --> 00:51:49: we have to the building and not to the all
00:51:49 --> 00:51:52: the requirements of the retailers.
00:51:52 --> 00:51:56: They had to adapt to what was physically there.
00:51:56 --> 00:51:58: But it's also a advantage.
00:51:58 --> 00:52:00: At the same time, if you can tell a good
00:52:00 --> 00:52:02: story around the building and you mentioned that.
00:52:02 --> 00:52:04: About you know the what,
00:52:04 --> 00:52:07: what people experience and the emotion for an old building
00:52:07 --> 00:52:08: and authenticity.
00:52:08 --> 00:52:11: If you can use that in your story again and
00:52:11 --> 00:52:13: the retailers or whatever the users,
00:52:13 --> 00:52:15: the clients in the building,
00:52:15 --> 00:52:17: they can use that story for their benefit,
00:52:17 --> 00:52:19: then you're on the winning track again.
00:52:22 --> 00:52:22: Yeah,
00:52:22 --> 00:52:25: I was. I was going to say something similar because
00:52:25 --> 00:52:28: when we look at Peters development that the barracks you
00:52:28 --> 00:52:31: would you immediately think of a concept of brand of
00:52:31 --> 00:52:35: place and you've immediately gotten you've got a name for
00:52:35 --> 00:52:35: it.
00:52:35 --> 00:52:38: My parents in Laura near the near the old Worcester
00:52:38 --> 00:52:40: Pottery works and you know you can.
00:52:40 --> 00:52:42: You can just see in the resy development there.
00:52:42 --> 00:52:43: I know where I live.
00:52:43 --> 00:52:44: Tickets got a great name's,

00:52:44 --> 00:52:48: got a great heritage, gotta cover like heritage buildings like
 00:52:48 --> 00:52:51: I'm suddenly I'm an excited visitor to go and see
 00:52:51 --> 00:52:52: what that's like.
 00:52:52 --> 00:52:55: Robin, just a stamped on new brand.
 00:52:55 --> 00:52:58: So again when you look at the station redevelopment their
 00:52:58 --> 00:53:01: heritage in the life that you can see in that
 00:53:01 --> 00:53:04: building and the the sense of things before and what
 00:53:04 --> 00:53:06: it can be in the future are just immense.
 00:53:06 --> 00:53:10: It inbreeding life into into your experience of being in
 00:53:10 --> 00:53:13: that place and the uniqueness of those experiences that the
 00:53:13 --> 00:53:14: stable buildings.
 00:53:14 --> 00:53:17: For instance, the way they've been converted with that with
 00:53:17 --> 00:53:19: that lovely public space.
 00:53:19 --> 00:53:22: That's unique. You if you were building that new build
 00:53:22 --> 00:53:23: you wouldn't get.
 00:53:23 --> 00:53:25: I'm not sense of place and so so the the
 00:53:26 --> 00:53:27: value of that has to be understood,
 00:53:27 --> 00:53:29: and that's that's perhaps the social value.
 00:53:29 --> 00:53:32: The place making value of underwater.
 00:53:32 --> 00:53:33: We talked about the curb appeal,
 00:53:33 --> 00:53:35: which way you walk up to that place,
 00:53:35 --> 00:53:38: you get it. It's got something about it.
 00:53:38 --> 00:53:41: The other thing I'm talking about the Chris's point about
 00:53:41 --> 00:53:44: what the building don't fight against the building
 fundamentally.
 00:53:44 --> 00:53:46: Don't fight against it, know what it can be,
 00:53:46 --> 00:53:47: know what it wants to be,
 00:53:47 --> 00:53:50: and then also but very quickly know what it can
 00:53:50 --> 00:53:51: do like we're talking about here,
 00:53:51 --> 00:53:54: because if you've got a if you've got a 1960s
 00:53:54 --> 00:53:56: retail building or whatever,
 00:53:56 --> 00:53:59: but to convert it, you need to build X amount
 00:53:59 --> 00:54:01: of apartments on top to get the money to do
 00:54:01 --> 00:54:02: it.
 00:54:02 --> 00:54:05: Understand that very quickly, and that's why we tend to
 00:54:05 --> 00:54:07: go in as a sort of a high level.
 00:54:07 --> 00:54:11: Informed task force, but not spend hundreds of thousands of
 00:54:11 --> 00:54:13: pounds of consultants left,
 00:54:13 --> 00:54:15: right and center. We take an educated view like like
 00:54:16 --> 00:54:18: in the olden days where you'd have a scrappy bit
 00:54:18 --> 00:54:20: of paper and you do a quick drawing.
 00:54:20 --> 00:54:22: But we just try to apply data to it now

00:54:22 --> 00:54:22: and then.

00:54:22 --> 00:54:25: Have some sensible views on that structure.

00:54:25 --> 00:54:27: Probably can take X kilonewtons,

00:54:27 --> 00:54:29: but can it if we're trying to Chuck a whole

00:54:29 --> 00:54:30: load already on top of that?

00:54:30 --> 00:54:34: Or or a library or whatever is that realistic?

00:54:34 --> 00:54:36: And then you're starting to know whether you're fighting

00:54:36 --> 00:54:37: against

00:54:36 --> 00:54:37: the building so.

00:54:37 --> 00:54:38: I think I agree with those points.

00:54:40 --> 00:54:41: I think I mean maybe just add to that.

00:54:41 --> 00:54:44: I mean, I think our experience across all of the

00:54:45 --> 00:54:47: kind of the re purposing we've done it a lot

00:54:47 --> 00:54:50: for for our sins of involved conservation.

00:54:50 --> 00:54:53: As one of the elements as just being accept,

00:54:53 --> 00:54:55: it's going to take longer than your normal.

00:54:55 --> 00:54:58: You know, you know, we even naturally the normal

00:54:58 --> 00:55:01: development

00:54:58 --> 00:55:01: template for a a new build and we've timelines we

00:55:01 --> 00:55:03: expect to hit as you go to.

00:55:03 --> 00:55:06: I think just accept it is a bespoke project.

00:55:06 --> 00:55:07: It's going to have its own rhythm,

00:55:07 --> 00:55:10: its own timeline, and you're probably going to have double

00:55:11 --> 00:55:14: the number of iterations of designs and aunt are processes

00:55:14 --> 00:55:16: that that then you might in a new build.

00:55:16 --> 00:55:18: And I think once you accept that,

00:55:18 --> 00:55:19: I think that's a good place to start.

00:55:19 --> 00:55:22: 'cause I'm. And build that into your timeline built into

00:55:22 --> 00:55:23: your investment returns.

00:55:23 --> 00:55:26: It just takes a bit longer and the outcome can

00:55:26 --> 00:55:29: be a little bit more variable and you need to,

00:55:29 --> 00:55:32: I suppose compensate for that variability in that time in

00:55:32 --> 00:55:35: return and and again at going back to my initial

00:55:35 --> 00:55:35: point,

00:55:35 --> 00:55:37: it's all about trying to find that balance.

00:55:37 --> 00:55:38: If you can get that,

00:55:38 --> 00:55:40: you can create some really interesting projects.

00:55:43 --> 00:55:46: Fantastic, well thank you so much to all of our

00:55:46 --> 00:55:47: speakers.

00:55:47 --> 00:55:50: We unfortunately have come to the end of our session

00:55:50 --> 00:55:53: and there's still so much to talk about,

00:55:53 --> 00:55:56: but I very much hope that we can carry on

00:55:56 --> 00:55:58: this conversation.

00:55:58 --> 00:56:03: We will be sharing this this presentation on knowledge find
00:56:03 --> 00:56:04: are following,
00:56:04 --> 00:56:09: but it would be fantastic to 1st thank our speakers,
00:56:09 --> 00:56:13: Robert, Peter, Vanessa, Chris. Thank you so much for your
00:56:13 --> 00:56:14: time.
00:56:14 --> 00:56:16: Today, thank you to respond,
00:56:16 --> 00:56:21: Sersale Eons and Kennedy Wilson and you'll see a poll
00:56:21 --> 00:56:23: that will pop up.
00:56:23 --> 00:56:24: Please feel free to take the poll.
00:56:24 --> 00:56:26: Let us know how you found the session.
00:56:26 --> 00:56:28: It's always great for feedback,
00:56:28 --> 00:56:31: but yeah, we hope to see you at our next
00:56:31 --> 00:56:35: digital online panel event and we look forward to keeping
00:56:35 --> 00:56:36: in touch.
00:56:36 --> 00:56:38: Thank you again to everyone for participating and have a
00:56:38 --> 00:56:39: lovely rest of your day.
00:56:41 --> 00:56:42: And payment and.
00:56:44 --> 00:56:45: Hold on here.

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