IPF Investment Property Forum

forum view

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Chairman's view

As my year as Chairman of the IPF draws to a close, I would like reflect on the work which has been undertaken by the Executive team and the Management Board. In this role, I have assisted the Board in the strategic development of the Forum and also seen come to fruition a number initiatives introduced by previous chairmen, most recently Rob Bould, Martin Moore and Rupert Clarke.

Much of the focus for this year has been the development of the research strategy and the vision for the IPF.

Many meetings have taken place developing the research strategy and I would like to thank my colleagues at the IPF Educational Trust for their input and also the Chairman of the IPF Research Committee, John Gellatly, and our President Alastair Ross Goobey for his guidance. Our aim is to provide the industry with a rolling programme of independent research to improve the functioning and efficiency of the property investment market. If the IPF can prove itself as the main fulcrum for research in the UK real estate industry, then we will have made a significant practical contribution to enabling the industry to speak with "One Voice".

The Forum has identified and agreed a number of key themes for 2003 which will be explored through both education and research. Both aspects are covered in greater detail later in this issue of Forum View.

A recent achievement for the IPF was to be invited by the Treasury, along with colleagues from the RICS and BPF, to present our views on the outlook for the property investment market. Many issues were discussed in the presentation, which is available to members on the IPF website. Most important, we outlined the case for the establishment of a securitised tax-transparent property vehicle and felt the Treasury officials were receptive and interested. The Treasury also highlighted a number of key research topics of interest to them. We plan to incorporate these into our research programme.

I should stress that the IPF does not consider itself to be a lobbying organisation but rather a thought-leader able to give an impartial cross-industry perspective. We are keen to co-ordinate our work with other leading industry bodies such as the BPF (with whom we have kept in touch with on the Treasury briefing) and the RICS.

Another development which you will have noticed being gradually introduced is the new IPF corporate identity. The rationale behind the logo is that it reflects the forward thinking approach which the IPF takes to its activities. The retention of our crimson livery is intended to evoke the qualities of seniority, prestige and respect long associated with the Forum.

I hope that as members you feel proud to be part of the IPF. As Chairman, I have had an insight into how hard our Executive team of just five staff work to ensure that you get the best service possible. In addition, our achievements are due to the valuable contribution made by the Management Board and the various committee members who put so much into making the Forum the success it is. Please continue to support the Forum and if you would like to play a more active role in the Forum's activities, please contact the Executive as they are always looking for willing volunteers.

June marks my hand over to Ian Marcus. I am sure he will derive as much satisfaction from his work as Chairman as I have. I wish him well.

Steven Fogel
Chairman 2002–2003

In this Issue

IPF launches Research Programme: An important step forward for the Forum

Enhancing the functioning and efficiency of the property investment market is a principal objective of the IPF and research is one of the key tenets of the Forum. Following considerable work behind the scenes, the IPF has now secured cross-industry support to press ahead with a substantial independent research programme.

Over the years, the IPF has published research reports covering a range of issues – securitisation; valuation behaviour; indirect investment vehicles and most recently, portfolio risk management. But despite these achievements, the research activities of the IPF have not kept pace with the highly successful education and events programmes.

Recognising the need for a step change in activity, the IPF Board commissioned a review, which saw the development of a strategy and associated business plan. The IPF's vision of establishing a substantial independent research programme struck a chord with the IPF Educational Trust (IPF ET), which amongst other charitable objectives, is empowered to promote and disseminate research. A joint research initiative resulted.

As a sign of the importance attached to this joint initiative, both the Forum and the Trust each committed £75,000 from their reserves to seed fund the three-year development phase. However, this sum was insufficient to deliver a credible, mainstream programme of research, and so the IPF looked to the support of key organisations from the membership and the wider industry. This support has been forthcoming, and fifteen leading businesses have committed funds to the IPF/IPF ET Joint Research Programme (see below).

Research Programme Funders:

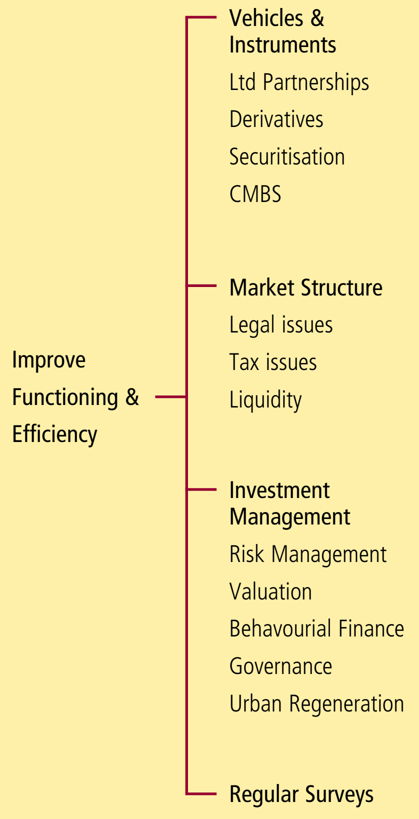
Capital & Regional
Grosvenor
GVA Grimley
Investment Property Databank
KPMG
LaSalle Investment Management
Land Securities
Lovells
Morley Fund Management
Nabarro Nathanson
Prudential Property Investment Managers
Quintain Estates & Development
Scottish Widows Investment Partnership
SJ Berwin
Strutt & Parker

Moreover, high-level discussions have taken place with representatives of other leading industry bodies including the British Property Federation, the RICS, the British Council for Offices and the British Council of Shopping Centres. All of these organisations are supportive of the aims and objectives of the IPF/IPF ET Joint Research Programme. In due course, this support may well be translated into joint funding for suitable research projects, which should avoid any potential overlap.

Over the next three years, the IPF plans to deliver a high quality series of research initiatives as part of this new Programme. Some projects will be longer term in nature, while others will address more immediate industry issues. The broad priorities for the Research Programme have been set through consultation with the wider membership. A survey of the research priorities has also recently been conducted.

The structure and direction of the Research Programme is summarised in the accompanying diagram. The Programme looks to address the key objective of the Forum ("Functioning and Efficiency") in a structured way ensuring that topics are covered, which meet the needs of all groups within the diverse membership.

Key themes and topic areas



Ideas for future projects under these key themes and topics will be 'harvested' by the IPF Research Steering Group from an Advisory Panel, the IPF membership and the wider industry. Membership of the Advisory Panel will comprise representatives from the funding organisations as well as individual members. The idea is to draw in the different perspectives of the various professional communities represented.

It should be noted that all potential research projects promoted to the IPF would need to address this structure and satisfy a range of information requirements. Further details can be found on the IPF website.

The Research Steering Group have begun to work up a series of projects, which will form the basis of the first year of the Research Programme. In each case, detailed consideration is being given to the practical application of outputs and mechanisms for communicating findings effectively. These projects include:

- A study of securitised property markets, which will review what actually happens when a tax-transparent REIT-like market develops and use that information to model what would happen if such vehicles were to be permitted in the UK.

- As the first research project in a series, this study will investigate possible methods of measuring liquidity in direct property and begin to evaluate and explain the liquidity of UK direct property by marshalling the available evidence on turnover.

- A new quarterly Transaction Report to provide the most comprehensive and current data for the UK property investment market.

With the structures and necessary finances now in place, the IPF/IPF ET Joint Research Programme will develop rapidly. You will be kept abreast of progress through these pages and monthly email updates.

Article provided by Stephen Palmer, Seven Dials Consulting and IPF Research Consultant

Vision for the Future

The IPF has always prided itself on its high quality of membership, it's progressive thinking and it's role in advancing the understanding and knowledge of property as an investment.

As the IPF is a growing organisation within a dynamic market place, late last year the Management Board and Executive decided to gain further input from our membership to challenge and review the IPF's vision and strategy moving forward.

The objectives of the exercise were to ensure we continued to be the leader in our market and remain focussed on the key issues most relevant to our members.

After feedback from a series of focus groups and committee meetings, it was concluded that the Forum's central objective, "to advance the knowledge and understanding of property as an investment", which has applied since the Forum was launched in 1988 remains as relevant today as it was 15 years ago. Consequently it was concluded that the IPF would continue to focus on this central objective, predominantly achieving it through education, research and debate.

To ensure the delivery of our vision, the IPF Executive team has now developed a detailed three year business plan for the organisation. Continuing from our recent achievements, the IPF business plan outlines our mission, key attributes and focus moving forward including major new initiatives in our research programme for this year.

This vision has been detailed in an "IPF Vision 2003" summary, outlined here, and copies are also available on our website (www.ipf.org.uk) or in hard copy from the IPF Executive team. In addition to the vision, the plan also includes key themes which reflect our membership's views of the key issues most relevant for the IPF to address over the next 12 months.

Please take the time to review the organisation's many recent achievements and its vision for the future. It is an exciting time for the IPF as we are ideally positioned to contribute significantly to the efficiency of property as an investment through an increasing number of programmes and activities.

I would also like to take this opportunity to thank our members and executives for their ongoing energy and enthusiasm in supporting the IPF. We look forward to working with you to ensure the IPF achieves its vision and stays at the forefront of the property investment market.

Recent achievements

- The IPF's multi disciplinary membership is now at an all time high of 1450 individual members made up of senior professionals operating in the property investment field.
- In addition to London, the IPF is now active in Scotland, the Midlands and has recently established a new membership group in the North West.
- Each year the IPF holds over 40 lectures, workshops and free member only events in London, the Midlands and Scotland with an average attendance at each in 2002 of 55 or more.
- The Forum's research programme is being actively pursued. In 2002, a research project examining risk measurement and management for real estate investment portfolios was completed and there are plans to appoint a Research Director later in 2003.
- Highly successful Dinners are held annually in both London and Birmingham as well as a lunch in London. London events can attract over 1400 guests.
- The IPF is becoming more 'outward facing' running joint events with the UK Society of Investment Professionals and Institute of Actuaries with plans for seminars targeted at Independent Financial Advisors as well as the charitable sector later in 2003.
- The fourth anniversary of the Advanced Education Programme has been celebrated. Over 260 people have now participated in one or more modules and over 50 people now hold the IPF Diploma. A new Academic Faculty to support the development of the Programme is also being launched.
- A new workshop programme is being run to help members understand the Financial Service and Markets Act 2000.
- A successful joint conference with IPD is held each year.

New Mission

To improve the awareness, understanding and efficiency of property as an investment, for members and others in the wider business community, by:

- undertaking research and special projects;
- providing education; and
- encouraging discussion & debate.

Key themes 2003

Vehicles & instruments
To ensure property becomes more competitive as an investment by continuing to explore more effective and efficient forms of investment and ownership vehicles.

Market structure
Working to make property more accessible to investors through improving transparency, liquidity, reporting, transaction streamlining and performance analysis.

Regulation, legislation and policy
Spending more time with asset allocators, non property groups and other policy makers to demonstrate and educate about the role of property as and investment class.

Portfolio Mgt/Performance
A focus on the impact of the changing market conditions on current and future performance of property as investment including lessons form other economies and markets.

Objectives

Scale & Membership
Continue to operate as an individual membership organisation. The aim being to:
- Keep the membership individual and restricted.
- Improve individual membership benefits.
- Engage the wider membership by improving mechanisms for membership input and feedback.
- Expand and enhance our regional presence.
- Ensure membership of the IPF continues to be seen as 'aspirational'.

Themes agenda
Introduce mechanisms for harvesting and establishing a subject focussed 'key themes' agenda, i.e. key issues that the IPF believe the property investment industry should be addressing on an annual basis which align the IPF's core activities, research & special projects, education and debate.

Research programme
Introduce an independent research programme which is financially self sufficient to address the key issues facing the property investment industry, its aim being to:
- Improve the functioning and efficiency of the property investment market.
- Inform asset allocators by objectively reviewing and restating the case for property and thereby ensuring that property as an asset class receives a fair hearing.
- Provide a platform to initiate and inform debate.

Education programme
Either through our own efforts or those of others, ensure that the best quality education on property investment matters is provided for members, others engaged in the market, the general investment community and other relevant parties e.g. Government.

Special projects
Identify and proactively lead and promote market initiatives where required.

Information
Provide access to data and information in the UK and overseas for members where a need is identified.

Profile/brand
Position the IPF as a thought leader for all property investment issues and update IPF brand.

Networking
Enhance the offer to members for both formal and informal interaction and provide mechanisms for access to other market networks in the UK and overseas.

Organisational structure
- Build upon the strength of keeping such an active involvement from our members in our day to day activities.
- Given the Forum's financial limitations, ensure the focus remains on the key deliverables.
- Build relationships with other bodies.
- Continue to develop and strengthen the Executive to ensure the energy and capability continues to grow with the membership and levels of activity.
- Maintain an efficient operation.

Financial structure
Aim to continue to be independent and financially self sufficient.

Article provided by David Hutton, Lend Lease and Chairman, IPF Vision Committee

CPD Review – Property Derivatives: A revolution for Investors

Derivatives are big news. Billions of pounds worth of these financial instruments – which allow an investor to gain exposure to a market or product without actually buying into it – are traded every day and an ever-increasing number of stock transactions are carried out in the form of contracts for difference. In some markets, the liquidity and ease of derivative trades means that they significantly exceed actual physical transactions.

In the past, the property market has been left out, not just in the UK but elsewhere in the world. With the exception of Barclays Property Index Certificates (PICs), no property derivative product has taken off in the UK.

However, at the end of last year, months of lobbying from the Property Derivatives Users Association (PDUA) resulted in a decision by the Financial Services Authority which opened up the market for property derivatives (see box 1). Previously, property derivatives had been inadmissible assets for inclusion in the solvency ratio calculations of life companies, which own around 40% (by value) of UK commercial property – effectively making it problematic for insurance companies to make use of them.

In March, some of the leading lights in the fledgling property derivatives world spoke at an IPF lecture; outlining what derivatives could offer to property investors and the challenges the industry still faces in developing a deep and liquid market in them.

Speaking were Aberdeen Property Investors Chief Executive Iain Reid – on how property derivatives work and who might use them, Prudential Property Investment Managers Head of Research Paul McNamara – talking about the PDUA's campaign, Morley Fund Management's Tom Wills – giving some technical examples of derivative pricing and Andrew Baum of Oxford Property Consultants on the implications of derivatives for property investors.

Derivatives offer a number of advantages to property investors:

- Gaining exposure to property without owning it
- Offsetting risk in existing portfolios
- Reduced transaction costs
- A potential way in for the retail investor

In a simple derivative product such as a PIC, the issuer (in this case Barclays) offers, say, £100m of PICs which will pay a return equivalent to the IPD Annual Index total return over the life of the PIC (typically 3, 5 or 7 years).

In this instance, the certificates would be backed by £100m of property from the seller of risk (see box 2), which receives interest of LIBOR (less a margin) for the life of the PIC.

The seller is able to free up capital for short-term investment elsewhere, while retaining its property exposure (no need to go through long-winded and expensive process of selling property to raise cash).

The PIC buyers get exposure to the property market (again without the hassle and cost of buying property) and returns based on a solid index. And Barclays gets its margin.

Andrew Baum outlined how institutions could use derivatives to hedge risk in their own portfolios, while keeping the potential for outperformance.

Example: An institution heavily weighted in **retail** (Fund A) could swap some (say £50m) of its exposure with another institution with a **heavy office weighting** (Fund B).

Fund A will pay out the IPD retail sub-index return for an agreed period of time whilst Fund B pays out the IPD office sub-index return. **Both funds** get the security of IPD returns and, most importantly, get to keep the margin by which their own assets outperform IPD.

Thus the funds get to hedge their risk and keep hold of the performance their management generates.

Baum said that, in theory, this type of deal could lead to more specialisation for fund managers. "If a fund has a property team which is brilliant at managing shopping centres, that team could concentrate exclusively on shopping centres and swap some or all of their excess exposure for offices or industrials," he said.

Naturally, none of these deals involve the buying or selling of property, saving the 7.75% 'in-and-out' cost of a property trade. And in the case of PICs, as they are structured as Eurobond deals, there is no Stamp Duty to pay.

The speakers' views on the viability of derivatives as a product for the retail investor differed.

"At present, the scope for private individuals to invest in property is quite limited, so it will be interesting to see how this concept can be packaged to the retail investor," said Reid.

He cited the example of some Irish investors who bought into the latest PICs issue, although these were high net worth individuals rather than the man or woman in the street.

Both Baum and Wills – who deals with the full range of derivatives for Morley and has experience of established derivatives markets – disagreed, saying the size of the market was unlikely to be large enough for the small investor to enter and to trade.

However, Wills suggested derivatives could be used to back a product sold to small investors that promised to deliver property-like returns.

Since the FSA ruling, another change of heart, this time from the Treasury, has led to the resurgence of another property product for the small investor.

The Treasury has suggested it is once more open to the arguments for a UK tax-transparent securitised property vehicle. The introduction of a UK REIT could open up the property market to retail investors to an extent which would make it unlikely they would choose a more complicated derivative product. Nonetheless, the latest campaign, in which the IPF has a strong supporting role, is in the very early stages.

So derivatives have a range of possible uses, including some outside those described above, such as more complex products, like options. But currently there are still only PICs out there.

McNamara said it will take three to five years to build a liquid market. In the meantime, the industry has to overcome a Catch–22: the market needs liquidity to get people involved and people want liquidity before they get involved. McNamara said that the major financial institutions had already made their support for the concept of property derivatives known but it would take some time for derivatives to begin being issued.

One potential problem that seems to cause a few worries, is that the broadening of the derivatives market might see interest in direct property fall.

McNamara responded saying that remaining involved in the direct market gives investors the chance to exploit any outperformance by their properties, whereas derivatives will only give market return. Ian Reid added that "As well as enabling committed professional investors to be more efficient and agile, this development will bring in new investors who will enter the property market only because there's a derivative available.

A more significant problem is the lack of conflicting views on the general trends in the market. In deals where parties are swapping offices for shops, for example, they will generally need opposing views on the future performance of each sector (this need not apply in the Baum example given previously, as the institutions are simply rebalancing their portfolios).

One solution may be to look at more specialised sub-sectors. Few funds have widely conflicting views on the performance of shops or offices, for example, but they may have on the performance of Scottish shops v London shops. Contracts may last over 3, 5 and 7 years, helping these differences of view to emerge.

The low cost and high liquidity which derivatives bring to the market could create a new world of property investment. However, what is needed is enough participants to make derivatives a significant part of the property market, and that needs players who are prepared to put their heads above the parapet and get involved in the early stages. Otherwise, the FSA's initial misgivings will be proved right.

Article provided by Mark Cooper, Finance Editor, Estates Gazette

Box 1

The FSA's change of heart on property derivatives.

The Financial Services Authority has agreed that life insurance companies can include property derivatives based on the IPD index when they calculate their solvency ratios.

Until the decision last December, property derivatives were not "admissible assets" for solvency purposes, which has inhibited their development. Currently, only one such instrument exists, Barclays' Property Index Certificates, the first of which was issued in 1994.

In the late 1990s, Barclays attempted to persuade the FSA that property derivatives were admissible assets, but the FSA objected on two grounds: it questioned the robustness of the IPD index and the likely liquidity of a property derivatives market.

Intensive lobbying by the Property Derivatives Users Association, which gathered the support of life companies representing over £40bn of direct property ownership and industry bodies including the Association of British Insurers, the National Association of Pension Funds, and the Investment Property Forum, succeeded in reassuring the FSA on both points.

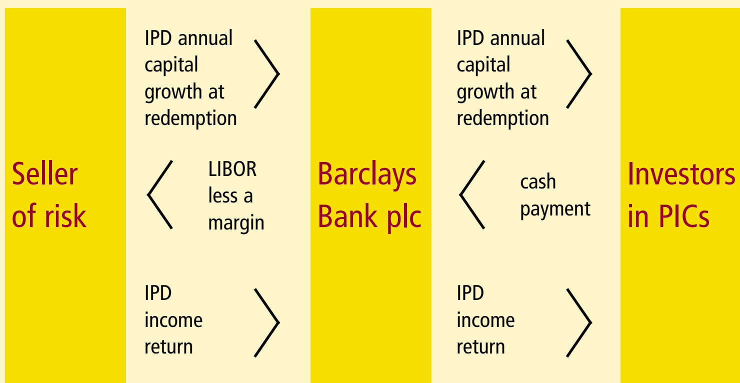
The PDUA argued that there was a widespread market need for a market in derivatives, as it was a means of efficient portfolio management and reduction of investment risk.

It pointed out to the FSA a Catch–22 situation: the regulators' concerns about liquidity were preventing them from making the assets admissible, but the reason liquidity was low was that the FSA wouldn't let the life companies to get involved.

At present the FSA decision covers only simple forward contracts and swaps, rather than more exotic contracts such as options, which could potentially be developed later.

Box 2

Property Index Certificates – how a property derivative works in practice



New Academic Faculty for the IPF Advanced Education Programme

The 13th of May saw the launch of the IPF's brand new Academic Faculty Board at an evening cocktail party hosted on the IPF's behalf by Dechert.

The Board has been assembled from a multi-disciplinary group of leading practitioners and academics from both the investment and property markets (see box 1) with the principle purpose to ensure that the programme remains topical and relevant, and, most importantly, that it continues to meet the needs of the market. It will provide the facility for the exchange of ideas and access to those who are at the leading edge – many of which will participate in course delivery as well as provide access to live case study materials. Not least, the association of Board members with the course will add to its substance and reputation – a significant step forward for what is considered the IPF's education flagship!

At the launch, IPF Diplomas were also awarded, by IPF Chairman Steven Fogel, to a group of sixteen IPF members who have all successfully completed the course in 2002 (see Box 2). So far, over 260 people have taken one or more AEP modules, with 55 students now having been award the full IPF Diploma.

The Forum's Advanced Education Programme was launched in 1999 and, by the end of July, will have completed five full cycles. Every cycle contains seven modules and a maximum of twenty-five students is admitted to each module. Each module is lead by either a leading academic or a leading practitioner; and is supported by various tutors who are specialists in their own fields. The teaching is delivered face to face over three or four days. Students tackle an assessment at the conclusion of the module and then must complete an assignment. You can find more information about the course at www.ipf.org.uk.

John Story, Unilever Pension Fund
and Chairman, IPF Academic Faculty Board

Timetable 2003/4

Property as an Asset Class 13, 14, 15 October 2003

Accounting & Taxation for Property Investors
19, 20, 21 November 2003

Introduction to Investment Valuation & Portfolio Theory
22, 23, 26 January 2004

Financial Instruments & Investment Markets
23, 24, 25 February 2004

Advanced Property Investment Appraisal
26, 27, 28 April 2004

Advanced Property Finance & Funding
14, 15, 16 June 2004

Advanced Portfolio Management
16, 17, 23, 24 September 2004

Box 1 Academic Faculty Board

John Story	Unilever Pension Fund	Chairman
Andrew Adams	Edinburgh University	Module leader
Philip Booth	Cass Business School	Module leader
Ciaran Carvalho	Dechert	
Mark Charlton	PricewaterhouseCoopers	
Philip Clarke	Morley Fund Management	Module leader
Neil Crosby	The University of Reading	
Paul Gallimore	Nottingham Trent University	Module leader
Philip Ingman	SPREFS	
Tony Key	Cass Business School	
Lynette Lackey	BDO Stoy Hayward	
Ian Marcus	Credit Suisse First Boston	
George Matysiak	The University of Reading	Module leader
Bryan McGregor	University of Aberdeen	
Guy Morrell	Henderson Global Investors	
Jeremy Newsum	Grosvenor	
Charles O'Connor	Cass Business School	Module leader
Dominic Reilly	Kingfisher Property Finance	
Jeremy Robson	Royal Bank of Scotland	
Tim Sketchley	Cushman & Wakefield Healey & Baker	
Maggie Stoker	MSC	
Brian Waldy	Consultant	Module leader
Derek Nicholls	Cambridge Int. Land Institute	Programme Director
William Rodney	Cass Business School	Technical Director

Box 2 Diplomas 2002

Kevin Aitchison	ING Real Estate Investment Management
Andrew Blackshaw	PricewaterhouseCoopers
Lois Blair	NBW Crosher & James
John Carleton	
James Carter	Plymouth & South West Co-op
Peter Conboy	Leicester Regeneration Company
Amanda Cowking	Standard Life Investments
Deepan Khiroya	Royal & Sun Alliance Property Investments
Pamela Matthesius	Eurohypo AG London
Daniel McHugh	Standard Life Investments
Alan Mitchell	Kilmartin
Eri Mitsostergiou	FPD Savills
Philip Nell	Morley Fund Management
Richard Quartermaine	NBW Crosher & James
Melville Rodrigues	Mayer Brown Rowe and Maw
Kimberley Rowley	Chartwell Land
David Skinner	DTZ Pieda Consulting
David Stewart	Standard Life Investments
John Story	Unilever Pension Fund

New Advanced Property Applied Spreadsheets & Systems Workshop

July sees the first run of the IPF's new PASS II workshop developed following the success of our regular PASS I course and in response to demand from the membership.

This advanced course is designed to develop financial model building skills and provide an opportunity to take a look at alternative approaches. The syllabus has been designed in response to feedback from people who have attended previous PASS courses, who want to take things a stage further.

The course covers how to build models that deal with the complexities of multi-let properties and incorporate the use of debt finance. More specifically, participants will get to grips with dealing with different date-related events, applying growth, generating cash flows and exit rental values as well as incorporating debt finance, assessing the impact of gearing on projected returns, and amortising the loan. Once built, the outputs from the model will be stressed by the dynamic adjustment of exit values and interest rate fluctuations.

As with PASS I, this course takes a hands-on approach. The number of delegates is small (max 10) and the ratio of delegates to staff is deliberately kept low to ensure assistance is readily and quickly available. Comprehensive course material will be provided including examples, exercises and references. The course will bring the delegate to an advanced level and will provide all the material and references required for further study.

To find out more about the workshop and to book see our website www.ipf.org.uk. The first workshop is being run on July 9th 2003.

Property Applied Spreadsheets + Systems

Article provided by Amanda Keane, IPF Executive Director

IPF launches IFA Education Initiative

As part of our strategy to extend our role beyond traditional property boundaries to educate those in other markets about property as an investment, we are soon to launch an exciting new programme designed specially to raise the level of knowledge and understanding of commercial property investment amongst independent financial advisers.

Developed in association with Seven Dials Consulting, this programme has secured cross industry support, with financial backing coming from the IPF Educational Trust, the British Property Federation and the Royal Institution of Chartered Surveyors.

Current equity market conditions combined with issues in the pension industry have produced widespread interest from the retail market in property as an investment. This has been recognised by the growing number of financial institutions and other product providers that are devising commercial property funds targeted on individual investors. But, there is clear need and growing urgency to educate IFAs about property investment. The FSA review of retail property funds announced earlier this year reflects concern that IFAs active in the market have insufficient knowledge of property investment, and so individual investors are not being properly informed of the associated risks.

With close guidance and input from an Advisory Group, Seven Dials Consulting will commission and produce a handbook designed to meet IFA's information requirements for knowledge and understanding of property as an asset class and alternative product structures. Copies of the handbook will be made available to IFAs free of charge via their representative bodies and on websites. A series of regional seminars will also be organised in association with the key IFA representative bodies.

The Advisory Group for the programme comprises representatives from the IPF, the three funding bodies and the Society of Financial Advisers.

Article provided by Amanda Keane, IPF Executive Director

Survey of Independent Forecasts UK Property Investment February '03

Key Points

- IPD's Annual Index performance figures for 2002 are eagerly awaited. On the evidence of this survey, the market is forecasting an average total return of 9.6%, which would put property in second place behind gilts, but well ahead of equities.
- But property may yet make it into the top slot. This consensus forecast figure is some 50 bps less than IPD estimates, based on £39bn of quarterly valued funds.
- Capital values are projected to have risen further in 2002 than forecast previously. Lower yields are expected to have off-set a small fall in average rental values.
- In the context of sluggish economic growth and weak tenant demand, most forecasts for 2003 and 2004 have been downgraded.
- Rental values are forecast to fall by 0.8% this year and reflecting weaker capital growth expectations, the average return forecast for 2003 has dropped to 6.0%, down from 7.6% last time.
- However, the downturn is expected to be both shallow and short-lived, with rental growth of 0.8% forecast for 2004.
- This forecast recovery in rental values in 2004 underpins growth in capital values and is reflected in forecast returns of 7.9%.
- The recent and unexpected cut in UK interest rates took place after this survey, so any impact on the forecasts will not be seen until the May survey.

Introduction

A sluggish upturn in economic activity is expected by most forecasters this year. The rate of growth in the economy picked up during 2002 and the fourth quarter GDP figure was 2.2%. However, the risks to this benign scenario appear to be on the downside. The recent and unexpected cut in UK interest rates[1] reflects growing concerns about the global economy and the prospects for domestic demand.

These concerns point to the potential for further weakening in occupier markets. Although consumer demand remains relatively buoyant, business confidence is weak, levels of investment in the business and services sectors have fallen sharply and according to the CBI, three quarters of industrial firms are currently working below capacity.

In this context, the short term prospects for rents are subdued. The IPD Monthly Index shows that overall average rents fell by 0.6% in Q4 2002 and this survey indicates a further fall of 0.8% this year. The latest RICS survey reports a significant increase in incentives and inducements offered to tenants.

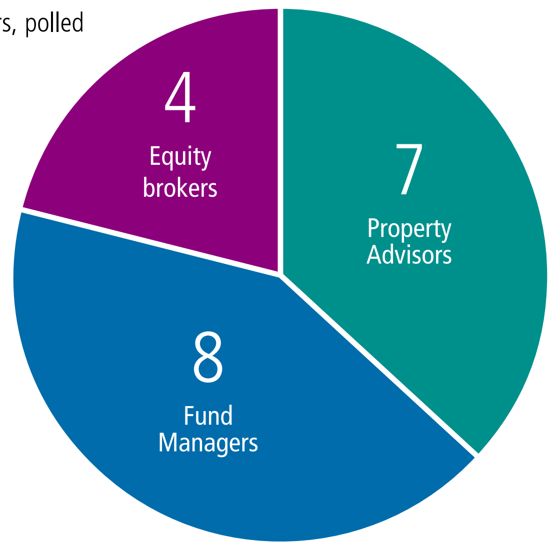
However, the downturn is not uniform. While the office market is feeling the full force of weak tenant demand and rents are reported by IPD to be falling in all regions, retail warehousing remains relatively buoyant and industrial rents are rising in London and the Midlands.

With further falls in equity markets, property continues to be seen as a 'safe haven' for investors seeking security of income, and this is reflected in demand for bond-type investments with contracted income streams of over 15 years. However, the recent interest rate cut has heightened concern about the continuing disconnect between the occupier and investment markets, particularly debt-financed private investors have tended to be amongst the most aggressive bidders.

Survey contributors

The current survey is based on the views of 19 contributors, polled during January 2003. Contributors include property advisors, fund managers and equity analysts specialising in the property sector.

A full list of these contributors can be found on page 11.



[1] This survey was undertaken **before** the change in bank base rates on 6 February 2003.

Survey results (forecasts in brackets are October 2002 comparisons)

Property Advisors
7 participants

	Rental value growth			Capital growth (%)			Total return (%)		
	2002	2003	2004	2002	2003	2004	2002	2003	2004
Maximum	0.3 (1.0)	0.9 (1.4)	2.2 (3.3)	3.3 (4.1)	1.8 (3.2)	2.2 (3.0)	10.0 (10.6)	8.3 (9.6)	9.0 (10.0)
Minimum	-1.3 (-1.0)	-1.3 (-0.7)	0.0 (1.0)	2.0 (2.5)	-2.0 (-1.7)	0.5 (0.1)	9.0 (8.4)	5.3 (5.6)	7.3 (7.1)
Range	1.6 (2.0)	2.2 (2.1)	2.2 (2.3)	1.3 (1.6)	3.8 (4.9)	1.7 (2.9)	1.0 (2.7)	3.0 (4.0)	1.7 (2.9)
Median	0.0 (0.0)	-0.2 (0.8)	0.9 (2.0)	3.0 (3.0)	0.0 (1.2)	1.8 (2.7)	9.9 (10.0)	7.0 (8.2)	8.7 (9.3)
Average	-0.2(-0.1)	-0.3 (0.7)	1.1 (2.1)	2.9 (3.1)	0.1 (0.9)	1.5 (2.1)	9.7 (10.0)	6.7 (7.8)	8.5 (9.1)

Fund Managers
8 participants

	Rental value growth			Capital growth (%)			Total return (%)		
	2002	2003	2004	2002	2003	2004	2002	2003	2004
Maximum	0.2 (0.5)	1.4 (2.2)	1.8 (2.2)	3.0 (3.0)	0.5 (1.2)	1.8 (4.0)	10.0 (11.0)	7.8 (8.6)	8.9 (12.6)
Minimum	-1.0 (0.0)	-3.0 (-1.0)	0.3 (0.0)	1.9 (2.1)	-3.2 (-1.0)	0.0 (0.0)	9.0 (9.4)	4.1 (5.0)	5.8 (7.5)
Range	1.2 (0.5)	4.4 (3.2)	1.5 (2.2)	1.1 (0.9)	3.7 (2.2)	1.8 (4.0)	1.0 (1.6)	3.7 (3.6)	3.1 (5.1)
Median	0.0 (0.2)	-0.6 (0.5)	1.0 (1.7)	2.3 (2.8)	-0.5 (-0.7)	0.9 (2.3)	9.6 (10.0)	6.5 (7.8)	8.0 (9.5)
Average	-0.1 (0.2)	-0.6 (0.2)	0.9 (1.3)	2.5 (2.7)	-1.0 (-0.1)	0.8 (1.9)	9.5 (10.1)	6.1 (7.2)	7.9 (9.5)

Equity Brokers
4 participants

	Rental value growth			Capital growth (%)			Total return (%)		
	2002	2003	2004	2002	2003	2004	2002	2003	2004
Maximum	0.0 (-0.2)	-0.5 (0.9)	2.2 (4.0)	3.0 (2.5)	-0.1 (3.5)	2.0 (5.0)	10.0 (9.2)	6.0 (10.5)	9.0 (12.0)
Minimum	-1.0 (-4.0)	-3.0 (-2.0)	-1.0 (1.0)	2.0 (-1.0)	-3.0 (-2.0)	-2.0 (1.0)	9.0 (6.0)	3.0 (5.0)	5.0 (8.0)
Range	1.0 (3.8)	2.5 (2.9)	3.2 (3.0)	1.0 (3.5)	2.9 (5.5)	4.0 (4.0)	1.0 (3.2)	3.0 (5.5)	4.0 (4.0)
Median	-0.6 (-1.4)	-2.3 (-1.0)	0.0 (2.0)	2.3 (0.3)	-2.0 (1.0)	0.3 (2.5)	9.3 (7.3)	4.7 (7.9)	7.3 (9.2)
Average	-0.5 (-1.8)	-2.0 (-0.8)	0.3 (2.2)	2.4 (0.5)	-1.8 (0.9)	0.2 (2.8)	9.4 (7.4)	4.6 (7.8)	7.2 (9.6)

All Forecasters
19 participants

	Rental value growth			Capital growth (%)			Total return (%)		
	2002	2003	2004	2002	2003	2004	2002	2003	2004
Maximum	0.3 (1.0)	1.4 (2.2)	2.2 (4.0)	3.3 (4.1)	1.8 (3.5)	2.2 (5.0)	10.0 (11.0)	8.3 (10.5)	9.0 (12.6)
Minimum	-1.3 (-4.0)	-3.0 (-2.0)	-1.0 (0.0)	1.9 (-1.0)	-3.2 (-2.0)	-2.0 (0.0)	9.0 (6.0)	3.0 (5.0)	5.0 (7.1)
Range	1.6 (5.0)	4.4 (4.2)	3.2 (4.0)	1.4 (5.1)	5.0 (5.5)	4.2 (5.0)	1.0 (5.0)	5.3 (5.5)	4.0 (5.5)
Std deviation	0.5 (1.2)	1.2 (1.2)	0.9 (1.1)	0.5 (1.4)	1.5 (1.6)	1.0 (1.3)	0.4 (1.4)	1.4 (1.6)	1.1 (1.5)
Median	0.0 (0.0)	-0.5 (0.7)	0.8 (2.0)	2.9 (2.7)	-0.1 (0.6)	0.9 (2.5)	9.6 (9.9)	6.0 (7.9)	8.1 (9.3)
Average	-0.3 (-0.4)	-0.8 (0.2)	0.8 (1.8)	2.6 (2.3)	-0.8 (0.5)	0.9 (2.2)	9.6 (9.4)	6.0 (7.6)	7.9 (9.4)

Notes
1. Figures are subject to rounding, and are forecasts of 'all property' Annual Index measures published by the Investment Property Databank. These measures relate to standing investments only, meaning that the effects of transaction activity, developments and certain active management initiatives are specifically excluded.
2. To qualify, all forecasts were produced no more than three months prior to the survey.
3. Maximum – The strongest growth or return forecast in the survey under each heading
4. Minimum – The weakest growth or return forecast in the survey under each heading
5. Range – The difference between the maximum and minimum figures in the survey
6. Median – The middle forecast when all observations are ranked in order. The average of the middle two forecasts is taken where there is an even number of observations.
7. Average – The arithmetic mean of all forecasts in the survey under each heading. All views carry equal weight.
8. Standard deviation – A statistical measure of the spread of forecasts around the mean. Calculated at the 'all forecasters' level only.

Acknowledgements
The Investment Property Forum wishes to thank the following organisations for contributing to the survey:
Property advisors (includes research consultancies): Cluttons; Colliers Conrad Ritblat Erdman; GVA Grimley; Cushman & Wakefield Healey & Baker; Insignia Richard Ellis, Knight Frank, Real Estate Forecasting Limited
Fund managers: Aberdeen Property Investors; Deutsche Asset Management; Henderson Global Investors; LaSalle Investment Management; Legal & General Investment Management, Prudential Property Investment Managers; Schroder Property Investment Management, Standard Life Investments
Equity brokers: HSBC; Merrill Lynch; UBS Warburg; Credit Suisse First Boston

Survey of Independent Forecasts UK Property Investment May '03

Key Points

- The publication of IPD's market performance results for 2002 showed a total return of 9.7% for the year[1].
- Whilst the market return was in line with the forecast consensus, the rental growth out-turn of -0.9% was worse than expected.
- Survey contributors expect 2003 to mark the trough in the current rental growth cycle, with improvement in performance through 2004 and 2005.
- With a fall in average rents of 1.5% forecast this year, and less buoyancy in the investment market, the forecast total return of 5.6% will be income driven, and the lowest level of return since 1995.
- Equity brokers remain more bearish than fund managers and property advisors about rental growth this year, but fund managers are less optimistic about the outlook for 2004 and 2005.
- Improving capital values, and the return of rental growth are expected to lift returns to 7.5% and 8.7% in 2004 and 2005 respectively.

Introduction

The economy continues to see relatively strong rates of growth. The preliminary estimate of 2.3% for Q1 2003 was stronger than expected and the end of the uncertainties created by the conflict in Iraq will no doubt be beneficial. However, concerns remain and the consensus forecast for economic growth this year has drifted down below 2.0%, which does not bode well for occupational markets.

Fears of economic weakening have been fuelled by declines in manufacturing orders, which in turn point to deterioration in domestic demand. Consumer spending which had previously been relatively buoyant is now showing signs of weakening. Consumers are generally less confident, and this is being reflected in retail sales. According to the CBI, year-on-year retail sales growth was broadly flat in April.

Against this backdrop, it is perhaps not surprising that average rents fell by 0.5% in Q1 2003 according to the IPD Monthly Index. Contributors to this survey expect this figure to increase to –1.5% for the year a whole. However, the overall figure is being dragged down by the office sector, where occupier demand is weakest, particularly in the South East. While office rents fell by 2.7% in Q1 2003, retail and industrial rents remained static and in some locations saw slight improvement.

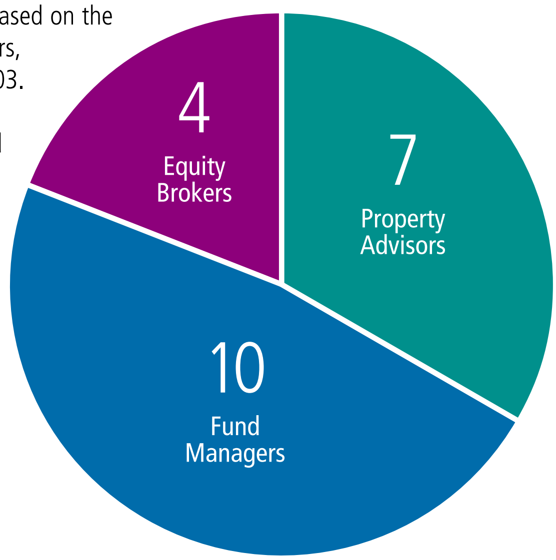
Overall, there has been a marked decline in investment market activity this year with fewer transactions completing. The market continues to be polarised between bond-type investments with secure income streams for 15 years or more, and other investments. The reduction in Bank base rates in February provided a fillip to the debt-driven buyers, who remain the most active investors, but there are signs that the banks are exercising more caution in their lending activities.

Over the next couple of years, market returns are expected to be driven by income rather than capital growth, and are forecast to be more modest as a consequence.

Survey contributors

The current survey is based on the views of 21 contributors, polled during April 2003. Contributors include property advisors, fund managers and equity analysts specialising in the property sector.

A full list of these contributors can be found on page 13.



[1] IPD Annual Index: 'all property', standing investments only

Survey results (forecasts in brackets are January 2003 comparisons)

Property Advisors
7 participants

	Rental value growth			Capital growth (%)			Total return (%)		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
Maximum	-0.4 (0.9)	2.0 (2.2)	3.0 (3.2)	1.1 (1.8)	2.0 (2.2)	3.0 (3.1)	8.1 (8.3)	9.3 (9.0)	10.2 (10.9)
Minimum	-2.9 (-1.3)	-1.1 (0.0)	0.3 (1.5)	-3.9 (-2.0)	0.0 (0.5)	-0.2 (1.3)	2.8 (5.3)	7.0 (7.3)	6.9 (8.0)
Range	2.5 (2.2)	3.1 (2.2)	2.7 (1.7)	5.0 (3.8)	2.0 (1.7)	3.2 (1.8)	5.3 (3.0)	2.3 (1.7)	3.3 (2.9)
Median	-1.1 (-0.2)	-0.5 (0.9)	2.0 (2.9)	-0.4 (0.0)	1.0 (1.8)	2.3 (2.6)	6.5 (7.0)	7.3 (8.7)	9.2 (10.0)
Average	-1.2 (-0.3)	0.3 (1.1)	2.1 (2.6)	-0.9 (0.1)	1.0 (1.5)	1.9 (2.4)	5.9 (6.7)	7.9 (8.5)	8.9 (9.7)

Fund Managers
10 participants

	Rental value growth			Capital growth (%)			Total return (%)		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
Maximum	0.0 (1.4)	1.0 (1.8)	3.0 (2.5)	1.0 (0.5)	1.8 (1.8)	3.0 (3.3)	7.0 (7.8)	8.9 (8.9)	10.3 (10.9)
Minimum	-3.0 (-3.0)	-1.1 (0.3)	0.0 (0.4)	-3.9 (-3.2)	-2.0 (0.0)	-2.9 (0.0)	3.5 (4.1)	5.0 (5.8)	5.0 (5.9)
Range	3.0 (4.4)	2.1 (1.5)	3.0 (2.1)	4.9 (3.7)	3.8 (1.8)	5.9 (3.3)	3.5 (3.7)	3.9 (3.1)	5.3 (5.0)
Median	-1.3 (-0.6)	-0.5 (1.0)	1.5 (1.8)	-1.3 (-0.5)	0.0 (0.9)	1.3 (1.6)	5.7 (6.5)	7.1 (8.0)	8.3 (9.0)
Average	-1.4 (-0.6)	-0.3 (0.9)	1.4 (1.6)	-1.3 (-1.0)	-0.2 (0.8)	1.0 (1.5)	5.7 (6.1)	6.9 (7.9)	8.2 (8.7)

Equity Brokers
4 participants

	Rental value growth			Capital growth (%)			Total return (%)		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
Maximum	-1.5 (-0.5)	1.5 (2.2)	3.3 (4.0)	-1.2 (-0.1)	2.5 (2.0)	4.0 (4.0)	6.0 (6.0)	10.2 (9.0)	10.8 (11.0)
Minimum	-4.0 (-3.0)	-1.0 (-1.0)	0.5 (1.0)	-3.0 (-3.0)	0.0 (-2.0)	0.5 (1.0)	3.9 (3.0)	7.0 (5.0)	8.3 (8.5)
Range	2.5 (2.5)	2.5 (3.2)	2.8 (3.0)	1.8 (2.9)	2.5 (4.0)	3.5 (3.0)	2.1 (3.0)	3.2 (4.0)	2.5 (2.5)
Median	-2.5 (-2.3)	0.0 (0.0)	2.5 (2.0)	-2.3 (-2.0)	0.5 (0.3)	2.6 (2.0)	4.0 (4.7)	7.7 (7.3)	9.6 (9.0)
Average	-2.6 (-2.0)	0.1 (0.3)	2.2 (2.2)	-2.2 (-1.8)	0.9 (0.2)	2.4 (2.3)	4.5 (4.6)	8.2 (7.2)	9.6 (9.4)

All Forecasters
21 participants

	Rental value growth			Capital growth (%)			Total return (%)		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
Maximum	0.0 (1.4)	2.0 (2.2)	3.3 (3.4)	1.1 (1.8)	2.5 (2.2)	4.0 (4.0)	8.1 (8.3)	10.2 (9.0)	10.8 (11.0)
Minimum	-4.0 (-3.0)	-1.1 (-1.0)	0.0 (0.4)	-3.9 (-3.2)	-2.0 (-2.0)	-2.9 (0.0)	2.8 (3.0)	5.0 (5.0)	5.0 (5.9)
Range	4.0 (4.4)	3.1 (3.2)	3.3 (3.0)	5.0 (5.0)	4.5 (4.2)	6.9 (4.0)	5.3 (5.3)	5.2 (4.0)	5.8 (5.1)
Std deviation	1.0 (1.2)	0.9(0.9)	1.0 (0.8)	1.4 (1.5)	1.1 (1.0)	1.5 (1.0)	1.4 (1.4)	1.3 (1.1)	1.4 (1.3)
Median	-1.5 (-0.5)	0.0 (0.8)	1.8 (2.0)	-1.2 (-0.1)	0.1 (0.9)	1.9 (2.0)	6.0 (6.0)	7.3 (8.1)	9.0 (9.0)
Average	-1.5 (-0.8)	0.0 (0.8)	1.7 (2.2)	-1.3 (0.8)	0.4 (0.9)	1.6 (2.0)	5.6 (6.0)	7.5 (7.9)	8.7 (9.2)

Notes

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Fund managers: Aberdeen Property Investors; Deutsche Asset Management; Henderson Global Investors; LaSalle Investment Management; Legal & General Investment Management, Morley Fund Management, Prudential Property Investment Managers; Savills Fund Management, Schroder Property Investment Management, Standard Life Investments

Equity brokers: HSBC; Merrill Lynch; UBS Warburg; Credit Suisse First Boston

Forum Activities

Annual Lunch – January 2003

Over 1000 IPF members and their guests attended this year's superb IPF Annual Lunch at Le Meridien Grosvenor House, Park Lane.

The speaker at the lunch was Hamish McRae, Economics Editor of the Independent. Hamish is widely recognised as Europe's leading futurist and is author of the acclaimed work on the future **"The world in 2020: Power, Culture and Prosperity".**

A full copy of the presentation **"What next for the World Economy?"** given by Hamish at the lunch can be downloaded from the IPF website (www.ipf.org.uk).

Above Hamish McRae

Left Andrew Blackshaw receives the IPFET Module Prize from Fae Whalley, Stephen Fogel looks on.

Top left Richard Quartermaine receives the IPFET John Whalley Prize from Fae Whalley.

Hot Property Party – March 2003

On 12 March 2003, the Midlands Region held its first 'Hot Property Party' at the Jam House in Birmingham. Over 200 members of the IPF attended this social gathering and over £5,000 was raised for the charity, Acorns Children's Hospice. The event was kindly sponsored by Industrious, Henry Boot Developments, Barberry, Pinsent Curtis Biddle and DLA. The evening was judged a huge success by all and a repeat of the event is planned for the early part of next year.

Left The Booze Band which provided the evening's entertainment

IPD/IPF Property Investment Conference 2003

This year's annual IPD/IPF Property Investment Conference will, as usual, take place in Brighton on the last Thursday and Friday in November (27th & 28th). Now in its 13th year, it is well and truly established as the indispensable event in the UK property calendar for research, debate and networking.

Hosted by the award-winning journalist Peter Hobday at the Grand Hotel, the two-day event will cover a wide range of key topics in the property industry. This year's keynote theme focuses on the allocation of funds to property, so delegates will hear about property's credibility in a world of paper assets, its ability to attract capital and what CIOs and actuaries think about property. Other themes to be discussed at the Conference include, among others, liquidity, leases, risk and debt management.

Last year over 350 property industry leaders gathered in Brighton and were both educated and entertained by the exceptional line-up of speakers. In 2003, the speakers will again be leading edge and will provide us with cutting-edge papers, first-rate analysis and rousing discussions.

For further information, please visit the IPD website (www.ipdindex.co.uk) where you will also be able to reserve your place.

Future activities

Following the success of the Hot Property Party in the Midlands, we are looking to hold a similar event in London this autumn. Once confirmed, information will be emailed through to members, so keep an eye on your inbox!

Dates for your diary:

Midlands Annual Dinner	30 October 2003
IPD/IPF Annual Conference	27–28 November 2003
IPF Annual Lunch	27 January 2004

People

Ian Marcus took over the role of Chairman at the IPF AGM on 17 June having spent the past year as Vice Chairman to Steven Fogel. Ian, who has had several years involvement with the IPF's Management Board, will continue to progress the work instigated by past Chairmen, such as the working closely with related organisations to show an integrated approach to the property sector, particularly to government.

He will also focus on the launch of the research programme, hiring of a research director and production of the product. In addition, he will seek to reinforce the important role which the IPF Advanced Education Programme plays in ensuring that property professionals are able to compete in the wider investment arena. Ian is also keen to meet with members based outside of London and the South East and will be planning some regional visits.

In addition to his role as Chairman, Ian will continue to represent the IPF on the Bank of England Property Forum. Ian is a Managing Director – Head of the European Real Estate Investment Banking Group at Credit Suisse First Boston.

A new Life Member of the Forum was announced at the lunch. Dr Karen Sieracki of KASPAR Associates Ltd was recognised with life membership of the Forum for her outstanding contribution to the Forum in the areas of education and research.

Vivienne Wootten, Assistant Director at the IPF, will be commencing her maternity leave from mid July with a return date of January 2004. Whilst away, her role will be undertaken by Sunita Dhawan who has previously worked with organisations such as Profile Productions Ltd and the Society of Competitive Intelligence Professionals in the US and UK.

Left Ian Marcus, IPF Chairman

Above Stephen Fogel congratulates Karen Sieracki on being recognised as a Life Member of the Forum.

After many year's on the IPF Management Board, two esteemed members and former Chairmen, stood down from their positions on the Board at this year's AGM. Ed Luker, Chairman of Insignia Financial Services, and Martin Moore, MD of Prudential Property Investment Managers Ltd, have both worked extremely hard to raise the profile of the IPF. Martin will, however, not be avoiding the property spotlight as he has now taken on the role as Vice President of the BPF.

Below Rosalind Rowe

We are delighted to announce two new members of Management Board. Rosalind Rowe, Director, Real Estate Tax, PricewaterhouseCoopers LLP and Ian Cullen, Director and Head of Systems and Information Standards at the IPD, both join the IPF Management Board from 17 June 2003.

Rosalind is a Chartered Accountant and Chartered Tax Adviser. She specialises in the provision of taxation services to multi nationals including property companies, retailers and funds and government bodies. She is a specialist in PFI where she advises bidders, government bodies and investors in the more mature projects on re-financing. She also advises on regeneration projects in London and also in the North East.

Ian, a founding Director of IPD, is an economist with extensive experience of portfolio analysis and property market research. At IPD Ian is responsible for all technical aspects of the delivery of client information services, the production of Indices and related performance measures, as well as coordinating systems and product developments. In addition, he oversees portfolio analysis services in the Netherlands.

Property Investment Exchange launches Propex Professional

Propex Professional, the latest version of the investment exchange adopted by a large part of the UK investment market, was launched by The Property Investment Exchange in June.

It follows 12 months of substantial progress for the company, during which time Propex has become the preferred method of introduction of investments for more than 250 fund managers and investors across the UK. With over 750 agents also now using the exchange, it is fast becoming the accepted electronic medium through which investment deals are communicated in the professional market.

Propex Professional is a giant step towards providing the property investment professional with a screen-based system, which delivers deals, news and research in an integrated manner to the desk-top of every user. As well as a method for introducing and exchanging deals data around the market, the new release provides users with comparables, research and news related to each property on the Exchange. The new version also introduces 'Propex General Release' – a general listing facility for those properties being openly marketed by Propex agency members.

Iain Reid, Chief Executive of API, believes that the new product will be well received by the investment market. "Propex Professional makes the investment transaction process more efficient for all involved – the amount of data that is instantly available on the Propex screens is impressive. This means the analysis of deals can be carried out more quickly which should speed up the investment decision-making process."

Paul Marples, Managing Director of Property Investment Exchange, has high hopes for the new product. "Propex Professional brings together all the information needed by the investment agent and investor. The key component is the deals – we are now seeing in the order of 500 deals being passed securely through the exchange every 2 weeks – and the rate of growth is accelerating fast."

He adds "With over 1,000 people now using the Exchange, we can start to deliver more and better investment information to an ever wider market of investment professionals. We have listened hard to the opinions and advice of those Investors and Agents that have supported us – and we are making huge efforts to provide a service that will be an integral part of the UK investment market. I believe that Propex Professional is a communication tool that everyone in the investment market will find of genuine help in their day-to-day business dealings."

The aim is that eventually anyone involved in the UK property investment market, whether they be involved in the direct or indirect market, will want Propex open on their desk-tops as their main market information tool".

In order to handle the growing requirements for training and support, The Property Investment Exchange has moved to 28 St George St, London W1, just off Hanover Square, where there is a new presentation and training suite. Anyone is welcome to drop to get up-to-date training or assistance. For further information on Propex Professional, please call 0845 230 2309.

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