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A meaningful slice of skin in the game

From Mr Ted Leary.

Sir, As a long-time real estate “workout” specialist for major institutional investors in real estate, I have a few comments and observations on Ruth Sullivan’s article on real estate manager co-investment ([“Institutional investors demand skin in the game”](#), FTfm, July 8).



There is little compelling evidence that manager co-investment has produced or will produce superior returns.

If the co-investment monies are from “the house” and not individuals, there is even less evidence – or obvious alignment.

To have any comfort that personal co-investment is a driver of better performance it must be based on a meaningful slice of a manager’s personal net worth

versus the dollar amount. Otherwise talented small managers will be unfairly penalised.

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