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The Real eState with Peter Bill

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Stern Aunt Theresa is to be PM. Mrs May will surely now release post-Brexit advice to the distressed markets, similar to that offered by the late Michael Winner in his 2004 esure advert to the distraught woman who had suffered a crash. "Calm down dear."

It's taken since June 24th to overcome the fear of sounding like the dreadful Michael Winner. But, here goes: for crying out loud, calm down, all will be fine. Right now the property sector is seized by what writer George Saunders called in last week's New Yorker "usurpation anxiety syndrome". Saunders devised the phrase to nail the inchoate fears of Donald Trump supporters: "The feeling that one is, or is about to be, scooped, overrun, or taken advantage of by some Other with questionable intentions."

The "Other," feared by those who voted Remain, is the intentions of the representatives of Leavers. My Remainer prejudices were inflamed by a TV clip of a young woman asked why she voted to leave. "My friend on Facebook said we've got to keep those foreigners out." Saunders says the "questionable intentions" of Trump supporters, "In some cases, has a racial basis, and usurpation anxiety grades into racial nostalgia, which can grade into outright racism, albeit cloaked in disclaimer." In some cases, in Britain, snap.

What's this got to do with the price of bricks and mortar? This: for reasons beyond rational explanation, property has become a lightning rod, down which the anxieties of both Remain and Leave camps are being earthed. One example: Two Reit CEO's said to me last week at a British Property Federation party that "machine trading" was to blame for their shares plunging to around 30% below the net value of their blue-chip assets. In other words, computers are saying no to REIT's with rock-solid income.

Were sales triggered by retail funds attempting to maintain liquidity before giving up and closing the gates? The honest answer is; we won't know until the funds next publish their asset lists. But someone is panicking. Last published figures show Aviva's £19bn fund held 6.5% of its assets in shares in Land Securities, British Land and Hammerson. Aberdeen held 8% of its £3.5bn of assets in shares. With Henderson the figure was 3% in just one £1.3bn fund. A by no means comprehensive list of £450m worth of easily liquefied assets.

The contagion of fear caused by the closing of funds with reliable income streams to support returns eight times your deposit account returns has been highly damaging. The sound of stable doors being shut now reverberates between the Bank of England and the Financial Conduct Authority. Rules on withdrawals to prevent a run on the funds will surely be in place by Christmas. So, here's my (anxious) punt: by then anxiety over share prices, the price of money and the falling pound (at least) will have settled.

The FTSE 250 is recovering this week. The lead indicator for the health of commercial property has always been the FTSE 100, which is looking very healthy. A few days before June 23rd William Newsum of Savills presented his closely attended sermon on the state of the property finance sector. His only worry was money may get more expensive. The reverse is now more likely. The falling pound is bringing renewed attention from America. We're also now to get stern Aunt Theresa as PM. So, settle down. At once!

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