

on its rights, they consequently laid a claim on the bank guarantees, revealing the true face of these contractors to their financiers. Hence, educating beginner bankers about the basics of these sectors is necessary.

Going back to real estate, in the period between the Al-Manakh crisis and the brutal Iraqi invasion of Kuwait, I was the first to establish a remedial department to address the more difficult debtors for the bank that I worked in. With one customer, the bank had a loan without any collateral. With careful research of his assets, I came to know that he owned a lien-free plot of land in a highly desirable location. So, I conducted a real estate plan and feasibility study, and I prepared a credit structure on condition of mortgaging his property to our bank, and in return the mortgage would cover the current debt and finance the development of the property. The investment would cover the current and future debt at a comfortable rate with which the bank could return a profit. The client agreed without hesitation, but to my surprise, the hesitation came from our general manager. Although he held a high academic degree, he didn't have the vision required to foresee the future of real estate. "Are you serious?" he asked me, "Who would rent this?"

Our client took my idea and funded his project through another bank. The project was built and still stands high on the Gulf Road with full occupancy. My point is, if that manager has had some kind of high-level training in real estate credit when he started his banking career, he wouldn't have missed that golden opportunity.