

Matt Slepín:

Hi, this is Matt Slepín, and welcome to Leading Voices in Real Estate. Today we are re-releasing one of my very favorite episodes, a conversation about life, career, the office business, and cycling on the Strava app with the CEO of EQ Office, Lisa Picard. EQ Office is the office vertical for Blackstone, and has the assets of Blackstone's various office acquisitions, including former well known office companies like Equity Office, CarrAmerica, and Trizec, and by now many other acquisitions.

We are re-releasing this episode for several reasons. First, Lisa's story exemplifies the many compelling career journeys we've heard on Leading Voices. Second, Lisa more clearly articulates the meaning, the ripple effects, and therefore the opportunities around innovation in real estate more passionately and clearly than anyone I know. And finally, this episode is preparation for our conversation on the office business to be released right after the new year with Owen Thomas of Boston Properties.

I am curious myself to re-listen to the Lisa discussion as a pre-pandemic look at the office business as context for the conversation with Owen coming up about the office business now almost two years into the pandemic. Maybe we'll have Lisa on again later this year to hear what she's seeing in Blackstone's office business and investments in this new world. I hope that you enjoy this revisit of my conversation with Lisa Picard.

Lisa, welcome and thanks for being a guest on Leading Voices in Real Estate. We have a lot to talk about, and I want to get right into it, but let's give our listeners just a moment of a quick overview. You're the CEO of EQ Office, which at least we all know as Equity Office Properties.

Lisa Picard:

EOP, right.

Matt Slepín:

You started with the company in 2016 as the COO and became CEO about a year ago.

Lisa Picard:

That's correct.

Matt Slepín:

And EQ Office is the office vertical of Blackstone Group, and Blackstone is the largest owner of office property... They're actually the largest-

Lisa Picard:

Huge.

Matt Slepín:

...owner of anything in the world.

Lisa Picard:

Yeah probably, yeah, likely.

Matt Slepín:

But you manage a part of their office portfolio.

Lisa Picard:

That's correct.

Matt Slepín:

And what you own, operate, and manage would make you third, fourth, fifth in the world or in the country in terms of office owner operators, like Hines, Tishman Speyer, Boston properties, the world in which this company's been for a long time. So we have a lot to talk about your career. And I always like to start at the beginning, but make sure I have the headlines somewhat correct about what you're up to today and why we're talking-

Lisa Picard:

Ah yeah.

Matt Slepín:

...and then we'll go way deep in into it later.

Lisa Picard:

For sure, yeah, yeah for sure. I guess headline, the office market is definitely changing. There's a shift in the way people do work today. And from a headline perspective, it's forcing owners of real estate to shift the way they've commonly done business. And I would say maybe not causing them, but those that aren't realizing the shift, I think are going to experience a new economic reality with their assets. And so for us, it's really migrating what I would say has traditional been a B2B company, like a business to business company to a really a B2C company. We are marketing to talent. We are marketing to workers. We are marketing to employees as opposed to, marketing to executives and finding out the best locations nearest the golf club or executive housing. So things have changed.

Matt Slepín:

Mm-hmm (affirmative). And is your thinking of, that you're marketing to the consumer, you're really marketing to the talent-

Lisa Picard:

That's correct.

Matt Slepín:

...that those employers care about.

Lisa Picard:

Yeah, right. Maybe B2T, B to talent. Yeah, exactly. And because as we've all looked at what's happening with labor today and the very, very tight unemployment rates, that most of the growth that happens today for organizations is really through talent, and growing the expertise within your organization. Because we're really not producing products per se, we're creating ideas. And so, organizations' access to ideas is really through the collaboration and the connection of having really high quality talent, at least in the high growing companies.

Matt Slepín:

Mm-hmm (affirmative) I'd also think in the world, of course, well I'm sure we will talk about the WeWork phenomenon-

Lisa Picard:

For sure.

Matt Slepín:

...but in-

Lisa Picard:

We can't talk... We can't broach this topic without asking that question.

Matt Slepín:

Yeah, that being the headline. But it's interesting because I'm a small business owner, I tied up a five year lease five years ago. It was a big deal for me. I was uncomfortable and my company's grown, shrank, grown, shrank.

Lisa Picard:

That's right.

Matt Slepín:

Shrunk. And then what do you do with that space that you're obligated to have in an economy where I can rent my car from someone else tomorrow in five minutes, I might want to do that with my office space.

Lisa Picard:

Yeah, and I think that segment is not going away. As many as my counterparts, big, large office owners, think that the times of Regis, when it failed, right? That this is just another one of those. And I think the thing that's changed is that technology has really advanced the way and changed the way we do work today. And if you think about it, we are experiencing stresses within sort of the traditional office portfolio where retention rates, retaining a tenant, is nowhere near where it used to be. And the reason is, is it's a lot easier to move a company today. You don't have servers to move. You don't have law libraries to move. You don't have... You pick up your laptop and you can go. And so a lot of tenants are looking at what is the next new thing that's going to help me attract and retain and inspire talent.

Matt Slepín:

Other interesting question about that is over the last years, the multifamily industry's been the industry that's been the darling and the least volatile-

Lisa Picard:

For sure.

Matt Slepín:

...of the property types.

Lisa Picard:

That's right.

Matt Slepín:

And office has operated almost in the opposite fashion because it's such a lumpy asset class and maybe you're-

Lisa Picard:

Yeah, high capital expenditures.

Matt Slepín:

Yeah, you're de-lumping these long-term commitments all coming due at the same time or potentially at the same time.

Lisa Picard:

Right, yeah. If you look 10 years ago, a business could at least plan 5 to 7, 10 years, right? At least the majority portion of the organization could do that type of long term planning, right?

Matt Slepín:

Right.

Lisa Picard:

And today, what organization knows how big they're going to be in two years? I don't even know how big I'm going to be in two years, and yet signing a 10 year lease. I kid around with folks, at the time that Blackstone bought EOP 11 years ago, the iPhone didn't exist. Now that's kind of a normal lease term, right? And if you think about what's happened to society, what's happened to work, what's happened to business by these little devices that we can't seem to tear ourselves apart. I think that just the nature and the pace of change, we've never seen the kind of change, right? In our industry, as we've just seen and witnessed and experienced probably over the last five years. And guess what? It's never going to be this slow again.

Matt Slepín:

Interesting. So let's take that as a segue to understanding you and your background and where you came from and how you got to this place. So, Lisa, where did you grow up? What was your world and what was your world before school? And...

Lisa Picard:

Yeah, yeah.

Matt Slepín:

Help me think about that a little bit.

Lisa Picard:

So I grew up in Downey, California which is-

Matt Slepín:

Downey.

Lisa Picard:

Yeah.

Matt Slepín:

Famous.

Lisa Picard:

Famous, southeast LA county. The old orange groves that converted in the fifties and the sixties, the track homes. And my father was a manufacturing tool engineer for Northrop, actually for Rockwell first and worked on the space shuttle. And he was actually a World War II vet. And it's really odd for someone my age to have a father who was in Normandy. But, my parents were basically children of the depression. And, in that day and age, my dad was 50 when I was born and my mom was 38. And so, I have a twin sister and I think the interesting thing that I would say that was really influential around that time, is that growing up with depression era parents who just really valued and respect every possession that they had. And I learned to eat the entire apple core, I learned to eat chicken bones because you didn't let anything go to waste, you know?

Matt Slepín:

Right.

Lisa Picard:

So I think having that backbone of just cherish and respect resources was really rather unique. And I think both my parents were super highly curious people about the world. We didn't have a lot of money so we kind of fabricated world travel by being in a motor home and going camping each weekend, or camping in a tent and that sort of things. And my mom explored cooking from around the world, by giving us all these different flavors and tastes because we couldn't afford to go out and eat and do that. So I think it just sparked this curiosity.

Matt Slepín:

Mm-hmm (affirmative) Did you have a sense as a kid, I listen to this funny podcast this morning, about three people who had portrayed presidents on movies. And one of them said, "No one becomes president or CEO of a company without knowing it in junior high school." And I didn't believe that, I don't think that's true.

Lisa Picard:

Yeah, yeah.

Matt Slepín:

Any sense of that for you or your aspirations?

Lisa Picard:

Yeah no, no definitely. I think that, my parents never gave me any limitations. In fact, I never knew that there was sort of limitations on little girls or women in that general... or even ethnicity. And so I think I viewed the world as my oyster and I could do whatever I wanted. But yet, there's always this you do what's in proximity to you and what you know. And the challenge was is that my father worked for Northrop and he was working on the B-1B and he couldn't talk about his work. So, I was a curious kid and trying to dive into what your dad does for a living. I couldn't get at it, so I kept looking for examples in my world of things that I was fascinated by.

And I'd noticed that as I walked to school, I was just drawn into the dimensions of sidewalks and how it influenced the way I felt. And so, at a very young age, I was keen to look at my urban environment and just recast it in my mind. And I would, like every kid play with... I played more with Legos and Lincoln Logs and created things out of the dirt in the front yard than maybe most little girls.

Matt Slepín:

Probably true. And then you went to Cal State, Pomona, and studied urban planning or urban studies?

Lisa Picard:

Yeah, I did. I actually thought I wanted to be an architect and I actually applied to Cal Poly San Luis Obispo. I missed the deadline and didn't get in. And so my mom said, "Well, why don't you go try planning? I think you'll like it." I was like, "Mom, I don't even know what it is." So I ended up going into the program. Immediately I started to work in professional planning practice and, really for a company that did a lot of work for Irvine Company. And I was, at the age of 17, doing grading design of new subdivision tracks in Newport Hills for the Irvine Company, while I was going to school because I wanted to see if I liked it. And so by the time I graduated from Cal Poly, I had four years of work experience-

Matt Slepín:

Holy cow.

Lisa Picard:

...and I immediately had developed relationships with the city of Los Angeles and largely because I was a big advocate of using technology. I was coding when I was in high school, I had purchased a really expensive computer my first year in college. And I was inserting cards and manipulating this thing and then figuring out how to do visualizations, to help people understand the urban environment early, early on before I think even the architectural firms were using anything digital.

Matt Slepín:

No AutoCAD or anything like that.

Lisa Picard:

No, no AutoCAD didn't exist at this time.

Matt Slepín:

But you were playing with it?

Lisa Picard:

Yeah, I was playing with it just to create some way to visually communicate. And it caught the eye of planning director at the city of Los Angeles and a number of people that they asked me to help them with some of the workshops. And that parlayed into me asking them for a letter of recommendation for grad school. And it's, I think a lot of times unfortunately, it's who you know, not necessarily what you know, but I'd like to think it was both. And I knew that after working in private planning practice and working for a lot of developers on different urban plans, for ski resorts, to third street promenade in Santa Monica, to civic plans, that there were these people called developers that were looking at a different rule book than what I was looking at.

Matt Slepín:

Right.

Lisa Picard:

And I could keep fostering my professional career in a defensive move, but I decided I wanted to really play in the offense. And so I had decided that I was going to go back to grad school and do a dual degree. One, that I wanted a little bit more depth in the planning side, but more on the urban economics. And I also felt like, going to a heady school like MIT, I needed some safety in a subject matter that I liked, quite honestly. And I added the real estate finance piece of it to really understand the mechanics of what went into making property, right? Because, and it's actually been one of the things that I advocate to anybody who's going to school that, just take finance, because everything in this world... I mean, if you want to start study art theory, great. But then take finance because somewhere an artist is going to need financing, or whatever it is that your passion is, it's going to need to figure out how to get money because money really what moves things in this world.

Matt Slepín:

So it doesn't work unless it makes economic sense.

Lisa Picard:

That's right.

Matt Slepín:

Like love it or hate it-

Lisa Picard:

That's right.

Matt Slepín:

...it's just the truth of the world.

Lisa Picard:

That's right, yeah.

Matt Slepín:

It's interesting, my daughter, who's probably listening at this moment, but she is applying to MIT and she wants the urban design part, and the finance and business part's less interesting to her. But she has to have it, it doesn't-

Lisa Picard:

Yeah, yeah. It's what adds the fuel to everything that you want to do. And when you understand that dynamic and you understand the language, you can achieve your objectives in the other world so much easier. So much easier.

Matt Slepín:

Right, it's also, you've said this, but it's the currency of conversation. Because otherwise you're, and I just could be a pure idea person, but the ideas have to be rooted somewhat.

Lisa Picard:

They have to be rooted in some way in which you can achieve it in this world, right?

Matt Slepín:

Mm-hmm (affirmative) Okay, so you went to MIT?

Lisa Picard:

I did.

Matt Slepín:

And then came out, and how did you navigate and get started in your post-MIT career?

Lisa Picard:

There's a little bit of another interesting twist to this story is because, just before I was deciding to go to MIT, I knew that... Well, I was actually going to apply to Cal or MIT. And then I fundamentally knew that wherever you're going to study real estate or urban design, or architecture for that matter, your environment is your textbook. And I felt like the Southland, LA, west coast had been a very strong textbook, but it was one textbook in the nation's history. And so I felt like the MIT experience, being in Boston, an older city that had not grown up around the automobile, that that would give a whole another sense of education.

And so actually just before I, actually the day that I got my letter, I called my dad and I said, "Hey, got in." My dad was from the east coast and he was super excited. And then, oddly enough, the very next day, my mom calls me at work and says, "Hey." I go, "Why are you calling me at work?" And she said, "Hey, your father's had a sudden heart attack." And I went, "Oh, wow, is he okay?" And she said, "No." And I was like, "What does no mean? What does no mean?" And eventually she said something about the body and I knew that my dad had passed away, instantly.

Matt Slepín:

So sorry.

Lisa Picard:

Just right before I was going to head off to school and I could see in my mom that she was just torn apart, right? And I think I knew that I had to go, I just had to go. And over that next year, my mom just deteriorated so much so that that summer she passed away. So you're kind of like, "Lisa, where is this story going?"

Matt Slepín:

Yeah, yeah.

Lisa Picard:

But basically what happened is, I realized in all those moments, you suddenly, when you have that passing of your parents, at the age of 22, I'm having my midlife crisis. Because you realize the red coats just went down in front of me and I'm the next one to take the bullet, right? And you also realize this really phenomenal thing, I would say, what you were doing things for. And there was so much being driven by, oh, I would say, like pleasing your parents. And suddenly they're not there and you go, "Who am I pleasing?" And you're like, "Oh my gosh, I got to do what's right..."

Matt Slepín:

For yourself, right.

Lisa Picard:

Yeah.

Matt Slepín:

Totally.

Lisa Picard:

For myself and for what I felt like, I guess I would say what I felt would influence the world. Interestingly enough, you know?

Matt Slepín:

Yeah.

Lisa Picard:

So I decided that after being in Boston, I really wanted to be back on the west coast. And it was a horrible job market. I shouldn't say horrible, but 2005 was not a great job market. And I decided, I'm going to be in San Francisco because everybody says San Francisco's the bomb. I'm going to... You live here, right?

Matt Slepín:

Mm-hmm (affirmative).

Lisa Picard:

So I'm like, "San Francisco's the bomb, I'm going to San Francisco." And my roommate, who was going to school at the Harvard GSD said, "Oh, there's no way you're going to get a job there." And I was determined. And so I had this strategy that I would just meet with people and I would just ask them questions about the industry, because I really wanted to get into finance. Because I figured I had a design background and I needed to prove to the world that I could do the hard science. And so I would just spend time meticulously being super curious about every person I met, never asking them for a job, but learning about what was happening in the industry. So by the time I got to the fourth or the fifth person, right? I knew more about their industry than they did. And they're like, "Holy crap, we got to hire this person." Right?

Matt Slepín:

Right.

Lisa Picard:

So I flew back home and, to my roommates surprise, there were like four job offers on the answering machine when I got home. And I ended up taking one for a small boutique investment advising firm that was advising the pension funds in real estate. And the reason why I chose them, one is it just felt like you could do everything. And it was the greatest experience in that two guys ran the shop. They were really well known in the industry. They gave young people within their organization a remarkable long leash, to buy buildings, underwrite them, buy them, manage them, asset manage them and sell them. So you did it from soup to nuts. And I got to understand the whole language of finance and investment. I got to understand what made those spreadsheets tick. And then I also got to understand what didn't make them tick and how I could blend the world of really doing high quality design, or high quality moves that the market would value, and that would show up in a spreadsheet.

Matt Slepín:

Right, and that was here in San Francisco?

Lisa Picard:

That was, yeah.

Matt Slepín:

And what group was that?

Lisa Picard:

That was Bristol Group, so Jim and Jeff. You probably know those guys.

Matt Slepín:

Yeah I know those guys. They're amazing.

Lisa Picard:

Yeah.

Matt Slepín:

Let me ask a question. This goes back a few minutes, if we can do it.

Lisa Picard:

Yeah, totally.

Matt Slepín:

Without your parents, and realizing you had something to live for so make a difference, was your answer to the what you'd focus on making a difference, would that have been their answer?

Lisa Picard:

No.

Matt Slepín:

Or were you unfettered by the answer they might have had for their aspirations for yourself?

Lisa Picard:

I was unfettered. Yeah, I was unfettered, completely unfettered. And I literally remember flying on a red-eye flight back to Boston after I'd sold my parents' home. And I had this moment like, "Why the hell am I doing this? Why am I going back to MIT to get a degree? Who's going to say like, attagirl?" And I was like, "Oh, wait a minute, that's me." You know?

Matt Slepín:

That's right.

Lisa Picard:

And it was remarkable how many times for the journey of being in school, I instinctly went to go pick up the phone, right? Like dial, in those days, dial. But pick it up and call my parents and just share something, right? There's something cool that happened. And I was like, "Wait a minute, I'm supposed to just enjoy this." Right? "I can enjoy this." Right? And so I think that just... Anybody who's lost a parent, they'll tell you this, right? That suddenly you realize what's worth it and what's not worth it. Because you realize, "Oh, this thing doesn't go on forever." Right? "It does have an ending to it. And so I'm going to make sure my ending's really good." Is kind of the point in it. And because you're at that stage like, "What do I have to lose?" Right?

Matt Slepín:

Mm-hmm (affirmative), totally. Fascinating. Okay so back to the story. So you're here at Bristol Group, you're actually learning what a deal looks like.

Lisa Picard:

All deals, right? And then meeting with people and trying to surface up deals, that whole dynamic. And I'm partnered with other people who are young and just as eager and we're teaching and we're... It's like grad school had continued, but in the real world.

Matt Slepín:

Exactly.

Lisa Picard:

Yeah.

Matt Slepín:

Exactly.

Lisa Picard:

Ultimately I've been looking for, that was core finance, and I'd been looking for an opportunity to get to development, to build things, right? And I think, my father always built things and it was the nature of what I really was interested in. And so a colleague of mine that I had gone to MIT with, who was working for Hines, and said, "Hey, we've got some opportunities opening up. There's one in here in San Francisco, but there's also one in Seattle. I think you should come in and talk to us." And I was like, "Okay."

So I did, and I met the guys here locally at the Hines office in San Francisco and they said, "Hey, we've got two opportunities. We think the one in Seattle is going to be a better opportunity for you, and are you interested?" And I said, "Yeah, let's do it." And I think I'd been up to Seattle once as a kid and so, I think it rains there a lot, but I just packed up and I moved to Seattle. And over the course of a couple of years, actually five years with them, built over a million square feet of spec office space. Really sunk my teeth into building, thinking about the process of how you develop real estate. And I'll tell you there's no better company than Hines to really go to school in development because the rigor and the regimen and the understanding of what it takes to build a building, and particularly office buildings, was remark-

PART 1 OF 4 ENDS [00:23:04]

Lisa Picard:

Of what it takes to build a building, and particularly office buildings was remarkable. I mean, it's just an unbelievable education.

Matt Slepín:

And probably as much as any company in the world, they want to build a great office building because they'll want to get it up. Gerald Hines was on the podcast a couple of months ago and talked about all that.

Lisa Picard:

And he, I mean, he pitched his first, I mean, everybody knows the story when they work at Hines, him pitching his first office building by bringing in the lever door hardware because he wanted to make this statement of quality. And that statement of quality really existed in the things that the company built and the way they thought about building.

Matt Slepín:

And important for you with your background, because now it comes together with doing a transaction and seeing the quality and making a difference.

Lisa Picard:

And, I mean, I was there during the heyday of the dotcom, and rode that up, leased a building three times in the same cycle.

Matt Slepín:

Oh my God.

Lisa Picard:

And then when the dotcom bomb happened, and as we know it hit pretty hard in Seattle and also San Francisco, right. Such that San Francisco never really had a peak in 2007, because it was really back in 2000, it was still digging itself out. Seattle was similar, but not as quite as deep. And the unleashing of a building was, having gone through a cycle and feeling that cycle, having gone through two now, right, or actually three in my career, but feeling that cycle and experiencing how far will this go? Will there be demand that comes and picks back up and just surfacing for anything that breathes to fill and lease your building?

Matt Slepín:

Right.

Lisa Picard:

Was a pretty cool experience to sort of makes you smarter in the up cycles when you go through the down.

Matt Slepín:

I haven't heard anyone say the word unleashing a building. I've heard emptying out, but I just haven't heard unleashing. But it's an interesting dynamic.

Lisa Picard:

Yeah. I mean, some people are unleashing buildings today just because there's economic opportunity, particularly in this city, right. You can get back the space that many other people want it because the market's so tight. But in that day, we had lease to companies that were 30,000 square feet and they wanted 250,000 square feet and they posted what we called a BALC, which is a big ass letter of credit, and to secure 250,000 feet, and they built out the whole thing, right with Cisco Service, Herman Miller chairs and the whole thing. And then when the boom happened, they were still only 15,000 square feet. And we wanted to try and figure out how they can still be an ongoing business without having this unbelievable LC that was just going to take them down. So in those days what we did is we figured like, well, if we're going to release an obligation, a debt liability, we want some warrants in the company.

Because if somehow you make it, then we're attributed to the reason why you make it. So it was negotiating warrants, reducing the amount of square footage in the building, having a little bit of runway and then re-leasing the building. So that was the de-leasing or the unleasing of a building.

Matt Slepín:

How many of those warrants came back and made you money?

Lisa Picard:

Zero.

Matt Slepín:

Yeah, I thought so.

Lisa Picard:

Zero.

Matt Slepín:

I remember those warrant days. People were so excited in our business. Okay. So then how long were you at Hines? What came next?

Lisa Picard:

I was there a little over five years. And at that point in time, the office market wasn't coming back. Hines wanted to move me back to LA. I developed a pretty strong community in Seattle. And I joined a local development company that was actually partnered with Vulcan on a number of deals and helped position a couple of assets and particularly a lot of Multifamily, because Multifamily was actually doing quite well, and some development opportunities were surfacing as well as some biotech for this company. And so there, I developed a relationship with Ada Healey and folks at Vulcan. And then, somewhere in that tenure, I had a colleague that I had worked with long ago in design, who had now been working in Tucson, Arizona, and he introduced me to the president of Canyon Ranch. And Canyon Ranch, because he and I had a real great relationship and Canyon Ranch was about ready to go on a brand expansion.

And I was at that stage in your career where I call it sort of mid-career where just no one seemed smart enough, everything seems like you've done it before. It feels like your career is going nowhere. You start looking at like, oh, should I become a naturopathic doctor? How about a fireman? I mean, literally I went through all of these things, even taking the fire person's test because I was so bored at my job.

Matt Slepín:

Wow.

Lisa Picard:

Yeah. I guess it was somewhat of a weak moment, but it wasn't in that Canyon Ranch approached me and said, "Hey, let us show you something that's going on, and we think you'll be interested". And what they showed me was the value of brand, and for Canyon Ranch, they had a brand recognition with 200 room keys that was one that people trusted their life with. And they were developing a property in south

Florida, in Miami Beach and they were getting pricing that was double the pricing of the adjacent condo project. And I was like, why is it double? I mean, all of my math, right, and all of my finance training, and I would say the finishes didn't necessarily were that spectacular to tell you that it could pay double, right.

And so I was so intrigued that I wanted to learn, how do you create brand value? What is brand value and how do you create brand value? I decided to leave my job, leave Seattle, actually I didn't fully leave Seattle. I kept my residence in Seattle and I commuted down to Tucson to join them as the head of development for Canyon Ranch resorts.

Matt Slepín:

Let ask a question. It's interesting, because you think of Hines among those of us who understand the office business as a pretty good brand.

Lisa Picard:

Yeah.

Matt Slepín:

Maybe the best brand.

Lisa Picard:

Right.

Matt Slepín:

But it doesn't have that differential pricing because an office building's more or less an office building.

Lisa Picard:

Yeah. I would say it's largely a commodity, right. But I would say if you're debating between a Hines asset and adjacent asset that it's enough of a differentiator that you'll select it, but not get a premium, right.

Matt Slepín:

But now you're talking into the premium world.

Lisa Picard:

I'm talking premium world.

Matt Slepín:

You're going to learn about that.

Lisa Picard:

Yes, exactly. And I think the other thing that was really remarkable in terms of migrating my experience from office to Multifamily to residential is that the stay got shorter and shorter. And so the other interesting thing that happens when you see the stay get shorter and shorter is the level of service and operations kicks up. It has to, because if you've got a vacancy every night, you've got to be on your game, right. As opposed to a vacancy every seven to 10 years. You're like, oh, oh, let's check in on the tenant, right. It's like six months to go, right. But at Canyon Ranch, you could really see what service did to the

whole model and what it did to, I think reputationally, when a customer walked out the door and what they said about the brand, right.

Canyon Ranch had 25 docs and PhDs on staff. They basically looked at an individual and they saw each individual as a case. And they would staff the case, holistically. It's like the most amazing collaboration I've ever seen, right. Where someone gets a, let's say a DNA test, right. And they discover, well you don't utilize vitamin D very well. We should probably do a bone density scan, but your wait, you're only 27, okay, well let's do a bone density scan. So they do a bone density scan. Oh your pre osteopenia and portions of your spine, not your hip because you're an amazing runner because they'd have these amazing athletes show up. So they'd bring in the PT guy who was a UCLA PhD. And he said, Look, you never have to lose bone mass, that you have two different bone crews.

So they would then they'd bring in the nutritionist who would give you the right supplementation program. You'd mega dose vitamin D's once a week so your body could absorb it. So it was all of these things. And then basically they had set up, what I would call and I learned the Joseph Campbell journey, which I apply today in everything that we do from a real estate perspective. And it's really about the experience. And I learned that how you could actually shape a person's experience and how you could heal people before they saw their healer. You could shape a person's self worth and value just by the sequence of spaces that we could create.

And then obviously the level of service we would put on over the top of that. And, for me, it was profound and the most simple takeaway, if I'm going to say, okay, this experience, and how did it influence the way I think about office buildings? How did it influence the way I thought about cities? How did it influence even building apartments? Is that humanistically, there's always got to be an invitation, right. And so when I say an invitation, that's the brand piece of the promise of whatever it is when I have an engagement with this piece of real estate. And then there is, and I think about it almost like a wedding, okay. So there's the invitation, then there is the processional and now I'll tell you in every office building, we talk about the talent processional. So what is the path people have to walk from the street to their seat? And how does that feel and how does it start to evoke the sense of this ceremony or this event that's going to happen?

Whether it be at work, whether it be when I get to an apartment, whether I get to the hotel or the wedding altar. It's that whole processional, and how does it feel? And is it building to this crescendo moment?

Matt Slepín:

Wow.

Lisa Picard:

And then when you have that crescendo moment, you have to have some place to break bread, community. In the wedding, it's a reception, in the hotel, it's definitely the eating venues. And now you'll see obviously in every office building there's these amenities and communal places that are brought in so that people have that place to share stories. So all of that has really helped me understand and teach other people, how do you create experience, right. Because people really value that experience and are willing to pay a premium for it.

Matt Slepín:

Yeah. It's interesting too, two comments, one, the word authentic is overused, but maybe it's expensive because what you describe with all the doctors and all the people who know their stuff is it's not an

empty promise. It's a promise, it's backed up by, maybe expensive reality. Second, I do have a story I haven't told in some number of years, but my wife used to work at, at EOP office building at One Market Street, Spear Street, one of those towers there, just years ago. And I would pick her up every couple of days. And one of the men at the front desk, he would see me come around the corner and he'd go, Matt, let me call Diane. And then I sent a note to Tim Callahan, one of your predecessors who ran EOP. I sent him a note and told him the story about that guy. About two weeks later, I'm walking down the street and this thing comes from behind me and grabs me. And it was the doorman guy, and He said, "Thank you so much. Mr. Callahan gave me accommodation because you had sent a note".

Lisa Picard:

Yeah. It's the smallest little things.

Matt Slepín:

And it moved me. It clearly moved him, right. But leadership, that's reality, not empty.

Lisa Picard:

Totally. Yeah, and what happens is, is that those small little instances, whether someone has an experience with a therapist or a doc at Canyon Ranch and then shares it with five other people, right. And that's the piece that I think Seth Godin talks about, is about being remarkable. You're so good and you're so attentive to the needs of your marketplace that people will make a remark about you. You're remarkable, right. And so I love to share that story internally because I think it's the motivation of what we aspire to.

Matt Slepín:

Yeah. Okay, so let's get back to the career because we want to then talk about the office space. So what have happens after Canyon Ranch?

Lisa Picard:

So I had such a deep level of curiosity with everybody on the property and I wanted to learn so much from the nutritionist and the PTs and everybody that I got to be really, really well known. And so much so that I think it started to influence my relationship with the president. And I think the president felt a little bit, not entirely aligned with my communication. I was let go. So those are kind of like one of those signature moments that like, honestly it hurt more than losing my parents. I mean, it seems odd to say that, but I think what happens is when you are really tied into a really powerful workplace that you just connect with, right, that sometimes you let it become a part of your identity and when you do and it's ripped from you.

Matt Slepín:

Really hard.

Lisa Picard:

And I mean, the crazy thing is, is after that experience, I came back home to Seattle and I just remember calling a buddy of mine at Morgan Stanley. And the first thing I called was like yeah, this is Lisa Picard, and they're like, yeah, who are you with? And I'm like, ah,

Matt Slepín:

Oh, you don't have that no more.

Lisa Picard:

Yeah, it was gone for me, and I think the hugest learning lesson one I got from that is that I am not Lisa Picard at Canyon Ranch. I'm not Lisa Picard at EQ or EOP or whatever, right. I am Lisa Picard. And I think ever since that move, it helped me establish a separate identity from what I do for a living. And also it's allowed me to be, I think, more forthright and willing to lose it. Doing the right thing, not doing the thing to keep the job, but doing the right thing that essentially creates the value, right. And oftentimes those can be different things. So I came back to Seattle and instantly when I came back, a lot of people were asking me to help them do some work and partner with them.

And so I decided to go do some development on my own. And I opened up Muse Development. I had a couple of partners, we invested in a couple of deals, mostly Multifamily. And then I did some fee development stuff just because there was a lot of families in Seattle had interesting properties. And so we repositioned them, developed them. One was a houseboat community on Lake Union. So it was super fun.

Matt Slepín:

That would be fun.

Lisa Picard:

Yeah, just learning all about that and just the maritime community and just all the regulations and the history around houseboats in Seattle is fascinating. And I helped a couple of families out on the east side of Seattle as well. And it was great. I mean, I had great flexibility in my schedule. It was a lot of interesting work, but it wasn't big work. And I got approached by Skanska five years into that. And Skanska is a large international construction, mostly construction company and had been doing development in Europe and was starting to go do development in the US. And they had already opened up three offices, one in Boston, one in Texas or Houston and the other one in DC.

And they were going to do a west coast expansion and they decided they were going to come into Seattle. And I was actually having a good time at what I was doing. They asked me to come meet with them and I flew to New York and the conversation was something like this, it was kind of like, so let get this straight, you guys finance everything yourself? Yes. Okay. So you don't have any lenders? No. You don't have any investors? No. Okay. All right. So if I'm going to contemplate doing this for you guys in Seattle, I want to know that I'm actually going to be part of the investment decision of what we actually put on the dirt, what we put on the ground. And the guy looked at me and he said, well, well, well of course, who else would do it? And I was like, oh my God, right. I mean, you suddenly have this opportunity to develop without the constraints of financing or investors. You just have to justify that you can sell it at the end of the day for a return.

Matt Slepín:

And that they get rid of it. So this isn't held forever. This is a merchant building [crosstalk 00:39:45]

Lisa Picard:

Total merchant building. But I would call Skanska interesting, it's like merchant building with a heart. Because there's this Scandinavian, Swedish thing that's really committed to environmental quality, community, placemaking. So there is a deep commitment and almost a competition, I would say, internally between countries about how good someone can do that.

Matt Slepín:

Competition between countries on health. Someone can do that?

Lisa Picard:

There's a lot the collaboration between all the countries at which Skanska operates. They have a Polish unit, they've got a Scandinavian unit, Norway, Gothenburg, Stockholm, Copenhagen, right, London. And so when I say a bit of a competition, it was a friendly competition.

Matt Slepín:

Within that company.

Lisa Picard:

Yeah, within that company of who could outdo each other in terms of the superlative nature of which things got built. That was my sense of it. It was never spoken that way, but it was definitely my sense of it.

Matt Slepín:

So talk about the superlative nature of the things you built in Seattle in that timeframe, because that's an amazing period of time.

Lisa Picard:

Yeah, yeah, yeah. I will tell you it was super fun, right. So the first thing, I end up hiring a colleague of mine that I worked with at Skanska, Murphy Macola. And I said, "Hey, if I'm going to take this job, you'd be interested in joining me. Here's the details". And he's like a construction company? I go "Yeah, but here's the details" he's like, "Oh yeah, I'm in". So anyway, Murphy joined me and essentially day one, we were interested in shaping things around the city that we felt weren't getting done the way that built a real city. And what was getting built in downtown and south lake union felt a lot like the suburbs coming to the city because the land parcels were larger.

And I could see that there was a dynamic of where everybody, if they could live and work in the neighborhoods like Capitol Hill, Fremont, Queen Anne, right. If they could live and work in the neighborhoods, they would love it, right. So we said, how can we bring neighborhood to the city? And so that was our big bent. And at the time we had also learned that Brooks Sports was in the market looking for a new headquarters and they were debating whether or not to move in from the suburbs, they were out in Bothell. And I got an opportunity to talk with their brokers and I said, Why are they considering the suburbs"? I mean, they're competing against Nike and New Balance. And those guys are in Boston and Portland and they're trying to hire young talent. They need to be in the city.

We need to find them a site on the city's most loved urban trail, the Burke-Gilman. And they're like, I need to get you a meeting with Jim. I was like, okay. So next thing you know, Murphy and I are perusing around this neighborhood, Fremont, where we knew the trail exposed itself, and we managed

to negotiate an agreement, kind of a quasi agreement with a landowner to do a ground lease. So we didn't have this thing under contract. And we managed to get a meeting with Jim Webber, who's still the CEO of Brooks, great guy. And we sold him a vision. We said, we need to build you a Trailhead on the city's most loved urban trail. And he's like, we showed him a picture, and the only way that he could actually develop the amount of quantity on that site is the city had passed new legislation that if you built almost living building, right, like uber, uber green, that you could get extra zoning for the site.

So we pitched this building to him and he was comparing it with a bunch of other buildings. And I'll never forget the day he called us because we knew he was going to decide that day. He calls us and he's like, you know, Lisa, I don't know what your building is, I don't even know if you can build it, I just know I need to be there.

Matt Slepín:

Wow.

Lisa Picard:

So we ended up signing a lease before I even had land control. We didn't even have it designed. And we signed a lease, right. It was just an unbelievable amount of trust because he could feel our passion, he could feel our absolute passion. He could feel that we were going to deliver on it. And man, it was a battle because we didn't even have the zoning, okay, mind you to build this. And I think there was a couple of moves from some community members that were absolutely strategic. That came down to a very narrow vote at city council after we'd probably spent a couple of million dollars on design and processes. But we got it approved and we got it built. And after so many years, it was remarkable that he called me, and I was like, oh gosh, he's going to complain about something. And he said, "Lisa, I never thought we'd have it so good".

Matt Slepín:

I hope you're all enjoying my conversation with Lisa. I wanted to take a moment to hear some insights from Bruce Miller who's an international director with our sponsor JLL. He co-heads the firm's capital markets platform in Chicago and specializes in office properties. Bruce, we've been hearing about Lisa's experience in an ever evolving landscape of office development. What significant changes are you seeing?

Bruce Miller:

I think the office landscape is really broadening. First of all, not only are we seeing investors looking at large glass steel buildings, but we're seeing far more of them taking a look at creative office buildings. We're seeing far more aggressive pricing very recently in that more creative type of office space. I would say that we're seeing interest in emerging submarkets, just areas where we're seeing a little bit more of that combination of live, play, work. And I would say that we're seeing a trend of urbanization that's having a major impact on investor appetite.

Matt Slepín:

Bruce, thanks for your commentary. And back to the conversation with Lisa. That is such a great story. It's interesting because you sold him a vision and a concept. Others probably had a floor or a building or a warehouse.

Lisa Picard:

Well, I think Marty Selig actually had a shoe that he was rotating on the top of his building. He was promising to put a shoe on the top of his existing building.

Matt Slepín:

That would move people.

Lisa Picard:

Yeah, that would move people away.

Matt Slepín:

But also I'm comparing that to Gerald Hines walking with a locksafe because he sold a concept. You sold an idea.

Lisa Picard:

Yeah. And you know, I mean, it was funny because Jim's attorney was like, Jim don't.

PART 2 OF 4 ENDS [00:46:04]

Lisa Picard:

Yeah. And... I mean, it was funny because Jim's attorney was like, "Jim, don't do this. What are you do..." But I think in the end it just paid off for all of us.

Matt Slepín:

Yeah. And how does... When... Because you started this by saying you're bringing neighborhood to the city.

Lisa Picard:

Yeah.

Matt Slepín:

Now you're combining these things we've talked about for this period of time. One is design and desire to make a difference and the others making dough, how much money you going to make for me today.

Lisa Picard:

Yeah.

Matt Slepín:

So, was this a merchant build and at the end did you get the-

Lisa Picard:

Yeah, we sold it.

Matt Slepín:

Increased value because of that?

Lisa Picard:

We did. Yeah, we definitely did. I mean, it was a ground lease. So, ground leases are always a bit constrained on the exit, but we made more than what we thought we would make. And I think we, sort of, underwrote it pretty tight just because... This was early. What was this? This was, kind of, 2011, '12. I'm trying to think about the time. So, it was, kind of, the first real new building deal. That was a second new building deal that was done in Seattle after the 2008 decline. So, but yeah, and then I think at the same time we were doing that we were also looking for more property and we were very, very focused on South Lake Union and we... Murphy, my colleague, managed to free up a piece of dirt that was right in the core on Fairview.

And we had a vision there that, that's was... This was going to be the spec building. And in the core of where a lot of buildings were getting built, particularly by Vulcan and Amazon started to, kind of, consume a lot of property in that neighborhood. And that one was really, sort of... I think the magic building. We really focused on how do we bring neighborhood to this one? Because the Brooks Building was really, sort of, creating a trailhead, and a trailhead experience around, kind of, the community aspect of that. And we attracted retail tenants and so forth to the base of that building. But this one was different. We consciously decided to side load the core. We consciously made the lobby the most smallest lobby for a 330,000 square foot office building that you could possibly make.

It was really just an elevator vestibule. Because what we knew is that today's workforce really just wanted to get out of the building as fast as they could, when they made the commitment they didn't want to walk through a [mosoleem 00:48:16], which is how most office buildings are designed, even new ones here in San Francisco today.

Matt Slepín:

They're huge.

Lisa Picard:

Big, huge lobbies that are really just... They been statements of the corporation. They've been statements of the organization and really what companies want is they want a statement of lifestyle, of what their organization represents. And so, we wanted to deliver on that. And we created just this massive volume type hall and we double loaded retail on this building. And the biggest thing is that we said is, humans love to be outside.

Matt Slepín:

Mm-hmm (affirmative).

Lisa Picard:

And I think if one thing that I continue to bring to anything that I do is to bring humanity to it.

Matt Slepín:

Mm-hmm (affirmative).

Lisa Picard:

And I think the way in which we designed office buildings previously, or quite honestly, anything in the city was not with humanity considered. And so, a lot of this was, we designed the office building to actually breathe. So, both ends of the building open up. And so, it's like the ground floor of the building is indoor outdoor. And in Seattle with such a temperate climate, you could do that probably 80% of the year, 80% of the time of the year. But I think the most interesting story is in its lease up, and as we were leasing it up and, particularly, as it took shape, because it felt different than anything else in the market. And you'd walk into this building and more than once the tenants or I would say the various tenants, the users in the market would walk through and they're like, "This has soul."

That would be the word they would use, right? And it's almost, sort of... I remember eating Peruvian food from this woman, this beautiful woman and she... I said, "God, this food is so delicious. Why is this so delicious?" And she's like, "Because we put love in it." And it was something like that, everybody who was on this project, we just instilled our passion into, sort of, creating something special. And so, when it came time to, sort of, lease and... There was two other buildings that were actually being built at the same time. And I think, sort of, the market rent for the average building that was, kind of... New construction was probably 30 triple net. And we, sort of, said, "Hey..." The broker came to us with a proposal. What's your proposal. We're like, "37 triple net."

And so, they'd go, "Okay. Hey, here's... We've got another offer here and it's... How about... We got one for 30. How about 30, 33 triple net?" And there were like, "37 triple net." And we just... We believed in the product, right? And we believed people wanted it, right? Because we were leasing up pretty good. We had a great reputation. Everybody wanted to see the building.

Matt Slepín:

Wow. Uh-huh (affirmative).

Lisa Picard:

And so, we held our rate, right? Where all of our competitors were leasing at 30, we were... Or 31. We were leasing at 37 with minimal concessions, just fixturing period. And a normal tenant improvement allowance.

Matt Slepín:

And did the tenants feel it was worth that money because they could keep and maintain?

Lisa Picard:

Yeah.

Matt Slepín:

And get staff.

Lisa Picard:

Yeah. I mean, the funny thing is that we built it with a vision that we were going to help technology tenants be drawn to Seattle. We had this like vision that we were going to help Seattle, right? Retain into

the track talent, because we were going to create great workplace, right? And we wanted to think about how we could provide for that next future company, right? That was out there.

Matt Slepín:

Right.

Lisa Picard:

But the funny thing was is that all... The tenants that needed it the most were traditional tenants. We leased to Tommy Bahama, we lease the Delta Dental, we leased to a hardware company, because hardware is not as sexy as software. So, they needed an asset like this. And if you think about it, all of these companies are competing for the same talent, for the most part, unless you're trying to attract a software engineer, but if you're looking for administrative people or accounting people or what have you, right? They're all competing for the same talent and they needed some killer app, and we drew and we attracted a customer we didn't think we would get. And that was the first that stepped up and took it.

Matt Slepín:

In the old days, it used to be fancier building more marble, but you're talking about more experience, not more marble.

Lisa Picard:

This was exposed concrete. We had exposed conduit on the ground floor, no one dropped a ceiling, it was a modern building, for sure.

Matt Slepín:

So, let me change subject and ask you a question about Seattle at that moment in time.

Lisa Picard:

Yeah.

Matt Slepín:

And I want to get to a question about women in real estate because I have three friends. So, you mentioned [Data Healy 00:52:49].

Lisa Picard:

Yeah.

Matt Slepín:

And [Apey Herd 00:52:49] was there.

Lisa Picard:

Apey Herd, yeah. Right.

Matt Slepín:

There's probably others. And Apey was on the podcast last year. What's going on in Seattle and what makes the way that city was developing fit women in development, which is such a male dominated business traditionally?

Lisa Picard:

Yeah, no. It's a great question. And I don't know if I have a direct answer to it, but I just do know that, culturally, Seattle's business community feels different and maybe that has a lot to do with, sort of, the Scandinavian roots of people who founded the city back in the day. And there's definitely, sort of... If you want to understand, sort of, Seattle, you can, sort of, read a bit about Swedish culture.

Matt Slepín:

Uh-huh (affirmative).

Lisa Picard:

Because this whole, sort of, dance at a stop sign. You go, no, you go, no, you go, kind of, thing, right?

Matt Slepín:

Right.

Lisa Picard:

Exists in Portland as well. Is this, kind of, cordial, that I am no better than you.

Matt Slepín:

Mm-hmm (affirmative).

Lisa Picard:

And actually, that is, sort of, the kind of the principles of [jatugen 00:53:49]. And in Sweden is really that no one is better than anyone else. And so, you don't cut in line, you'll stand at the subway and everybody takes their cue, right? In a line before the Subway's even there.

Matt Slepín:

Right. Yeah.

Lisa Picard:

And so, I think that there's... In that respect, I think, kind of, happens all gender-wise. So, that's, kind of, one thesis that I'll say, just about the culture of Seattle. The other thing I would say is that, Seattle didn't really have its major development boom, right? I mean, there surely is old time developers, Marty Selig and others. And now, his daughter who's... Jordan, is rather remarkable. Is definitely assuming aspects of the business, right?

Matt Slepín:

Uh-huh (affirmative).

Lisa Picard:

But I would say that, there isn't those characters that you would have, kind of, like New York and LA that have, kind of, been there legacy and who, kind of, control it. And I think, probably, hats off to Paul Allen to selecting, ADA to, kind of, run his portfolio and lead the Vulcan organization. And I just... I think maybe there's just an aspect of the cycle for developers, really, was later. Really, sort of, surged obviously. I mean, we doubled our market size in the last 10 years, right?

Matt Slepín:

Right.

Lisa Picard:

In scale from an office perspective. And so, it minted probably a lot of new developers and, especially, if the environment is definitely more friendly for people who want to get into it. It facilitated us.

Matt Slepín:

Mm-hmm (affirmative).

Lisa Picard:

So that's... I guess, my only thesis.

Matt Slepín:

Okay. Well, It may be a coincidence, but I think it's not.

Lisa Picard:

Yeah.

Matt Slepín:

So, it has to fit somewhere.

Lisa Picard:

Yeah.

Matt Slepín:

So, talk about moving over to EOP then.

Lisa Picard:

At the EOP then, right. This 400 Fairview project that I talked about, we also started to work on a downtown high rise. We had secured a really amazing side across from the Seattle Art Museum from the Samis Foundation. And we started to envision a new building and we said, "Everything about an office building downtown, really destroys the urban environment." And so, we said, "What can we do to get it out of the way?" So, we engaged in a really different process. We created an RFC process. We called it an RFC, because it was a request for conversation. Because I didn't really want to get back all these proposals from architects and really just have to read them and I didn't want to have to put them through all that work when really all I wanted to know is, can I work with you? And do you have the tenacity to, kind of, drill through and go through this project with us to together?

Matt Slepín:

You wanted what you did with Brooks.

Lisa Picard:

Yeah, exactly. So, we embarked on that journey and we, ultimately, worked with the city to, kind of... A very cumbersome process, to lift an office building 85 feet off the ground and build a village underneath it. And so, we started to build this project, design this project, entitle this project. And at that same time, 400 Fairview, we had sold 90% interest in it. We kept 10%. That was a... That took a lot of convincing at Skanska.

Matt Slepín:

To keep 10%?

Lisa Picard:

To keep 10%. Yeah. We felt as though it was going to be important to keep it, to finish off, really, the retail environment. And then also to tell the story about our next project, because we could walk people through it since we owned it.

Matt Slepín:

Right.

Lisa Picard:

And [Lo and Behold 00:57:00], as the legend goes, John Greg does a west coast tour, right?

Matt Slepín:

Mm-hmm (affirmative).

Lisa Picard:

He goes and tours all the office assets, the latest office assets on the west coast.

Matt Slepín:

Right.

Lisa Picard:

And the last one he walks into is 400 Fairview. Apparently he took out his phone the first time that trip and photographed and said, "This is amazing. We need people who know how to do this." So, then I get a call and I, sort of, got asked to come to the organization and I said, "Look, I got a great job. I don't really need a new job. And quite honestly the job you're offering me is the job I have except more limitations." And... So then they, kind of, went back to the drawing board and offered me the COO position. And I said, "Okay, well that's really interesting, but what does that mean?" And I felt like... Okay, so once we've, sort of, designed and built 2+U, which is the next tower. What's really left to build, what's really left to influence?

And I was like, "Well, we got to influence other cities." Influence the way we build in general, right? Because I fundamentally believe and it's shown that every one of these assets we part of, we got a premium on the cell, absolute premium on the cell. Long story made short, there were some changes at Skanska because you always... There's something that has to push you. It's a push pull at the same time.

Matt Slepín:

This is true.

Lisa Picard:

Yeah. And so, I decided to leave and the interesting thing was at the time the current CEO was planning on moving the organization of the leadership to San Francisco. And so, I had to make a commitment to move to San Francisco. And Marc Stiles, the journalist, actually reported that, "Hey..." Why Lisa's moving to San Francisco because the news article came out that I was joining EOP at the time. And I would say, kind of, six months into joining the organization, one of the board meetings, Blackstone says, "We want you to run this." So, that was about a year and a couple months ago.

Matt Slepín:

Yeah. So, go back for a second because it's funny, as recruiters we think about what is the COO all the time and-

Lisa Picard:

Yeah.

Matt Slepín:

To me, a COO was all about who the CEO is.

Lisa Picard:

Totally.

Matt Slepín:

That answers the question. But there's no... Oh, give me a job spec for a CO because I just don't believe it.

Lisa Picard:

No. I mean, honestly what happened was, I was like, "Well, what does that mean as COO?"

Matt Slepín:

Right.

Lisa Picard:

Right. I said, "That can mean a lot of things." And at the time the EOP platform was taking, sort of, the corporate services, sort of, structure, right? They were going to take the IT accounting HR and that function and move it to a corporate services platform that was going to service all of the Blackstone real estate verticals. So, the COO wasn't going to really manage those components, which I was like, "Great."

Because that's not what I'm interested in. The discussion was, look, we want someone to really teach strategy, someone who's going to deal with how we're going to operate in the future. Start to, kind of, align, how we think about these spaces and teach an organization to do it because essentially the, sort of, the EOP structure has really been asset managers and people who, sort of, babysit assets, for lack of a better term, then somebody who really, sort of, strategically thinks about vision of servicing a market, like a developer would, that was my pitch, right?

That was my pitch is, coming on as COO is recalibrate the organization and start the... shift the strategy in terms of how we thought about real estate.

Matt Slepín:

Right. So, couple questions about that. First of all, they're not developing?

Lisa Picard:

No.

Matt Slepín:

So, you're out of the development chair at least for a while.

Lisa Picard:

Well, I mean... Yeah.

Matt Slepín:

But the vision drew you.

Lisa Picard:

Yeah. For sure. So, I mean, Willis Tower, we're... It's practically a development deal. I mean, that deal is... We're investing \$600 million into an existing tower, right? It's 4 million square feet. It's a city of its own.

Matt Slepín:

Think of Sears Tower folks, in case we're forgetting Willis-

Lisa Picard:

Exactly. And so, that is a development deal by far, right? And so, some of these repositionings are... I mean, the project gets more interesting. The more constraints there are.

Matt Slepín:

Yeah.

Lisa Picard:

And on that, it's, sort of, there's all these buildings, these legacy buildings across the landscape of cities that were built in the 70s, when urban environments were so hostile, right? We came to work and we left work. They weren't about community. They were about creating the silos of production, right? And Willis Tower was one of them or Sears Tower was one of them, right?

Matt Slepín:

Yeah.

Lisa Picard:

And was built on half the block. And so, this was one where, as I came in, I could tell that the style and the way of repositioning assets was still, sort of, the old way of doing it, where you just create volume and you create space and then you lease it, as opposed to creating a vision for how this can actually satisfy the desire of the market.

Matt Slepín:

And so, the desire... How many people work in Sears Tower or Willis Towers, excuse me.

Lisa Picard:

20,000 by the time it's fully leased. And when we bought it, it was actually about 78% lease. And with the visioning and we've repositioned a couple of the floors. It's now over what... 92% lease.

Matt Slepín:

Well, go back to your prior comment, if you want to make a difference in your career and you think, okay... Did you say 20,000 people?

Lisa Picard:

20,000 people.

Matt Slepín:

Work in Sear-

Lisa Picard:

Working. Yeah, in sear Tower.

Matt Slepín:

I'm still trying to get over that. Because I guess it's got to be true, but-

Lisa Picard:

It's 4 million feet, right?

Matt Slepín:

Right. I know, it's true. But it's just a shock-

Lisa Picard:

Every Million feet. You're, kind of... You got about 5,000 workers.

Matt Slepín:

So, let me ask you different question.

Lisa Picard:

It's a city.

Matt Slepín:

Yeah.

Lisa Picard:

Yeah.

Matt Slepín:

So, let me ask a different question to come back to this. So, the different question is I have assumed over time that Blackstone's model is here, is the conduit through which we run office buildings while we own them and we'll get rid of them if we can, should, or it makes economic sense.

Lisa Picard:

Yeah.

Matt Slepín:

And therefore, what you described before is the traditional EOP within Blackstone is, It's an asset management vehicle. To turn that into-

Lisa Picard:

Previously, yeah.

Matt Slepín:

Best of class or something with a vision. That's a different concept.

Lisa Picard:

I wouldn't say best of class. Because I definitely think that visioning-

Matt Slepín:

That's a buzzword to... So.

Lisa Picard:

Yeah. Visioning and positioning is really where it's at.

Matt Slepín:

Okay.

Lisa Picard:

Okay. And so, the way I like to describe it is, and this may be totally appropriate, but you know, the assets that we have are really islands of misfits. The holiday cartoon where all the toys in Santa's village are the ones that don't have a square wheel and so forth, right? They're on this island of misfits, right? So, we have the island of misfits. And for some reason they have a known vacate coming up, they have lost their luster, whoever we purchased them from starved it of capital, right? And so, the last thing that we do is starve anything of capital. So, because we definitely have the capital to make the moves, but the best way I would like to describe it is that the Blackstone motto is, buy it, fix it, sell it, right?

Matt Slepín:

Yep.

Lisa Picard:

And we work on the buy side of it, right? Because we have the market intel-

Matt Slepín:

Right.

Lisa Picard:

Wherever we're located. And we do the fixing it and then we do the selling it. And so, where that conduit of where that happens, the minute the asset has a really great performing cash flow, we don't value it. I mean, someone else will value it more than we will. So, I think the thing that's really interesting is, sort of, the pace of change at which you can really give these assets a second life and how you can, sort of, take these buildings and exert a large degree of creativity that understands their promise or their position for a particular segment of the market. And that's a puzzle. And I think, as a real estate developer is what I, kind of, call myself. That puzzle is unique each time and it's fun. It's really, really fun.

Matt Slepín:

Interesting. In the apartment business, you buy it, fix it, sell it. And no one knows that you did it because they just drove by it before, right?

Lisa Picard:

Yeah.

Matt Slepín:

And the values, creator's a great business.

Lisa Picard:

Yeah.

Matt Slepín:

In the office business, we all know the buildings you own.

Lisa Picard:

Yeah.

Matt Slepín:

Right. Knowing you drive by some office buildings you didn't know, but a lot of them, let's say Willis Tower, for example, their iconic building.

Lisa Picard:

Yes. Yeah.

Matt Slepín:

So, you're buying, fixing, selling an iconic building with 20,000 people in it.

Lisa Picard:

Right. That was starved capital and was at 78% occupancy.

Matt Slepín:

Right. So, that's a huge... That's a development job. That's more than a development job.

Lisa Picard:

Totally is. I mean, most of the assets that we have that they won't have nearly... That thing is a scale of its own, right? But most of it will be lobby repositionings and creating amenities that actually create optionality for work.

Matt Slepín:

Right.

Lisa Picard:

And places for community. Because I fundamentally believe that as... Workers need three things for a balanced diet of productivity and oftentimes what we're hearing is a lot of people talking about open office. Open office is dead, open office is dead. And I like to say, "Well, open office is dead." As much as eating apples will kill you, right? And it's, sort of, like no... If all you ate was apples, right? That probably would some point lead to your death without any, kind of, protein or other type of nutrients. And so, my point is that every worker needs concentration space. Every worker needs collaborative space and every worker needs community space. And they all have to be there in balance. If you really want to maximize the effectiveness of people in space and to talk about one in isolation doesn't really work. And so, my point is, is that when we're repositioning these assets, we think about those three things. And in those cases, companies today can't necessarily compete with the Facebooks and the Googles. And so, we've got to provide that third component of community.

Matt Slepín:

Right. And how much of this becomes the recreation of the asset and how much becomes how your team operates and manages it. And think about my friend, the reception guy at One Spear Street or Spear Free Tower, how much are in each operations and how much is in conceptualization?

Lisa Picard:

Yeah. I mean, I think that that is shifting more and more, I think traditionally, everybody would tell you it's in the physical space, right? But as we start to look at these shortened lease terms, right?

Matt Slepín:

Right.

Lisa Picard:

Where tenants are looking for, because they can't really evaluate how long their business or what their business is going to look like in two years, that if they try sign a shorter term lease, you've really got to satisfy them. And so, the service level, the component of how the building operates, some people argue that, that actually will determine core, a core building.

Matt Slepín:

Right.

Lisa Picard:

More so than anything. And I actually argue that tenants need, sort of... There's three things that are determining value in a building. And particularly in a lease transaction, the first one is really having flexibility in the space, whether it be [ROFO 01:07:57] rights, termination rights, because that, kind of, length of time that you're willing to commit to a lease is a serious risk, a serious business risk.

And the lease is probably the last thing. Real estate has been the last thing that has been scalable for a business, with the exception of, we work coming in.

Matt Slepín:

Right.

Lisa Picard:

And things of that. The second thing is just the availability, the pace of availability of the space, because decisions are made so much sooner now and waiting six months for something to build out, companies just can't wait, right? And then the third thing is, really, sometimes called culture sometimes called energy. I call workplace experience. And that workplace experience has a huge value today. And that is, sort of, the... I would call it the white space where current landowners aren't really providing it. Some of the retooling of our organization is how can we actually provide more of that workplace experience, whether it being events and levels of service that really make, sort of, the daytime use of things more convenient, easy and quite fun.

Matt Slepín:

And how's that experience when you walk out of your office suite? Is it in the building or somehow are you... When we-

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Matt Slepín:

Is it in the building or somehow are you... When we leased our space five years ago, they said, "Okay, figure it out, good luck." They didn't care about what was in here at all.

Lisa Picard:

Right. Right.

Matt Slepín:

Do you enter into their space or that gets into a different business model?

Lisa Picard:

Yeah. I mean, that is a service that definitely, I mean, we're doing more spec suites. Definitely in certain markets, there's a requirement to do more turnkey and to kind of just deliver the space largely because the construction costs have gone through the roof, and they're at the highest they've ever been in the last 10 years now. So I think what you're going to see from us is kind of an expanded service level offering in that. Just because we actually literally did a tenant EKG. So we sort know all the highs and the lows of when in the tenant leasing process from engagement to sort of occupancy. We do know the lowest moments are in the leasing process and also in the build out of the space are the lowest moments. It feels the most stressful for our customer.

Matt Slepín:

Well, it's expensive. So at least-

Lisa Picard:

It is.

Matt Slepín:

... for me, I'm again, small business owner.

Lisa Picard:

And uncertain. Yeah, and it's uncertain, like what you're going to really get.

Matt Slepín:

Also, when we did it, we got someone who won't listen to this podcast, so I could talk about it. But it was a kind of a low level interior designer and it was all standard. That will give you the thing. So what's standard? I didn't even want not, I didn't know what not standard was, because it five years ago was at the beginning of the revolution. Plus recruiters like closed doors, which I guess we have to have, I don't know that, but so we promised we would talk about WeWorks as part of this conversation.

Lisa Picard:

Yes.

Matt Slepín:

So how does that affect this and are they a major. They specifically, or their competitors that are now coming into the market or is it going to be you?

Lisa Picard:

Well, I think WeWork has done a remarkable job at responding to a marketplace that landowners haven't, right. And so I think that anybody, I mean, you look at Amazon. They've obviously created a masterful huge business by solving customer pain points and this was a significant pain point for businesses and organizations is really the leasing process and getting access to space and actually having some kind of energy in the space if you're one, two person company and now it's extended to sort of small to midsize to the enterprise size companies. I think they have caused a really great disruption in the business. I think, whether or not its current form and how they currently operate is going to stay.

I don't think their current form is going to stay largely because they're continuing to evolve themselves just as much as Amazon as a book reseller is no longer really... Like we don't know them as a book reseller, right. They kind of amazing logistics and host cloud space and now sell us movies and a bunch of other things right, online. So I think that over time their business model is going to morph and change because they're going to continue to sort of evolve their understanding of the customer that they're serving. I think if you're sort of asking whether or not it's competitive to our space. I think the market's big enough. They're currently doing it all within the houses of owned real estate.

And what I do think is that for us, it's teaching us to pay attention to the marketplace. And one of the things we think the marketplace really wants is both fixed space or term space, and also flexible because there's an idea identity component that might be missing if you just completely go into sort of a WeWork. And I know WeWork is also doing sort of a... They call powered by We, where they'll put their program on top of the business program to just give sort of workplace experience. So I think it's a growing piece of the market. The capital markets don't understand it.

Matt Slepín:

It's hard to understand the long-short problem.

Lisa Picard:

Right. And there's a duration matching issue for sure. And I don't think there's kind of a capital consideration in their model for the refresh. Because I think if you looked at first gen now and compared to sort of what they're building now is very different. And so there's some capital expenditure to kind of keep that stuff fresh because I think there's a pretty sizable density of people in the space and it's probably a little bit harder on it than most.

Matt Slepín:

And I assume that they are tenants of yours and competitors of theirs are tenants of yours.

Lisa Picard:

Yeah. Well, so we actually... I think we only have one building and it's a JV building that they're actually in, in our entire portfolio, [inaudible 01:13:47] feet. Yeah. We do have plenty of their competitors in our buildings. And I don't think we had the right type of assets that they were looking for initially. I mean, I think it's changed now, but in markets like this market, there's not a lot of space in our portfolio. But I think the more sort of a headline thing that we've done is that we've watched certain real estate owners essentially do a flexible space. In other words, what they'll do is they'll lease space to a tenant on a shorter term. Call it a year or two years. And they're only finding that they're getting like a 10% premium on that, right.

Where basically the co-working operators who are providing this whole workplace experience and have a brand around it that be sort of the WeWork, the industrious Regis. Those all have a brand around it. They're able to get two times the market rent, right. Where if a land owner does it themselves and does a short termed sort of lease expiration, it's only a 10 to 15% premium max. So there's some other dynamic that's allowing you to sort of get that increased bump. In what a tenant is willing to pay. And my sentiment on that is it has a lot to do with the experience that's being provided, right. And that in those experiences that are being provided, there's also a level of services of stocking refrigerators and a front office manager and things of those nature that as you, as a tenant who go to lease in those spaces, realize, "Oh, these are all these things I don't have to provide for. And I don't have to have this individual servicing my front desk. Who's taking care of all my mail and everything."

So, what our sort of solution was is like, "Look, these guys know how to do it really well, let's partner with them." So we interviewed, I think 15 different operators and we saw all the different scales and the ways of which they're approaching the business. And they're very different. I mean, if you think they're all the same, they're not. And some of the things that are very, very different are their customer acquisition channels. In other words, how they bring customers in and most of them, 70% of the customers coming in are not through brokers. So if this portion of the marketplace grows, right. In the next... I think some people theorize, I think it could grow to be as much as 10% of the marketplace, because I just think the flexibility has incredible value to tenants. That those people that had the most savvy customer acquisition channels are going to be probably the most successful.

And so we partnered with industrious. We select industrious for property down in Southern California on the west side of LA and they're our partner there. And I think the cool thing about it, the way that we're structuring it, is they are creating the whole workplace experience for the 1.3 million square foot campus, as opposed to just one workplace function. So they're curating events and dealing with F and B and things of that nature. So the way to think about it, is it's like a hotel management agreement. It's like a branded, flagged hotel management agreement that comes on top of an owned property.

Matt Slepín:

And that makes more sense for Blackstone given the buy it, fix it, sell it. Then it might, if you were long, long term hold of the properties.

Lisa Picard:

Right. And I think we give, we set up the structures, so it allows the next buyer to decide how they want to treat that. So we have flexibility in it. But we think ultimately that the subsequent buyer who's going to really value the asset is going to value this relationship that was created at the property because we think it's going to be pretty spectacular, pretty special.

Matt Slepín:

Talk about being part of Blackstone and what you've learned being part of Blackstone. Because I think you have the best and the brightest or at least the biggest. But what's that mean for you?

Lisa Picard:

Now, that's definitely the brightest. I mean, it's just like it's-

Matt Slepín:

Brightest and hardest work.

Lisa Picard:

Yeah. I think just the exposure to it first was quite a change. I mean, I spent the majority of my career, 18 years in Seattle on the West Coast and to kind of go to my first board meeting on Park Avenue, right. With this kind of marbled table and little microphones and mahogany in the background and probably 50 suits in front of me was quite a scene. And I think the thing that I really value and respect about the platform is just the sheer quantity of transactions and the visibility of transactions and movement and flow of capital and seeing the nature and the number of deals that are happening within that organization and getting to have a view into all of that is remarkable.

And the network of relationships from going to sort of go anywhere sort of in the world and you can get lined up to go get a property tour anywhere in the world because there's owned real estate. And I think, obviously John Gray is a remarkable human being and meeting him and hearing his passion and also just the demeanor that he carries and the sharpness that he has around understanding the real estate in so many markets. I mean that, to me, joining and having a pretty deep purview on the West Coast and some of the markets that Skanska was involved in, but now really entrenching myself in so many different markets and seeing the trends that are kind of unfolding across the country, but for him and the whole organization there to sort of see it across the world is something else.

Matt Slepín:

I bet it is. I'm thinking right side and left side of the brain and I forget which side might be challenged here, but I think the right side of the brain is, its has to show up to every moment.

Lisa Picard:

Yeah. Well, I mean if you think of sort of right side of the brain being creative in present moment. Yes. And then there's a deep left side of the brain of Blackstone that is very much entrenched in sort of the history of the numbers. Right. And sort of understanding kind of where Cap rates have been and where rents had been and where there might be going from a historical perspective. But very, very deeply left brain and everything is about the math, right. But I think what's been remarkable to me is communicating the vision and the brand and I would say the vision around a project and the positioning around the project and getting them to see that, how that actually creates value. We've it already in my short tenure with what David Moore has done in Chicago on Willis Tower. Right. Really teaching and showing how we create a vision and passionately get the community to understand it has been really, really fun. And for Blackstone to buy into it and really see it because they're seeing results.

Matt Slepín:

Right. The question I haven't asked you amazingly, so you're a woman in a male dominated part of the business. And we've touched on it for seconds, but not in any deep way. We won't have time for a really deep conversation about it, but any comments about that? Just thoughts, particularly the office business, but anywhere in commercial real estate.

Lisa Picard:

Yeah. I mean, I think the office business is probably the last passion of space for definitely a female executive in the industry. And a lot of that has to do with, it was CEO to CEO. And so the majority of CEOs in the primary organizations were men. And so you needed someone of like mind to kind of relate to that

other individual. So I think now that we've seen that transition of our business kind of get more B to T, or B to C, is that I think it's created a sort of deeper opening for that particularly in office market. But I think the one thing I would say is that there's definitely been sort of wake up moments where I didn't, like dawned on me that you kind of wake up and you're like, "Wait a minute."

For example, I remember being at Hines and looking at my closet one day and realize they were all start shirts. I'm like, "What am I doing? I'm all looking like them." But there was this aspect of where you had to fit in. I did what I could to fit in and then I think there's some pivotal moments. And I think one sort of really pivotal moment was, one of the CEO at Skanska who decided to mentor me. And I was like, "Why is he mentoring me?" This is kind of interesting, right. And so I said to him, "Mike, why are you mentoring me?"

One of the lunches I flew to New York to have with him. And he's like, "Oh, that's easy." And I'm like, "Yeah." And he's like, "Well, gosh, if I have the opportunity to mentor someone, who's going to be CEO of this company someday." I was like, "That's a real honor." And I was like, "What be?" And I sat there for a second going, "You've got to be kidding me." And I was like, "Well, wait a minute. Yeah, it can be me." So I think when Blackstone did approach me and sort of said, "Hey, we want you to be COO and actually I want you to be MD." I was kind of like, "I don't think that's big enough for me." And then came back and said, "Well, how about COO?" And I'm like, "Okay, that's a little bit more interesting, but what does that mean?"

And I don't think I would've had that sort of, I guess you would call it courage or sort of strength to sort of just say that to Blackstone in the moment if I didn't believe it, but I believed it because Mike told me and I think about that a lot because I go, "How can I do that for other women?" Right. How can anybody do that for other women? Because I think other women don't have, maybe sort of someone who's really given them the courage or the belief that they can be it. I mean, I think naturally men believe that they can do things beyond what they're capable of doing. Because I see it all the time in interviews. You probably see it as well.

Matt Slepín:

All the time.

Lisa Picard:

Versus women who are always constantly discounting sort of like, "Oh, well. Yeah, I've done that. But I don't know if I could really do that over there." Where a man would sort of generally just say, "Oh yeah, that's mine. I can do that. I can do that 10 times over." Right. And so I think our roles as leaders is really to free people up from sort of I guess the sort of the famous quote and I forget who said it, but it was like real leadership is not only seeing the seed, the seedling, but also seeing the tree and allowing that other person to the tree as well.

Matt Slepín:

Well, totally true. It's interesting, I don't know men coming into the business in the same way have that feeling of responsibility, long term thinking. It just doesn't go there.

Lisa Picard:

No. And it's honestly like what I've been teaching the because I... The next sort of my whole leadership team is men. Right. And all the SVPs are men in my organization. And interestingly enough, it's been super fun to kind of teach them how to develop people. And also, even just kind of, one of my SVPs was

wanting to sort of make an offer to a woman VP and he's like, "Oh, she's worth X, so I'm going to go 90% of X." And I was like, "Why aren't you just giving her X?" And he's like, "Well I mean, because she's making this." I was like, "Oh, so you asked her how much she was making." Well, that's the first mistake.

Matt Slepín:

It's no longer. No longer illegal. I'm sorry to say, this is my favorite question.

Lisa Picard:

Yeah, exactly. So, anyway he was kind of blown away that she didn't negotiate with him once he made the offer at X. Right. And so I've been a big advocate for sort of creating situations and also teaching our organization, how to develop people and how to encourage people because that's how you build an organization, right. Through the people.

Matt Slepín:

Two final questions. One is question I've asked every guest, if you had some advice to give that you haven't in our last hour already to young person thinking about a career in real estate. What would you say?

Lisa Picard:

I had this question given to me when I was on the stage with a couple of politicians and it kind of led into sort of a bit of a press article that sort of got me into trouble, but also kind of created a bit of my brand statement of who I am personally. But basically I might answer the question the way that I did then, and then I'll kind of give a little ancillary sort of piece. But basically I said when you work in the urban environment and if you're in real estate development. What you put on the landscape affects people and it's kind of art in its largest form. And so it changes an urban environment and it's there for quite some time. And so I guess what I'm saying is I had this pregnant pause, is you got to give a shit.

Matt Slepín:

Thank you. It's interesting. It's one of the thesis of thesis. Not thesis's of leading voices, because I think real estate makes a difference. And when we screw it up. It has made a bad difference in our world. And our obligation going forward in the world that we live in now with urbanization and suburbs and global warming, our obligations make these urban environments amazing.

Lisa Picard:

Yeah, totally. And I think the problem is, is that most of the real estate programs are driven by how to run spreadsheets. And it's not all about the spreadsheet. And I think I'm waiting for the time of when people really choose what their feat and they choose sort of stellar projects that have thought about these kinds of things and they pay for them. And I do believe that those will be the ones that actually have the highest levels of occupancy because people will be drawn to them. But yeah, it's kind of a big thing of mine and my advice to people getting in the business and you don't get into the business just because you want to make a ton of money.

I think that those sort of yields are changing today. And so I'm hoping that those that are drawn to the passion of doing well and then making money by doing well. Which I think is really, really important. But the other thing I would sort of say is just that sort of the two things that have really served me well throughout my entire career is just having passion for what I'm doing. And if you lose sort

of passion in it. It's sort of like find what it is that you love. But also it's just unbelievable tenacity. And when I say unbelievable tenacity, it's like knowing that there's a better way to do it and not getting fatigue. And I find, architects will get fatigue, team members will get fatigue and how you can motivate your people and yourself to kind of drive through sort of design fatigue, or deal fatigue or things of that nature and just have absolute tenacity.

Matt Slepín:

Totally. Well, I think it's about believing in what you're doing, because if you believe in what you're doing, you see that as a long term thing, you don't get tired. I mean, it's different. So this gets to the very, very last question. How don't you get tired on the bike ride?

Lisa Picard:

You mean like 130 miles in the Rockies.

Matt Slepín:

I guess that would be the question I haven't been there, but maybe you have.

Lisa Picard:

Yeah. I love cycling and what I love about it is, one, you can't look at your iPhone, right. You's just-
My favorite part.

Matt Slepín:

... It's a form of meditation. And even though there might not be a lot of thinking. There will be sort of the thoughts that kind of come into the subconscious. So it's really good. But the other thing that I really love about it is there's no other thing, particularly when I push myself hard on a climb or at altitude or things of that nature or a long ride that I feel my body, right. And I feel sort of the limits of what it can do, and I just push it a little bit further.

That piece of it just makes me feel alive. And also the pace at which you can take things in, particularly if you're even on a mountain bike on trails, it's like much faster pace than sort of like hiking. And it's a little bit more concentration on what it is that you're doing. But road cycling in itself has just been an absolute passion of mine. And I think maybe last year I had close to 8,000 miles. In this year, I think I'm close to 4,000, halfway or a little more than halfway through the year. So it is definitely where I spend a lot of time.

Yeah. I have the same experience and I call it meditation too, which is interesting, because no one, unless they know what it is, experiences that. But it's two or three hours in your head. You may be with other people and you do... I always start with the list of things I think about, and then they start disappearing. And of course I listen to podcasts, but that's a different story, if I'm not listening to a podcast. Just the mind wanders. It's the most meditative thing. And I write speeches or I give talks, it all comes to me, I stop and write little notes, because I have to... It comes out when my mind is free associating them.

Lisa Picard:

Yeah. No, it's a great activity, great sport. I used to bike race as well. And there's a lot of analogies in terms of business and bike racing. As it relates to sort of just the team sport of it and being in the draft and moving ahead or you're moving behind.

Matt Slepín:

I think so. Well, thank you. Lisa, it's been a great conversation. I really, really appreciate you being a guest. Thank you for listening into Leading Voices. And I hope that you enjoyed today's episode. I have a request. If you enjoyed the episode and found it to be valuable, please share it with a friend or two. If they're podcast wavy, take their smart and in your hand and subscribe for them and teach them to listen. You'll change their life. Seriously. Thanks for listening and keep in touch. You know, you can reach me at matt@terrasearchpartners.com. See you next time.

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