



COFFEE BREAK

With Lisa Walker, head of market regulation at IPSX, the world's first regulated securities Exchange dedicated to commercial real estate

What is your proudest achievement and why?

I am particularly excited about the current achievement and continuing challenge of building a brand-new UK stock exchange for Commercial Real Estate (CRE) companies. This has involved taking a simple vision of changing the way CRE can be bought and sold and turning this vision into a reality. There's no blueprint to follow, and it was a proud moment when we received recognition as a fully fledged stock exchange from the Financial Conduct Authority in January this year.

What would you have been if you hadn't chosen the path you did?

While never aspiring to work with 'rules and regulations', I like understanding how things work, challenging conventional thinking on how things 'should' work, and then trying to make things happen in a better way that improves things. I could have worked in the dairy, agriculture or forestry industries – all of which are significant in my home country of New Zealand and full of scope for innovation.

What or who has been the biggest influence on your career thus far?

Three people: my father, whose work ethic and passion for what he does is second to none. I have inherited both, and still need to work on curbing this passion sometimes. He challenges me always to 'break the mould'. My mother, who has the patience of a saint and a level of tolerance that allowed me to

explore who I wanted to be as I grew up and that opened up the career path I have chosen. One of my first managers in a road safety regulatory agency in New Zealand. He motivated and challenged our team, applied great analytical rigour to our work, and delivered results in improving road safety outcomes where others would have faltered. He taught me the value of maintaining an unswerving focus on outcomes and holding decision-makers and executors to account for delivery.

What would your advice be to those starting out in your profession?

Don't be limited by thinking of your career as being a single profession. If I were to give advice to people with a similar background and motivations, I would say be open to 'forks in the road' in your career and be willing to explore the ones which seem interesting. We only have one life and there's no point looking back at the 'what ifs'. 'Market regulation' might seem a rather technical and dry area, but it is an area where you get to think about and influence how a market can operate to the benefit of its users, as well as ensuring the exchange complies with relevant laws. Market regulation may not save someone's life on an operating table, but when done well, it gives you the opportunity to build and regulate a market to protect investors and give CRE asset owners an innovative and more efficient way of selling property. This helps people and helps our economy to grow in a safe and regulated environment.

What, in a sentence or two, is IPSX?

IPSX, or International Property Securities Exchange, is one of seven UK Recognised Investment Exchanges (RIEs) supervised by the Financial Conduct Authority, offering exchange users the highest levels of regulatory protection in the UK. The exchange is, uniquely, dedicated to issuers, or companies, who hold and manage CRE assets. We focus on issuers with single assets or assets with commonality to give investors much greater transparency over assets and expected income streams from their investments.

Why does property need it?

While a dedicated market is unique for CRE, many other global exchanges have been created for specialist products, such as metals, agricultural contracts and energy contracts, which deliver these benefits for issuers and investors. A dedicated market ensures CRE investor interest is concentrated in one venue, and any market movements or volatility should reflect the fundamentals of CRE rather than unrelated equity market noise. Aside from IPSX, there is no public market option for trading in securitised, single asset CRE management companies. Other exchanges offer trading in large multi-asset CRE investment companies, but no exchange gives the astute investor an opportunity to 'stock pick' specific CRE companies with defined and stable assets; investors generally pay a premium for property companies to make investment decisions on their behalf without the transparency around the investments and their performance. From an asset owner perspective, IPSX gives them a wider range of potential investors than a private market transaction, and it gives the original asset owners scope to retain and adjust an economic interest in the company over time (through shareholdings in the management company).

What are the key benefits it will bring to London?

London has a rich history in trading and in the development of real estate architecture, design and build. Our ambition with IPSX is to create a new innovative trading venue for real estate, in the same way that other specialist exchanges have concentrated the trading of key assets within their London exchange. This will make IPSX, and London, the centre for trading in real estate companies continuing the tradition of innovation and excellence.

What is the biggest challenge facing London?

There are a number of immediate headwinds facing London, the most noteworthy being the current uncertainty around the UK's future trading relationship with the EEA and beyond. Society is also undergoing significant social and demographic change, which challenges our existing thinking about how real estate and the built environment is managed, used and owned. This uncertainty creates real opportunities, which we see a new exchange taking advantage of.

What can London learn from other world cities?

As a migrant to this city, I have experienced first-hand London's willingness to be open and inclusive. Working in financial services I have been part of the City's drive for reinvention and innovation. As the world goes through significant social and political upheaval, it will be important for London to maintain these qualities and continue to apply them to its built environment and transport systems to ensure London can continue to reinvent itself for future generations creating the capacity and the space that we need.

What single thing would improve the planning process?

Greater strategic planning and collaboration across local authority

boundaries and between different bodies involved in approving infrastructure and property development would definitely help. Those people in a position to drive change need to be able to be creative and willing to consult a wide cross section of society to ensure current and future needs are built into the planning process.

What would you do if you were Mayor for the day?

I would introduce initiatives to make the built environment a safer, cleaner and quieter place for people to go about their activities. I would mandate pedestrian and cyclist-only zones for major retail areas, such as Oxford Street. And I would require other high streets to nominate 10 business days per year when they must also be pedestrian-only. I would impose binding targets on local authorities to encourage more electrification of private vehicles and to clean up and make green spaces more attractive and accessible, removing concrete and fences. There are great examples of these initiatives already but more needs to be done to make London the best city in the world.

How optimistic are you about London over the next five years, and why?

Depending on the political and economic situation over the medium term, London and the UK will be under some pressure due to uncertainty around the future trading relationship with the rest of the world, and the rights of EU citizens to live and work in the UK. I expect London will be more immune to the impacts of this uncertainty than other parts of the UK and will continue to attract global talent and foster innovation. I am a great believer that London will continue to set the standards that other cities will aspire to. ●

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