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ASK survey finds investors plan to allocate more to property debt post-Covid

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Boutique real estate funder ASK Partners, "ASK", has released figures from its 2021 investor survey of private clients. The survey polled 72 investors from ASK's investor base of over 160 private clients who have in total invested GBP175 million in ASK deals.

Participants were surveyed on a number of topics including, strategy preferences, risk appetite, allocation plans for 2021, the usability of ASK's online portal and opinions on planned developments to the overall platform.

According to the survey, capital continues to flow into alternative asset classes. Eighty-eight per cent plan to increase their allocation with ASK this year suggesting an uplift in appetite for real estate debt products as part of our investors' overall investment strategies.

Some 36 per cent meanwhile, would be interested in low risk, 6 per cent return deals. This reflects the current 0 per cent yield on cash and a greater interest in debt products to plug that gap.

Ninety-six per cent of ASK's investors either already have, or would consider referring, family or friends to ASK. This represents a positive investor experience and strong brand advocacy but is also indicative of a potential shift in demand for debt products, particularly with the cross-sector variety offered by ASK.

All respondents offered positive feedback on ASK's service levels and the usability of ASK's digital platform, where investors can review their current holding, receive real-time updates and evaluate and invest in new opportunities. This suggests a greater willingness to invest and manage personal investments online, a trend that has perhaps been further accelerated by the current pandemic. Feedback on service levels cited, clear concise and regular communication, trust and transparency. This reflects what investors deem important and where ASK is delivering well.

A total of 55 per cent of participants were interested in ASK's planned implementation of a secondary market exchange to increase liquidity, shorten investment cycles and provide flexibility. This would certainly offer a seismic shift in investment potential to currently illiquid products.

ASK's CEO and co-founder Daniel Austin says: "The current low interest rate environment is clearly driving investors to source alternative investment opportunities. Based on the planned increase in cash allocation to ASK amongst investors surveyed and the number who are referring us to friends and colleagues, it is clear that investing in the debt market is becoming an increasingly attractive proposition and that ASK is fulfilling exceptional service levels.”

Doug King, COO and co-founder at ASK, adds: “The results indicate an adjustment in risk appetite among our investors for lower risk and lower yielding products. This has highlighted the importance of offering a broad range of products and will open up exciting new deal opportunities to us as we look to respond to investor demand.”

Mark Templeman, ASK’s CTO, says: “We were delighted to receive such positive feedback on ASK’s digital platform. We will continue to implement our development roadmap, including the planned launch of a secondary market exchange later this year.”

Paul Stevens, Chairman of ASK, says: "This feedback, from ASK's private client base, further cements its reputation as a trustworthy partner. I would anticipate the team seeing continued growth this year as investors further recognise the benefits of diversification into the real estate debt market, coupled with the superior risk-adjusted returns and service levels that ASK offers."