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AFFORDABLE RENTALS IN DUBAILAND ATTRACT RENTERS

SUNDAY 03 MAY 2015

An increasing number of renters are moving into Dubailand driven primarily by affordable rentals, according to a new report.

“Far-flung communities of Dubailand and Jumeirah Village are increasingly seeing more people move in this year, likely due to lower rent prices,” MoveSouq.com and FlatReviews.com said in their first quarter 2015 report.

Rentals for studio units in Dubailand range from Dh35,000 to Dh45,000 per annum (pa); one beds Dh45,000 to Dh55,000 pa and two beds Dh60,000 to Dh75,000 pa.

Realty experts say renters are moving into these areas though the infrastructure, transportation and community centres not yet matching those of established community, but offer new large-sized apartments at lower rates.

‘Emirates24|7’ had reported before that Dubailand was set to become the next destination for affordable dwellings, with developers starting construction of projects priced in the economical range. It is also one of the closest communities to Expo 2020 venue site and is expected to get Dubai Metro connectivity in coming years.

Established communities such as Dubai Marina and Downtown Dubai continue to maintain their position on the top five 'move in' list followed by Jumeirah Lakes Towers and Business Bay.

The results are based on over 2,000 resident reviews on FlatReviews.com and over 1,000 moving requests made on MoveSouq.com in Q1 of 2015.

Last week, Asteco, a real estate consultancy, however, revealed majority of tenants opted to renew leases rather than relocate as rents in Dubai remained stable in the first quarter 2015.

“There was limited movement in residential rental market with only minor adjustments in select areas, with demand centered on established communities and affordable products,” it said.

The report also revealed MotorCity and the Greens to be the highest rated communities (most loved ones). Both scored 4.1 out of 5 on the point scale.

Sheikh Zayed Road, Dubai International Financial Centre, Jumeirah and Arabian Ranches followed with a score of 4.

Communities such as Downtown Dubai, Mirdiff and the Springs scored 3.8, while Palm Jumeirah got a 3.7 rating. The lowest rated community was International City with a score of 2.8.

These scores were based on categories such as traffic, access to nearby facilities (schools, shops and pet-friendliness), and value for money.

Source: Emirates 24/7
CROSSRAIL MOVE: MIDDLE EAST INVESTORS SNAPPING UP LONDON PROPERTIES

FRIDAY 01 MAY 2015

Increasing number of Middle East buyers are investing in fringe locations in London, which are going to move up due to better infrastructure links as a result of Crossrail route, according to UK-based Knight Frank.

“We are seeing increased demand from Middle East buyers investing in fringe locations in London hoping to benefit from the uplift in prices off the back of the improved infrastructure links as a result of crossrail,” said Victoria Garrett, Associate Partner, Knight Frank Dubai.

“Average property prices within a 15-minute walk of the Western Crossrail stations have risen by 28 per cent since 2008, outperforming local markets by six per cent over that time. Property prices within the same distance of Eastern Crossrail stations saw growth of 21 per cent over that period, outperforming local markets by a more modest three per cent.”

Crossrail is a 118-kilometre railway line under construction in London and its environs. It should begin full operation in 2018 with a new east-west route across Greater London. Work began in 2009 on the central part of the line — a tunnel through central London — and connections to existing lines that will become part of Crossrail after several decades of proposals.

Analysis from the consultancy shows average property prices within a 10-minute walk of Bond Street station have risen by 82 per cent, the largest increase along the Crossrail route, compared to a 43 per cent uplift in the wider area since the project received Royal Assent in July 2008 and the start of Q4 2014.

The report shows average property prices around many Crossrail stations have grown more strongly than in the surrounding local authority areas over that period. On average, the outperformance is five per cent.

Acton has seen the largest average increase amongst the stations outside of central London (77 per cent) over the last six years, outperforming its surrounding local area by 33 per cent over that time.

Although residential property prices within a 10-minute walk of the central stations have seen the highest average rise (57 per cent), the consultancy’s newly-extended Crossrail Index shows how this increase has also helped underpin price growth around many stations between Shenfield and Reading.

Khawar Khan, Research Manager, Knight Frank Dubai, said: “Our research shows overall price performance continues to be stronger in the central London sections of the Crossrail route. However, over the last 12 months, the price 'ripple' effect in London has really started to take effect, with stronger price growth in areas surrounding central London. This could help feed into stronger price growth around stations towards the East and West, especially those which have underperformed to date, and where housing supply is set to be delivered in the coming years.”
“The planned levels of development along the outer sections of the route should provide scope for price uplifts as the public realm is improved, amenities receive a boost and buyers have new reasons to visit the area.

“The relative ‘discount’ in terms of price per square foot in these areas compared to more central locations is also likely to work in their favour. We expect that as the opening of Crossrail approaches, the increased connectivity combined with new development will result in price outperformance in these areas,” he added.

*Source: Emirates 24/7*

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NAKHEEL Q1 2015 NET PROFIT DOUBLES TO DH1.35BN

THURSDAY 30 APRIL 2015

Net profit of Nakheel, the developer of Palm Jumeirah, more than doubled to Dh1.35 billion in the first quarter 2015 compared with Dh629 million in the same quarter last year, driven by strong performance by its development business and new handovers.

Development projects are in progress across various communities and the company expects to continue generating development revenue when these projects are completed and units are handed over, it said in a statement.

The company has also launched a number of projects in the retail, hospitality and residential leasing sectors, which includes Deira Islands and extensions to Dragon Mart and Ibn Battuta Mall. It is aiming for Dh7.5 billion per year in recurrent income in the subsequent years.

In 2014, the developer reduced its financial debt from Dh12.3 billion to Dh4.4 billion by repaying all Dh7.9 billion of bank debt four years ahead of time. It trade creditor sukuk of Dh4.4 billion is due to be paid in August 2016.

Company Chairman Ali Rashid Lootah said: “There is a 115 per cent increase in our net profit for the first quarter of 2015 compared to the same period in 2014. We expect to build upon these impressive first quarter results throughout 2015, and will continue to remain focused in contributing to the real estate sector in Dubai in a positive and effective manner in line with the Government’s 2021 vision.

“With our significantly reduced level of debt, we are well positioned to pursue our strategy of creating more cash generating assets and strengthening our asset base to further boost our business and financial results in the coming years.”

Source: Emirates 24/7

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HOW DO DH15,000 A MONTH EARNERS BUY 'AFFORDABLE' PROPERTY?

THURSDAY 30 APRIL 2015

Average price of residential properties in 'affordable' communities of Dubai are still beyond the budget of residents who earn less than Dh15,000 a month, says a new report.

"Although prices dip below the threshold during downturns, on average, these communities - Discovery Gardens and International City - are not affordable for households with a total monthly income less than Dh15,000, the demographic with the greatest housing undersupply, “ Phidar Advisory, a Dubai-based consultancy, said in its Q1 2015 report on Dubai real estate market.

"Households in these communities are particularly sensitive to inflationary pressures. We will need to adopt new models for development, capital raising and operations to meet this challenge, ideally one that involves both the public and private sectors,” company Managing Director Jesse Downs said in a statement.

According to the report, prices of standard quality apartments (read: affordable) have increased 75 per cent with the long-term average price for these properties being above the affordability threshold (Dh810-Dh910 per square foot).

Real estate agents say the 25 per cent down payment clause has impacted sale of completed properties in the affordable communities, as the sole breadwinner (earning Dh15,000) having to pay 14.13 times of his/her salary to meet the initial buying cost.

For example: A one-bed unit in Discovery Garden costs on average Dh675,000, which means the buyer has to make a down payment of Dh168,750.

Thereafter, the buyer pays 4 per cent of the property value, Dh27,000, as registration fee to the Dubai Land Department; 2 per cent brokerage commission Dh13,500; mortgage processing charges i.e. 1 per cent of the finance amount, nearly Dh5,000; property valuation fee Dh3000 and transfer fee at the registration trustee office Dh4,000. This means, the buyer earning Dh15,000 or below a month needs to pay over 212,000 in a single payment.

In case of off plan units, most of the developers are seeking 10 per cent payment every three to four months, which means the most affordable of the one-bed unit is priced at Dh500,000.

Simple calculation show the buyer (earning below Dh15,000 pm) will have to pay 10 per cent (Dh50,000) as the first installment along with Dh20,000 as Dubai Land Department registration fee followed by Dh50,000 every three to four months (Dh16,667 or Dh12,500 per month) till you pay 40 to 50 per cent of the total payment followed by 15 per cent every five months, Dh75,000 (Dh15,000 per month) till you reach the 90 to 95 per cent mark with 5 to 10 per cent (Dh25,000 to Dh50,000) at the time of handover.

A report released by Colliers International in October 2014 said mortgage installment for a property priced Dh1 million was Dh4,056 per month, which was 35 per cent leverage of a resident earning Dh11,600 per month. (Assumptions: interest rate 4.25 per cent reducing rate; repayment period 25 years and down payment 25 per cent of property value)
It said that there are approximately 120,000 freehold apartments in Dubai; 59 per cent of which are priced below Dh1 million and these properties were affordable for 60 per cent of Dubai’s households. But, there remains a clear mismatch between demand and availability of suitable and affordable supply.

The average household size in Dubai consists of 4.2 members with these households requiring a minimum of a two-bedroom apartment.

Two bedroom apartments below Dh1 million represent just 5 per cent of total freehold supply, and those below Dh2 million represent a limited 9 per cent of total freehold supply.

In the last six months, mortgage providers are looking to come out with products for residents earning Dh10,000 cent month and developers selling “off-plan” properties in newer communities at a price range of Dh500 to Dh600 per square feet.

Prices falling

According to the Phidar report, apartment lease rates came down by mere 0.3 per cent, while sale prices declined 3.9 per cent, pushing yields up to 7.2 per cent. Lease rates for villas decreased 2.4 per cent and sale prices fell 3 per cent, pushing yields to up to 5.7 per cent.

Apartment transaction volumes were up 0.6 per cent in first quarter 2015 compared to the same period last year, but villa transactions were down 57 per cent, it added.

US dollar impact

The consultancy stated that a strong US dollar was driving property prices lower and could soften investment demand further.

“The strong US dollar continued to hit Dubai property prices. Euro zone quantitative easing and the Federal Reserve’s plan to tighten monetary policy, possibly later in the year, will likely maintain the dollar strength and temper investment demand for Dubai property in the short to medium term,” Downs added.

In late 2008/early 2009, it was the confluence of a global recession, speculative demand and massive property supply expansion that had caused Dubai’s property market collapse the report said.

Source: Emirates 24/7
LATEST DUBAI RENT REPORT: DEIRA SEE BIGGEST DROP

WEDNESDAY 29 APRIL 2015

Rents in Dubai remained stable in the first quarter of 2015 despite majority of tenants opting to renew leases rather than relocate, reveals a new property report.

“There was limited movement in the residential rental market with only minor adjustments in select areas, with demand centered on established communities and affordable products, augmented by the decision of many tenants to renew rather than relocate,” Asteco, a real estate consultancy, said in its first quarter 2015 report on the market.

Biggest decline - Deira

On the rental side, the biggest decline was registered in Deira, a leasehold community, which saw rates falling eight per cent quarter-on-quarter, with a studio now renting for Dh35,000 to Dh55,000 per annum (pa); one-bed Dh45,000 to Dh80,000 pa; two-bed Dh65,000 to Dh100,000 pa and three-bed Dh90,000 to Dh140,000 pa.

International City

Among the freehold communities, International City was the cheapest, though rentals were up two per cent.

Studio units were leasing for Dh32,000 to Dh38,000 pa; one-bed Dh42,000 to Dh55,000 pa and two-bed Dh60,000 to Dh68,000 pa.

Dubai Marina

Dubai Marina saw rents falling by two per cent with studio rates ranging from Dh65,000 to Dh85,000 pa; one-bed Dh85,000 to Dh135,000 pa; two-bed Dh125,000 to Dh185,000 pa and three-bed Dh145,000 to Dh275,000 pa.

JLT

Jumeirah Lakes Towers (JLT) saw one per cent increase with leases starting from Dh45,000 to Dh60,000 pa; one-beds Dh80,000 to Dh100,000 pa; two- beds Dh115,000 to Dh150,000 pa and three-beds Dh145,000 to Dh190,000 pa.

Jumeirah Village

Newer communities such as Jumeirah Village registered a four-per cent increase with leases starting from Dh45,000 to Dh60,000 pa for a studio; Dh60,000 to Dh75,000 pa for one-bed units; Dh90,000 to Dh115,000 pa for two-bed units and Dh125,000 to Dh150,000 pa for three-bedroom apartments.

VILLA COMMUNITIES

Meadows

Among the villa communities, Meadows saw a four-per cent rental decline.

Three-bed units were leased from Dh230,000 to Dh250,000 pa; four-bed for Dh250,000 to Dh300,000 pa and five-bed Dh260,000 to Dh290,000 pa.

Springs
Rentals in Springs dropped by three per cent with two- and three-bed units available for Dh120,000 to Dh140,000 pa and Dh165,000 to Dh210,000 pa, respectively.

Arabian Ranches
A three per cent decline was seen in Arabian Ranches with two-bed villas leasing for Dh145,000 to Dh185,000 pa, three-bed from Dh170,000 to Dh250,000 pa and four-bed from Dh250,000 to Dh325,000 pa.

Palm Jumeirah
However, Palm Jumeirah saw rents increasing by five per cent with three-bed units renting from Dh330,000 to Dh380,000 pa, four-bed Dh380,000 to Dh650,000 and five-bed Dh440,000 to Dh1.1 million pa.

Willingness to reduce
In the first quarter 2015, the consultancy said it noted a willingness from sellers of premium properties to “reduce” their asking rates, but due to the limited demand for this segment transactions remained limited.

The report said the number of transactions for completed apartment properties were down by 12 per cent, whereas those for completed villas dropped by 35 per cent quarter-on-quarter.

In the apartment segment, Downtown Dubai and Dubai Marina were down five per cent each, while Discovery Gardens and International City saw decline of a two- and one-per cent, respectively.

Despite remaining popular in terms of the number of transactions, prices in Meadows and Springs dropped by nine per cent quarter-on-quarter, driven mostly by new supply in completed and off-plan projects.

Palm Jumeirah saw prices decline by five per cent due to fewer premium property buyers, while Al Furjan and Jumeirah Park fell seven per cent and five per cent, respectively, due to the large volume of properties currently for sale, the consultancy stated.

Source: Emirates 24/7

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EMAAR MAPLE PROJECT IN DUBAI MBR CITY SOLD OUT ON LAUNCH DATE

TUESDAY 28 APRIL 2015

Emaar Properties, Dubai’s largest developer, has sold out Maple, its first townhouse community in Mohammed Bin Rashid (MBR) City, real estate agents told Emirates 24|7.

"The project was sold out on the launch date. In fact, the developer did release more units from phase two due to the high demand from investors," an Emaar-registered agent said on conditions of anonymity.

"Our investors purchased over 10 townhouses. Prices ranged from Dh1,000 to Dh1,100 per square feet," he revealed.

The launch took place on April 25 in Dubai and Abu Dhabi. Post-launch, the developer has not officially issued any statement.

Dubai Hills Estate, a joint venture of Emaar and Meraas Holding, is developer of the project.

The developer had not responded to Emirates 24|7 questions till the time of publishing of the article.

A number of townhouses have already been listed in the secondary market, with sellers asking for prices between Dh2.25 million and Dh3 million for three to five-bed units.

This website has reported earlier that in an effort to stop flipping the developer has already barred local real estate agents (registered/unregistered) from selling any off-plan property, purchased under their names, until handover.

Maple is scheduled for completion in first quarter 2019.

The developer has already launched Dubai Creek Residences in Dubai Creek Harbour at The Lagoons, developed jointly with Dubai Holding, and Mulberry Park Heights in Dubai Hills Estate.

In April, it launched its new project Downtown Views, a 55-storey residential tower that will be connected to the Dubai Mall.

With over 235 million square metres of land bank in Dubai and international markets, the company has total assets of over Dh74 billion and a market value of over Dh50 billion, a company statement said.

It has delivered over 38,600 residential units including over 22,000 apartments and 16,600 villas in Dubai and other international markets. In Dubai alone, the developer has handed over 33,000 residential units, including over 20,500 apartments and around 12,500 villas.

Source: Emirates 24/7

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'AFFORDABLE' MORTGAGES FOR DH10,000 EARNERS?

MONDAY 27 APRIL 2015

As developers in the UAE focus on providing 'affordable' housing to residents, a mortgage provider is working to deliver a home finance product for residents earning Dh10,000 per month.

Abu Dhabi Finance (ADF) is in talks with some of the major UAE property developers to offer mortgage to units in 'affordable' housing projects.

“The demand for affordable housing from middle income families, particularly in Abu Dhabi, is huge. The capital is a very attractive place to live, but the cost of housing, particularly rentals, remains high and affordable housing stock for sale is relatively low,” said company Chief Executive Officer Chris Taylor.

“Equally there is currently a gap in the market in terms of viable financing for affordable housing.

"However, this is changing, there is a lot of new housing stock in the pipeline for the coming years representing a huge potential market for lenders,” he added.

The company will provide mortgages to residents who have a minimum income of Dh10,000 per month.

It states that the affordable loans already represent a sizable part of their business (30 per cent of the portfolio in residential property being lent on mortgage loans less than Dh1 million.) Emirates 24|7 had not received answers to its questions till time of publishing of the article.

Currently, the lowest interest rates offered is 2.99 per cent, but is fixed for one year only.

A few banks offer the option of fixed interest rates for a term of three years that starts at 3.49 per cent for year one and increasing to 3.99 per cent and 4.29 per cent, respectively, for the second and third year.

Last week, Emirates 24|7 reported that residential rents in Abu Dhabi were unlikely to ease any time this year due to an existing demand-supply mismatch.

Only 750 new homes were delivered in the first quarter 2015 with 5,800 units likely to be completed this year.

Rentals have increased on an average of four per cent in the first three months of 2015 and are expected to rise further this year due to drop in new housing supply in the capital, MPM Properties, the real estate advisory subsidiary of Abu Dhabi Islamic Bank, said in a report.

Earlier, ValuStrat Consulting, an advisory firm, said time was ripe for renters in Dubai to become homeowners.

“Our analysis reveals that many tenants may now be able to purchase a property similar to the one they are renting at a lower monthly cost.

This appears to be particularly the case for lower cost starter type home,” the company had said.

In Dubai, a number of developers have launched affordable housing projects, with prices for studio units ranging from Dh280,000 to Dh350,000.
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**Source: Emirates 24/7**

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PLENTY TO KEEP DUBAI AND ABU DHABI RETAIL PIPELINE FLOWING

THURSDAY 30 APRIL 2015

With a wave of new developments getting the greenlight, Dubai has once again claimed its top position among global cities with the highest retail stock under development. According to estimates put out by global consultancy, CBRE, Dubai's new stock under construction is estimated at 351,805 square metres, which would include the ongoing expansions at Dubai Mall and Mall of the Emirates as well as those coming through the pipeline from developers such as Nakheel and of Dubai Festival City. Then there is also the Mall of the World — out to be the world's largest — waiting in the wings.

And if one were to add the 214,100 square metres that malls in Abu Dhabi have in the construction pipeline, the UAE's retail dynamic just goes on adding more clout.

But what is happening in China is beyond comparison — nine Chinese cities figure in the top 10 rankings of those with the highest new retail stock being built. Shanghai alone accounts for 4.1 million square metres of new capacity, followed by Shenzhen (3.42 million square metres) and Chengdu (3.02 million square metres).

Bangkok is the only non-Chinese city to figure in the top 10, with 1.36 million square metres being added.

But with key Asian emerging markets starting to experience a squeeze all over again, will ambitious developments in China and India go through to completion? ‘Supply in China and India is subject to risk of slippage because of the prevailing headwinds in the economy, mounting financial pressures on landlords or change in policy,’ the CBRE report notes. ‘Construction of some shopping malls are on hold due to lack of funding or landlords are considering converting these projects to other uses.’

As such, new retail developments in Asia-Pacific is spread over 32 million square metres distributed over 36 cities, with 80 per cent plus being situated in China, Thailand and India.

Meanwhile, Yas Mall’s opening ensured Abu Dhabi had a leading mention in cities which saw massive addition of retail stock last year.

‘In the Middle East — Abu Dhabi saw the completion of four new centres ... of particular note is Yas Mall,’ the CBRE report notes. ‘The mall attracted 37 new brands to Abu Dhabi.’

In all, Abu Dhabi saw in 312,400 square metres of fresh retail area last year, with Wuhan in China at the top with 993,000 square metres and another Chinese city, Chengdu, in second spot with 981,000 square metres. (Dubai did not figure prominently as limited new retail stock got completed in the city last year.) According to Matthew Green, Head of Research at CBRE M.E, “In many ways, some of the new malls in Abu Dhabi, such as Deerfields, have come on to the market even as their catchment areas are still being developed. We are seeing a lot of that happening in Abu Dhabi.”

In terms of new retail build, the Al Maryah Central Development — the $1.5 billion mixed-use project by Gulf Related — has just been granted ‘detailed project approval’ status from Abu Dhabi’s Urban Planning Council for Phase 1 of the retail component of the development. This will cover a 2.3 million square feet shopping centre, due for an opening in Q1-2018, and which will have 400 stores, 90 F&B outlets and 20-screen cinema among other attractions.
“We are well placed to deliver against our schedule, with construction having commenced at the end of last year, and are rapidly progressing with our finance and leasing commitments, on which we expect to make further announcements in the coming months,” said Kenneth Himmel, President and CEO of Related Urban and the Co-Managing Partner of Gulf Related.

Source: Gulf News

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DUBAI CREEK WORLD HERITAGE SITE
BID SUBMISSION ON JANUARY 31, 2016

SUNDAY 19 APRIL 2015

Dubai will submit its revised bid to list its historic area around Dubai Creek as a Unesco World Heritage Site on January 31, 2016, an official said.

After the bid, Unesco officials will visit Dubai in October 2016 to judge the area and a decision is expected in June 2017, said Rashad Bukhash, Director, Architectural Heritage Department, Dubai Municipality.

A Unesco World Heritage Site is a place listed by Unesco for having great cultural or physical significance.

The history and culture of early Dubai is synonymous with Dubai Creek, an inlet of the Arabian Gulf which was lined with trading dhows, bazaars and traditional homes.

Much of the historic area has been preserved and is going up for the Unesco listing bid.

Bukhash’s comments came on the sidelines of an architectural conservation seminar by the municipality on Sunday, held as part of activities for World Heritage Day (April 18).

He said as part of the bid preparation, officials are undertaking studies on culture and the history of trade in Dubai. They are also comparing the Dubai bid area to other listed sites in the world.

Bukhash added that more than a dozen visiting Unesco experts were brought up to speed on Dubai’s restoration of some of the historic buildings.

Any restoration is carefully weighed as the site or building in question must be as true to the original as possible.

“In general, yes, it is an issue. But what we’re doing for certain cases is in a very scientific way,” he said.

The materials and techniques used in the process are identical to those used in the original buildings. Also, Bukhash added, the foundations still exist, and there is evidence — such as old photographs, documents and interviews with residents — to support the authenticity of the works.

He also mentioned that there are sites, such as post-Second World War sites in Warsaw, Poland and some Japanese temples, which were restored and made it onto the list.

Dubai’s revised bid has limited the area to the end of Al Fahidi area from Al Shindagha area, which lies around the mouth of the Creek. This distance is about 1.75km, much shorter than the previous consideration until Al Maktoum Bridge further down the Creek.

Separately, Dubai is also revamping streets and facilities in its historic area under a three-year project undertaken by the municipality and other government departments.
The upgrades will cover parts of Bur Dubai, Al Fahidi, Shindagha and Deira. There will be more shops focused on art and culture, walkways, parking, washrooms, and other facilities. The project includes the Al Shindagha Museum that will feature 17 pavilions.

At Sunday's seminar, municipality officials also discussed investment in heritage and a virtual museum project.

Source: Gulf News
DUBAI PROJECT IS ‘SUSTAINABLE’ IN MORE THAN NAME

WEDNESDAY 29 APRIL 2015

The developer believes consumption savings of up to 50 per cent can be effected through these (compared with a similar project built on conventional lines), plus those that will be generated from having energy renewables where possible.

Of the overall project cost of Dh1.2 billion, 50 per cent of it was put up by Diamond Developers as the equity portion. This is inclusive of the land cost.

“By next month we should have completion certificate, and that will set the stage for the handover process,” said Faris Saeed, CEO and Co-founder of Diamond Developers. “There may be individual components within the development process that may be costlier, such as LED lighting, but for property owners there will be tangible benefits from big reductions in air-condition loads, etc. Those savings are enough to cover the extra costs over the initial years.

“The solar panels on the roofs can generate between 5.5-8 kilowatt peak, and that’s quite a good sized output from each unit.

“But we are not part of any carbon credit programme — I don’t think it would have been beneficial to have one for this project.”

The town houses are priced upwards of Dh3 million, while a four-bedroom villas would be in the range of Dh6 million and over. 50% of the units have been acquired, the rest will be leased according to the developer, whose portfolio includes six completed high-rises in Dubai Marina.

The Sustainable City will also have an eco-friendly mall and even a ‘farm’ set on 400,000 square feet within its centre. “We decided a farm was more of a fit with what the project is about than just another green expanse,” said Saeed. “The community mall development (with a gross floor area of 180,000 square feet) will form part of the second phase.

“And we intend to put part of the leasing income generated from the mall — say, 35-40 per cent — into the service and maintenance funds that will be operated by the residents of the residential community.”

The mall as well as other community features such as a club, a small-sized resort, school and equestrian facility will also be put up by Diamond Developers.

The developer confirmed plans to top up its land bank for future projects, with Dubai World Central rated a top prospect. “Any location where we can get access to big sized plots would be ideal for a new project,” said Saeed. “We will stick to the theme of sustainable development in all future ventures — now that we have shown clear proof that it’s possible, it would be easier to replicate.

“There will be a buyer base who would value the benefits accruing from such a development where the environmental impact is minimised to optimum levels.”

Source: Gulf News

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MULTIPLE FACTORS FINALLY REIN IN DUBAI’S RENTAL HIKES

FRIDAY 01 MAY 2015

Multiple factors are combining to arrest the pace of rental growth in Dubai, both within the freehold zones and in the traditional residential neighbourhoods of the city.

“This is driven in part by an increase in new supply as well as a general reluctance on half of [the] residents’ [part] to pay more,” said Matthew Green, Head of Research and Consultancy at CBRE Middle East.

A third reason is that most landlords have already raised their hikes to be in line - or even above - the rental index overseen by the Dubai Land Department. If the rental on a property is broadly in sync with what is there for that particular neighbourhood as shown on the index, landlords have little room left to ask for more.

It is also the barometers tenants have used to decide whether they should contest the hike demand at the Land Department-sponsored rent dispute court or just up and move on to new premises in the city. For those who decide to shift, there is still quite a lot of spaces to choose from, and where the asking rents are a few percentage points lower than what their previous landlords were demanding.

“The rental index is an important tool, helping to bring [about] increased transparency to the market for both landlords and tenants,” said Green. “However, there are still ways to improve the index system, including having more granularity in terms of different buildings, rather than having just a single average rent spread across an area, where there might be varying quality buildings.”

There could even be a fourth reason as Dubai’s landlords take stock of a softening property market and might not want to push their luck too far by making unreasonable demands. This is the case for those landlords who still have mortgage payments to clear on their assets.

Based on market feedback, there has been ‘minimal’ upward movement recorded since the second quarter of last year, but only after the market saw sharp increases for the better part of two years prior to that. During the run-up, it was felt the hikes landlords were imposing during lease renewals risked upsetting the balance of the wider property market, much like what had happened in the three years leading up to 2009.

According to Green, there are, however, still instances of “many” tenants being asked to pay more than the market average on renewals. “Many older contracts [are] still below current market rates and thus susceptible to a potential increase from landlords under the regulation,” Green said.

But, overall, “This year’s rate hikes should be more restrained - residential tenants can look forward to the emergence of more favourable conditions although change is likely to gradual,” Green said.

As was to be expected, some of the emerging residential locations did see rental increases above the market norm. In its first quarter update on Dubai’s property market, Asteco said these included homes at Jumeirah Village and Sports City and “where vacancy levels are low”. The strong tenant movement witnessed over the last two years, especially for the affordable segments of the market, levelled off in the first quarter of 2015 as most tenants chose to renew their rental contracts rather than relocate, the Asteco report says.
Secondary locations such as Sports City, in addition, attracted good levels of demand from middle income residents due to the master community becoming better established.

Going forward, Dubai World Central (DWC) should be the one to watch for, including as a residential leasing hotspot. “Emerging locations such as DWC do yet have an established residential base and it will take some time before there is critical mass in the area,” said Green. “However, there a number of new residential and staff accommodation developments under way in close proximity locations, such as Dubai Industrial City.”

**Source: Gulf News**

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LEASING FOR DUBAI PARKS’ LEISURE OPTIONS SET FOR MAY

WEDNESDAY 29 APRIL 2015

Leasing of Dubai Parks and Resorts’ 220,000 square feet of prime leisure and entertainment options will start by May next year, and well ahead of the destination’s October opening. The outlets will dot either side of the ‘Riverland’ component of the master-development, and the course will stretch through to all of three theme parks that are coming up within.

The developer’s intention for the Riverland leasing spaces are to have 40 per cent of it committed to known F&B/entertainment brands and the rest for new acts. All of them will have to have their outlets’ theming to be in sync with that of the wider development’s.

“We plan to do all of the leasing in-house and working closely with one of the committees which will decide on the concept selections,” said Raeed Al Nuaimi, CEO. “At a later stage we will get a third-party operator for Riverland.” (The developer’s parent entity, Meraas Holding, has got history in creating leisure destinations by the water — The Beach adjacent to the Jumeirah Beach Residence is part of their substantial asset portfolio.)

Riverland will be modelled around a French village of 1600s vintage and then seguing into Colonial architecture from the 1930s and America of circa 1950s.

According to Nuaimi, the 50 per cent mark has been cleared on the project site and in terms of contracts awarded. Since the start of the year, there are more workers on site — 6,500 as opposed to around 2,000 in late 2014 — creating the resort-wide infrastructure. “Advances are being made on all fronts and everything that we have done up to now is running on schedule,” said Al Nuaimi. “We have all the parties involved talking to each other and in co-ordination with Samsung SDS and CH2M Hill, the consultants.

“Some of the concepts that will make up the themes are being shipped to Dubai. Everything is as they should be in terms of being within budget. I don’t think we will needing another inflow of funds.” (The overall development cost is estimated at Dh10.5 billion.)

At the site, the topping up of the two “major” structures — the DreamWorks’ facility and the Rajmahal (the 850-seater live performance theatre that is part of the Bollywood themed component) — are done. (The Indian theme park operator Wizcraft International Entertainment has been brought in to develop the acts.)

“Sure, unlike the other elements we will have at the park, the Bollywood part is the one where nothing of this sort and scale had never been done before,” said Nuaimi. “But we did have an early start on what we wanted to feature there and how to go about doing it. From there to create concepts modelled around the biggest box office hits Bollywood has seen was quite easy. The newness will come when future visitors themselves can become the characters within their favourite movies.”

Outside of Bollywood, recent rights acquisitions were done for the ‘The Hunger Games’ and ‘Step Up’. “There are many layers involved in creating the destination in the making — there are the theme operators, then there are the media entities creating the specialised content, and finally there are the show production firms responsible for the supply of the many props and animatronics.

“And that’s the wider part — it does not take much time to produce once the orders for props are placed. As for the wider goal of opening the theme park in October 2016, it’s doable.”
## Source: Gulf News

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OFFPLAN LAUNCHES KEEP A LID ON PROPERTY VALUES IN SILICON OASIS

TUESDAY 28 APRIL 2015

The steady pace of new off-plan launches happening at Dubai Silicon Oasis, as well as at some other mid-tier locations within the city, is ensuring values remain bound within a certain range and within the reach of genuine end-users.

Prices in Silicon Oasis have averaged between Dh600-Dh700 a square foot over the last six months. With enough new supply coming direct from developers, there is little or no need to go via the secondary market and the higher charges (related to transfer/registration) that come with that route.

On Tuesday, it was the turn of Binghatti Developers to launch a project — and with a distinctive Cubist touch to it rather than being a plain-vanilla mid-rise — at Silicon Oasis. The ground plus eight-storey structure will have 222 apartments, with values ranging between Dh650-Dh1,000 a square foot.

A pre-launch programme had seen 20 per cent of the units being acquired by investors and the official sales programme commences on May 2.

“The reason we decided to go with a distinctive design was to stand out in a highly saturated market,” said Mohammad Al Jbori, CEO of Binghatti Developers, the recently created property arm of Binghatti Group. The entity is also part of the joint venture developing the ‘Sparkle Towers’ in Dubai Marina and which features an association with Swarovski.

“We had earlier built two projects at Silicon Oasis, but that were sold to institutional investors. This is the first time we are going direct to [retail] buyers.

“There’s still a lot of buying activity being generated by end-users and that’s whom we are aiming for.”

The project is 60 per cent complete on the construction side and headed for completion by year-end. The developer also has a pre-approval agreement with Sharjah Islamic Bank, with buyers required to put up 60 per cent of the property’s cost after completion.

According to market sources, launches that took place earlier in the year at Silicon Oasis were able to close out sales without too much difficulty. Developers have also been keen to clear their books by stretching a sizeable portion of instalments after handover, which also eases the cost of entry for prospective buyers.

Another big plus for the master-development is that much of the infrastructure works are already well in place.

“Even with the plethora of launches, there finally appears to be a market and developer segmentation taking place,” Sameer Lakhani, managing director of Global Capital Partners, said.

“Away from the premium realty space, developers who have started catering to the mid-income space has their track record as well as project status independently audited by Rera [Real Estate Regulatory Agency] on a continuing basis. This provides the much needed comfort to the individual investor.

“While first-time developers have responded with more relaxed payment plans, more established players are still able to sell depending on price and location,” he said.

“This is what is leading the market to be more mature — the supply overhang largely extends to particular areas and segments and is not true of the whole market.
Source: Gulf News

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EVEN GULF INVESTORS SEEK OUT AFFORDABILITY IN DUBAI

TUESDAY 28 APRIL 2015

Even Gulf investors are taking an interest in the affordable property options Dubai has to offer, which represents quite a shift given that their historical preference has always been for premium buys. If the change becomes even more pronounced from current levels, it could have an impact on luxury off-plan launches in the medium term.

As such, “value-for-money has become more important than property prestige, especially as buyers from Russia and CIS countries were considerably fewer than last year”, states an Asteco report tracking first quarter’s trends in Dubai’s realty market. “This is prompting new opportunities, and we are seeing more GCC investor interest in reasonably priced properties, led by Saudi Arabia and the UAE, including off-plan projects specifically designed for investors,” Asteco said in the report.

This week, Mohammad Al Jbori, CEO of Binghatti Developers, confirmed that his company’s portfolio included two projects built for institutional buyers and a new one with which he is targeting individual buyers. Such mix-and-match approaches could be more in evidence as developers look to optimise their land holdings and not be reliant overtly to any one sales approach.

Dubai’s developers, especially those with projects at a slightly higher price point, are also responding fast to the fluid circumstances. “Interestingly, we also finally saw a degree of willingness on the part of premium property vendors to reduce their asking rates — but with limited demand in this segment, transaction activity has been relatively low,” stated John Stevens, Managing Director at Asteco.

Instead, projects aimed at a mid-market audience have been coming through thick and fast — these include the 1,000 three- and four-bedroom town houses at the Town Square community being built by Nshama. There are three-bed unit which carried a launch price tag of Dh1 million.

Other launches in the first three months include the Acacia Heights (479 apartments) at Mohammad bin Rashid City and Reef Residences (378 apartments) in Jumeirah Village Circle. “This highlights the continuous expansion of the city further inland as developers target the more affordable segments of the market,” Stevens said.

Following on from second half of 2014 trends, overall apartment and villas sales prices continued to fall in the first quarter of this year, registering a respective 3 per cent and 2 per cent decline.

Relocations
The pace of relocations that had taken place across Dubai in 2013-14 seems to have subsidised, according to Asteco. “Most tenants chose to renew their rental contracts rather than relocate,” its report notes. “High-end apartments in Dubai Marina and Downtown Dubai remained popular. Secondary locations such as Dubai Sports City, in addition, attracted good levels of demand from middle-income residents due to the master community becoming better established.”

Source: Gulf News

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LUXURY BRAND BULGARI TO DEVELOP DUBAI RESORT WITH MERAAS

MONDAY 27 APRIL 2015

Italian jeweller Bulgari and Dubai developer Meraas Holding plan to build a luxury resort and residential project on a man-made island off the coast of Dubai as the emirate steps up its expansion as an international tourist destination.

The 1.7 million square foot (157,935 square metre) Bulgari Resort and Residences project will cover about a quarter of Jumeirah Bay Island, joined to Dubai's mainland by road bridges.

It will feature a 101-room hotel, 165 residential apartments, 15 mansions and eight penthouses and will be completed in the first quarter of 2017, Meraas's chief hospitality officer Cherif Hosny said on Monday.

Hosny did not give the cost of the project or the expected sales value of the residential properties, which will go on the market in the next few days.

The project will be entirely financed by government-owned Meraas, with Bulgari, acquired by Paris-listed LVMH in 2011, licensing its brand for an undisclosed amount.

"Hotels are not a business venture for Bulgari -- it's a design, communication and public relations way of differentiating our brand," said Silvio Ursini, Executive Vice President of Bulgari Hotels & Resorts.

Ritz-Carlton will operate the hotel under the Bulgari name.

"We don't have the operating know-how," said Ursini, adding the hotel's 20 beachside villas will help average room rates become "by far the highest in the market".

Rooms at the Burj Al Arab, the world's only seven-star hotel, range from 4,995 dirhams ($1,361) a night to 32,950 dirhams, excluding taxes and fees.

The Bulgari link-up is the latest property venture by Meraas, which is owned by Dubai's ruler Sheikh Mohammed bin Rashid al-Maktoum and has about 12 local real estate projects.

Meraas is also majority shareholder in Dubai Parks and Resorts, which is building a $2.9 billion tourist attraction in the emirate. Dubai aims to double annual tourist numbers to 20 million in 2020 from 10 million in 2012, and treble tourism income over that period.

Source: Gulf News

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STRONG DOLLAR IS THE LOOMING THREAT FOR DUBAI REALTY

MONDAY 27 APRIL 2015

Apart from local factors such as demand-supply mismatch and weak mortgage lending support, Dubai’s real estate has an external concern it is having to deal with — the dollar. The Eurozone’s version of the quantitative easing programme, which is now running, and the US Federal Reserve finally getting started with rate hikes could ‘maintain US dollar strength and temper investment demand for Dubai property in the short to medium term’, a report by Phidar Advisory, issued on Monday, warns.

In fact, the dollar’s resurgence was felt during the first quarter, Phidar contends. “In Q1-15, midpoint exchange rates for all currencies included in the REIDI [real estate international demand index and one created by Phidar] are down against the dollar, both quarter-on-quarter and year-on-year, except the Pakistani rupee and Hong Kong dollar.

“Approximately 55-70 per cent of Dubai’s economy is susceptible to dollar strength and, if job growth slows, so does residential demand growth.

“There are reports of company closures and job cuts, but primarily in oil and gas related companies. There are additional reports of slowed expansion and job cuts in other industries, especially for high income earners. However, thus far, the trend appears marginal.”

How the dollar fares in the near term — or more precisely the extent of its strength — will have a bearing on how comfortable overseas investors will be. And even on those UAE/Gulf based investors who generate much of their investable income from outside. (Also, if the Iranian deal is secured and sanctions scaled back, the dollar’s strength could be a steep hurdle for Iranian investors to get into Dubai’s realty space now.)

In the last few weeks, there has been a stream of off-plan launches, the majority of them targeted at the mid-market buyer. It is unclear whether this is more a coincidence than a case of developers biding their time to launch premium projects at a time when international investors are still uncertain about what to do. “The strong dollar continues to hit Dubai property prices, but apartment transaction volumes remain resilient,” said Jesse Downs, Managing Director of Phidar Advisory. “The market downturn is attracting selective opportunistic investment.”

A lesson for local developers from all this is to pull out all stops in chasing after the end-user than set sights on the distant investor.

“With transactional activity in the market down approximately 30 per cent on a year-on-year basis, it’s evident the speculative froth is out of the market and clearly in favour of end-users,” said Sameer Lakhani, Managing Director of Global Capital Partners. “This dynamic is expected to continue — in broad terms — through the year, with external factors such as the continued dollar strength feeding in as well.”

In a departure from other recent Dubai real estate analysis — which talks about upcoming supply suppressing price increases — Phidar’s report contends that new stock releases will not be ‘massive’. (Most reports suggest residential handovers could be well above the 30,000 unit mark over the next 12-18 months.) In contrast, Phidar’s report suggests: “Over the next three years, supply is projected to expand at an annual average of 4.3 per cent. In contrast, between 2008 and 2011, supply expanded at an annual average rate of 12.5 per cent.
Source: Gulf News
nakheel aims to turn palm jumeirah into shopping paradise

saturday 02 may 2015

Six years after the global financial crisis brought construction sites on Palm Jumeirah to a standstill, Nakheel is aiming to turn the man-made island into a shoppers’ paradise.

More than 2.1 million square feet of shops, bars and restaurants are set to open on the island – accounting for almost 20 per cent of the developer’s entire planned retail portfolio.

It is part of a plan to open 10,000 retail units across Dubai as it seeks to boost recurring revenues while reducing exposure to cyclical property markets.

“On Palm Jumeirah we are creating a shopping destination within the island and a waterfront dining experience that every tourist coming to Dubai will want to view,” said Omar Khoory, director of Nakheel Retail, in Dubai.

In addition to its three major retail developments on the island at Nakheel Mall, The Pointe and the Golden Mile, the developer is also adding food and beverage outlets at its Palm Views East and West projects. An 11-kilometre boardwalk around the island will also have retail concessions.

The Nakheel Mall, under construction on the trunk of the island is currently about 55 per cent leased according to Mr Khoory.

Waitrose and Vox Cinemas will be among the tenants, while talks are under way to secure an anchor department store.

Leasing is also under way on the Golden Mile strip where the Spinney’s supermarket group is fitting out its store. Other tenants will include Fitness First, and Shakespeare and Co.

Last week Nakheel reported first quarter profits had more than doubled to Dh1.35 billion, helped by its fast expanding retail portfolio.

The flurry of retail leasing activity on the island coincides with expansions at Dragon Mart and Ibn Battuta Mall that will include a vast indoor garden with a glass roof that can be opened during the winter months.

A wave of mall construction under way in the city is likely to put pressure on retail rents say analysts at a time of faltering consumer confidence and as the strong dollar also hits tourist purchases.

Still, Mr Khoory believes the company’s planned expansions in the city are located in areas of rising demand. “Shopping is lifestyle in Dubai,” he said. “It is entertainment. Maybe people are becoming more cost conscious and looking online, but that pushes retailers to give more attractive offers.”

Source: The National

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DUBAI’S DH475 MILLION BLUEWATERS BRIDGE PROJECT GETS DRIVERLESS CAR LINK TO SHEIKH ZAYED ROAD

SUNDAY 03 MAY 2015

A bridge building boom is set to boost transport links in Dubai as city planners race to keep pace with population growth.

It comes as work on the futuristic Dh475 million Bluewaters Bridge gathers pace.

The bridge, which will link the Dh1.6 billion Bluewaters Island tourism megaproject with Sheikh Zayed Road, will include two lanes designated for a driverless electric car system to the Nakheel Harbour & Tower metro station.

The bridge will connect the island – set to become home to the world’s largest Ferris wheel – with the JBR interchange 5.5 on the Sheikh Zayed Road.

The Roads and Transport Authority said yesterday that the bridge will include an automated personal rapid transit system or podcars.

The bridge will measure 1,400 metres long and 25 metres wide – similar to those in operation at Abu Dhabi’s super green Masdar City.

“The project will be served by a personal rapid transit system to bring visitors from the metro station to the festivities area, a footbridge will be constructed to link the island with the waterfront of the JBR and a cable car will shuttle visitors to and from the entertainment zone,” said Mattar Al Tayer, the executive director of the RTA.

It is one of several bridge projects under way aimed at relieving congestion.

Rising tourist arrivals are also putting pressure on transport infrastructure. Bluewaters Island alone expects to attract more than three million visitors a year.

Plans are in place for more than 40 new bridges across the emirate costing billions of dirhams.

These include the Dh2bn Dubai Water Canal project, which includes a bridge on Sheikh Zayed Road over the creek extension canal. Phase two, which includes building bridges on Al Wasl and Jumeirah Roads has reached 25 per cent completion.

A Dh200 million bridge aimed at reducing traffic congestion around Nakheel’s International City was approved last year. It will extend from Sheikh Mohammed bin Zayed Road to Nouakchott Road, north to south, and from Al Awir Road to Al Manama Road, east to west. In March, work started on the Dh88 million Wafi Interchange Improvement project comprising the construction of a 700 metre long, six lane bridge.

Source: The National

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DH11M DUBAI VILLA WITH THEATRE IN BASEMENT AND PERSONAL LIFT

THURSDAY 30 APRIL 2015

Owning a slice of green in the desert of Dubai comes at a premium – and for good reason.

As the real estate market slows down, Al Barari, long known for its verdant landscaped gardens, has a villa available in the market for a reduced price of Dh11.9 million.

The fully furnished seven-bedroom villa spread across 12,700 square feet also has a study and parking for three cars. It comes with a maid’s room and a driver’s room besides a private landscaped garden and an infinity pool.

The villa is set out over three levels: with a basement featuring a home theatre; four reception rooms, a family and service kitchen and two bedrooms on the ground floor, and a further five bedrooms on the first floor. For those who dislike climbing the stairs, a personal lift can take the strain.

The homes are “set in their own landscaped paradise with infinity pools, water features, entertaining areas and rooftop terraces”, according to Dubai-based Ocean View Real Estate, where it is listed.

The villa forms part of the first phase of the development’s master plan, known as The Residences.

Al Barari, which translates as “wilderness”, is located in Nad Al Sheba in Dubailand, overlooking a protected wildlife reserve.

Last month, it launched a new development called The Nest with villas between Dh7.7million and Dh12m. But this week, villas at The Nest were going for prices starting at Dh6.75m for four-bedroom homes on online property websites.

The 99 villas will bring the total number of villas at Al Barari to 319. It has five residential segments: The Nest, Ashjar, Seventh Heaven, The Reserve and The Residences.

The entire project is billed as a green living getaway, with leafy roads, the fresh-food themed restaurant The Farm and a privately-owned plant nursery. About 80 per cent of the 4.2 million sq ft development has gardens and water bodies, says the Zaal family behind the development.

In keeping with its nature theme, the development at times holds events such as a pop-up farmers’ market in March.

Q&A

Why is the villa on the market for a reduced price?

“For no other reason than the vendor is very motivated to sell,” says Kati Moghaddam from Ocean View Real Estate.

So what would be the usual price for a villa of this size in Al Barari?

The average price for a D type villa is about Dh15 million. There are some properties at Dh13.5m.

How much have the sales and rental yields changed in the first quarter of this year?
Villa sales dipped 1 per cent, compared to the previous quarter, while rental rates remained unchanged, according to the consultancy JLL’s report. “This downwards trend is expected to continue throughout this year, as we foresee prices dropping up to 10 per cent by year-end.” Are luxury homes still the favoured trend for the Dubai property market?

Analysts forecast a shift towards more affordable housing geared towards end-users and middle-income earners. The Dubai-based developer Nshama’s Town Square project comprises two phases: Zahra and Hayat. These consist of town houses and apartments priced at Dh600 per square foot near the Arabian Ranches. If the Dubai Municipality proposal comes into force, all new residential developments will feature a certain percentage of affordable housing. The agency has also identified about 100 hectares of land for affordable housing projects.

Source: The National
MEGA-PROJECT FOR ABU DHABI’S EAGLE HILLS IN BELGRADE

SUNDAY 26 APRIL 2015

Abu Dhabi’s Eagle Hills has signed a deal to develop a vast site in the Serbian capital of Belgrade that will be home to the biggest mall in the Balkans.

Mohamed Alabbar, the chairman of Emaar Properties and also a board member of Eagle Hills, yesterday signed the deal with the Serbian government to redevelop 1.8 million square metres of central Belgrade.

The project, which would take more than 30 years to complete, includes a 140,000 square metre shopping mall that would be the biggest in the Balkans; 5,700 homes to accommodate 14,000 people, eight hotels comprising a total of 2,200 rooms and a 200-metre high tower.

The Serbian prime minister Aleksandar Vucic presented the project to the Serbian parliament this month.

Eagle Hills will own 68 per cent of the multibillion euro project, while the Serbian government will own the remaining 32 per cent.

Under the terms of the contract, the Serbian government will grant Eagle Hills a 99-year lease on land for the regeneration scheme under the proviso that 50 per cent of the project must be completed within 20 years.

In return, the Abu Dhabi-based investor will provide €150 million (Dh599.1m) of cash investment to the mega-project as well as another €150m as a shareholder loan. The company will also lend the Serbian government another €130m to buy packages of land in the development area which it does not already own and to clean up the area.

Construction work on the project, which is said to create 20,000 jobs, will start after the contract has been approved by Serbia’s competition regulator with a first phase including a 22-storey mixed-use tower.

Eagle Hills hopes to develop the project in partnership with Serbian developers.

Eagle Hills has been quietly recruiting former Emaar executives and last year merged with Al Maabar, a joint venture founded by Abu Dhabi’s largest developers.

The Eagle Hills website said that Al Maabar became a subsidiary in October.

Al Maabar was founded as a joint venture under the direction of the Abu Dhabi Government and created by Aldar Properties, Al Qudra Real Estate, Sorouh Real Estate, Mubadala Development, Reem International and Al Reem Investments in 2007.

Yesterday’s news underscores growing commercial ties between Abu Dhabi and Belgrade, which has yielded millions of dollars of investment for Serbia’s crisis-hit economy and provided Abu Dhabi-based companies with expansion opportunities.
Last April the Abu Dhabi government signed an agreement with Serbia to lend the indebted Balkan country US$1 billion. In August 2013 Etihad Airways acquired a 49 per cent stake in Serbia’s loss-making Jat Airways, which was rebranded as Air Serbia.

And in January 2013 Arabtec Holding, which is controlled by Abu Dhabi fund Aabar, announced it would open a regional headquarters in Belgrade to drive its expansion into the Balkans.

Source: The National

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NSHAMAN LAUNCHES SALES ON NEW $95K DUBAI APARTMENTS

SATURDAY 02 MAY 2015

Nshama, the developer behind Dubai's Town Square mega project, has announced it is to launch a new range of apartments costing from just over $95,000.

Safi Apartments is the latest collection of homes to be launched in the 750-acre mixed-use development and will go on sale on Saturday.

Featuring studios and 1, 2 and 3-bedroom apartments, Safi prices start at AED349,988 ($95,287) for a studio and go up to AED999,988 for a three-bedroom apartment.

Town Square is the flagship project of Nshama and will be anchored by a central square that is the size of 16 football fields.

It features a range of lifestyle choices including the Vida Town Square Dubai hotel and a Reel Cinemas cineplex and open-air cinema. There will also be a 2.5 million retail precinct featuring more than 600 stores and F&B outlets, green trails, outdoors sports courts and cycling tracks.

The launch of Safi Apartments follows what Nshama describes as the "overwhelming response" to the launch of Zahra and Hayat Townhouses and Zahra Apartments.

Fred Durie, CEO of Nshama, said: "The strong response from end-use buyers for our residences underlines the real market demand for thoughtfully designed homes that are offered at highly competitive price points."

He added: "We have awarded several construction contracts and Town Square is now taking shape. Safi Apartments offers another remarkable opportunity, especially for first-time home-owners and families to build their future in one of Dubai's stylish, vibrant and youthful neighbourhoods."

Safi Apartments will have amenities including four fitness centres, one in each block, and swimming pools.

Town Square is located in New Dubai near Al Barsha and will feature over 3,000 townhouses and over 18,000 apartments as well as substantial retail, hospitality and commercial space.

Source: The National

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DUBAI'S NAKHEEL SET TO LEASE
DRAGON CITY RETAIL SPACE

SATURDAY 02 MAY 2015

Nakheel has announced that its Dragon City mixed-use community in Dubai will open for lease on Sunday, with 1.3 million square feet of new retail space up for grabs.

The Dubai developer said it is adding more than 1,100 new shops, restaurants, cafes and entertainment facilities to the existing Dragon Mart complex which, with 3,500 outlets, is already the world’s biggest Chinese trading hub outside mainland China.

Dragon Mart, which currently attracts around 65,000 visitors a day, is being transformed into a giant retail, residential and leisure hub – renamed Dragon City to reflect the expansion – as part of Nakheel’s advance into the retail, hospitality and leasing sectors.

Dragon City, endorsed earlier this month by Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, will span 11 million square feet in built-up area when complete.

The newly-available retail space – the size of 17 football pitches – includes a new mall with integral car park and a separate showroom-style complex.

Space is also available in and around Dragon Towers, the new, twin-building residential component of Dragon City, which will have 1,120 apartments and be linked to the main mall by a covered walkway, Nakheel said.

Dragon City will also feature two hotels, each with 250 rooms. The first, to be operated by Accor, is due to open this year.

Nakheel chairman Ali Rashid Lootah said: “Dragon Mart is one of Dubai’s biggest success stories, going from strength to strength since opening in 2004. Dragon City will build on that phenomenal success by transforming what is currently a retail and trading hub into a sprawling mixed-use community.

“Dragon City will further strengthen the growing trade links between the UAE and China, and open up yet more opportunities for business, leisure, tourism and living.

"In addition, the new community will provide more on-the-doorstep facilities for over 100,000 residents who live in neighbouring International City.“

The Dragon City extension is in addition to Nakheel’s earlier phase two expansion of Dragon Mart. The project, comprising a mall, multi-storey car park and hotel, doubled the size of the original complex.

Source: The National
With 30 years of Middle East experience, Asteco’s Valuation & Advisory Services team brings together a group of the Gulf’s leading real estate experts.

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Asteco has been instrumental in the leasing of many high-profile developments across the GCC.

ASSET MANAGEMENT
Asteco provides comprehensive asset management services to all property owners, whether a single unit (IPM) or a regional mixed use portfolio. Our focus is on maximising value for our Clients.

OWNER ASSOCIATION
Asteco has the experience, systems, procedures and manuals in place to provide streamlined comprehensive Association Management and Consultancy Services to residential, commercial and mixed use communities throughout the GCC Region.

SALES MANAGEMENT
Our Sales Management services are comprehensive and encompass everything required for the successful completion and handover of units to individual unit owners.