



Health, wealth & happiness: Northacre's new CEO on the luxury property developer's new direction & global ambitions

In conversation with *PrimeResi*, the PCL developer's newly-appointed Group CEO *Walid El-Hindi* explains the changes going on behind the scenes - and why its new strategy goes far beyond bricks & mortar...

• By PrimeResi Editor • 7th July 2022

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2022 is shaping up into a very big year for longstanding Prime Central London developer Northacre; with two flagship schemes poised to complete and a new corporate structure, the firm has announced plans for an ambitious global rollout, lining up \$3.6bn of projects with a focus on health & wellbeing.

PrimeResi met up with newly-appointed Group CEO Walid El-Hindi to discuss the new strategy, and commitment to delivering much more than bricks & mortar...

Can you summarise the new management and company structure at Northacre - and how this will change the business going forward?

As part of Northacre's global expansion, SHUAA Capital is consolidating its real estate investment management, real estate asset management and real estate development businesses into a separate new entity. Northacre follows a fully integrated real estate

approach.

Combining investment management, development management and asset management, we create robust investments that deliver profitable and sustainable real estate and wellbeing-focused projects in the UK and MENA region. Our approach is underpinned by our core purpose: to enable healthier and longer lives.

Our developments aim to be environmentally sound and serve the wellbeing of residents, community, and society at large.

Our sustainable business practices reduce its carbon footprint and will ultimately achieve net-zero emissions by 2035.

Across the group, we are entrusted to develop real estate projects worth more than \$3.6bn.

SHUAA Capital, now merged with ADFG, has an established presence in the Middle Eastern banking and real estate sectors; how will the repositioning of Northacre affect these operations?

The merger took place back in 2018. As part of Northacre's global expansion, SHUAA Capital is consolidating its real estate investment management, real estate asset management and real estate development businesses under one platform and establish a separate new entity headquartered in London.

Under the new umbrella, Northacre would currently be developing a diverse and unique portfolio of projects across the UK and the GCC in excess of \$3.6bn alongside its investment and asset management platforms.

Northacre has built its brand in the super-prime residential sector, but recently launched an office development at The Broadway. Will the business continue to be resi-focused, or will there be more diversification?

The Broadway remains as a mixed-use scheme which incorporates residential, commercial and retail at ground level.

The development is a vibrant new living quarter located with Orchard Place at the heart, London's new contemporary lifestyle destination and wellness capital of London. Set within a neighbourhood unlike any other, created to encourage wellness, nourish its community and reinvigorate Westminster. Curated with stylish simplicity, this blended lifestyle ecosystem will define a new era, where mind, body and spirit are catered for in every way.

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Our track record is in both heritage and more recently new-build. We will continue to do both residential and mixed-use developments and look forward to the next chapter which will take us beyond Prime Central London.

Northacre's new ambition is rooted in wellbeing; how do you define - and measure - this concept, and how will the brand and product cut through in this increasingly competitive space?

Our commitment is to develop, manage and fund a diverse and unique portfolio of projects with a key focus on sustainability and enhancing health & wellbeing.

We aim to create sustainable value for clients, employees and shareholders by strengthening and growing our core businesses through our three verticals. With sustainability and wellbeing at our core, we bring together a mix of assets, services and real estate projects that share a common mission for achieving ambitious and practical environmental, wellbeing, social and economic goals for people and businesses.

We will be building communities that are proactively developed with the holistic health of its residents, guests, environment - both natural and built - and local community in mind.

We also want to build strategic partnerships and affiliations with like-minded brands.

We intend to build an understanding and leadership on wellbeing in the built environment and set a new benchmark for the industry.

We will also connect with well-established reporting frameworks to demonstrate progress on our sustainability and wellbeing goals via:

- Global reporting Initiative with UN Sustainable Development Goals.
- WELL Building Standard - WELL Certification to be met on all new projects going forward.
- LEED Certification on all new buildings, with a goal to achieve the highest level by 2030 on all new construction.
- Global Real Estate Sustainability Benchmark will be used to measure our performance. It is our ambition and target to have achieve the highest scores within the industry.
- We are committed to achieve a 5* GRESB rating by 2030.

London has been chosen as the base for the global Northacre operation; what advantages are there to being based in the UK capital over other locations?

London is where the Northacre journey began and has been the home of the Northacre brand for over 30 years. It has long been, and continues to be, one of the world's leading capital cities, the language, legal system and its economic stability make it one of the most

popular locations for global businesses to be headquartered.

As a location it is both well located in terms of time zone and literally where East meets West, many of our partners are based here and we feel it is a place that is well positioned to accommodate our global offering. London also continues to be a key location for our three verticals.

Northacre's flagship London schemes No.1 Palace Street and The Broadway are both completing this year; are there other major projects in the pipeline, and if so where?

We have an exciting pipeline in the UK, UAE and KSA and we will be making some anticipated announcements later in the year.

Northacre is famous for revitalising PCL's heritage buildings, including The Lancasters, The Phillimores and King's Chelsea; The Broadway was the first new-build scheme in the portfolio, so is this an indication of the future direction of travel for the firm?

Our track record in both heritage and new build will be combined and we will continue to deliver on both depending on the opportunity.

A partnership with St Regis was announced recently, creating Northacre's first branded residence project at No.1 Palace Street; how important are collaborations in your vision for the future of the company, and can you disclose any of the other brands you are working with?

We are always seeking partnerships and brands that complement our ethos and focus on enhancing health & wellbeing. Some exciting collaborations are in the works and we will announce them in due course!

Have you noticed any significant changes in buyer behaviour and preferences over the last two years; and if so, which of those are here to stay?

Buyers' behaviour has certainly changed. Commonly people believe Covid-19 was the main driver of this however there are multiple factors in play. Apartment size, offering of outdoor spaces, office/study spaces within the homes are all key criteria and we have never seen demand like we have today for larger apartments that are over 2000 sq ft.

This is further exasperated by the lack of stock in this space that is completing imminently, as well as some councils limiting the size of what developers can build such as Westminster. As both our projects are on the brink of completion and are delivering larger apartments, and we are seeing a lot of demand. Demographics is another factor that has changed, we are seeing a surge of European buyers as well as the typical international markets becoming very prominent purchasers.

We have sold more apartments to people who are based locally than ever before.

What are the major challenges facing resi developers in the current climate?

Development is becoming more difficult for a couple of different factors. One is the lack of available land to purchase which has always been the case in central London. There are very few developers who have 30 years of experience who know how to add value and see opportunities that many others may not.

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Debt and construction costs are also a consideration, and this is something that has not phased the few experienced players in the market. This in turn allows us as a business to be able to purchase land, develop it and deliver it successfully in this complex market place.

Northacre was founded over 30 years ago; where would you like to see the firm in another 30 years' time?

We would like to be "net positive" in 10 years - doing business in a way which puts back more into society, the environment, and the global economy than it takes out.

I'd like to see Northacre be the partner of choice, that governments and organisation would come to for advice/work - through the lens of sustainability and wellbeing

We would like to have set up the Northacre academy platform for wellbeing & sustainability with research, innovation, incubation and teaching at its heart.

Which international locations do you see as having the most potential for super-prime property development?

All three geographies will continue to have incredible opportunities in real estate in prime and super-prime.

Do you have a personal favourite from Northacre's back catalogue of projects

I couldn't be prouder of No.1 Palace Street, The St. Regis Residences and The Broadway, the new wellness capital of London.

What is the best piece of advice you've ever received?

Have a powerful core purpose and make sure every project has a compelling story beyond

bricks and mortar.

Further Reading

- [Northacre plans global expansion as focus shifts to sustainability & wellbeing](#) July 2022
- [Northacre moves into branded residences with St.Regis at No.1 Palace Street](#) June 2022