The Power Partnership Advantage

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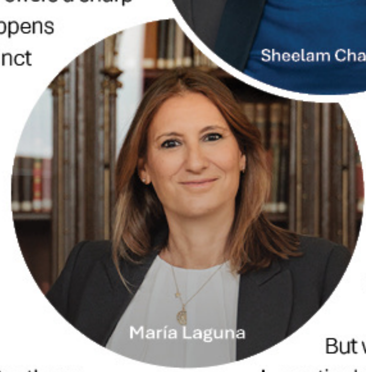
This edition's Leader Spotlight opens with a partnership built for the moment: **María Laguna, Managing Partner of Lake Capital**, and **Sheelam Chadha, Founder of Dry Capital** – two formidable forces in real estate and investing whose newly announced alliance is already commanding attention across the market. At a time when capital is more selective, confidence is harder won, and the rules of European real estate are being rewritten in real time, their partnership offers a sharp case study in what happens when experience, instinct and complementary vision come together with purpose.

María brings more than 25 years of experience in investment, asset management and development across Southern Europe, having held senior leadership roles at DeA Capital, PATRIZIA, TRIUVA and IVG.

Sheelam's career spans nearly two decades across transactions, capital raising and corporate finance, including senior positions at Savills, IVG, TRIUVA, PATRIZIA and Atenor. She has three nationalities: Belgian, Canadian and British.

Together, they have achieved more than €4.5 billion in transactions across seven asset classes.

Sheelam Chadha



María Laguna

That shared history became the foundation for a new chapter in January 2026, when Lake Capital and Dry Capital formalised a partnership through a Madrid office serving the Iberian market. The strength of the match is immediately obvious – Lake Capital specialises in sourcing, structuring and managing real estate investments, while Dry Capital focuses on recapitalisations, debt and equity solutions, and connecting institutional capital with high-quality opportunities across Europe.

But what makes this partnership particularly compelling goes beyond the complementary nature of their businesses. Laguna and Chadha have also learned how to turn their differences into a competitive advantage. Throughout their conversation on the forces reshaping European real estate and private capital – from capital confidence, liquidity and joint ventures to ESG, artificial intelligence and the future of asset management – what emerges is a powerful model of partnership built on trust, transparency, mutual respect and a willingness to address difficult questions before they become difficult problems. Their insights are grounded both in decades of experience and leadership maturity, that allows them to bring together two distinct yet highly aligned perspectives on where the market is heading.

In a world increasingly divided by differences in perspective, these leaders show us how success can be achieved not by thinking alike, but by thinking *together.* Theirs is a partnership that honours the value of diverse viewpoints and employs them to challenge assumptions, strengthen decision-making and uncover opportunities that might otherwise be missed.

If you've been wondering what turns a good partnership into a power partnership, you don't want to miss this.

How did the partnership between Lake Capital and Dry Capital start? Was there a specific deal, problem or market moment that brought you together?

María: The partnership came together quite naturally. Dry Capital has deep experience raising capital across a wide range of investor profiles, and at the time, many of those investors were actively targeting Spain as their preferred destination. Meanwhile, Lake Capital had a strong pipeline of development projects in need of capital, so the complementarity was clear from the start.

We also saw a significant opportunity to channel Latin American and Spanish capital into Europe's most established markets – the UK, France, Germany, and the Benelux – where pricing had become attractive following the market correction. Sheelam brings the investor network and capital-raising expertise; we bring the deal flow and local market insight. It was a natural fit.

Sheelam: Our partnership has deep roots. María and I worked together for years – we collectively closed approximately €4.5 billion in transactions during our time heading transactions at IVG and then Triuva, which later became Patrizia. We understood exactly how the other thought before we ever decided to work together in our own right.

After that chapter, we went in different directions. María built DEA Capital into what it became; I moved on to lead a listed developer in Belgium. But we both independently reached the same conclusion — that operating within large institutional structures was limiting what we could actually do for clients. The irony of us both quitting to expand at roughly the same moment was not lost on either of us.

The partnership today is the natural product of that history. I did traditional primary real estate for too long; the issues for me are on the capital side today. Dry Capital looks at capital across a wide range of investor profiles around Europe today, mainly in core Western Europe, but with expansion plans to cover Canada, where I grew up, and some super interesting deals are on the table today. Still, Iberia is a key target market, particularly for higher-return capital such as preferred equity with shorter time frames. It's been my dream to work internationally in markets I like, so why wait? Just create your own thesis, and deals will naturally follow. Today we have deals in Germany, London, Spain and also Canada.

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Where do you most often disagree in how you look at opportunities? Where are you completely aligned?

María: Honestly, we agree far more than we disagree, which is a testament to how complementary our approaches are. When differences do emerge, they tend to be around timing or local market dynamics. Each country operates at its own stage in the cycle, and occasionally Sheelam and I read the same opportunity through slightly different lenses. But when we dig deeper into the analysis together, we almost always converge.

Where we are completely aligned is on the fundamentals: asset quality, location, pricing discipline, and the importance of structuring deals with the right partners from day one.

Sheelam: The differences between us are real, but they are productive. María is very much on the ground – in the trough of a deal, understanding the construction risk, the planning environment, and the local market dynamics. I tend to operate at a higher altitude, focused on perspective and vision: where is capital flowing, what is the macro narrative, and how do we position this for the investor community? Both are essential, and together we rarely have a significant blind spot. María is on the ground in Madrid, and I am travelling around Europe regularly, so you need that local perspective.

Where we are completely aligned is on quality and discipline. We would walk away from a perfectly structured deal if the underlying asset or partner were not right. That is non-negotiable for both of us.

Across Europe today, what is the real bottleneck in real estate: capital availability, pricing, or deal structure?

María: The real bottleneck today is capital confidence. Capital exists, but it is being deployed very conservatively. Investors are factoring in elevated construction and energy costs, higher financing costs, and compressed net operating income. Even in markets where rents have risen, that upside has largely been absorbed by cost inflation. Exit yields have widened across the board, pushing valuations down.

As a result, many institutional funds are under pressure to rebalance and dispose of assets. The bid-ask gap has not fully closed, and until it does, deal flow will remain constrained.

Sheelam: From where I sit – spending most of my time in conversation with capital – the bottleneck is confidence, not availability. The capital is there. What is missing is a clear enough line of sight on exit outcomes to justify deployment at scale.

But there is a structural dimension that I think is underappreciated. We are seeing a significant and accelerating shift of institutional capital into infrastructure – driven in large part by the AI buildout and the enormous demand it is creating for data centres, energy infrastructure, and connectivity. That capital was previously available to real estate. It is increasingly not. The volume of capital actively targeting real estate at Expo Real in recent years has been meaningfully larger than what we are seeing now.

Where in the investment process is value most consistently eroded in European real estate today?

María: The most consistent value erosion is happening at the cost level – specifically, construction and energy. These are structural pressures, not purely cyclical ones, and they are eating into margins in ways that were not anticipated in business plans written two or three years ago. Many projects that were viable under 2021 assumptions simply do not pencil out today.

The damage is not primarily on the acquisition side; it is in the cost-to-complete and the cost-to-operate.

Sheelam: Beyond the well-documented cost pressures, I see consistent value erosion in the quality of deal communication, and this does not get enough attention. A significant proportion of the investment memoranda we review lack relevant comparables, clear market positioning, or a coherent explanation of why the deal makes sense at this moment in the cycle. The friction that creates – in terms of investor time, relationship capital, and repricing risk – is real and substantially underestimated by sponsors.

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There is also a timing problem that compounds everything else. Many owners who believed the market was recovering and did not need capital solutions around Expo Real 2025 are now coming back to us. Our message has been consistent: take a good deal now, because the market will not improve meaningfully for some time. In my view, we are looking at something close to a lost decade for real estate growth leading up to 2030. Owners who act on that reality today will be far better positioned than those who continue to wait for a recovery that is not coming within the timeline they expect.

Joint ventures are central to both of your models. What actually makes a joint venture work in today's market?

María: A joint venture works when both parties are genuinely aligned on the objective – not just at signing, but throughout the hold period. The structure itself matters less than the relationship and the clarity of purpose. That said, we favour JVs precisely because of their flexibility: governance can be tailored to the specific deal, asset class, and jurisdiction, without the rigidity of fund structures or other vehicles.

But you need to get the legal and tax framework right from day one. A well-structured JV creates optionality; a poorly drafted one becomes a liability. In our experience, the partnerships that perform are those where each party brings something the other does not have, and both parties know it.

Sheelam: For us, the JV is not just a legal structure; it is a signal. When a capital partner and an operator are willing to sit on the same side of the table, share the same information, and bear risk together, it changes the quality of decision-making throughout the deal. That mutual accountability is something fund structures can struggle to replicate.

What makes a JV work today, specifically, is clarity on the downside scenario from the very beginning. The conversations that used to happen only in distress – what is the waterfall if we need to exit early, how do we handle a cost overrun, what happens if a partner needs liquidity – need to happen before the JV agreement is signed, not after.

The JVs we are most confident in are those where each party's contribution is unambiguous and non-overlapping. That clarity of role is what prevents the governance friction that derails otherwise sound transactions.

ESG (Environmental, Social, and Governance) is often framed as compliance, but how do you both see it impacting capital decisions and liquidity outcomes?

María: For us, ESG is far beyond compliance; it is a prerequisite. It is embedded in every business plan we prepare, because capital will simply not enter a project today without

it. But the shift goes further than investor requirements: the operators and tenants running activities within our assets are demanding it as well.

What has changed fundamentally is that ESG is now a liquidity driver. Assets that fall short of minimum standards are facing real pricing discounts and shrinking exit options. So for us, it is not about ticking a box; it is about protecting long-term value and ensuring we can exit when and how we need to.

Sheelam: The shift I have observed on the capital side is striking. Three years ago, ESG credentials were a differentiating factor. Today, they are threshold criteria. Investors with any significant institutional component to their LP base simply cannot commit to assets that do not meet minimum standards. It is not a negotiation; it is a gate.

That said, I think we need to be honest about ESG overload. The frameworks multiply faster than the practical guidance, and for many sponsors – particularly mid-market developers – navigating that complexity is genuinely burdensome. The core principle is right, but the implementation layer needs to be cleaner and more accessible.

I also think this topic will reassert itself with renewed intensity when energy costs rise again and inflation returns. The liquidity premium on well-rated assets will widen, and the discount on non-compliant ones will steepen. That direction of travel is already clear; it will only accelerate.

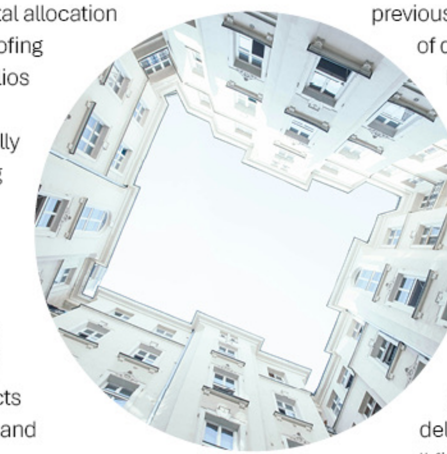
What does “future-proofing a portfolio towards 2030” actually mean in practical investment decisions today?

María: Future-proofing, for us, begins with the fundamentals: acquiring the right assets, in the right locations, at the right price. You cannot technology your way out of a bad location. But once you have the asset quality, we are increasingly integrating AI-driven management tools to improve operational efficiency and protect NOI.

The goal is to preserve and grow value by reducing operating costs and enhancing

occupancy and tenant performance at the asset level. By 2030, the assets commanding the strongest liquidity premiums will be those that combine technical upgrading with strategic positioning – and that is exactly what we are building towards today.

Sheelam: From a capital allocation perspective, future-proofing is about building portfolios that can withstand the scenarios we cannot fully predict, while capturing the trends we can see clearly: continued ESG-driven repricing, a growing premium on energy-efficient assets, and a structural shift in how real estate intersects with infrastructure demand driven by AI.



In practical terms, that means we are being more selective on location and asset quality than at any point in recent memory, but also insisting on a more active mandate post-acquisition. The returns in this cycle will not be made primarily on entry price. They will be made on how well assets are operated and repositioned between now and exit. That is a different skill set from what many in this market have developed over the past decade.

María, do you see AI as enhancing underwriting discipline or reducing differentiation between firms? And Sheelam, how is AI changing capital structuring and investment decisions in practice?

María: My view is clear: the firms that fail to integrate AI into their processes will simply become uncompetitive – not in ten years, but now. We have been through this kind of inflection before. When email replaced the fax in the early 2000s, firms that resisted fell behind almost immediately. AI is the same type of moment but operating at a far greater magnitude.

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The firms that use it well will be more disciplined in underwriting, faster in execution, and sharper in identifying risk. Will it reduce differentiation? It may narrow the gap for firms previously disadvantaged by a lack of data or analytical capacity. But genuine differentiation has always come from judgment, relationships, and market insight – and I do not believe AI replaces any of that.

Sheelam: I want to answer this from a very specific vantage point, because Dry Capital is deliberately and permanently a small firm. That is not a limitation – it is the model. The days of building large teams around heavy asset management and portfolio management infrastructure are behind me. What AI has made possible is something quite different: a lean, expert operation where the technology carries the operational weight, and every hour of human attention goes directly to the deal.

Concretely, specially configured for Dry Capital, AI now runs our CRM updates, our client reporting, and a significant part of our investor communications. What used to require dedicated headcount and substantial management overhead is now embedded in our systems and largely automated. The quality and consistency of how we communicate with clients and investors is genuinely light years ahead of where it was twelve months ago – more timely, more personalised, more precise. And because those functions are handled, the deal itself gets undivided focus.

I have two small kids and am a single mother, so being flexible and adaptable with good tools has enabled far greater freedom while still doing a similar job on my terms today. I am a huge believer in technology; prop tech has, unfortunately, been slow to be adopted in real estate.