

Interview with Paul White

In his pristine office Paul White, the dynamic CEO of Frogmore, talked to Susan Freeman about the influences on his property career to date and the next exciting chapter of the Frogmore story.

Paul White's office is daunting in its neatness – not a file or stray piece of paper to be seen. He immediately assures me that his clear desk doesn't mean he isn't busy, but is symptomatic of his being ultra-organised. This stems from his first holiday job as office junior with West End agents James & Jacobs, working for Jack Jacobs, Stuart Lipton and Alan James. James taught him how important it was to worry about the detail. And White still worries about the detail today. Having left school at 16, he learnt from the 'university of life,' which he regards as of equal importance to a university degree. 'Although it doesn't sound like the perfect start, it was, because you had to be humble and learn how to treat other people.' Today, when asked to advise young people considering a property career, he tries to temper their expectations by advising them to 'just get on the ladder' rather than hoping to start at the top!

White's best decision in recent years was to follow the advice of Frogmore's founder Dennis Cope, who in 1995 told him to leave agency and run the quoted property company. Although he enjoyed agency, 'there is nothing more exciting than being a principal.' Frogmore, established in 1961, has already had several lives.

It was listed from 1971 and remained so until Cope and White (with three colleagues) took the company private at the end of 2000. He and Cope then built another successful Frogmore company, Frogmore Property Company Limited, which has grown substantially over the last five years.

Whilst recently toying with the idea of returning to the public arena, he decided that the way forward was to raise an opportunity fund, which has just closed with over £300 million of equity and £600 million debt. This has the advantage of continuity and enables White to reward his team's loyalty with a sizable piece of the business. With £900 million plus to spend over the next three years, the team has substantial buying power. They have six new recruits, but externally there will be little change. Whilst White is delighted that others are looking to Europe and beyond for real estate opportunities, the Frogmore fund will focus exclusively on the UK. There is otherwise no specific sector focus and they will look at development and investment opportunities in the office, industrial, retail and residential sectors. They will buy assets, manage them over a two to five year period, dealing with lease restructurings and refurbishment, and then sell on. The established Frogmore mantra of 'get in, get on and get out' will continue to apply. 'We are a purchaser of stock in its raw state and development and asset management issues thereafter are our bread and butter'.

White expects the fund to do ten deals a year in the £5 million to £50 million range.

On the road from January through to April presenting to potential investors, White now has UK, US and continental backers, ranging from funds and pension funds to wealthy individuals and families, all keen to invest in the UK. Whether due to luck, weight of money or their impressive track record, fundraising went more quickly than anticipated. Debt will come from the 'normal Frogmore-friendly UK banks'.

Frogmore is known for its joint venture partnering, which enables them to access other peoples' complementary skills or to secure a deal, on the basis that, it's better to have half a deal than lose it altogether. Long-term relationships and repeat business are important and White cannot recall ever having fallen out with a joint venture partner. Loyalty also features in their

professional relationships. Frogmore has only ever used a handful of lawyers. The relationship with Mishcon goes back to 1993 and originally started with partner Ronnie Hooberman more than 20 years earlier. White's choice of lawyers is not fee-driven; it's a question of using the right professionals for the right job.

The same themes dominate his personal life. White has been married for 35 years to Anna, who he glowingly describes as 'a wonderful understanding wife'. He loves his sport, having been a loyal Arsenal supporter since the age of five. With his huge enthusiasm for his work, White has no thoughts of retirement, commenting, 'I love what I do – as long as that continues, its great.' He sees the industry as mature with REITs a very positive step, bringing opportunities to sell to a wider audience. A staunch member for the last ten years, White sees the BPF as increasingly relevant to a larger industry base, adopting a coordinated approach that couldn't have been envisaged ten years ago. ■

